

Deposit Overview

**City of Hallandale Beach
Professional/Management Retirement Plan
4-47771**

Plan Year Beginning 10/01/2014

This overview is a summary of deposit information shown in your actuarial valuation report. It will help you determine your current year contribution to your retirement plan. You may deposit any amount in excess of your annual required contribution. Refer to your actuarial valuation report, Section III–Deposit Information, for this calculation.

**Annual
Required
Contribution**

Your annual required contribution for the fiscal year beginning 10/01/2015 is \$691,355. This is the amount needed to keep your plan currently funded.

Your annual required contribution for the fiscal year beginning 10/01/2014 is \$748,978. This is the amount needed to keep your plan currently funded.

**Deposits
Received
for 2014
Plan Year**

Total deposits received through 12/15/2014 for the 2014 plan year are \$10,826, all of which are employee contributions.

**Additional
Information**

For additional information, please see the 2014 actuarial valuation report.

**City of Hallandale Beach Professional/Management
Retirement Plan
4-47771**

Actuarial Valuation Report
For the plan year October 1, 2014 through
September 30, 2015

Section I	Introduction
Section II	Summary of Actuarial Results
Section III	Deposit Information Normal Cost and Deposit Levels
Section IV	Plan Assets
Section V	Development of Deposit Information Development of Normal Cost Schedule of Amortization Bases Unfunded Frozen Initial Liability Funding Standard Account
Section VI	Participant Information Census Data Emerging Retirement Liability
Section VII	Actuarial Assumptions and Methods Actuarial Valuation Assumptions Actuarial Methods Description of Entry Age Normal-Frozen Initial Liability Cost Method
Section VIII	Summary of Plan Provisions
Section IX	Plan Accounting Information (ASC 960)
Section X	Accounting Disclosure Information for SGAS 27
Section XI	Florida Disclosures Statement of Valuation Results Demographic Display Asset Reconciliation

This actuarial valuation report is for your defined benefit retirement plan. It gives you the amounts needed to fund the benefits described in your plan document. This report is based on employee data and other information you provide us.

Funding Method

Defined benefit plans, as the name suggests, define the benefits given to employees. Your goal is to have enough funds to pay for these benefits. To do this, we use a funding method. It sets the yearly deposit needed to pay for your plan's benefits.

Assumptions

We use assumptions to estimate how much funding you'll need for benefits. For instance:

- How much interest will your funds earn?
- How many employees will leave the plan?
- What will be employees' future salaries?
- How many employees will become disabled?

Deposit levels change when actual events differ from what was assumed. To see the assumptions used for your plan, refer to Section VII of this report.

Using This Report

The law defines the minimum deposit you must make. Your deposit may have to be more than this to fund upcoming benefits. We'll advise you if you need to fund at a higher level. For a summary of these results, refer to Section II. More detailed information is found in the remaining sections of this report.

Actuarial Certification

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, these results are complete and accurate. In my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, and Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan'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 plan costs or required contribution rates have been taken into account in the valuation.

In my opinion, each assumption used in combination represents my best estimate of anticipated experience under the plan. Each assumption used is reasonable (taking into account the experience of the plan and reasonable expectations), or would, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption were reasonable.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



12/22/2014

Date

David A. Stocklas, EA, MAAA
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Retirement Actuarial Services
Principal Financial Group
Des Moines, IA 50306-9394
(412) 394-9380

Section II-Summary of Actuarial Valuation Results

This summary is for City of Hallandale Beach Professional/Management Retirement Plan. It includes:

- Annual required contribution for the plan year ending 09/30/2015
- Deposit options
- Changes recognized in this report
- Analysis of results

Deposit Information

A summary of the results of the actuarial valuation is as follows:

Total normal cost	\$281,394
Employee normal cost (expected employee contributions)	60,573
Employer normal cost	220,821
Total normal cost as a percentage of projected member compensation	37.11%
Annual required contribution	691,355

Funding Policy

The funding policy the City adopted is to use the October 1, 2014 Valuation for the City's fiscal year period from October 1, 2015 through September 30, 2016. The October 1, 2014 funding requirements were adjusted to accrue for interest and salary increases at assumed salary scale and interest factors.

Deposit Options

The table below explains the effects of depositing at different levels. The impact on next year's costs is based on all actuarial assumptions being met. Costs will vary based on actual plan experience and timing of deposits.

If you deposit	You will
Less than \$691,355	➤ Increase your next year's annual required contribution.
Exactly \$691,355	➤ Meet your annual required contribution.
More than \$691,355	<ul style="list-style-type: none"> ➤ Exceed your annual required contribution. ➤ Decrease next year's annual required contribution.
Exactly \$ 1,553,183	➤ Fund the difference between the market value of assets and the present value of all vested benefits at the beginning of the plan year
Exactly \$ 2,438,348	➤ Fund the difference between the market value of assets and the present value of all accumulated benefits at the beginning of the plan year

Section II-Summary of Actuarial Valuation Results

Deposits Received

We have received \$10,826 in deposits through 12/15/2014 for the current plan year, all of which are employee contributions. Please take this into consideration when determining your additional current year contributions. The schedule of your remaining requirement installments is shown on the Required Installments page of Section III.

Changes

No changes occurred in the actuarial valuation assumptions, plan benefits, actuarial cost method, or procedures affecting the comparability of costs since the 2013 plan year.

Plan Changes

This report reflects changes in maximum benefit limits under Internal Revenue Code (IRC) Section 415 and in maximum compensation limits under IRC Section 401. Plan liabilities were not redetermined for this/these change(s). The cost of any benefit increases resulting from this/these change(s) is spread over current and future normal costs.

Analysis

Total normal cost as a percentage of compensation decreased from 41.40% to 37.11%. This decrease resulted from favorable asset return and liability gains.

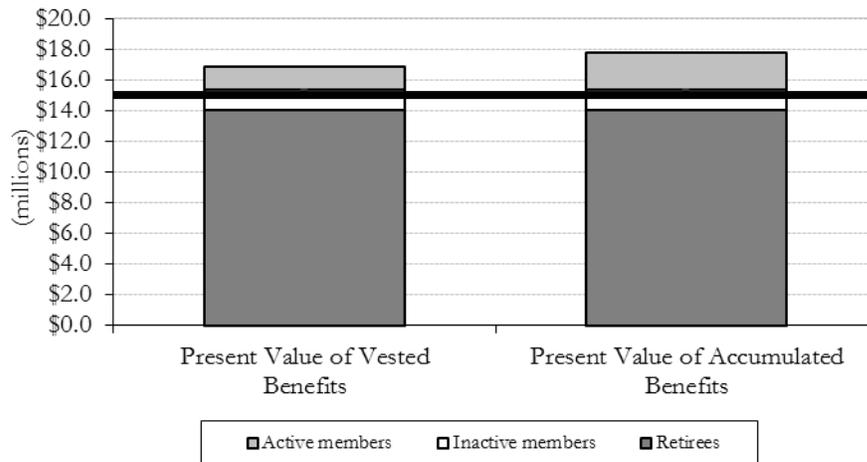
Section II-Summary of Actuarial Valuation Results

Funded Status

This report shows you an annual required contribution. Another important measure is how well the Vested Benefits and Accumulated Benefits are funded.

The chart below compares the market value of assets in your plan as of 10/01/2014 (represented by the solid line in the chart below) to the Present Value of :

- Vested Benefits: benefits that cannot be taken away, even if the participant terminates employment
- Accumulated Benefits: benefits already earned based on service and pay to the valuation date.



Please note that this display does not represent the cost to terminate your plan. Upon request, we can prepare a separate study to value that cost using different assumptions.

Section II-Summary of Actuarial Valuation Results

Considerations

As you make decisions about your contributions to the plan, take into account your plan's funded status. Since your plan does not have enough assets to cover the benefits already earned, you might want to consider:

- Ways to increase cash flow into the plan
 - Increase your organization's contributions
 - Look at your cost sharing policy - how much should participants contribute to their retirement?
- Reducing benefits earned in the future
- Making the annual required contribution, and continuing to monitor funded status in future years
- A review of your asset allocation strategy and how it can impact both funded status and contribution volatility. An analysis of investment allocations may help you decide whether your plan's assets are allocated in a way that matches your risk comfort level.
 - Riskier investments may reduce cash flow into the plan temporarily, but may cause contribution levels and funded status to fluctuate.
 - More conservative investments may require increased contributions, but provide a more solid base for planning and budgeting
- Forecasts of alternate contribution policies and resulting funded status can help with decision making.
- A cost/benefit study of various plan designs can help you evaluate your options.

As changes to your organization occur, be sure to keep us informed so that we can advise you on the impact these situations have on your retirement program. Early communication can help us help you plan for changes.

Wherever your evaluation leads, we have the experience and expertise to assist you every step of the way. In addition, The Principal can also help you with your total retirement program including defined contribution plans, nonqualified plans, and more.

For Additional Information

If you have any questions about any of the services we can provide, contact a member of your team at The Principal. For questions about the material in this report, contact your Pension Actuarial Analyst, Diane Keller, by:

- Phone – 1-800-543-4015 extension 49384, or 515-394-9384
- Email – keller.diane@principal.com

You may also contact your local Principal Financial Group Retirement Services sales office.

Section III-Deposit Information

Normal Cost

	<u>For Fiscal Year Beginning 10/01/2015¹</u>	<u>For Fiscal Year Beginning 10/01/2014¹</u>
Total normal cost	\$281,394	\$305,201
Employee normal cost (expected employee contributions)	60,573	59,103
Employer normal cost	220,821	246,098
Annual member compensation ²	758,177	737,174
Total normal cost as a percentage of member compensation	37.11%	41.40%

Deposit Levels

	<u>For Fiscal Year Beginning 10/01/2015¹</u>	<u>For Fiscal Year Beginning 10/01/2014¹</u>
Annual Required Contribution		
a) Employer normal cost	\$220,821	\$246,098
b) Amortization amounts	428,328	456,962
c) Valuation interest to the end of the plan year on a and b	48,686	52,730
d) 20 year amortization of credit balance	6,028	6,337
e) Valuation interest to the end of the plan year on d	452	475
f) Annual required contribution (a+b+c-d-e)	\$691,355	\$748,978

This minimum deposit is in addition to employee contributions.

¹Costs based on prior plan year valuation adjusted for assumed salary scale increase and interest to reflect that it applies for the upcoming fiscal year contributions.

²Projected compensation.

Section IV-Plan Assets

	<u>Actuarial Value</u>	<u>Market Value</u>
Principal Life Insurance Company Accounts		
Flexible Pension Investment (FPI) grouped accounts	\$15,060,541	\$15,746,274
Value of deposit received on 10/02/2014 and applied to the plan year ending 09/30/2014	228,186	228,186
Total Value	\$15,288,727	\$15,974,460

The actuarial value of assets for the Flexible Pension Investment (FPI) grouped accounts is determined on a combined basis. See the following page for the development of this value.

Deposits Received for the 10/01/2013 Plan Year

The following employer deposits were made for the prior plan year and are reflected in the total assets above.

<u>Amount</u>	<u>Date Received</u>
\$228,186.25	12/31/2013
228,186.25	03/07/2014
228,186.25	06/09/2014
228,186.25	10/02/2014
\$912,745.00	Total

**Development of Actuarial Value of
Principal FPI Grouped Accounts**

To determine the actuarial value of the Principal FPI grouped accounts we have adjusted the market value by:

- Subtracting any remaining deferred appreciation in excess of expected investment earnings.
- Adding any remaining deferred appreciation short of expected investment earnings (shortfall).

Of the total excess appreciation or shortfall for any one plan year, 25% is allocated to the current plan year and each of the next three plan years.

a)	Market value of assets as of 10/01/2013	\$14,565,895
b)	Contributions/transfers	769,611
c)	Benefit payments	(849,115)
d)	Expenses	(32,794)
e)	Expected interest on (a, b, c, and d)	1,088,386
f)	Expected value of assets as of 10/01/2014 (a+b+c+d+e)	\$15,541,983
g)	Market value of assets as of 10/01/2014	\$15,746,274
h)	Current year excess appreciation/(shortfall) (g-f)	204,291
i)	Adjustment to market value (sum of deferred amounts)	685,733
j)	Actuarial value of assets (g-i)	\$15,060,541

Allocation of Deferred Appreciation

Allocation	Plan Year			
<u>Year</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
2011	\$(197,913)			
2012	(197,912)	\$299,524		
2013	(197,912)	299,524	\$116,496	
2014	(197,912)	299,523	116,496	\$51,073
2015		299,523	116,496	51,073
2016			116,496	51,073
2017				51,072
Total	\$(791,649)	\$1,198,094	\$465,984	\$204,291
Deferred	\$0	\$299,523	\$232,992	\$153,218
Adjustment to market value (sum of deferred amounts)				\$685,733

Section V-Development of Deposit Information

Development of Normal Cost

a) Present value of projected benefits	
Active members	\$5,357,157
Inactive members	1,336,278
Retired members	14,015,441
Total	\$20,708,876
b) Unfunded frozen initial liability	3,672,433
c) Actuarial value of assets	15,288,727
d) Present value of future normal costs (a-b-c)	1,747,716
e) Present value of future compensation	5,837,578
f) Projected annual compensation in coming year	715,194
g) Normal cost (d+e+f)	214,122
h) Estimated expenses	32,800
i) Total normal cost (g+h)	\$246,922

Development of Normal Cost for fiscal year ending 09/30/2016

j) Total normal cost for 10/01/2014 plan year (line i above)	\$246,922
k) Adjustment for salary increase (6.01% of j)	14,840
l) Adjustment for interest (7.50% of j+k)	19,632
m) Total Normal Cost for 9/30/2015 FYE (j+k+l)	281,394
n) Employee Normal Cost (f*(1+salary increase in line k)*7% + expected payroll deduction for service buyback [7,501])	60,573
o) Employer Normal Cost (m-n)	\$220,821

Section V-Development of Deposit Information

Schedule of Amortization Bases

Your cost method allocates a portion of plan funding to be amortized in equal annual installments, rather than to be paid through future normal costs. The minimum period over which the bases are amortized are described by law or regulations.

<u>Date Created</u>	<u>Reason</u>	<u>Remaining Period (Years)</u>	<u>Outstanding Balance</u>	<u>Minimum Annual Amortization</u>
10/01/2001	Benefit change	17.00	\$1,393,802	\$137,436
10/01/2004	Benefit change	20.00	645,751	58,924
10/01/2006	Benefit change	21.00	932,005	83,255
10/01/2007	Assumption change	2.00	56,952	29,506
10/01/2009	Assumption change	5.00	90,736	20,862
10/01/2012	Assumption change	8.00	619,243	98,345
	Total		\$3,738,489	\$428,328

Section V-Development of Deposit Information

Unfunded Frozen Initial Liability

a) Unfunded frozen initial liability (as of 10/01/2013)	\$3,865,182
b) Changes made during the plan year	0
c) Employer normal cost (as of 10/01/2013)	400,100
d) Interest on the above items	319,896
e) Total (a+b+c+d)	\$4,585,178
f) Employer contributions	\$912,745
g) Interest on employer contributions	0
h) Total (f+g)	\$912,745
i) Adjustment due to ERISA full funding credit	\$0
j) Unfunded frozen initial liability (as of 10/01/2014) (e-h-i)	\$3,672,433

Employer contributions include \$228,186 received on 10/02/2014 and applied to the plan year ending 09/30/2014.

Section V-Development of Deposit Information

Funding Standard Account for the Plan Year Beginning 10/01/2013 and Ending 09/30/2014

The funding standard account is defined in Section 412 of the Internal Revenue Code. It is used to measure the funding adequacy of your pension plan. An accumulated credit balance shows that funding has been adequate to meet legal requirements. An accumulated funding deficiency should not be allowed to develop as it is subject to the penalty of an excise tax. To prevent a deficiency, your contribution should be at least equal to the minimum deposit shown in this report.

Charges to the Funding Standard Account

a) Accumulated funding deficiency - last valuation date	\$0
b) Employer normal cost - last valuation date	400,100
c) Amortization charges	456,961
d) Interest on the above items	64,280
e) Additional funding requirement	0
f) Required installment interest charge	0
Total Charges	\$921,341

Credits to the Funding Standard Account

a) Accumulated credit balance - last valuation date	\$69,444
b) Employer contributions - last valuation date	912,745
c) Amortization credits	0
d) Interest on the above items	5,208
e) Full funding credit with interest	0
Total Credits	\$987,397

Accumulated Credit Balance \$66,056

The outstanding balance of amortization bases as of the beginning of the current plan year, \$3,738,489, less the credit balance, \$66,056, is the unfunded frozen initial liability as of the beginning of the plan year, \$3,672,433.

Employer contributions include \$228,186 received on 10/02/2014 and applied to the plan year ending 09/30/2014.

Certain items are not applicable due to being a Non-ERISA plan.

Section VI-Participant Information

Census Data

The census data is based on data supplied by the plan sponsor.

Age Group	Active Participants		Inactive Participants	
	Number	Projected Monthly Pension ¹	Number	Monthly Pension
Under 25	0	0	0	0
25-29	0	0	0	0
30 - 34	0	0	0	0
35 - 39	3	42,365	1	547
40 - 44	1	5,788	1	601
45 - 49	2	12,988	2	2,512
50 - 54	2	8,388	2	574
55 - 59	0	0	3	5,883
60 - 64	0	0	0	0
65 & over	0	0	0	0
Totals	8	69,529	9	10,117

¹ Projected monthly pension was calculated on the assumption that employees would experience annual compensation increases. Benefit amounts have been calculated at normal retirement age (current age if later).

Included in the inactive participants are zero participants who have DROP deferred payments and two participants who have employee contributions only.

Retired Participants		
Age Group	Number	Monthly Benefit
Under 40	0	0
40 - 44	0	0
45 - 49	1	6,788
50 - 54	3	6,093
55 - 59	5	31,910
60 - 64	6	10,079
65 - 69	6	18,696
70 -74	1	653
75 - 79	0	0
80 - 84	0	0
85 & Over	1	3,054
Totals	23	77,273

Included in the retired participants are five participants who are still due DROP account balances.

Section VI-Participant Information

Emerging Retirement Liability (Reflects IRC Section 415 benefit limitations)

This page is provided to help you evaluate your asset liquidity needs. For this purpose, the charges shown can be compared to the market value of assets. As of the current anniversary date, this amount is \$14,565,895.

<u>Plan Year</u> <u>Beginning</u>	<u>Expected</u> <u>Charge to Assets</u>	<u>Cumulative</u> <u>Charges</u>
10/01/2014	1,016,223	1,016,223
10/01/2015	1,085,765	2,101,988
10/01/2016	1,100,577	3,202,565
10/01/2017	1,122,247	4,324,812
10/01/2018	1,167,716	5,492,528
10/01/2019	1,237,133	6,729,661
10/01/2020	1,252,809	7,982,470
10/01/2021	1,269,163	9,251,633
10/01/2022	1,285,426	10,537,059
10/01/2023	1,433,947	11,971,006

This display includes 23 retirees or beneficiaries who are already receiving benefits.

This display includes the 2% annual cost of living increases on the qualified portion of the benefits. Existing retiree David Pritchard will not receive a cost of living benefit.

Emerging Retirement Liability (Reflects Excess benefits)

This page is provided to help you evaluate your asset liquidity needs.

<u>Plan Year</u> <u>Beginning</u>	<u>Expected</u> <u>Charge to Assets</u>	<u>Cumulative</u> <u>Charges</u>
10/01/2014	546,095	546,095
10/01/2015	554,549	1,100,644
10/01/2016	562,979	1,663,623
10/01/2017	571,354	2,234,977
10/01/2018	579,657	2,814,634
10/01/2019	587,860	3,402,494
10/01/2020	595,925	3,998,419
10/01/2021	603,817	4,602,236
10/01/2022	611,471	5,213,707
10/01/2023	618,828	5,832,535

This display includes 24 retirees or beneficiaries who are already receiving benefits.

This display includes the 2% annual cost of living increases on the excess portion of the benefits. Existing retirees David Pritchard and Bernadette Pritchard will not receive a cost of living benefit.

Section VII-Actuarial Assumptions and Methods

Actuarial Valuation Assumptions

	<u>10/01/2014</u>	<u>10/01/2013</u>																																								
Valuation Interest (net of investment expenses)																																										
Preretirement	7.50%	7.50%																																								
Postretirement	7.50%	7.50%																																								
Interest Rate For Employee Accumulations	3.53%	3.53%																																								
Mortality																																										
Preretirement	None.	None.																																								
Postretirement	IRS Prescribed Mortality – Generational Non-annuitant, male and female.	IRS Prescribed Mortality – Generational Non-annuitant, male and female.																																								
Expenses	A dollar estimate of administrative expenses is included in normal cost.	A dollar estimate of administrative expenses is included in normal cost.																																								
Salary Scale	Table S-5 from the Actuary's Pension Handbook plus 4.50%. Selected rates of increase are shown below:	Table S-5 from the Actuary's Pension Handbook plus 4.50%. Selected rates of increase are shown below:																																								
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Age</u></th> <th style="text-align: left;"><u>Increase</u></th> <th style="text-align: left;"><u>Age</u></th> <th style="text-align: left;"><u>Increase</u></th> </tr> </thead> <tbody> <tr> <td>20</td> <td>9.60%</td> <td>40</td> <td>7.22%</td> </tr> <tr> <td>25</td> <td>8.68%</td> <td>45</td> <td>6.89%</td> </tr> <tr> <td>30</td> <td>8.07%</td> <td>50</td> <td>6.62%</td> </tr> <tr> <td>35</td> <td>7.61%</td> <td>55</td> <td>6.38%</td> </tr> </tbody> </table>	<u>Age</u>	<u>Increase</u>	<u>Age</u>	<u>Increase</u>	20	9.60%	40	7.22%	25	8.68%	45	6.89%	30	8.07%	50	6.62%	35	7.61%	55	6.38%	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Age</u></th> <th style="text-align: left;"><u>Increase</u></th> <th style="text-align: left;"><u>Age</u></th> <th style="text-align: left;"><u>Increase</u></th> </tr> </thead> <tbody> <tr> <td>20</td> <td>9.60%</td> <td>40</td> <td>7.22%</td> </tr> <tr> <td>25</td> <td>8.68%</td> <td>45</td> <td>6.89%</td> </tr> <tr> <td>30</td> <td>8.07%</td> <td>50</td> <td>6.62%</td> </tr> <tr> <td>35</td> <td>7.61%</td> <td>55</td> <td>6.38%</td> </tr> </tbody> </table>	<u>Age</u>	<u>Increase</u>	<u>Age</u>	<u>Increase</u>	20	9.60%	40	7.22%	25	8.68%	45	6.89%	30	8.07%	50	6.62%	35	7.61%	55	6.38%
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Retirement Age	Normal retirement age as defined in Summary of Plan Provisions. For those participants who have elected to purchase additional accrual service, we are assuming that they will retire once they become eligible for early retirement and are eligible to receive all purchased years of accrual service.	Normal retirement age as defined in Summary of Plan Provisions. For those participants who have elected to purchase additional accrual service, we are assuming that they will retire once they become eligible for early retirement and are eligible to receive all purchased years of accrual service.																																								
Disability	None.	None.																																								

Section VII-Actuarial Assumptions and Methods

Marriage	75% married; male is 3 years older than the female.	75% married; male is 3 years older than the female.
Withdrawal	None.	None.
Cost of Living	2.00% inflation rate.	2.00% inflation rate.
Inflation	2.50%	2.50%

Section VII-Actuarial Assumptions and Methods

Actuarial Methods

	<u>10/01/2014</u>	<u>10/01/2013</u>
Actuarial cost method	Entry age normal-frozen initial liability	Entry age normal-frozen initial liability
Actuarial value of assets		
Principal Life Insurance Company accounts		
FPI grouped accounts	Market value is adjusted by spreading the expected value minus the actual value over four years.	Market value is adjusted by spreading the expected value minus the actual value over four years.
Deposits after the plan year end	Deposits received in the current plan year, but applied to the prior plan year, are included in assets at their face value.	Deposits received in the current plan year, but applied to the prior plan year, are included in assets at their face value.
Retirees	Assets and liabilities for retirees whose benefits are not guaranteed by your contract are included in your valuation.	Assets and liabilities for retirees whose benefits are not guaranteed by your contract are included in your valuation.
Deferred Retirement Option Plan (DROP) liability and assets	Participants who are participating in the Deferred Retirement Option Plan but who have not terminated employment are included in the valuation as inactive participants. The future stream of benefit payments is valued as a liability to the plan. The DROP account balances are tracked and will be added to the actuarial value of liabilities for valuation purposes as well. The actuarial value and market value of assets will reflect the total assets of the plan including the DROP account balances.	Participants who are participating in the Deferred Retirement Option Plan but who have not terminated employment are included in the valuation as inactive participants. The future stream of benefit payments is valued as a liability to the plan. The DROP account balances are tracked and will be added to the actuarial value of liabilities for valuation purposes as well. The actuarial value and market value of assets will reflect the total assets of the plan including the DROP account balances.

Section VII-Actuarial Assumptions and Methods

Description of Actuarial Cost Method Entry Age Normal - Frozen Initial Liability

Ultimate Cost

The ultimate cost of your pension plan is:

- Benefit payments
- Plus expenses
- Less investment income

This cost can't be determined until the last benefit has been paid. Regardless of which actuarial cost method is used, the ultimate cost remains the same.

Cost Methods

A cost method is a budgeting tool. It helps to ensure that your pension plan is adequately and systematically funded. Cost methods differ based on how they assign an annual cost to the current year and how they treat gains and losses.

Normal Cost

The portion of cost assigned to each year is called the normal cost. The normal cost may be shared by the employer and the employees based on plan provisions.

Entry Age Normal - Frozen Initial Liability

The entry age normal-frozen initial liability cost method is used for this valuation. This method estimates the total cost of all projected plan benefits based on the assumptions shown in this report and the participant data you have supplied.

Costs are spread evenly from a member's date of hire to assumed retirement age. There are some accumulated costs for past years that have not been paid on your plan's effective date. The value of these past costs is called the frozen initial liability (FIL). In the following years, the FIL is reduced by employer deposits in excess of the employer normal cost and interest. This reduced amount is the unfunded frozen initial liability (UFIL). Both the FIL and UFIL are adjusted when there are plan or assumption changes (a liability base is created).

Normal Cost is determined by reducing the total cost of projected benefits by plan assets and the UFIL. This net amount is the present value of future normal costs. It is spread as a level percentage of compensation if benefits are salary related or as a level dollar amount, if not salary related. The UFIL is funded by amortizing each liability base over a separate period in accordance with the Internal Revenue Code.

Actuarial Gains/Losses

An actuarial gain or loss occurs when actual plan experience differs from what was assumed. The actuarial gain or loss is not calculated separately, but is reflected in the calculation of normal cost. A gain decreases normal cost and a loss increases normal cost. Normal cost will vary based on how plan experience compares to what was assumed.

Section VII-Actuarial Assumptions and Methods

Special Situations

The following table outlines how costs are determined under some special situations.

If	Then
Total normal cost or UFIL is less than \$0	We attempt to reestablish the UFIL under the entry age normal cost method. The UFIL is equal to liabilities less assets, but not less than \$0.
An attempt to reestablish the UFIL results in a UFIL less than \$0	We temporarily change to the aggregate cost method.
Temporarily on the aggregate cost method when a plan or assumption change occurs	We reestablish the UFIL if the result is greater than \$0.
Assets exceed the present value of all projected benefits	Your total normal cost is \$0.

Section VIII-Summary of Plan Provisions

The following is a summary of plan provisions and does not alter the intent or meanings of the provisions contained in the contract or plan document.

Plan Eligibility

Class: Professional/Management class, as determined by the personnel resource system and approved by the City Manager and elected officials subject to provisions of Chapter 112.048, Florida Statutes.

Must agree to make required contributions as a condition of employment. No new entrants on or after January 1, 2007.

Normal Retirement Benefit

Age: Attained age 52 with 10 years of professional/management service with employer.

Attained age 60 with 4 years of professional/management service with employer.

25 years of professional/management service with employer.

Form: Ten years certain and life.

Amount (accrued benefit): The product of (a) and (b):

- (a) An amount equal to 3.2% of average compensation.
- (b) Accrual service on such date, plus additional accrual service, if any.

This amount will be reduced for each full or partial year that his/her spouse is eligible for the qualified preretirement survivor annuity before the earlier of the date he/she becomes inactive or reaches normal retirement date. For each year of coverage the reduction is 0.25%.

Maximum Benefit

Accrued benefit shall not be more than 80% of average compensation.

Early Retirement Benefit

Age: Attained age 45.

Service: Ten years of professional/management service with employer.

Form: Same as normal retirement benefit.

Amount: Accrued benefit on early retirement date reduced by 6% for each year up to five that early retirement date precedes normal retirement date.

Section VIII-Summary of Plan Provisions

Late Retirement Benefit

Age:	No maximum age.
Form:	Same as normal retirement benefit.
Amount:	Accrued benefit on late retirement date. The accrued monthly benefit on normal form should not be less than his/her monthly benefit on the normal form which is the actuarial equivalent of his salary reduction contribution account on such date.

Deferred Retirement Option Plan

Eligibility	An active participant first becomes eligible to elect the DROP upon becoming eligible for normal retirement or the date the participant reaches 80% vested.
Election:	An election to participate in the DROP shall constitute an irrevocable election to resign from the service of the employer not later than 60 months after commencement of DROP participation. All participants in the DROP shall be given 45 days in which to consider the terms of the DROP agreement and, after election to participate shall have seven calendar days following execution to revoke said agreement to receive the full five years of participation.
Form:	While the employee is in the DROP the pension benefit payments will be made to the DROP account as if the member had terminated employment and elected to receive monthly benefits payable in an amount as determined by the retirement option selected by the member. Prior to October 1, 2008, payments to the DROP will earn or lose interest at the same rate and frequency as the pension fund, minus administrative cost, or if elected by participant on DROP entry the rate of return assumption made annually by the plan's actuary to perform an actuarial valuation. For employees who enter DROP after 2008, will earn the rate of return assumption made annually by the plan's actuary while in DROP and will earn or lose interest at the same rate and frequency as the pension fund, minus administrative cost earn after DROP. Payment options are lump sum, periodic payment, an annuity, a combination or a rollover to another qualified retirement plan, including an individual retirement account.

Section VIII-Summary of Plan Provisions

Amount: At the time of a participant's entry into the DROP, the participant's accrual service, accrued benefit and average compensation shall be calculated as if the participant had actually retired from service. There shall be no further required contributions by participants after entry into the DROP. No additional accrual service shall be earned after entry into the DROP. Any changes in plan benefits shall not apply to participants in the DROP, unless otherwise applicable to retired participants of the plan.

Disability Benefit

Service: 10 years of professional/management service.

Form: Monthly income payable until death, or recovery.

Amount: Accrued Benefit on date of disability offset by any Social Security Disability benefit.

Termination Benefit

Vesting percentage: 100% after four years of vesting service.

Form: Same as normal retirement benefit with income deferred until normal retirement date.

Amount: Equal to the sum of:

- (a) The amount of retirement annuity which is the actuarial equivalent of his/her salary reduction contribution account.
- (b) Vesting percentage times the excess of the pension benefit as of the date of termination over (a) above.

At any time on or after termination, the participant may elect to receive his/her accumulation in cash in lieu of any and all retirement benefits.

Medical Stipend:

Eligibility: Participant who actively retires from the plan and was hired on or before 01/01/1996.

Amount: An annual benefit of \$120 times years of service (maximum 20 years).

Section VIII-Summary of Plan Provisions

Cost of Living Adjustment

Amount: Adjustment to the retirement benefit of 2% per year if the Consumer Price Index is 0.5% or greater the immediate preceding year.

Death Benefits

The greater of A. or B.:

A. Single Sum Death Benefit

Form: Lump sum.

Amount: Participant's salary reduction contribution account.

B. Survivor Annuity Death Benefit

Eligibility: Participant has attained age 45 and completed 10 years of professional/management service with the employer.

Participant is survived by spouse to whom he/she was continuously married throughout the one-year period ending on the date he dies.

Vesting percentage or salary reduction contribution account on the date of death is greater than zero.

Active participant that has not waived the Preretirement Survivor Annuity.

Form: Monthly annuity payable to spouse.

Amount: If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 50% survivor annuity in effect, then died the next day.

Salary Reduction Contributions

Vesting percentage: 100% immediately.

Amount: 7% of monthly compensation.

Section VIII-Summary of Plan Provisions

Definitions

Compensation:	Total amount paid to an employee, excluding accumulated leave pay, but including assignment and longevity pay.
Average compensation:	The average of an employee's monthly compensation for their last two compensation years, (all if less than two).
Required contribution account:	Total of participant's required contributions with interest, less any previously paid out contributions. Interest shall be credited in each year at a rate of 3% per annum compounded annually.
Additional accrual service:	<p>The total of an employee's additional service to be credited beginning in the 16th year of professional/management service with the employer as described below:</p> <p>(a) An active participant shall have the option of purchasing up to 5 years of additional accrual service, which shall be calculated in the form of an enhanced multiplier. In order to qualify for this option, the participant must have been employed as a professional/management employee for at least one year.</p> <p>(b) Employees must exercise this option within 90 days after completion of one year of professional/management service.</p> <p>(c) An active participant who has elected this option shall contribute for each year of enhanced multiplier purchased. The amount shall be based upon actuarial factors determined by the city. Such contribution may be made in a single-sum or over a period not to exceed 10 years, and may be made as a direct transfer from an IRC Section 403(b) or 457 plan.</p> <p>All such contributions must be made by the earliest of (i) the date the participant has completed 11 years of service with the employer, (ii) the date of entry into the Deferred Retirement Option Plan, or (iii) his/her retirement date.</p>

Section VIII-Summary of Plan Provisions

However, additional accrual service is modified as follows:

If a participant who purchased an enhanced multiplier year(s) does not reach his 16th, 17th, 18th, 19th and/or 20st year of professional/management service with the employer, the contributions made by such participant for the applicable year(s) shall be returned to him with interest compounded annually at 4%, and the enhanced multiplier for such year(s) shall be cancelled in accordance with the following schedule:

Years of Professional/Management Service Completed	Contributions Returned	Enhanced Multiplier Years Cancelled
15 or less	those made for years 16-20	5
More than 15, up to 16	those made for years 17-20	4
More than 16, up to 17	those made for years 18-20	3
More than 17, up to 18	those made for years 19-20	2
More than 18, up to 19	those made for year 20	1
More than 19	none	0

Section IX-Plan Accounting Information (ASC 960)

Present Value of Accumulated Plan Benefits

Present value of vested and nonvested accrued benefits are based on the **valuation assumptions** shown in Section VII of this report (salary scale, if any, is not included in the calculation of accrued benefits). If the valuation includes retirees under the floor or benefit index option of the plan's funding arrangement, then those liabilities are also included below. This information may be used for Plan Accounting (ASC 960). These amounts should not be used for other purposes such as estimating plan termination sufficiency.

	<u>10/01/2014</u>	<u>10/01/2013</u>
Present Value of Vested Benefits		
Retired members	\$14,015,441	\$8,151,329
Inactive members	1,336,278	2,332,937
Active members	1,490,191	5,358,933
Total	\$16,841,910	\$15,843,199
Present Value of Nonvested Benefits		
Inactive members	\$0	\$0
Active members	885,165	775,496
Total	\$885,165	\$775,496
Total Present Value of Accumulated Plan Benefits	\$17,727,075	\$16,618,695

There have been no changes in the plan benefits, actuarial cost method, or actuarial assumptions or procedures affecting comparability of costs between periods.

Change in Present Value of Accumulated Plan Benefits

Present Value of Accumulated Plan Benefits as of 10/01/2013	\$16,618,695
Increase (decrease) during the year due to:	
Increase for interest due to decrease in the discount period	1,246,402
Benefits paid	(849,115)
Benefits accumulated and plan experience	711,093
Change in assumptions	0
Plan amendment	0
Method changes	0
Present Value of Accumulated Plan Benefits as of 10/01/2014	\$17,727,075

Section X-Accounting Disclosure Information for SGAS27

Carryforward of Net Pension Obligation:

a)	Annual required contribution for 2013 plan year	\$912,745
b)	Interest on net pension obligation	(1,683)
c)	Adjustment to annual required contribution	(6,701)
d)	Annual pension cost for 2013 plan year (a+b-c)	917,763
e)	Actual contributions made	912,745
f)	Increase/(decrease) in net pension obligation	5,018
g)	2013 beginning of year net pension obligation	(22,443)
h)	2013 end of year net pension obligation	\$(17,425)

Annual Pension Cost for 2014 Plan Year:

a)	Normal cost with interest	\$264,555
b)	Amortization with interest	484,423
c)	Annual required contribution (a+b) but not less than zero	748,978
d)	Interest on net pension obligation	(1,307)
e)	Adjustment to annual required contribution	(2,975)
f)	Annual pension cost (c+d-e)	\$750,646

Section X-Accounting Disclosure Information for SGAS27

Calculation of Net Pension Obligation

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	Val'n	Amort.		Interest On NPO	ARC Adjust.	Amort. Factor <u>(c yrs @</u> <u>b%)</u>	APC	Actual	Loss/ (Gain)	Change In NPO	NPO Balance
<u>Year</u>	<u>Rate</u>	<u>Period</u>	<u>ARC</u>	<u>(l py x b)</u>	<u>(l py / g)</u>		<u>(d+e-f)</u>	<u>Deposit</u>	<u>(d-i)</u>	<u>(h-i)</u>	<u>(l py+k)</u>
2001	7.75%	9	379,038	-	-	-	379,038	496,051	(117,013)	(117,013)	(117,013)
2002	7.75%	12	334,178	(9,069)	(15,326)	7.6347	340,435	338,435	(4,257)	2,000	(115,013)
2003	7.75%	11	369,537	(8,914)	(15,916)	7.2264	376,539	369,537	0	7,002	(108,011)
2004	7.75%	10	760,163	(8,371)	(15,916)	6.7864	767,708	760,163	0	7,545	(100,466)
2005	7.75%	10	816,391	(7,786)	(14,804)	6.7864	823,409	816,391	0	7,018	(93,448)
2006	7.75%	9	854,080	(7,242)	(14,804)	6.3124	861,642	854,080	0	7,562	(85,886)
2007	7.75%	8	714,677	(6,656)	(14,804)	5.8016	722,825	714,677	0	8,148	(77,738)
2008	7.75%	9	719,418	(6,025)	(12,315)	6.3124	725,708	719,418	0	6,290	(71,448)
2009	7.75%	8	802,845	(5,537)	(12,315)	5.8016	809,623	802,845	0	6,778	(64,670)
2010	7.75%	7	1,051,450	(5,012)	(12,315)	5.2512	1,058,753	1,051,450	0	7,303	(57,367)
2011	7.75%	6	953,218	(4,446)	(12,315)	4.6582	961,087	953,218	0	7,869	(49,498)
2012	7.50%	4	762,010	(3,712)	(14,779)	3.3493	773,077	746,022	15,988	27,055	(22,443)
2013	7.50%	4	912,745	(1,683)	(6,701)	3.3493	917,763	912,745	0	5,018	(17,425)
2014	7.50%	8	748,978	(1,307)	(2,975)	5.8573	750,646				

Section XI-Florida Disclosures

This section provides information as required by Part VII of Chapter 112, and by Chapter 60T-1 of the Florida Statutes. To the best of our knowledge, we have reflected in our calculations and assumptions, any event or trend which would materially increase plan costs.

This section also provides the information used to determine the annual required contribution. Please see Section II-Summary of Actuarial Results of this valuation report for additional information.

Section XI-Florida Disclosures

Comparative Summary of Principal Valuation Results

Actuarial Valuation Prepared as of

	<u>10/01/2014</u>	<u>10/01/2013</u>
Participant data		
Active members	8	14
Total annual payroll ¹	\$758,177	\$737,174
Retired members and beneficiaries	23 ²	16 ²
Total annualized benefit	\$927,276	\$521,568
Disabled members receiving benefit	0	0
Total annualized benefit	\$0	\$0
Terminated vested members	9 ³	10 ³
Total annualized benefit	\$121,404	\$193,728

Reconciliation of lives

	<u>Active</u>	<u>Inactive</u>	<u>Retired</u>
Total last valuation	14	10	16
New lives	0	0	0
Voluntary discontinuances	0	0	0
Vested terminations	-1	1	0
Non-vested terminations	0	0	0
Retirements	-5	-2	7
Deaths	0	0	0
Other:	0	0	0
Total this Valuation	8	9	23

Please refer to the demographic display of lives, which illustrates the number of participants by age group and includes years of vesting service, current year compensation, and projected normal retirement benefits. Please refer to Section VI-Emerging Retirement Liability of this valuation report for a projection of emerging liabilities/cash flow needs for the next 10 years.

¹ Projected Compensation

² 5 DROP participants have begun receiving an annuity but still have a DROP balance to be valued. Their DROP balances are valued with the retiree record and inactive records are excluded.

³ Included in the inactive participants are zero individual participating in the DROP provision and 2 participants who have employee contributions only. Included in the prior year inactive participants is 1 individual participating in the DROP provision, and 2 participants who have employee contributions only.

Section XI-Florida Disclosures

Assets

Since these funds are commingled with other funds in the general and separate accounts of the Principal Financial Group, it is not possible to identify specific investments as being made for a particular customer. Refer to the reconciliation of assets in this section.

Actuarial Valuation Prepared as of

	<u>10/01/2014</u>	<u>10/01/2013</u>
Market Value of Assets		
Participants Fund ¹		
Long-term Equity Investments	\$8,986,232	\$8,314,084
Short-term Investments		
Real Estate	848,360	716,253
Bonds/Fixed Income	5,911,682	5,535,558
Other: Contributions received after plan year end	228,186	
Total	\$15,974,460	\$14,565,895
Actuarial Value of Assets²		
Participants Fund ¹		
Long-term Equity Investments		
Short-term Investments		
Real Estate		
Bonds/Fixed Income		
Other:	\$15,288,727	\$13,815,273
Total	\$15,288,727 ³	\$13,815,273

¹ The participant's fund under the FPI contract is included in total assets. These assets amounts do not include deposits received after the plan year-end.

² The actuarial value of assets used in determining annual funding requirements are determined as stated in Section VII—Actuarial Assumptions and Methods of this valuation report.

³ Includes \$228,186 in deposits received after the end of the plan year.

Three-year comparison of investment return.

The actual percentage was calculated using the Form 5500 Schedule B investment return method.

<u>Plan Year Beginning</u>	<u>Actual Return on Actuarial Basis</u>	<u>Market Value Return</u>	<u>Assumed Return</u>
10/01/2013	9.87%	8.91%	7.50%
10/01/2012	10.09%	11.11%	7.50%
10/01/2011	6.81%	19.34%	7.75%

Section XI-Florida Disclosures

Liabilities

Actuarial Valuation Prepared as of

	<u>10/01/2014</u>	<u>10/01/2013</u>
Present value of all future expected benefit payments:		
Active Members		
Retirement benefits	\$5,324,091	\$9,230,422
Vesting benefits	0	0
Disability benefits	0	0
Death benefits	0	0
Return of contribution	0	0
Accumulated Leave	0	0
Medical Stipend	33,066	102,369
Total	\$5,357,157	\$9,332,791
Terminated vested members	\$1,336,278	\$2,332,937
Retired members and beneficiaries		
Retired (other than disabled) and beneficiaries	\$14,015,441	\$8,151,329
Disabled members	0	0
Total ¹	\$14,015,441	\$8,151,329
Total present value of all future benefit payments	\$20,708,876	\$19,817,057
 Liabilities due and unpaid:		
Frozen Initial Liability (FIL)	\$4,568,138	\$4,568,138
Unfunded Frozen Initial Liability (UFIL)	\$3,672,433	\$3,865,182

A list of liability bases is shown in Section V—Development of Deposit Information of this valuation report.

¹ Includes qualified DROP balances of \$1,151,399 for 2013 and \$1,160,045 for 2014.

Section XI-Florida Disclosures

Liabilities (Continued)

A schedule illustrating the amortization of the Unfunded Frozen Initial Liability (UFIL) is shown below. This assumes:

- 1) No future changes in the UFIL due to plan amendments or assumption changes.
- 2) The Contractholder funds the Annual Required Contribution amount shown in this section of the Valuation Report.

<u>Year</u>	<u>Projected UFIL</u>
2014	3,493,893
2015	3,301,962
2016	3,095,637
2017	2,905,556
2018	2,701,220
2019	2,481,557
2020	2,267,847
2021	2,038,109
2022	1,791,140
2023	1,631,370
2024	1,459,617
2025	1,274,982
2026	1,076,499
2027	863,131
2028	633,760
2029	387,185
2030	122,118

Reconciliation of DROP Accounts

	<u>Total</u>	<u>Qualified</u>	<u>Non- Qualified</u>
Total DROP Account Balance on October 1, 2013	\$1,863,410	\$1,151,399	\$712,011
Additions			
Contributions	111,833	98,214	13,619
Interest and Earnings	130,399	78,016	52,383
Withdrawals			
Lump sum payments	167,584	167,584	0
Total DROP Account Balance on October 1, 2014	\$1,938,058	\$1,160,045	\$778,013

Section XI-Florida Disclosures

Actuarial Present Value of Accrued Benefits

	Actuarial Valuation Prepared as of	
	<u>10/01/2014</u>	<u>10/01/2013</u>
Statement of actuarial value of all accrued benefits		
Vested Accrued Benefits		
Inactive members and beneficiaries ¹	\$15,351,719	\$10,484,266
Active members (includes non-forfeitable accumulated member contributions in the amount of \$665,069)	\$1,490,191	\$5,358,933
Total value of all vested accrued benefits	\$16,841,910	\$15,843,199
Non-vested accrued benefits	\$885,165	\$775,496
Total actuarial present value of all accrued benefits	\$17,727,075	\$16,618,695

These values are based on the actuarial assumptions shown in Section VII—Actuarial Assumptions and Methods of this valuation report, except that the calculation of accrued benefits does not include a salary scale, (if any).

A Statement of changes in total actuarial present value of all accrued benefits is shown in Section IX – Accounting Disclosure Information for SFAS 35 of this valuation report.

10/01/2013 **Volatility Assumption¹**

Statement of actuarial value of all accrued benefits	
Vested Accrued Benefits	
Inactive members and beneficiaries	\$19,041,502
Active members	2,190,216
Total value of all vested accrued benefits	\$21,231,718
Non-vested accrued benefits	1,118,928
Total actuarial present value of all accrued benefits	\$22,350,646

¹ The volatility interest rate used is 5.50% which is 2.00% lower than the valuation interest rate as directed in the new Florida Statutes. All other assumptions are as shown in Section VII-Actuarial Assumptions and Methods.

Section XI-Florida Disclosures

Pension Cost

Actuarial Valuation Prepared as of

	<u>10/01/2014²</u>	<u>10/01/2013³</u>
Normal Cost ¹ :		
Base Normal Cost	\$248,594	\$272,601
Administrative expenses	32,800	32,600
Total Normal Cost	\$281,394	\$305,201
Payment to amortize unfunded liability(ies)	\$422,300	\$450,625
Expected plan sponsor contribution (including normal cost, amortization payment and interest, as applicable)	\$691,355	\$748,978
Employer Normal Cost as % of payroll ⁴	37.11%	41.40%
Amount to be contributed by members ⁵	60,573	59,103
As % of payroll	7.99%	8.02%

Interest is based on 7.50% for the current and prior years. A Credit Balance in the Minimum Funding Standard Account of \$6,337 has been recognized in the amortization of the prior year and \$6,028 in the current year.

10/01/2014 Volatility Assumption⁶

Normal Cost: ¹	
Base Normal Cost	\$408,976
Administrative expenses	32,800
Total Normal Cost	\$441,776
Payment to amortize unfunded liability(ies)	\$422,300
Expected plan sponsor contribution (including normal cost, amortization payment and interest, as applicable)	\$847,695
As % of payroll (full payroll shown on page XI-2)	58.27%
Amount to be contributed by members ⁵	\$60,573
As % of payroll ⁴	7.99%

¹ Total normal cost and expected plan sponsor contributions reflect adjustments for salary and interest.

² 10/01/2014 amounts will be used for the 10/01/2015 - 9/30/2016 funding.

³ 10/01/2013 amounts will be used for the 10/01/2014 - 9/30/2015 funding.

⁴ Normal cost as a percentage of payroll reflects adjustment for salary increases.

⁵ Amount to be contributed by members reflects adjustment for salary increases.

⁶ The volatility interest rate used is 5.50% which is 2.00% lower than the valuation interest rate as directed in the new Florida Statutes. All other assumptions are as shown in Section VII-Actuarial Assumptions and Methods.

Section XI-Florida Disclosures

	Plan Year Beginning	
	<u>10/01/2013</u>	<u>10/01/2012</u>
Past Contributions		
Required plan sponsor contribution	\$912,745	\$762,010
Required member contributions	59,103	80,622
Actual contributions made by		
Plan sponsor	\$912,745	\$746,022
Members	\$85,052	\$108,005
Other:		
Net Actuarial gain(loss) (if applicable)	N/A	N/A

Section XI-Florida Disclosures

Other Disclosures

Actuarial Valuation Prepared as of

	<u>10/01/2014</u>	<u>10/01/2013</u>
Present values of active members:		
Future salaries		
at attained age	\$5,837,578	\$7,012,906
at entry age	6,405,484	9,955,220
Future contributions		
at attained age	394,157	473,516
at entry age	432,503	672,183
 Present value of future contributions from other sources		
 Present value of future expected benefit payments for active members at entry age	 \$2,540,618	 \$3,962,887

The numerical development of total normal cost for the current plan year is shown in Section V—Development of Deposit Information of this valuation report.

Three year comparison of actual and assumed salary increases.

<u>Plan Year Beginning</u>	<u>Actual Increases</u>	<u>Assumed Increases</u>
10/01/2013	2.44%	7.01%
10/01/2012	7.24%	6.62%
10/01/2011	4.39%	7.40%

Other Disclosures (Continued)

Changes in costs during the year due to a change in assumptions, cost method, benefits, or other, as specified. See page IX-1 of this report.

This contract utilizes the direct fund payment method. Under the direct fund payment method, payments are made monthly from plan assets, therefore purchase rates are not applicable.

Asset Reconciliation

Actuarial value of assets balance on October 1, 2013	\$13,815,273
Additions	
Contributions – Employer	912,745 ²
Contributions - Employee	85,052
Interest and Earnings ¹	2,043,299
Withdrawals	
Expenses	32,794
Direct fund retirement payments	681,531
Lump sum payments	167,584
Plus Market Value Spread Adjustment	(685,733)
Actuarial value of assets balance on October 1, 2014	15,288,727 ²

¹The split between interest, dividends, realized gains and losses, unrealized gains and losses, and investment expense is not available under this contract

²Includes \$228,186 in deposits received after the end of the plan year

Section XI-Florida Disclosures

447771

CITY OF HALLENDALE

Valuation Date 10/01/2014

YEARS OF CREDITED SERVICE																				
Attained	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 and up	
Age	Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.	
	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.
Under 25	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
25 to 29	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
30 to 34	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
35 to 39	0	-	0	-	1	86,107	2	111,860	0	-	0	-	0	-	0	-	0	-	0	-
40 to 44	0	-	0	-	1	72,988	0	-	0	-	0	-	0	-	0	-	0	-	0	-
45 to 49	0	-	0	-	1	61,739	1	100,909	0	-	0	-	0	-	0	-	0	-	0	-
50 to 54	0	-	0	-	1	169,730	0	-	1	74,945	0	-	0	-	0	-	0	-	0	-
55 to 59	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
60 to 64	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
65 to 69	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
70 & up	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-