

**CITY OF NORTH MIAMI CLAIR T. SINGERMAN EMPLOYEES RETIREMENT SYSTEM  
ACTUARIAL VALUATION REPORT AS OF OCTOBER 1, 2015**

**ANNUAL EMPLOYER CONTRIBUTION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2017**





June 20, 2016

Board of Trustees  
Clair T. Singerman Employees Retirement System  
North Miami, Florida

Dear Board Members:

The results of the October 1, 2015 Annual Actuarial Valuation of the City of North Miami Clair T. Singerman Employees Retirement System are presented in this report.

This report was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The purpose of the valuation is to measure the System's funding progress, to determine the employer contribution rate for the fiscal year ending September 30, 2017, and to report the actuarial information for Governmental Accounting Standards Board (GASB) No. 67 for fiscal year ending September 30, 2015. This report should not be relied on for any purpose other than the purpose described above. Determinations of financial results associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

The computed contribution rate shown on page 1 may be considered as a minimum contribution rate that complies with the Board's funding policy. Users of this report should be aware that contributions made at that rate do not guarantee benefit security. Given the importance of benefit security to any retirement system, we suggest that contributions to the System in excess of those presented in this report be considered.

The findings in this report are based on data or other information through September 30, 2015. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The valuation was based upon information furnished by the Plan Administrator concerning Retirement System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the Plan Administrator.

In addition, this report was prepared using assumptions approved by the Board as described in the section of this report entitled Actuarial Assumptions and Methods.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board, and with applicable statutes.

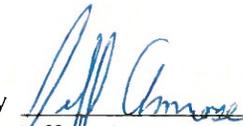
Jeffrey Amrose and Trisha Amrose are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

This actuarial valuation and/or cost determination was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate. In my opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices. There is no benefit or expense to be provided by the system and/or paid from the system's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in system costs or required contribution rates have been taken into account in the valuation.

Gabriel, Roeder, Smith & Company will be pleased to review this valuation report with the Board of Trustees and to answer any questions pertaining to the valuation.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By  \_\_\_\_\_  
Jeffrey Amrose, MAAA  
Enrolled Actuary No. 14-6599

By  \_\_\_\_\_  
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Enrolled Actuary No. 14-8010

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**SECTION A**  
**DISCUSSION OF VALUATION RESULTS**

## DISCUSSION OF VALUATION RESULTS

### Comparison of Required Employer Contributions

A comparison of the required employer contribution developed in this valuation and the last valuation is as follows.

	<b>For FYE 9/30/2017 Based on 10/1/2015 Valuation</b>	<b>For FYE 9/30/2016 Based on 10/1/2014 Valuation</b>	<b>Increase (Decrease)</b>
Actuarially Determined Employer Contribution	\$ 5,028,652	\$ 5,997,618	\$ (968,966)
As % of Covered Payroll	43.28 %	52.04 %	(8.76) %

The contribution has been adjusted for interest on the basis that payments are made on the first day of the fiscal year by both the City and the County.

The actual Employer contribution during the year ending September 30, 2015 was \$5,598,011. The required contribution was \$5,598,011 for that year based on a payment date of October 1, 2014 for the City contributions on behalf of general employees and police officers and October 1, 2014 for the County contribution on behalf of firefighters.

### Employer Contributions by Group

Separate actuarial valuations have been performed for general employees, police officers and firefighters. Results are as follows:

<b>Group</b>	<b>Actuarially Determined Employer Contribution for FYE 9/30/2017</b>	
	<b>Dollar Amount</b>	<b>% of Payroll</b>
General Employees	\$ 4,878,389	42.41 %
Police Officers	46,403	39.58
Firefighters	103,860	N/A
	5,028,652	43.28

## Revisions in Benefits

Ordinance No. 1397, adopted on March 8, 2016, includes the following changes in Plan benefits:

- Effective February 1, 2016 the City joined the Florida Retirement System (FRS) for general employees. New employees hired after this date will join FRS rather than the City Plan.
- Members who were employed by the City on February 1, 2016 had the option to remain in the City Plan or participate in FRS. Additionally, these members had the option of keeping their accrued benefits in the City Plan or receiving refunds of member contributions. Twelve active members as of October 1, 2015 elected to transfer to FRS.
- The table below summarizes other changes to the plan provisions of the City of North Miami Clair T. Singerman Employees Retirement System. There were no changes for members who were eligible for Normal Retirement as of November 10, 2015.

	<b>As of November 10, 2015</b>			
	<b>Eligible for Normal Retirement</b>	<b>Members with 15 or more years of service</b>	<b>Members with 10 - 15 years of service</b>	<b>Members with less than 10 years of service</b>
<b>Member Contribution Rate</b>	7%	8%	7%	6%
<b>Cost of Living Adjustment (COLA)</b>	3.0% delayed 5 years*	2.5% delayed 5 years	2.0% delayed 5 years	1.5% delayed 5 years
<b>Benefit Multiplier for Accruals After November 9, 2015</b>	3.0%	3.0%	2.5%	2.0%

\* May also elect a 1.92% COLA delayed one year after retirement or a 2.5% COLA delayed 3 years after retirement.

- The period used to determine a member's Average Final Compensation will be as follows:
  - 3-year averaging period will be used effective September 30, 2016.
  - 4-year averaging period will be used effective September 30, 2017.
  - 5-year averaging period will be used effective September 30, 2018.
  - 2-year averaging period will continue to be used for members who are normal retirement eligible as of September 30, 2016.

Additionally, the Ordinance provides that in no event will any of the changes detailed above result in a lower benefit than the accrued benefit earned as of November 10, 2015. These benefit changes resulted in a 7.12% decrease in the employer contribution rate.

## Revisions in Actuarial Assumptions and Methods

Due to the Plan closure described above, the payroll growth assumption used to amortize the Unfunded Actuarial Accrued Liability (UAAL) has been changed to 0%. This change had no measurable impact on the required employer contribution because the payroll growth assumption had already been capped at 0% due to the actual 10-year average payroll growth limitation under the Florida Statutes.

It is important to note that under Florida Statutes, the Plan will be required to use the same mortality assumption used by the Florida Retirement System beginning with the October 1, 2016 Actuarial Valuation.

### **Actuarial Experience**

There was a net actuarial loss of \$581,246 for the year which means that actual experience was less favorable than expected. The loss was primarily due to a lower recognized investment return on the actuarial value of assets of 6.2% as compared to the assumed rate of 7.5%. This loss was partially offset by lower than expected salary increases during the year and more terminations than expected from the General group. The experience loss resulted in a 1.70% increase in the employer contribution rate.

### **Funded Ratio**

This year's funded ratio is 89.4% compared to 83.1% last year. The funded ratio was 85.2% before the Plan provision changes described above. The ratio is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability.

### **Analysis of Change in Required Employer Contribution**

The components of change in the required contribution are as follows:

Contribution rate last year	52.04 %
Changes in plan provisions	(7.12)
Payment on unfunded liability	(3.74)
Experience gain/loss	1.70
Change in administrative expense	0.07
Change in Normal Cost rate	<u>0.33</u>
Contribution rate this year	43.28

### **Variability of Future Contribution Rates**

One consequence of a plan closure is that, in general, the annual payment on the unfunded accrued liability will continue to increase as a percentage of covered payroll, as such payroll decreases from year to year. Additionally, when experience differs from the assumptions, as it often does, the employer's contribution rate can vary significantly from year-to-year. Over time, if the year-to-year gains and losses

offset each other, the contribution rate would be expected to increase at a rate that is inversely proportional to the rate of shrinking payroll, but this does not always happen.

The Actuarial Value of Assets exceeds the Market Value of Assets by \$5,403,075 as of the valuation date (see Section C). This difference will be gradually recognized in the absence of offsetting gains. In turn, the computed employer contribution rate will gradually increase by approximately 8.42% of covered payroll (based on the current payroll level).

### **Relationship to Market Value**

If Market Value had been the basis for the valuation, the Employer contribution rate would have been 51.70% and the funded ratio would have been 84.7%. In the absence of other gains and losses, the employer contribution rate should increase above that level over the next several years, as payroll shrinks.

### **Conclusion**

The remainder of this Report includes detailed actuarial valuation results, information relating to the pension fund, financial accounting information, miscellaneous employee data and a summary of plan provisions.

## CHAPTER REVENUE

Increments in Chapter revenue over that received in 1998 must first be used to fund the cost of compliance with minimum benefits.

As of the valuation date, the following minimum benefits of Chapter 185 have not been adopted: allow normal retirement at age 55 with ten years of service; change the normal form of benefit from a single life annuity to a ten year certain and life annuity; allow early retirement at age 50 with ten years of service; reduce the early retirement penalty to 3%; provide that the service connected disability benefit will be no less than the accrued pension; remove the 50% limit on the non-service disability benefit; provide a preretirement death benefit for all vested members equal to the accrued pension payable at what would have been the normal or early retirement date; and provide 100% vesting at ten years of service.

<b>Actuarial Confirmation of the Use of State Chapter Money</b>			
	<b>748 Plan</b>	<b>691 Plan</b>	<b>Total</b>
1. Base Amount Previous Plan Year (Excluding Amount Allocated to Share Plan)	82,682	-	82,682
2. Amount Received for Previous Plan Year	308,340	2,387	310,727
3. Amount Allocated to Share Plan	146,452	1,134	147,586
4. Amount Received for Previous Plan Year After Share Plan Allocation (2) - (3)	161,888	1,253	163,141
5. Benefit Improvements Made in Prior Plan Year	-	-	-
6. Excess Funds for Previous Plan Year (4) - (5) - (1)	79,206	1,253	80,459
7. Accumulated Excess at Beginning of Previous Plan Year	318,819	29,196	348,015
8. Prior Excess Used in Previous Plan Year	-	-	-
9. Accumulated Excess as of Valuation Date (7) - (8) + (6)	398,025	30,449	428,474
10. Base Amount This Plan Year (Excluding Amount Allocated to the Share Plan) (1) + (5)	82,682	-	82,682

The Accumulated Excess shown in line 9 for the 691 Plan is being held in reserve and is subtracted from Plan assets (see Section C of this Report). The Base Amount in line 10 is the amount the employer may take as a credit against its required contribution; however, in no event may the employer take credit for more than the actual amount of Chapter revenue received.

**SECTION B**  
**VALUATION RESULTS**

<b>PARTICIPANT DATA -- ALL GROUPS COMBINED</b>			
	<b>October 1, 2015</b> <i>After Changes</i>	<b>October 1, 2015</b> <i>Before Changes</i>	<b>October 1, 2014</b>
<b>ACTIVE MEMBERS</b>			
Number	241	253	243
Covered Annual Payroll	\$ 11,618,974	\$ 12,388,162	\$ 11,524,318
Average Annual Payroll	\$ 48,212	\$ 48,965	\$ 47,425
Average Age	44.8	44.5	44.0
Average Past Service	10.0	9.7	9.8
Average Age at Hire	34.8	34.8	34.2
<b>RETIREES &amp; BENEFICIARIES</b>			
Number	222	222	226
Annual Benefits	\$ 6,374,562	\$ 6,374,562	\$ 6,343,855
Average Annual Benefit	\$ 28,714	\$ 28,714	\$ 28,070
Average Age	69.2	69.2	68.7
<b>DISABILITY RETIREES</b>			
Number	2	2	2
Annual Benefits	\$ 42,005	\$ 42,005	\$ 42,005
Average Annual Benefit	\$ 21,003	\$ 21,003	\$ 21,003
Average Age	79.7	79.7	78.7
<b>TERMINATED VESTED MEMBERS</b>			
Number	3	2	2
Annual Benefits	\$ 171,984	\$ 119,184	\$ 119,184
Average Annual Benefit	\$ 57,328	\$ 59,592	\$ 59,592
Average Age	55.4	56.2	55.2

<b>PARTICIPANT DATA -- GENERAL EMPLOYEES</b>			
	<b>October 1, 2015</b> <i>After Changes</i>	<b>October 1, 2015</b> <i>Before Changes</i>	<b>October 1, 2014</b>
<b>ACTIVE MEMBERS</b>			
Number	240	252	242
Covered Annual Payroll	\$ 11,501,739	\$ 12,270,927	\$ 11,414,321
Average Annual Payroll	\$ 47,924	\$ 48,694	\$ 47,167
Average Age	44.7	44.4	43.9
Average Past Service	9.9	9.6	9.6
Average Age at Hire	34.8	34.8	34.3
<b>RETIREEES &amp; BENEFICIARIES</b>			
Number	186	186	189
Annual Benefits	\$ 5,514,934	\$ 5,514,934	\$ 5,481,584
Average Annual Benefit	\$ 29,650	\$ 29,650	\$ 29,003
Average Age	67.5	67.5	67.0
<b>DISABILITY RETIREEES</b>			
Number	2	2	2
Annual Benefits	\$ 42,005	\$ 42,005	\$ 42,005
Average Annual Benefit	\$ 21,003	\$ 21,003	\$ 21,003
Average Age	79.7	79.7	78.7
<b>TERMINATED VESTED MEMBERS</b>			
Number	3	2	2
Annual Benefits	\$ 171,984	\$ 119,184	\$ 119,184
Average Annual Benefit	\$ 57,328	\$ 59,592	\$ 59,592
Average Age	55.4	56.2	55.2

<b>PARTICIPANT DATA -- POLICE OFFICERS</b>		
	<b>October 1, 2015</b>	<b>October 1, 2014</b>
<b>ACTIVE MEMBERS</b>		
Number	1	1
Covered Annual Payroll	\$ 117,235	\$ 109,997
Average Annual Payroll	\$ 117,235	\$ 109,997
Average Age	61.6	60.6
Average Past Service	40.3	39.3
Average Age at Hire	21.3	21.3
<b>RETIREEES &amp; BENEFICIARIES</b>		
Number	22	23
Annual Benefits	\$ 436,203	\$ 438,846
Average Annual Benefit	\$ 19,827	\$ 19,080
Average Age	76.8	75.9
<b>DISABILITY RETIREEES</b>		
Number	0	0
Annual Benefits	\$ 0	\$ 0
Average Annual Benefit	\$ 0	\$ 0
Average Age	0.0	0.0
<b>TERMINATED VESTED MEMBERS</b>		
Number	0	0
Annual Benefits	\$ 0	\$ 0
Average Annual Benefit	\$ 0	\$ 0
Average Age	0.0	0.0

<b>PARTICIPANT DATA -- FIREFIGHTERS</b>		
	<b>October 1, 2015</b>	<b>October 1, 2014</b>
<b>ACTIVE MEMBERS</b>		
Number	0	0
Covered Annual Payroll	\$ 0	\$ 0
Average Annual Payroll	\$ 0	\$ 0
Average Age	0.0	0.0
Average Past Service	0.0	0.0
Average Age at Hire	0.0	0.0
<b>RETIREES &amp; BENEFICIARIES</b>		
Number	14	14
Annual Benefits	\$ 423,425	\$ 423,425
Average Annual Benefit	\$ 30,245	\$ 30,245
Average Age	79.9	78.9
<b>DISABILITY RETIREES</b>		
Number	0	0
Annual Benefits	\$ 0	\$ 0
Average Annual Benefit	\$ 0	\$ 0
Average Age	0.0	0.0
<b>TERMINATED VESTED MEMBERS</b>		
Number	0	0
Annual Benefits	\$ 0	\$ 0
Average Annual Benefit	\$ 0	\$ 0
Average Age	0.0	0.0

<b>ACTUARIALLY DETERMINED EMPLOYER CONTRIBUTION (ADEC) -- GENERAL EMPLOYEES</b>			
A. Valuation Date	October 1, 2015 <i>After Changes</i>	October 1, 2015 <i>Before Changes</i>	October 1, 2014
B. ADEC to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2017	9/30/2016
C. Assumed Dates of Employer Contributions	10/1/2016	10/1/2016	10/1/2015
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 3,142,412	\$ 3,659,780	\$ 3,622,802
E. Employer Normal Cost	1,395,624	2,009,013	1,822,963
F. ADEC as of the Valuation Date: D+E <i>Valuation Date</i>	4,538,036 <i>10/1/2015</i>	5,668,793 <i>10/1/2015</i>	5,445,765 <i>10/1/2014</i>
G. ADEC if Paid on the First Day of the Next Fiscal Year <i>First Day of Next Fiscal Year</i>	4,878,389 <i>10/1/2016</i>	6,093,952 <i>10/1/2016</i>	5,854,197 <i>10/1/2015</i>
H. ADEC if Paid Quarterly throughout the Next Fiscal Year	5,100,808	6,371,792	6,121,106
I. ADEC as % of Covered Payroll*	42.41 %	49.66 %	51.29 %
J. Assumed Rate of Increase in Covered Payroll to Contribution Year	0.00 %	0.00 %	0.00 %
K. Covered Payroll for Contribution Year	11,501,739	12,270,927	11,414,321
L. ADEC for Contribution Year: I x K*	4,878,389	6,093,952	5,854,197

\* Assuming the contribution from Item G is paid on the first day of the next fiscal year.

<b>ACTUARIALLY DETERMINED EMPLOYER CONTRIBUTION (ADEC) -- POLICE OFFICERS</b>		
A. Valuation Date	October 1, 2015	October 1, 2014
B. ADEC to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2016
C. Assumed Dates of Employer Contributions	10/1/2016	10/1/2015
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 0	\$ 0
E. Employer Normal Cost	43,166	43,171
F. ADEC as of the Valuation Date: D+E <i>Valuation Date</i>	43,166 <i>10/1/2015</i>	43,171 <i>10/1/2014</i>
G. ADEC if Paid on the First Day of the Next Fiscal Year <i>First Day of Next Fiscal Year</i>	46,403 <i>10/1/2016</i>	46,409 <i>10/1/2015</i>
H. ADEC if Paid Quarterly throughout the Next Fiscal Year	48,519	48,525
I. ADEC as % of Covered Payroll*	39.58 %	42.19 %
J. Assumed Rate of Increase in Covered Payroll to Contribution Year	0.00 %	0.00 %
K. Covered Payroll for Contribution Year	117,235	109,997
L. ADEC for Contribution Year: I x K*	46,403	46,409

\* Assuming the contribution from Item G is paid on the first day of the next fiscal year.

<b>ACTUARIALLY DETERMINED EMPLOYER CONTRIBUTION (ADEC) -- FIREFIGHTERS</b>		
A. Valuation Date	October 1, 2015	October 1, 2014
B. ADEC to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2016
C. Assumed Dates of Employer Contributions	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 96,614	\$ 86,309
E. Employer Normal Cost	0	0
F. ADEC as of the Valuation Date: D+E, but not less than \$0 <i>Valuation Date</i>	96,614 <i>10/1/2015</i>	86,309 <i>10/1/2014</i>
G. ADEC if Paid on the First Day of the Next Fiscal Year <i>First Day of Next Fiscal Year</i>	103,860 <i>10/1/2016</i>	92,782 <i>10/1/2015</i>
H. ADEC if Paid Quarterly throughout the Next Fiscal Year	108,595	97,012
I. ADEC as % of Covered Payroll*	---	---
J. Assumed Rate of Increase in Covered Payroll to Contribution Year	0.00 %	0.00 %
K. Covered Payroll for Contribution Year	---	---
L. ADEC for Contribution Year*	103,860	97,012

\* Assuming the contribution from Item G is paid on the first day of the next fiscal year.

**ACTUARIAL VALUE OF BENEFITS AND ASSETS -- ALL EMPLOYEES**

A. Valuation Date	October 1, 2015 <i>After Changes</i>	October 1, 2015 <i>Before Changes</i>	October 1, 2014
<b>B. Actuarial Present Value of All Projected Benefits for</b>			
1. Active Members			
a. Service Retirement Benefits	\$ 46,853,582	\$ 58,626,836	\$ 54,252,634
b. Vesting Benefits	923,650	1,321,569	1,385,102
c. Disability Benefits	3,310,221	3,758,824	3,488,025
d. Preretirement Death Benefits	529,846	644,292	591,769
e. Return of Member Contributions	188,003	233,029	189,496
f. Total	<u>51,805,302</u>	<u>64,584,550</u>	<u>59,907,026</u>
2. Inactive Members			
a. Service Retirees & Beneficiaries	75,109,179	75,109,179	75,274,299
b. Disability Retirees	236,509	236,509	240,894
c. Terminated Vested Members	2,019,000	1,324,622	1,519,866
d. Total	<u>77,364,688</u>	<u>76,670,310</u>	<u>77,035,059</u>
3. Total for All Members	129,169,990	141,254,860	136,942,085
<b>C. Actuarial Accrued (Past Service) Liability</b>	115,328,753	121,065,175	118,154,197
<b>D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35</b>	108,109,935	109,700,585	106,804,244
<b>E. Plan Assets</b>			
1. Market Value	97,723,183	97,789,726	98,154,137
2. Actuarial Value	103,126,258	103,192,801	98,182,705
<b>F. Unfunded Actuarial Accrued Liability (UAAL): C - E2</b>	12,202,495	17,872,374	19,971,492
<b>G. Actuarial Present Value of Projected Covered Payroll</b>	87,222,213	94,591,746	89,708,433
<b>H. Actuarial Present Value of Projected Member Contributions</b>	5,818,477	6,621,422	6,279,590
<b>I. Accumulated Contributions of Active Members</b>	6,966,608	7,111,046	6,693,763

<b>ACTUARIAL VALUE OF BENEFITS AND ASSETS -- GENERAL EMPLOYEES</b>			
A. Valuation Date	October 1, 2015 <i>After Changes</i>	October 1, 2015 <i>Before Changes</i>	October 1, 2014
<b>B. Actuarial Present Value of All Projected Benefits for</b>			
1. Active Members			
a. Service Retirement Benefits	\$ 45,291,242	\$ 57,064,496	\$ 52,704,271
b. Vesting Benefits	923,650	1,321,569	1,385,102
c. Disability Benefits	3,310,221	3,758,824	3,488,025
d. Preretirement Death Benefits	522,839	637,285	585,683
e. Return of Member Contributions	188,003	233,029	189,496
f. Total	<u>50,235,955</u>	<u>63,015,203</u>	<u>58,352,577</u>
2. Inactive Members			
a. Service Retirees & Beneficiaries	67,983,135	67,983,135	67,940,569
b. Disability Retirees	236,509	236,509	240,894
c. Terminated Vested Members	2,019,000	1,324,622	1,519,866
d. Total	<u>70,238,644</u>	<u>69,544,266</u>	<u>69,701,329</u>
3. Total for All Members	120,474,599	132,559,469	128,053,906
C. Actuarial Accrued (Past Service) Liability	106,663,897	112,400,319	109,296,182
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	99,461,366	101,052,016	97,954,255
E. Plan Assets			
1. Market Value	89,414,583	89,481,126	89,205,167
2. Actuarial Value	94,358,591	94,425,134	89,231,130
F. Unfunded Actuarial Accrued Liability (UAAL): C - E2	12,305,306	17,975,185	20,065,052
G. Actuarial Present Value of Projected Covered Payroll	87,104,978	94,474,511	89,598,436
H. Actuarial Present Value of Projected Member Contributions	5,810,271	6,613,216	6,271,890
I. Accumulated Contributions of Active Members	6,758,622	6,903,060	6,493,771

<b>ACTUARIAL VALUE OF BENEFITS AND ASSETS -- POLICE OFFICERS</b>		
A. Valuation Date	October 1, 2015	October 1, 2014
<b>B. Actuarial Present Value of All Projected Benefits for</b>		
1. Active Members		
a. Service Retirement Benefits	\$ 1,562,340	\$ 1,548,363
b. Vesting Benefits	-	-
c. Disability Benefits	-	-
d. Preretirement Death Benefits	7,007	6,086
e. Return of Member Contributions	-	-
f. Total	<u>1,569,347</u>	<u>1,554,449</u>
2. Inactive Members		
a. Service Retirees & Beneficiaries	4,137,556	4,237,170
b. Disability Retirees	-	-
c. Terminated Vested Members	-	-
d. Total	<u>4,137,556</u>	<u>4,237,170</u>
3. Total for All Members	5,706,903	5,791,619
<b>C. Actuarial Accrued (Past Service) Liability</b>	5,676,368	5,761,455
<b>D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35</b>	5,660,081	5,753,429
<b>E. Plan Assets</b>		
1. Market Value	5,568,142	5,939,595
2. Actuarial Value	5,875,793	5,941,324
<b>F. Unfunded Actuarial Accrued Liability (UAAL): C - E2</b>	(199,425)	(179,869)
<b>G. Actuarial Present Value of Projected Covered Payroll</b>	117,235	109,997
<b>H. Actuarial Present Value of Projected Member Contributions</b>	8,206	7,700
<b>I. Accumulated Contributions of Active Members</b>	207,986	199,992

<b>ACTUARIAL VALUE OF BENEFITS AND ASSETS -- FIREFIGHTERS</b>		
A. Valuation Date	October 1, 2015	October 1, 2014
B. Actuarial Present Value of All Projected Benefits for		
1. Active Members		
a. Service Retirement Benefits	\$ -	\$ -
b. Vesting Benefits	-	-
c. Disability Benefits	-	-
d. Preretirement Death Benefits	-	-
e. Return of Member Contributions	-	-
f. Total	-	-
2. Inactive Members		
a. Service Retirees & Beneficiaries	2,988,488	3,096,560
b. Disability Retirees	-	-
c. Terminated Vested Members	-	-
d. Total	2,988,488	3,096,560
3. Total for All Members	2,988,488	3,096,560
C. Actuarial Accrued (Past Service) Liability	2,988,488	3,096,560
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	2,988,488	3,096,560
E. Plan Assets		
1. Market Value	2,740,458	3,009,375
2. Actuarial Value	2,891,874	3,010,251
F. Unfunded Actuarial Accrued Liability (UAAL): C - E2	96,614	86,309
G. Actuarial Present Value of Projected Covered Payroll	-	-
H. Actuarial Present Value of Projected Member Contributions	-	-
I. Accumulated Contributions of Active Members	-	-

<b>CALCULATION OF EMPLOYER NORMAL COST -- GENERAL EMPLOYEES</b>			
A. Valuation Date	October 1, 2015 <i>After Changes</i>	October 1, 2015 <i>Before Changes</i>	October 1, 2014
B. Normal Cost for			
1. Service Retirement Benefits	\$ 1,401,625	\$ 2,008,067	\$ 1,837,661
2. Vesting Benefits	174,411	214,099	206,491
3. Disability Benefits	265,576	300,320	265,360
4. Preretirement Death Benefits	29,641	37,657	32,824
5. Return of Member Contributions	<u>63,980</u>	<u>67,797</u>	<u>65,179</u>
6. Total for Future Benefits	1,935,233	2,627,940	2,407,515
7. Assumed Amount for Administrative Expenses	<u>240,038</u>	<u>240,038</u>	<u>214,450</u>
8. Total Normal Cost	2,175,271	2,867,978	2,621,965
9. Total as a % of Covered Payroll	18.91%	23.37%	22.97%
C. Expected Member Contribution	779,647	858,965	799,002
D. Employer Normal Cost: B8-C	1,395,624	2,009,013	1,822,963
E. Employer Normal Cost as a % of Covered Payroll	12.13%	16.37%	15.97%

<b>CALCULATION OF EMPLOYER NORMAL COST -- POLICE OFFICERS</b>		
A. Valuation Date	October 1, 2015	October 1, 2014
B. Normal Cost for		
1. Service Retirement Benefits	\$ 27,981	\$ 27,645
2. Vesting Benefits	980	969
3. Disability Benefits	2,346	2,310
4. Preretirement Death Benefits	165	165
5. Return of Member Contributions	188	186
6. Total for Future Benefits	<u>31,660</u>	<u>31,275</u>
7. Assumed Amount for Administrative Expenses	<u>19,712</u>	<u>19,596</u>
8. Total Normal Cost	51,372	50,871
9. Total as a % of Covered Payroll	43.82%	46.25%
C. Expected Member Contribution	8,206	7,700
D. Employer Normal Cost: B8-C	43,166	43,171
E. Employer Normal Cost as a % of Covered Payroll	36.82%	39.25%

<b>CALCULATION OF EMPLOYER NORMAL COST -- FIREFIGHTERS</b>		
A. Valuation Date	October 1, 2015	October 1, 2014
B. Normal Cost for		
1. Service Retirement Benefits	\$ -	\$ -
2. Vesting Benefits	-	-
3. Disability Benefits	-	-
4. Preretirement Death Benefits	-	-
5. Return of Member Contributions	-	-
6. Total for Future Benefits	-	-
7. Assumed Amount for Administrative Expenses	-	-
8. Total Normal Cost	-	-
9. Total as a % of Covered Payroll	N/A	N/A
C. Expected Member Contribution	-	-
D. Employer Normal Cost: B8-C	-	-
E. Employer Normal Cost as a % of Covered Payroll	N/A	N/A

## LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

### GENERAL EMPLOYEES

UAAL Amortization Period and Payments -- General Employees						
Original UAAL				Current UAAL		
Date	Source **	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/2005	Method Change	20	\$ 12,879,286	10	\$ 9,320,332	\$ 1,263,108
10/1/2006	(Gain)/Loss	20	2,772,755	11	2,176,547	276,771
10/1/2006	Assumption Change	20	5,079,016	11	3,986,905	506,977
10/1/2007	(Gain)/Loss	20	453,113	12	360,615	43,367
10/1/2007	Assumption Change	20	5,935,357	12	4,723,728	568,068
10/1/2008	(Gain)/Loss	20	759,283	13	615,462	70,457
10/1/2009	(Gain)/Loss	20	1,940,137	14	1,614,217	176,884
10/1/2010	(Gain)/Loss	20	(5,847,029)	15	(4,965,057)	(523,235)
10/1/2010	Assumption Change	20	1,382,157	15	1,173,673	123,686
10/1/2011	(Gain)/Loss	20	(6,442,703)	16	(5,705,517)	(580,589)
10/1/2012	(Gain)/Loss	20	326,498	17	311,648	30,730
10/1/2013	(Gain)/Loss	20	757,216	18	755,755	72,432
10/1/2013	Amendment	5	7,679,342	3	5,654,705	2,022,741
10/1/2014	(Gain)/Loss	20	(2,525,432)	19	(2,471,333)	(230,836)
10/1/2015	(Gain)/Loss	20	423,505	20	423,505	38,644
10/1/2015	Amendment	20	(5,669,879)	20	(5,669,879)	(517,368)
10/1/2015	Police Officers Surplus*	1	(199,425)	1	(199,425)	(199,425)
			19,703,197		12,105,881	3,142,412

\* The police officers' surplus is allocated to general employees.

\*\* Descriptions of the source of changes for bases other than (Gain)/Loss are described below.

#### 10/1/2005 Method Changes:

1. The funding method was changed from Aggregate to Entry Age Normal with a 20-year amortization period for general employees and a 5-year amortization period for police officers.
2. The asset valuation method was changed to the method shown in the report prepared by Stanley, Holcombe & Associates, Inc.
3. The mortality table was changed from the 1983 Group Annuity Mortality Table to the RP 2000 Generational Mortality Table.
4. The investment earnings assumption was changed from 9% per year up to retirement and 7% thereafter to 8.5% per year. The investment earnings assumption will be reduced from 8.5% to 8% in the next actuarial valuation as of October 1, 2006.
5. The retirement rates used were multiplied by 80%.

- 6. The salary increase assumption was changed from a flat 6% per year to a graded rate table based on service.
- 7. It was assumed that members will choose the option (lump sum without COLA or annuity with COLA) with the greater actuarial value.

10/1/2006 Assumption Change: The investment earnings assumption was changed from 8.5% per year to 8.0% per year.

10/1/2007 Assumption Change: The investment earnings assumption was changed from 8% per year to 7.5% per year.

10/1/2010 Assumption Change: The timing of expected pay increases was changed from end of year to mid-year timing.

10/1/2013 Amendment: The Plan was amended to provide an Employee Retirement Incentive Program (ERIP) which was offered to members who meet the Rule of 60, have at least ten years of City service, and are eligible for either normal or early retirement as of January 1, 2014. The ERIP provided a 4% benefit multiplier for the last 20 years of credited service. The lump sum form of payment was not available to ERIP retirees.

10/1/2015 Amendment: See the Revision in Benefits section in the Discussion of Valuation Results section of the report.

The Unfunded Actuarial Liability is being amortized as a level dollar amount over the number of years remaining in the amortization period.

<b>Amortization Schedule -- General Employees</b>	
<b>Year</b>	<b>Expected UAAL</b>
2015	\$ 12,105,881
2016	9,635,730
2017	6,765,935
2018	3,680,905
2019	2,538,945
2020	1,311,338
2025	(6,353,867)
2030	(3,232,042)
2035	-

**LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY**  
**POLICE OFFICERS**

<b>UAAL Amortization Period and Payments -- Police Officers</b>						
<b>Original UAAL</b>				<b>Current UAAL</b>		
<b>Date</b>	<b>Category</b>	<b>Amortization Period (Years)</b>	<b>Amount</b>	<b>Years Remaining</b>	<b>Amount</b>	<b>Payment</b>
10/1/2015	Credit*	1	\$ (196,608)	1	\$ (196,608)	\$ (196,608)
10/1/2015	(Gain)/Loss	1	<u>(2,817)</u>	1	<u>(2,817)</u>	<u>(2,817)</u>
			\$ (199,425)		\$ (199,425) **	\$ (199,425)

\* This credit base was established due to the timing of contributions.

\*\* The police officers' surplus is allocated to general employees.

**LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY  
FIREFIGHTERS**

<b>UAAL Amortization Period and Payments -- Firefighters</b>						
<b>Original UAAL</b>				<b>Current UAAL</b>		
<b>Date</b>	<b>Category</b>	<b>Amortization Period (Years)</b>	<b>Amount</b>	<b>Years Remaining</b>	<b>Amount</b>	<b>Payment</b>
10/1/2015	Credit*	1	\$ (63,944)	1	\$ (63,944)	\$ (63,944)
10/1/2015	(Gain)/Loss	1	<u>160,558</u>	1	<u>160,558</u>	<u>160,558</u>
			\$ 96,614		\$ 96,614	\$ 96,614

\* This credit base was established due to the timing of contributions.

The Unfunded Actuarial Liability is being amortized as a level dollar amount over the number of years remaining in the amortization period.

<b>Amortization Schedule -- Firefighters</b>	
<b>Year</b>	<b>Expected UAAL</b>
2015	\$ 96,614
2016	-

### ACTUARIAL GAINS AND LOSSES

When the actual plan experience differs from the actuarial assumptions, an actuarial gain or loss is the result. The net actuarial gain or loss for each group is computed as follows:

	<b>General</b>	<b>Police</b>	<b>Fire</b>	<b>Total</b>
1. Last Year's UAAL	\$ 20,065,052	\$ (179,869)	\$ 86,309	\$ 19,971,492
2. Last Year's Employer Normal Cost	1,671,002	40,287	-	1,711,289
3. Last Year's Contributions	5,408,910	43,309	145,792	5,598,011
4. Interest at the Assumed Rate on:				
a. 1 and 2 for one year	1,630,204	(10,469)	6,473	1,626,208
b. 3 from dates paid	<u>405,668</u>	<u>3,248</u>	<u>10,934</u>	<u>419,850</u>
c. Total: a - b	1,224,536	(13,717)	(4,461)	1,206,358
5. This Year's Expected UAAL (Before Changes): 1 + 2 - 3 + 4c	17,551,680	(196,608)	(63,944)	17,291,128
6. Change in UAAL Due to Change in Benefits or Assumptions	(5,669,879)	-	-	(5,669,879)
7. This Year's Expected UAAL (After Changes): 5 + 6	11,881,801	(196,608)	(63,944)	11,621,249
8. Actual UAAL (After Changes)	12,305,306	(199,425) *	96,614	12,202,495
9. Net Actuarial Gain (Loss): 7 - 8	(423,505)	2,817	(160,558)	(581,246)
10. Gain (Loss) due to Investments				(1,350,769)
11. Gain (Loss) due to Other Causes				769,523

\* The police officers' surplus is allocated to general employees.

The fund earnings and salary increase assumptions have considerable impact on the cost of the plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings and salary increase rates compared to the assumed rates for the last few years. The actual investment return rates shown below are based on the actuarial value of assets. The actual salary increase rates shown above are the increases received by those active members who were included in the actuarial valuations both at the beginning and end of each year.

Period	Annualized Investment Return		Annualized Salary Increases	
	Actual	Assumed	Actual	Assumed
01/1/77 - 01/1/78	3.2 %	6.0 %	7.0 %	4.5 %
10/1/78 - 9/30/79	3.5	6.0	15.0	4.5
10/1/79 - 9/30/81	1.6	7.0	9.0	5.5
10/1/81 - 9/30/83	25.5	7.0	10.0	5.5
10/1/83 - 9/30/85	10.9	7.0	8.0	5.5
10/1/85 - 9/30/87	19.0	7.0	6.0	5.5
10/1/87 - 9/30/89	8.9	8.0	6.5	6.0
10/1/89 - 9/30/90	1.1	8.0	(1.5)	6.0
10/1/90 - 9/30/91	14.4	8.0	1.6	6.0
10/1/91 - 9/30/92	16.2	9.0	6.5	6.0
10/1/92 - 9/30/93	16.6	9.0	5.8	6.0
10/1/93 - 9/30/94	2.2	9.0	7.7	7.0 *
10/1/94 - 9/30/95	18.9	9.0	6.0	7.0 *
10/1/95 - 9/30/96	9.5	9.0	7.4	7.0 *
10/1/96 - 9/30/97	13.2	9.0	5.9	7.0 *
10/1/97 - 9/30/98	10.8	9.0	5.4(G)/4.1(P)	7.0 *
10/1/98 - 9/30/99	12.6	9.0	8.1(G)/8.2(P)	7.0 *
10/1/99 - 9/30/00	11.4	9.0	7.1(G)/2.8(P)	7.0 *
10/1/00 - 9/30/01	8.3	9.0	1.1(G)/0.3(P)	7.0 *
10/1/01 - 9/30/02	(3.0)	9.0	6.2(G)/5.5(P)	6.0
10/1/02 - 9/30/03	3.7	9.0	6.2(G)/5.4(P)	6.0
10/1/03 - 9/30/04	1.5	9.0	5.5(G)/7.7(P)	6.0
10/1/04 - 9/30/05	2.3	9.0	6.0(G)/8.6(P)	6.0
10/1/05 - 9/30/06	6.3	8.5	10.3(G)/16.1(P)	5.5(G)/5.4(P)
10/1/06 - 9/30/07	6.8	8.0	3.1(G)/3.6(P)	6.0(G)/5.4(P)
10/1/07 - 9/30/08	3.9	7.5	1.8(G)/0.0(P)	6.1(G)/5.4(P)
10/1/08 - 9/30/09	1.8	7.5	2.9(G)/1.2(P)	6.1(G)/5.4(P)
10/1/09 - 9/30/10	5.3	7.5	-1.5(G)/-0.3(P)	6.0(G)/5.4(P)
10/1/10 - 9/30/11	3.8	7.5	-8.2(G)/-16.0(P)	6.0(G)/5.4(P)
10/1/11 - 9/30/12	6.0	7.5	5.5(G)/10.8(P)	6.0(G)/5.4(P)
10/1/12 - 9/30/13	6.8	7.5	5.1(G)/5.5(P)	6.0(G)/5.4(P)
10/1/13 - 9/30/14	7.5	7.5	-0.2(G)/-3.4(P)	6.2(G)/5.4(P)
10/1/14 - 9/30/15	6.2	7.5	4.0(G)/6.6(P)	6.2(G)/5.4(P)
Average	8.5	---	3.9(G)/3.7(P) **	---

\* 6% assumption for police officers and firefighters.

\*\* Average since 1997.

<b>Actual (A) Compared to Expected (E) Decrements Among Active General Employees</b>															
<b>Year Ended</b>	<b>Number Added During Year</b>		<b>Service Retirement</b>		<b>Disability Retirement</b>		<b>Death</b>		<b>Terminations</b>				<b>Active Members End of Year</b>		
	<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>	<b>Vested</b>		<b>Other</b>			<b>Totals</b>	
									<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>		<b>A</b>	<b>E</b>
9/30/2002	30	22	4	12	0	2	0	0	6	12	18	22	<b>368</b>		
9/30/2003	23	32	11	16	0	2	0	0	5	16	21	22	<b>359</b>		
9/30/2004	27	28	13	17	0	2	0	0	7	8	15	20	<b>358</b>		
9/30/2005	25	31	12	17	1	2	0	1	1	17	18	18	<b>352</b>		
9/30/2006	28	28	6	17	0	2	0	0	0	22	22	18	<b>352</b>		
9/30/2007	38	24	4	15	0	2	0	0	11	9	20	17	<b>366</b>		
9/30/2008	27	21	7	20	0	2	0	0	0	14	14	17	<b>372</b>		
9/30/2009	8	18	9	23	0	2	0	0	3	6	9	17	<b>362</b>		
9/30/2010	3	69	35	20	0	2	0	0	13	21	34	16	<b>296</b>		
9/30/2011	15	25	18	19	0	2	0	0	1	6	7	12	<b>286</b>		
9/30/2012	18	48	27	21	0	2	0	0	6	15	21	11	<b>256</b>		
9/30/2013	25	17	11	16	0	1	0	0	2	4	6	10	<b>264 *</b>		
9/30/2014	39	61	51**	7	0	1	0	0	5	5	10	11	<b>242</b>		
9/30/2015	38	40	4	8	0	1	0	0	9 ***	27 ***	36	14	<b>240</b>		
9/30/2016				12		1		0				13			
14 Yr Totals ****	344	464	212	228	1	25	0	1	69	182 0	251	225			

\* Before reflecting 48 ERIP retirees.

\*\* Includes 48 ERIP retirees not previously reflected.

\*\*\* Reflects 1 vested transfer and 11 nonvested transfers to FRS.

\*\*\*\* Totals are through current Plan Year only.

<b>Actual (A) Compared to Expected (E) Decrements Among Active Police Officers</b>													
<b>Year Ended</b>	<b>Number Added During Year</b>		<b>Service Retirement</b>		<b>Disability Retirement</b>		<b>Death</b>		<b>Terminations</b>				<b>Active Members End of Year</b>
	<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>	<b>Vested</b>	<b>Other</b>	<b>Totals</b>		
									<b>A</b>	<b>A</b>	<b>A</b>	<b>E</b>	
9/30/2002	0	0	3	4	0	0	0	0	0	0	0	0	<b>7</b>
9/30/2003	0	0	1	2	0	0	0	0	0	0	0	0	<b>6</b>
9/30/2004	0	0	1	4	0	0	0	0	0	0	0	0	<b>5</b>
9/30/2005	0	0	2	3	0	0	0	0	0	0	0	0	<b>3</b>
9/30/2006	0	0	0	2	0	0	0	0	0	0	0	0	<b>3</b>
9/30/2007	0	0	0	3	0	0	0	0	0	0	0	0	<b>3</b>
9/30/2008	0	1	1	2	0	0	0	0	0	0	0	0	<b>2</b>
9/30/2009	0	1	1	2	0	0	0	0	0	0	0	0	<b>1</b>
9/30/2010	0	0	0	1	0	0	0	0	0	0	0	0	<b>1</b>
9/30/2011	0	0	0	1	0	0	0	0	0	0	0	0	<b>1</b>
9/30/2012	0	0	0	1	0	0	0	0	0	0	0	0	<b>1</b>
9/30/2013	0	0	0	1	0	0	0	0	0	0	0	0	<b>1</b>
9/30/2014	0	0	0	1	0	0	0	0	0	0	0	0	<b>1</b>
9/30/2015	0	0	0	1	0	0	0	0	0	0	0	0	<b>1</b>
9/30/2016		0		1		0		0				0	
14 Yr Totals *	0	2	9	28	0	0	0	0	0	0	0	0	

\* Totals are through current Plan Year only.

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS						
Valuation Date	For FYE Ending	Required Contributions (Between Employer & State)		Actual Contributions		
		Amount	% of Payroll	Employer	State	Total
10/1/1991	9/30/1993	\$ 886,728	35.58 %	\$ 843,565	\$ 60,597	\$ 904,162
10/1/1991	9/30/1994	879,668	36.55	838,016	54,577	892,593
10/1/1993	9/30/1995	1,498,386	12.67	1,452,542	53,635	1,506,177
10/1/1993	9/30/1996	1,458,944	11.72	1,405,267	62,463	1,467,730
10/1/1995	9/30/1997	1,760,285	13.34	1,696,824 <sup>1</sup>	63,461	1,760,285
10/1/1995	9/30/1998	786,027	5.94	667,337	121,663	789,000
10/1/1997	9/30/1999	559,917	4.30	473,088	86,829	559,917
10/1/1997	9/30/2000	553,939	4.22	522,127	31,812	553,939
10/1/1999	9/30/2001	252,534	1.78	252,534	0	252,534
10/1/1999	9/30/2002	254,552	1.74	254,552	0	254,552
10/1/2001	9/30/2003	1,085,686	7.51	1,085,686	0	1,085,686
10/1/2002	9/30/2004	2,557,247	16.58	2,557,247	0	2,557,247
10/1/2003	9/30/2005	3,515,204	22.63	3,515,204	0	3,515,204
10/1/2004	9/30/2006	4,439,848	27.95	3,789,262	0	3,789,262
10/1/2005	9/30/2007	4,368,096	27.38	4,368,096	0	4,368,096
10/1/2006	9/30/2008	4,900,204	28.40	4,278,122 <sup>2</sup>	0	4,278,122
10/1/2007	9/30/2009	5,460,248	30.19	4,929,540 <sup>3</sup>	0	4,929,540
10/1/2008	9/30/2010	5,731,132	31.47	5,731,132	0	5,731,132
10/1/2009	9/30/2011	6,356,163	35.09	6,356,163	0	6,356,163
10/1/2010	9/30/2012	5,568,079	37.50	5,646,907	0	5,646,907
10/1/2011	9/30/2013	4,525,712	34.07	4,525,712	0	4,525,712
10/1/2012	9/30/2014	4,131,869	33.10	4,196,181	0	4,196,181
10/1/2013	9/30/2015	5,598,011	52.85	5,598,011	0	5,598,011
10/1/2014	9/30/2016	5,997,618	52.04	---	---	---
10/1/2015	9/30/2017	5,028,652	43.28	---	---	---

<sup>1</sup> Does not include proceeds of Pension Obligation Bond in the amount of \$10,868,833.

<sup>2</sup> Reflects the exclusion of \$622,082 of the County contribution receivable for the year ending September 30, 2007, and the inclusion of a \$646,704 County contribution receivable for the year ending September 30, 2008, as shown on the September 30, 2008 financial statements.

<sup>3</sup> Reflects the exclusion of \$646,704 of the County contribution receivable for the year ending September 30, 2008, and the inclusion of a \$115,996 County contribution receivable for the year ending September 30, 2009.

## RECENT HISTORY OF UAAL AND FUNDED RATIO

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age Normal (b)	Unfunded Actuarial Accrued Liability (UAAL) Entry Age Normal (b)-(a)	Funded Ratio (a)/(b)	Annual Covered Payroll (c)	UAAL As % of Payroll (b-a)/(c)
10/1/1995	\$ 38,882,450	\$ 50,248,832	\$ 11,366,382	77.4 %	\$ 13,194,968	86.1 %
10/1/1997	52,072,871	52,298,792	225,921	99.6	13,043,842	1.7
10/1/1999	58,875,802	56,780,548	(2,095,254)	103.7	14,139,623	(14.8)
10/1/2001	62,110,336	59,943,465	(2,166,871)	103.6	14,453,082	(15.0)
10/1/2002	55,291,559	62,380,560	7,089,001	88.6	15,421,323	46.0
10/1/2003	53,926,829	64,432,281	10,505,452	83.7	15,530,805	67.6
10/1/2004	54,227,261	67,485,625	13,258,364	80.4	15,886,989	83.5
10/1/2005	60,623,796	75,784,482	15,160,686	80.0	15,952,834	95.0
10/1/2006	65,393,710	87,268,437	21,874,727	74.9	17,256,272	126.8
10/1/2007	71,450,969	98,986,010	27,535,040	72.2	18,089,097	152.2
10/1/2008	75,784,705	104,182,882	28,398,177	72.7	18,213,561	155.9
10/1/2009	78,535,899	109,631,323	31,095,424	71.6	18,114,099	171.7
10/1/2010	81,080,885	107,183,003	26,102,118	75.6	14,849,412	175.8
10/1/2011	85,534,546	102,996,257	17,461,711	83.0	13,284,175	131.4
10/1/2012	88,127,070	103,821,983	15,694,913	84.9	12,483,246	125.7
10/1/2013	93,681,544	116,495,470	22,813,926	80.4	10,592,994	215.4
10/1/2014	98,182,705	118,154,197	19,971,492	83.1	11,524,318	173.3
10/1/2015	103,126,258	115,328,753	12,202,495	89.4	11,618,974	105.0

## ACTUARIAL ASSUMPTIONS AND COST METHOD

### Valuation Methods

**Actuarial Cost Method** - Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an **Individual Entry-Age Actuarial Cost Method** having the following characteristics:

- (i) the annual normal cost for each individual active member, payable from the date of employment to the date of retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement;
- (ii) each annual normal cost is a constant percentage of the member's year by year projected covered pay.

Actuarial gains/(losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

**Financing of Unfunded Actuarial Accrued Liabilities** - Unfunded Actuarial Accrued Liabilities (full funding credit if assets exceed liabilities) were amortized by level (principal & interest combined) dollar contributions over a reasonable period of future years.

**Actuarial Value of Assets** - The Actuarial Value of Assets phase in the difference between the expected actuarial value and actual market value of assets at the rate of 20% per year. The Actuarial Value of Assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

### Valuation Assumptions

*The actuarial assumptions used* in the valuation are shown in this Section.

### Economic Assumptions

**The investment return rate** assumed in the valuations is 7.5% per year, compounded annually (net after investment expenses).

The **Wage Inflation Rate** assumed in this valuation was 3% per year. The Wage Inflation Rate is defined to be the portion of total pay increases for an individual that are due to macroeconomic forces including productivity, price inflation, and labor market conditions. The wage inflation rate does not include pay changes related to individual merit and seniority effects.

The assumed **real rate of return** over wage inflation is defined to be the portion of total investment return that is more than the assumed wage inflation rate. Considering other economic assumptions, the 7.5% investment return rate translates to an assumed real rate of return over wage inflation of 4.5%.

*Pay increase assumptions* for individual active members are shown below. Part of the assumption for each age is for merit and/or seniority increase, and the other 3% recognizes wage inflation, including price inflation, productivity increases, and other macroeconomic forces.

*The rates of salary increase* used for individual members are in accordance with the following table. This assumption is used to project a member's current salary to the salaries upon which benefits will be based.

Years of Service	% Increase in Salary		
	Merit and Seniority	Base (Economic)	Total Increase
0 - 4	4.5%	3.0%	7.5%
5 - 9	3.8%	3.0%	6.8%
10 - 14	2.5%	3.0%	5.5%
15 - 19	2.0%	3.0%	5.0%
20 and Higher	2.4%	3.0%	5.4%

#### Demographic Assumptions

*The mortality table* was the RP-2000 Combined Healthy Participant Mortality Tables for males and females. Future mortality improvements are projected to all future years from the year 2000 using Scale AA (on a fully generational basis).

Sample Attained Ages (in 2015)	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.16 %	0.13 %	34.35	35.68
55	0.27	0.24	29.23	30.71
60	0.53	0.47	24.29	25.93
65	1.03	0.90	19.68	21.44
70	1.77	1.55	15.48	17.32
75	3.06	2.49	11.68	13.59
80	5.54	4.13	8.45	10.28

This assumption is used to measure the probabilities of each benefit payment being made after retirement. For active members, the probabilities of dying before retirement were based upon the same mortality table as members dying after retirement (10% of deaths are assumed to be service-connected).

For disabled retirees, the regular mortality tables are set forward 5 years in ages to reflect impaired longevity.

*The rates of retirement* used to measure the probability of eligible members retiring during the next year were as follows:

<b>Number of Years After First Eligibility for Normal Retirement</b>	<b>Probability of Normal Retirement</b>
0	48 %
1	32
2	32
3	32
4	32
5	100

The rate of retirement is 5% for each year of eligibility for early retirement.

*Rates of separation from active membership* were as shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members remaining in employment.

<b>Sample Ages</b>	<b>% of Active Members Separating Within Next Year</b>
20	17.2%
25	16.6
30	15.0
35	11.8
40	8.2
45	4.8
50	1.7
55	0.6
60	0.5

*Rates of disability* among active members. (50% of future disability retirements are assumed to be service-connected.)

<b>Sample Ages</b>	<b>% of Active Members Becoming Disabled Within Next Year</b>
20	0.07%
25	0.09
30	0.11
35	0.14
40	0.19
45	0.30
50	0.51
55	0.96
60	1.66

## Miscellaneous and Technical Assumptions

<i>Administrative &amp; Investment Expenses</i>	The investment return assumption is intended to be the return net of investment expenses. Annual administrative expenses are assumed to be equal to the average of the expenses over the previous two years. Assumed administrative expenses are added to the Normal Cost.
<i>Benefit Service</i>	Exact fractional service is used to determine the amount of benefit payable.
<i>COLA</i>	For future retirees, benefits are assumed to increase at rates varying from 1.5% to 3% per year, starting five years after retirement, based on service as of November 10, 2015.
<i>Decrement Operation</i>	Disability and mortality decrements operate during retirement eligibility.
<i>Decrement Timing</i>	Decrements of all types are assumed to occur at the beginning of the year.
<i>Eligibility Testing</i>	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
<i>Forfeitures</i>	For vested separations from service, it is assumed that 0% of members separating will withdraw their contributions and forfeit an employer financed benefit. It was further assumed that the liability at termination is the greater of the vested deferred benefit (if any) or the member's accumulated contributions.
<i>Incidence of Contributions</i>	Employer contributions are assumed to be made at the beginning of the fiscal year for general employees and police officers and at the end of each calendar quarter for firefighters. Member contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.
<i>Marriage Assumption</i>	100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.
<i>Normal Form of Benefit</i>	A life annuity is the normal form of benefit.
<i>Pay Increase Timing</i>	Middle of fiscal year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.
<i>Service Credit Accruals</i>	It is assumed that members accrue one year of service credit per year.

## GLOSSARY

<b><i>Actuarial Accrued Liability (AAL)</i></b>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
<b><i>Actuarial Assumptions</i></b>	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members; and other items.
<b><i>Actuarial Cost Method</i></b>	A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.
<b><i>Actuarial Equivalent</i></b>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<b><i>Actuarial Present Value (APV)</i></b>	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made.
<b><i>Actuarial Present Value of Future Benefits (APVFB)</i></b>	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits, and inactive, nonretired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
<b><i>Actuarial Valuation</i></b>	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB No. 67.
<b><i>Actuarial Value of Assets</i></b>	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially determined employer contribution (ADEC).

<b><i>Amortization Method</i></b>	A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the rate at which total covered payroll of all active members is assumed to increase.
<b><i>Amortization Payment</i></b>	That portion of the plan contribution or ADEC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
<b><i>Amortization Period</i></b>	The period used in calculating the Amortization Payment.
<b><i>Actuarially Determined Employer Contribution (ADEC)</i></b>	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation. The ADEC consists of the Employer Normal Cost and Amortization Payment.
<b><i>Closed Amortization Period</i></b>	A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.
<b><i>Employer Normal Cost</i></b>	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
<b><i>Equivalent Single Amortization Period</i></b>	For plans that do not establish separate amortization bases (separate components of the UAAL), this is the same as the Amortization Period. For plans that do establish separate amortization bases, this is the period over which the UAAL would be amortized if all amortization bases were combined upon the current UAAL payment.
<b><i>Experience Gain/Loss</i></b>	A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two actuarial valuations. To the extent that actual experience differs from that assumed, Unfunded Actuarial Accrued Liabilities emerge which may be larger or smaller than projected. Gains are due to favorable experience, e.g., the assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.
<b><i>Funded Ratio</i></b>	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
<b><i>GASB</i></b>	Governmental Accounting Standards Board.

<b><i>GASB No. 67 and GASB No. 68</i></b>	These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
<b><i>Normal Cost</i></b>	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
<b><i>Open Amortization Period</i></b>	An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. In other words, if the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never completely disappear, but will become smaller each year, either as a dollar amount or in relation to covered payroll.
<b><i>Unfunded Actuarial Accrued Liability</i></b>	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
<b><i>Valuation Date</i></b>	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

**SECTION C**  
**PENSION FUND INFORMATION**

### Statement of Plan Assets at Market Value

Item	September 30	
	2015	2014
A. Cash and Cash Equivalents (Operating Cash)	\$ -	\$ -
B. Receivables		
1. Member Contributions	\$ 26,166	\$ 21,439
2. City Contributions	-	-
3. County Contributions	-	-
4. State Contributions (from Share Plan)	30,449	29,196
5. Investment Income and Other Receivables	461,467	466,435
6. Total Receivables	\$ 518,082	\$ 517,070
C. Investments		
1. Short Term Investments	\$ 2,757,430	\$ 2,790,072
2. Domestic Equities	54,534,664	59,486,440
3. International Equities	-	-
4. Domestic Fixed Income	29,956,741	27,561,775
5. International Fixed Income	-	-
6. Real Estate	10,423,203	8,618,866
7. Private Equity	-	-
8. Total Investments	\$ 97,672,038	\$ 98,457,153
D. Liabilities		
1. Benefits Payable	\$ (48,090)	\$ (495,766)
2. Accrued Expenses and Other Payables	(321,855)	(295,124)
3. Total Liabilities	\$ (369,945)	\$ (790,890)
E. Total Market Value of Assets Available for Benefits	\$ 97,820,175	\$ 98,183,333
F. State Contribution Reserve	\$ (30,449)	\$ (29,196)
G. Market Value of Assets Net State Contribution Reserve	\$ 97,789,726	\$ 98,154,137
H. Employee Contribution Refunds Payable to FRS Transfers	(66,543)	-
I. Market Value Net of Contribution Refunds Payable	\$ 97,723,183	\$ 98,154,137
J. Allocation of Investments		
1. Short Term Investments	2.8%	2.8%
2. Domestic Equities	55.8%	60.4%
3. International Equities	0.0%	0.0%
4. Domestic Fixed Income	30.7%	28.0%
5. International Fixed Income	0.0%	0.0%
6. Real Estate	10.7%	8.8%
7. Private Equity	0.0%	0.0%
8. Total Investments	100.0%	100.0%

### Reconciliation of Plan Assets

Item	September 30	
	2015	2014
A. Market Value of Assets at Beginning of Year	\$ 98,154,137	\$ 91,087,722
B. Adjustment to Match Financial Statements	\$ -	\$ (3,512)
C. Revenues and Expenditures		
1. Contributions		
a. Member Contributions	\$ 853,456	\$ 789,599
b. City Contributions	5,452,219	4,024,959
c. County Contributions	145,792	171,222
d. Total	<u>\$ 6,451,467</u>	<u>\$ 4,985,780</u>
2. Investment Income		
a. Interest, Dividends, and Other Income	\$ 1,802,083	\$ 1,754,076
b. Net Realized/Unrealized Gains/(Losses)*	(597,305)	8,169,914
c. Investment Expenses	(400,261)	(430,767)
d. Net Investment Income	<u>\$ 804,517</u>	<u>\$ 9,493,223</u>
3. Benefits and Refunds		
a. Regular Monthly Benefits	\$ (6,467,961)	\$ (6,078,433)
b. Refunds	(236,343)	(185,090)
c. Lump Sum Benefits	(680,882)	(861,262)
d. Total	<u>\$ (7,385,186)</u>	<u>\$ (7,124,785)</u>
4. Administrative and Miscellaneous Expenses	\$ (235,209)	\$ (284,291)
5. Employee Contribution Refunds Payable to FRS Transfers	\$ (66,543)	\$ -
D. Market Value of Assets at End of Year	\$ 97,723,183	\$ 98,154,137

\* The breakdown between realized and unrealized gains and (losses) was not provided.

## Reconciliation of Plan Assets by Group

Item	September 30, 2015			
	General	Police	Fire	Total
A. Market Value of Assets at Beginning of Year	\$ 89,205,167	\$ 5,939,595	\$ 3,009,375	\$ 98,154,137
B. Adjustment to Match Financial Statements	\$ -	\$ -	\$ -	\$ -
C. Revenues and Expenditures				
1. Contributions				
a. Member Contributions	\$ 846,075	\$ 7,381	\$ -	\$ 853,456
b. City Contributions	5,408,910	43,309	-	5,452,219
c. County Contributions	-	-	145,792	145,792
d. Total	\$ 6,254,985	\$ 50,690	\$ 145,792	\$ 6,451,467
2. Investment Income				
a. Interest, Dividends, and Other Income	\$ 1,671,137	\$ 80,832	\$ 50,114	\$ 1,802,083
b. Net Realized/Unrealized Gains/(Losses)	(535,310)	(38,269)	(23,726)	(597,305)
c. Investment Expenses	(371,176)	(17,954)	(11,131)	(400,261)
d. Net Investment Income	\$ 764,651	\$ 24,609	\$ 15,257	\$ 804,517
3. Benefits and Refunds				
a. Regular Monthly Benefits and Lump Sums	\$ (6,289,216)	\$ (436,202)	\$ (423,425)	\$ (7,148,843)
b. Refunds	(236,343)	-	-	(236,343)
c. Total	\$ (6,525,559)	\$ (436,202)	\$ (423,425)	\$ (7,385,186)
4. Administrative and Miscellaneous Expenses	\$ (218,118)	\$ (10,550)	\$ (6,541)	\$ (235,209)
D. Market Value of Assets at End of Year	\$ 89,481,126	\$ 5,568,142	\$ 2,740,458	\$ 97,789,726
E. Employee Contribution Refunds Payable to FRS Transfers	\$ (66,543)	\$ -	\$ -	\$ (66,543)
F. Market Value of Assets Net of Contribution Refunds Payable	\$ 89,414,583	\$ 5,568,142	\$ 2,740,458	\$ 97,723,183
G. Percentage of Total	91.5%	5.7%	2.8%	100.0%

### Actuarial Value of Assets

Item	September 30	
	2015	2014
A. Beginning of Year Assets		
1. Market Value	\$ 98,154,137	\$ 91,087,722
2. Actuarial Value	98,182,705	93,681,544
B. End of Year Market Value of Assets	97,789,726	98,154,137
C. Net of Contributions Less Disbursements*	(1,168,928)	(2,426,808)
D. Actual Net Investment Earnings*	804,517	9,493,223
E. Expected Investment Earnings*	7,529,793	6,935,111
F. Expected Actuarial Value End of Year	104,543,570	98,189,847
G. Market Value End of Year Less Expected Actuarial Value: B - F	(6,753,844)	(35,710)
H. 20% of Difference	(1,350,769)	(7,142)
I. End of Year Assets		
1. Actuarial Value: F + H	103,192,801	98,182,705
2. Final Actuarial Value Within 80% to 120% of Market Value	103,192,801	98,182,705
J. Employee Contribution Refunds Payable to FRS Transfers	(66,543)	N/A
K. Net Valuation Assets	103,126,258	98,182,705
L. Recognized Investment Earnings	6,179,024	6,927,969
M. Recognized Rate of Return	6.2%	7.5%

\* Net of Investment Related Expenses.

Note: Actuarial Value of Assets by group is distributed in the same ratio as market value.

Year Ending September 30th	Investment Rate of Return	
	Market Value*	Actuarial Value
1990	1.1 %	1.1 %
1991	14.4	14.4
1992	16.2	16.2
1993	16.6	16.6
1994	2.2	2.2
1995	18.9	18.9
1996	12.4	9.5
1997	28.0	13.2
1998	0.8	10.8
1999	18.6	12.6
2000	4.3	11.4
2001	(3.8)	8.3
2002	(7.2)	(3.0)
2003	13.7	3.7
2004	8.7	1.5
2005	9.0	2.3
2006	7.0	6.3
2007	11.5	6.8
2008	(6.8)	3.9
2009	(1.8)	1.8
2010	7.9	5.3
2011	2.4	3.8
2012	16.7	6.0
2013	10.1	6.8
2014	10.6	7.5
2015	0.8	6.2
<b>Average Returns:</b>		
Last 5 Years	8.0 %	6.0 %
Last 10 Years	5.6 %	5.4 %
All Years	7.8 %	7.3 %

\* Net of investment expenses after 2005.

The above rates are based on financial information reported to the actuary. They may differ from figures that the investment consultant reports, in part because of differences in the handling of administrative and investment expenses, and in part because of differences in the handling of cash flows.

**SECTION D**  
**FINANCIAL ACCOUNTING INFORMATION**

<b>FASB NO. 35 INFORMATION</b>				
	<b>General</b>	<b>Police</b>	<b>Fire</b>	<b>Total</b>
A. Valuation Date	10/1/2015	10/1/2015	10/1/2015	10/1/2015
B. Actuarial Present Value of Accumulated Plan Benefits				
1. Vested Benefits				
a. Members Currently Receiving Payments	\$ 68,219,644	\$ 4,137,556	\$ 2,988,488	\$ 75,345,688
b. Terminated Vested Members	2,019,000	-	-	2,019,000
c. Other Members	26,996,812	1,522,525	-	28,519,337
d. Total	<u>97,235,456</u>	<u>5,660,081</u>	<u>2,988,488</u>	<u>105,884,025</u>
2. Non-Vested Benefits	2,225,910	-	-	2,225,910
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	99,461,366	5,660,081	2,988,488	108,109,935
4. Accumulated Contributions of Active Members	6,758,622	207,986	-	6,966,608
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits				
1. Total Value at Beginning of Year	97,954,255	5,753,429	3,096,560	106,804,244
2. Increase (Decrease) During the Period Attributable to:				
a. Plan Amendment	(1,590,650)	-	-	(1,590,650)
b. Change in Actuarial Assumptions	-	-	-	-
c. Latest Member Data, Benefits Accumulated, and Decrease in the Discount Period	9,623,320	342,854	315,353	10,281,527
d. Benefits Paid	<u>(6,525,559)</u>	<u>(436,202)</u>	<u>(423,425)</u>	<u>(7,385,186)</u>
e. Net Increase	1,507,111	(93,348)	(108,072)	1,305,691
3. Total Value at End of Period	99,461,366	5,660,081	2,988,488	108,109,935
D. Market Value of Assets	89,414,583	5,568,142	2,740,458	97,723,183
E. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods				

**SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
GASB Statement No. 67**

Fiscal year ending September 30,	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>		
Service Cost	\$ 2,438,790	\$ 2,250,457
Interest	8,937,243	8,638,765
Benefit Changes	-	-
Difference between actual & expected experience	(2,263,638)	-
Assumption Changes	-	-
Benefit Payments	(6,863,520)	(6,939,695)
Refunds	(265,792)	(185,090)
Other (Increase in State Contribution Reserve)	1,253	1,253
<b>Net Change in Total Pension Liability</b>	1,984,336	3,765,690
<b>Total Pension Liability - Beginning</b>	120,289,103	116,523,413
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 122,273,439</u>	<u>\$ 120,289,103</u>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 5,452,219	\$ 4,024,959
Contributions - Employer (from State/Share Plan)	1,253	1,253
Contributions - Non-Employer Contributing Entity	145,792	171,222
Contributions - Member	853,456	789,599
Net Investment Income	548,641	9,493,224
Benefit Payments	(6,863,520)	(6,939,695)
Refunds	(265,792)	(185,090)
Administrative Expense	(235,209)	(284,291)
Other	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	(363,160)	7,071,181
<b>Plan Fiduciary Net Position - Beginning</b>	98,183,333	91,112,152
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 97,820,173</u>	<u>\$ 98,183,333</u>
<b>Net Pension Liability - Ending (a) - (b)</b>	24,453,266	22,105,770
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	80.00 %	81.62 %
<b>Covered Employee Payroll</b>	\$ 12,192,229	\$ 11,279,986
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	200.56 %	195.97 %

**SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY**  
**GASB Statement No. 67**

FY Ending September 30,	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Plan Fiduciary Net Position as a % of Total Pension Liability	Covered Employee Payroll	Net Pension Liability as a % of Covered Employee Payroll
2014	\$ 120,289,103	\$ 98,183,333	\$ 22,105,770	81.62%	\$ 11,279,986	195.97%
2015	122,273,439	97,820,173	24,453,266	80.00%	12,192,229	200.56%

**NOTES TO SCHEDULE OF EMPLOYER'S NET PENSION LIABILITY**  
**GASB Statement No. 67**

**Valuation Date:** October 1, 2014  
**Measurement Date:** September 30, 2015

**Methods and Assumptions Used to Determine Net Pension Liability:**

Actuarial Cost Method	Entry Age Normal
Inflation	3.00%
Salary Increases	5.00% to 7.50% depending on service
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected to all future years after 2000 using Scale AA

**Other Information:**

Notes See Discussion of Valuation Results in the October 1, 2014 Actuarial Valuation Report

**SCHEDULE OF CONTRIBUTIONS**  
**GASB Statement No. 67**

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contribution as a % of Covered Employee Payroll
2014	\$ 4,196,181	\$ 4,196,181	\$ -	\$ 11,279,986	37.20%
2015	5,598,011	5,598,011	-	12,192,229	45.91%

**NOTES TO SCHEDULE OF CONTRIBUTIONS**  
**GASB Statement No. 67**

**Valuation Date:** October 1, 2013  
**Measurement Date:** September 30, 2015  
**Notes** Actuarially determined contributions are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	General: Level Percentage of Payroll, Closed Police and Fire: Level Dollar, Closed
Remaining Amortization Period	20 years
Asset Valuation Method	Recognition of 20% of difference between market value of assets and expected actuarial value of assets
Inflation	3.00%
Salary Increases	5.00% to 7.50% depending on service
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected to all future years after 2000 using Scale AA

**Other Information:**

**Notes** See Discussion of Valuation Results in the October 1, 2013 Actuarial Valuation Report

**SINGLE DISCOUNT RATE  
GASB Statement No. 67**

A single discount rate of 7.50% 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 7.50%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. 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 (7.50%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

**Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption**

1% Decrease 6.50%	Current Single Discount Rate Assumption 7.50%	1% Increase 8.50%
\$ 39,987,182	\$ 24,453,266	\$ 11,587,160

**SECTION E**  
**MISCELLANEOUS INFORMATION**

<b>RECONCILIATION OF MEMBERSHIP DATA</b>				
	<b>From 10/1/2014 to 10/1/2015</b>			
	<b>General</b>	<b>Police</b>	<b>Fire</b>	<b>Total</b>
<b>A. Active Members</b>				
1. Number Included in Last Valuation	242	1	0	243
2. New Employees	38	0	0	38
3. Non-Vested Employment Terminations	(16)	0	0	(16)
4. Vested Employment Terminations	(8)	0	0	(8)
5. Service Retirements	(4)	0	0	(4)
6. Disability Retirements	0	0	0	0
7. Deaths	0	0	0	0
8. Transfers	0	0	0	0
9. Other - FRS Transfers	(12)	0	0	(12)
10. Number Included in This Valuation	<u>240</u>	<u>1</u>	<u>0</u>	<u>241</u>
<b>B. Terminated Vested Members</b>				
1. Number Included in Last Valuation	2	0	0	2
2. Additions from Active Members	8	0	0	8
3. Lump Sum Payments/Refund of Contributions	(8)	0	0	(8)
4. Payments Commenced	0	0	0	0
5. Deaths	0	0	0	0
6. Other - FRS transfer	1	0	0	1
7. Number Included in This Valuation	<u>3</u>	<u>0</u>	<u>0</u>	<u>3</u>
<b>C. Service Retirees, Disability Retirees and Beneficiaries</b>				
1. Number Included in Last Valuation	191	23	14	228
2. Additions from Active Members	4	0	0	4
3. Additions from Terminated Vested Members	0	0	0	0
4. Deaths Resulting in No Further Payments	(4)	(1)	0	(5)
5. Deaths Resulting in New Survivor Benefits	0	0	0	0
6. End of Certain Period - No Further Payments	0	0	0	0
7. Lump Sum Payments	(3)	0	0	(3)
8. Number Included in This Valuation	<u>188</u>	<u>22</u>	<u>14</u>	<u>224</u>

**ACTIVE PARTICIPANT SCATTER – GENERAL EMPLOYEES AND POLICE OFFICERS**

Age Group	Years of Service to Valuation Date												Totals
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35 & Up	
20-24 NO.	4	5	1	1	0	0	0	0	0	0	0	0	11
TOT PAY	104,458	150,760	26,334	36,026	0	0	0	0	0	0	0	0	317,578
AVG PAY	26,114	30,152	26,334	36,026	0	0	0	0	0	0	0	0	28,871
25-29 NO.	9	6	3	1	1	0	0	0	0	0	0	0	20
TOT PAY	331,587	187,956	91,310	30,297	26,241	0	0	0	0	0	0	0	667,391
AVG PAY	36,843	31,326	30,437	30,297	26,241	0	0	0	0	0	0	0	33,370
30-34 NO.	3	7	3	5	0	2	3	0	0	0	0	0	23
TOT PAY	117,869	220,043	149,444	176,733	0	65,066	128,252	0	0	0	0	0	857,407
AVG PAY	39,290	31,435	49,815	35,347	0	32,533	42,751	0	0	0	0	0	37,279
35-39 NO.	4	3	2	1	0	5	8	6	0	0	0	0	29
TOT PAY	132,845	115,741	136,699	104,703	0	360,418	330,210	344,569	0	0	0	0	1,525,185
AVG PAY	33,211	38,580	68,350	104,703	0	72,084	41,276	57,428	0	0	0	0	52,593
40-44 NO.	4	2	2	0	1	4	9	6	5	0	0	0	33
TOT PAY	150,611	105,046	66,740	0	48,009	131,057	457,320	299,557	299,907	0	0	0	1,558,247
AVG PAY	37,653	52,523	33,370	0	48,009	32,764	50,813	49,926	59,981	0	0	0	47,220
45-49 NO.	1	1	1	0	1	8	10	9	4	2	0	0	37
TOT PAY	24,915	67,933	51,726	0	35,442	328,318	443,325	450,253	219,114	105,835	0	0	1,726,861
AVG PAY	24,915	67,933	51,726	0	35,442	41,040	44,332	50,028	54,778	52,918	0	0	46,672
50-54 NO.	2	2	1	1	0	4	7	8	3	5	2	0	35
TOT PAY	104,208	63,878	50,101	50,283	0	169,684	263,673	584,675	136,794	266,833	136,177	0	1,826,306
AVG PAY	52,104	31,939	50,101	50,283	0	42,421	37,668	73,084	45,598	53,367	68,088	0	52,180
55-59 NO.	3	0	3	0	3	4	2	1	3	4	1	0	24
TOT PAY	292,824	0	87,696	0	146,459	244,754	168,630	79,352	151,628	181,319	31,055	0	1,383,717
AVG PAY	97,608	0	29,232	0	48,820	61,188	84,315	79,352	50,543	45,330	31,055	0	57,655
60-64 NO.	0	1	1	1	0	5	4	2	3	0	0	1	18
TOT PAY	0	95,088	75,566	23,494	0	169,736	193,232	84,386	129,814	0	0	114,153	885,469
AVG PAY	0	95,088	75,566	23,494	0	33,947	48,308	42,193	43,271	0	0	114,153	49,193
65 & Up NO.	0	2	1	0	0	3	5	0	0	0	0	0	11
TOT PAY	0	81,025	54,591	0	0	166,442	217,884	0	0	0	0	0	519,942
AVG PAY	0	40,512	54,591	0	0	55,481	43,577	0	0	0	0	0	47,267
TOT NO.	30	29	18	10	6	35	48	32	18	11	3	1	241
TOT AMT	1,259,317	1,087,470	790,207	421,536	256,151	1,635,475	2,202,526	1,842,792	937,257	553,987	167,232	114,153	11,268,103
AVG AMT	41,977	37,499	43,900	42,154	42,692	46,728	45,886	57,587	52,070	50,362	55,744	114,153	46,756

**INACTIVE PARTICIPANT SCATTER – GENERAL EMPLOYEES**

Age Group	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-
40-44	-	-	-	-	1	19,220	-	-
45-49	-	-	-	-	10	263,847	-	-
50-54	2	102,384	-	-	13	513,787	-	-
55-59	1	69,600	-	-	32	1,272,203	-	-
60-64	-	-	-	-	30	1,220,184	-	-
65-69	-	-	-	-	31	940,511	-	-
70-74	-	-	-	-	22	594,881	1	17,666
75-79	-	-	1	40,475	14	248,147	2	10,090
80-84	-	-	1	1,530	10	219,562	3	25,067
85-89	-	-	-	-	6	63,841	-	-
90-94	-	-	-	-	5	69,046	2	15,042
95-99	-	-	-	-	3	14,277	1	7,563
100 & Over	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3</b>	<b>171,984</b>	<b>2</b>	<b>42,005</b>	<b>177</b>	<b>5,439,506</b>	<b>9</b>	<b>75,428</b>
<b>Average Age</b>		<b>55</b>		<b>80</b>		<b>67</b>		<b>84</b>

**INACTIVE PARTICIPANT SCATTER – POLICE OFFICERS**

Age Group	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-
60-64	-	-	-	-	2	167,722	-	-
65-69	-	-	-	-	3	99,042	-	-
70-74	-	-	-	-	5	52,800	2	9,605
75-79	-	-	-	-	4	33,071	-	-
80-84	-	-	-	-	-	-	-	-
85-89	-	-	-	-	2	43,913	-	-
90-94	-	-	-	-	2	24,327	1	2,369
95-99	-	-	-	-	-	-	1	3,354
100 & Over	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	18	420,875	4	15,328
<b>Average Age</b>		N/A		N/A		75		83

## INACTIVE PARTICIPANT SCATTER – FIREFIGHTERS

Age Group	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-
65-69	-	-	-	-	-	-	-	-
70-74	-	-	-	-	2	89,580	-	-
75-79	-	-	-	-	5	157,194	2	48,042
80-84	-	-	-	-	2	82,508	-	-
85-89	-	-	-	-	2	34,997	1	11,104
90-94	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	11	364,279	3	59,146
<b>Average Age</b>		N/A		N/A		80		81

**SECTION F**  
**SUMMARY OF PLAN PROVISIONS**

## SUMMARY OF PLAN PROVISIONS

### A. Ordinances

The Plan was established under the Code of Ordinances for the City of North Miami, Florida, Chapter 15, Article III, and was most recently amended under Ordinance No. 1397 passed and adopted on March 8, 2016. The Plan is also governed by certain provisions of Chapters 175 and 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes (F.S.) and the Internal Revenue Code.

### B. Effective Date

January 1, 1968

### C. Plan Year

October 1 through September 30

### D. Type of Plan

Qualified, governmental defined benefit retirement plan; for GASB purposes it is a single employer plan.

### E. Eligibility Requirements

All full-time general employees hired prior to February 1, 2016 are eligible. General employees hired on or after February 1, 2016 will participate in the Florida Retirement System.

### F. Credited Service

Service is measured as the total number of calendar years, or portions thereof, during which the member has served as an employee of the City and has made the required contributions to the Plan. No service is credited for any periods of employment for which the member received a refund of employee contributions.

### G. Compensation

Total compensation including member contributions which are "picked up" by the City, but excluding overtime, bonuses and other certain payments.

### H. Average Final Compensation (AFC)

For members who reached their normal retirement date on or before September 29 2016:

AFC is the average of Compensation over the highest 2 years out of the last 10 years of Credited Service prior to termination or retirement. AFC excludes lump sum payment of unused leave.

For all other members:

Effective September 30, 2016, AFC is the average of Compensation over the highest 3 years out of the last 10 years of Credited Service prior to termination or retirement. AFC excludes lump sum payment of unused leave. Effective September 30, 2017, the "highest 3 years" will be replaced by the "highest 4 years" and beginning September 30, 2018, "the highest 4 years" will be replaced by "the highest 5 years".

## I. Normal Retirement

Eligibility: General employees may retire on the first day of the month coincident with or next following the earlier of:

- (1) age 62 and 10 years of Credited Service, or
- (2) age 55 and 20 years of Credited Service.

Police officers and firefighters may retire on the first day of the month coincident with or next following age 50 and 20 years of Credited Service.

Benefit: 2.5% of AFC multiplied by Credited Service up to July 1, 1969, plus 3.0% of AFC multiplied by Credited Service after July 1, 1969 through November 9, 2015.

Accrual rates for Credited Service earned on or after November 10, 2015:

3.0% for members who have reached their Normal Retirement date on or before November 10, 2015 and for members with 15 or more years of Credited Service as of that date.

2.5% for members with 10 or more years, but less than 15 years, of Credited Service who are not yet eligible for Normal Retirement as of November 10, 2015.

2.0% for members with less than 10 years of Credited Service on November 10, 2015.

Normal Form  
of Benefit: Single Life Annuity; other options are also available.

COLA: See Item V. Cost of Living Increases

## J. Early Retirement

Eligibility: General employees may elect to retire earlier than the Normal Retirement Eligibility upon attainment of:

- (1) age 55 with 10 years of Credited Service, or
- (2) 14 years of Credited Service regardless of age.

Police officers and firefighters may elect to retire earlier than the Normal Retirement eligibility upon attainment of 14 years of Credited Service.

Benefit: The Normal Retirement Benefit is reduced by 4.0% for each year that the Early Retirement date precedes the Normal Retirement date.

Normal Form  
of Benefit: Single Life Annuity; other options are also available.

COLA: See Item V. Cost of Living Increases

**K. Delayed Retirement**

Same as Normal Retirement taking into account compensation earned and service credited until the date of actual retirement.

**L. Service Connected Disability**

**Eligibility:** Any member who incurs a mental or physical condition resulting from injury, disease, or mental disorder, which renders the member incapable of performing work for the City at a rate of 90% of the member's regular rate of Compensation is immediately eligible for a disability benefit.

**Benefit:** 75% of member's Compensation on the date of disability. The benefit will be reduced by amounts paid from other sources to the extent that, when combined with this benefit, they exceed 100% of the rate of pay in effect at the time of the disability.

**Normal Form of Benefit:** Payable for life, or until recovery from disability.

**COLA:** None

**M. Non-Service Connected Disability**

**Eligibility:** Any member who incurs a mental or physical condition resulting from injury, disease, or mental disorder, which renders the member incapable of performing work for the City at a rate of 75% of the member's regular rate of Compensation is immediately eligible for a disability benefit.

**Benefit:** The member's vested accrued benefit payable at the Normal Retirement date taking into account compensation earned and service credited on the date of disability with a maximum equal to 50% of Compensation. The benefit will be reduced by amounts paid from other sources to the extent that, when combined with this benefit, they exceed 100% of the rate of pay in effect at the time of the disability.

**Normal Form of Benefit:** Payable for life, or until recovery from disability.

**COLA:** None

**N. Death in the Line of Duty**

**Eligibility:** Any member who dies while performing, directly or indirectly, services for the City is eligible for survivor benefits regardless of Credited Service.

**Benefit:** 50% of the member's monthly Compensation at the time of death shall be paid to the member's spouse. In addition, 10% of the member's final Compensation shall be paid for each child under age 19. In no event shall the total benefit exceed 100% of the member's final Compensation; or 50% if there is no surviving spouse.

## Normal Form

of Benefit: Spouse benefits payable until the earlier of death or remarriage. Children's benefits are payable until age 19.

COLA: None

**O. Other Pre-Retirement Death**

Eligibility: Any vested member who dies while employed by the City is eligible for survivor benefits.

Benefit: For members who were eligible for Early or Normal Retirement, the member's Retirement Benefit shall be payable to the member's beneficiary.

For members who were not eligible for Early or Normal Retirement, an amount equal to the member's vested accrued benefit and accumulated contributions with interest shall be payable to the member's beneficiary.

## Normal Form

of Benefit: For members who were eligible for Early or Normal Retirement, the Retirement Benefit shall be paid as though the member had elected a 10 Year Certain and Life annuity and retired immediately preceding death.

For members who were not eligible for Early or Normal Retirement, the benefit shall be paid in a lump sum.

COLA: None

The designated beneficiary of a plan member who was not vested will receive a refund of the member's accumulated contributions with interest.

**P. Post Retirement Death**

Benefit determined by the form of benefit elected upon retirement.

**Q. Optional Forms**

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are the Straight Life Annuity option, the 50%, 75%, and 100% Joint and Survivor options, or the 5 and 10 Years Certain and Life options. A Social Security option is also available for members retiring prior to the time they are eligible for Social Security retirement benefits if they are not retiring under Disability Retirement.

Alternatively, members can elect a partial lump sum with the remaining value of the benefit paid as a monthly annuity. A total lump sum distribution is also available for those who became members of the Plan prior to October 1, 2004.

## R. Vested Termination

**Eligibility:** A member has earned a non-forfeitable right to Plan benefits after the completion of 5 years of Credited Service (see vesting table below).

<b>Credited Service</b>	<b>Vested Percent</b>
Less than 5	0%
5	25
6	40
7	55
8	70
9	85
10 or more	100

**Benefit:** Any member who is not eligible for any other benefits provided under the Plan will receive the vested portion of their accrued Normal Retirement Benefit as of the date of termination. Benefit begins at the member's Early or Normal Retirement date and will be reduced for Early Retirement if applicable.

**Normal Form of Benefit:** Single Life Annuity; other options are also available.

**COLA:** See Item V. Cost of Living Increases

Members terminating employment with less than 5 years of Credited Service will receive a refund of their own accumulated contributions with interest.

## S. Refunds

**Eligibility:** All members terminating employment with less than 5 years of Credited Service are eligible. Optionally, vested members (those with 5 or more years of Credited Service) may elect a refund in lieu of the vested benefits otherwise due.

**Benefit:** A refund of the member's contributions with interest.

## T. Member Contributions

7.0% of Compensation for members who have reached their Normal Retirement date prior to November 10, 2015 and for members who are not yet eligible for Normal Retirement as of November 10, 2015 with more than 10, but less than 15, years of Credited Service.

8.0% of Compensation for members with 15 or more years of Credited Service

6.0% of Compensation for members with less than 10 years of Credited Service and who had not reached their Normal Retirement date on or before November 10, 2015.

**U. Employer Contributions**

Any additional amount determined by the actuary needed to fund the plan properly according to State laws.

**V. Cost of Living Increases**

Members who retire after October 1, 2004 (not due to disability) and who have reached their Normal Retirement date on or before November 10, 2015, electing an annuity form of payment, receive an annual cost of living adjustment each April 1st. These retirees may choose a 1.92% COLA with a one-year delay, a 2.50% COLA with a three-year delay, or a 3.00% COLA with a five- year delay.

Members with 15 or more years of Credited Service who had not reached their Normal Retirement date on or before November 10, 2015, electing an annuity form of payment, will receive a 2.50% annual cost of living adjustment each April 1st following the 5<sup>th</sup> year of retirement.

Members with 10 or more years, but less than 15 years, of Credited Service who had not reached their Normal Retirement date on or before November 10, 2015, electing an annuity form of payment, will receive a 2.00% annual cost of living adjustment each April 1st following the 5<sup>th</sup> year of retirement.

Members with less than 10 years of Credited Service as of November 10, 2015 who elect an annuity form of payment will receive a 1.50% annual cost of living adjustment each April 1st following the 5<sup>th</sup> year of retirement.

**W. 13<sup>th</sup> Check**

Not Applicable

**X. Deferred Retirement Option Plan (DROP)**

Not Applicable

**Y. Other Ancillary Benefits**

There are no ancillary benefits-retirement type benefits not required by statutes but which might be deemed a Clair T. Singerman Employees' Retirement System liability if continued beyond the availability of funding by the current funding source.

**Z. Changes from Previous Valuation**

Ordinance No. 1397 was adopted on March 8, 2016. A summary of the plan changes can be found in the Revisions in Benefits section of the Discussion of Valuation Results.