



April 24, 2015

Mr. Ricky Thompson
City Clerk
City of Starke Firefighters' Retirement System
P.O. Box C – 209 N. Thompson Street
Starke, Florida 32091-1278

Re: Actuarial Valuation – Firefighters

Dear Ricky:

As requested, we are pleased to enclose fifteen (15) copies of the October 1, 2014 Actuarial Valuation Report for the City of Starke Firefighters' Retirement System.

We appreciate the opportunity to work with the Board on this important project and look forward to presenting the key financial results of our Report at the April 29th Board Meeting.

As you are aware, a copy of the Report should be filed with the State at the following address upon approval by the Board.

Mr. Douglas E. Beckendorf, A.S.A.
Bureau of Local Retirement Services
Division of Retirement
Building 8
Post Office Box 9000
Tallahassee, Florida 32315-9000

Ms. Sarah Carr
Office of Municipal Police Officers'
& Firefighters' Pension Fund
Building 8
Post Office Box 3010
Tallahassee, Florida 32315-3010

If you should have any questions concerning the above, please do not hesitate to contact us.

Sincerest regards,

Lawrence F. Wilson, A.S.A.
Senior Consultant and Actuary

Enclosures

cc: Ronald Cohen, Esq. (w/ enclosure)
Mr. David Kelly (w/ enclosure)
Mr. Brad Million (w/ enclosure)

CITY OF STARKE FIREFIGHTERS' RETIREMENT SYSTEM
ACTUARIAL VALUATION AS OF OCTOBER 1, 2014

This Valuation Determines the Annual Contribution for the System Year October 1, 2015 through September 30, 2016 to be Paid in System Year October 1, 2015 to September 30, 2016

April 24, 2015

**City of Starke Firefighters’
Retirement System**

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April 24, 2015

Mr. Ricky Thompson
City Clerk
City of Starke Firefighters' Retirement System
P.O. Box C – 209 N. Thompson Street
Starke, Florida 32091-1278

Dear Mr. Thompson:

October 1, 2014 Actuarial Valuation

We are pleased to present our October 1, 2014 Actuarial Valuation Report for the City of Starke Firefighters' Retirement System. The purpose of this report is to indicate appropriate contribution levels, monitor minimum funding requirements, comment on the actuarial stability of the System and to satisfy State and accounting requirements. Gabriel, Roeder, Smith and Company (GRS), as System actuary, is authorized to prepare an annual Actuarial Valuation under Section 78-203 of the System. This Report is prepared for and at the request of the Board of Trustees.

This Report consists of this commentary, detailed Tables I through XVIII, and the State Required Exhibit on Table XIX. The Tables contain basic System cost figures plus significant details on the benefits, liabilities and experience of the System. We suggest you thoroughly review the report at your convenience and contact us with any questions that may arise.

Retirement System Costs

Our Actuarial Valuation develops the required minimum Retirement System payment for fiscal year beginning **October 1, 2015** under the Florida Protection of Public Employee Retirement Benefits Act and Chapter 175. The minimum payment consists of payment of annual normal costs including expenses and amortization of the components of the unfunded actuarial accrued liability over various periods as prescribed by law. The minimum payment is **47.7% of covered payroll (\$185,863)**. The figure in parentheses is the System cost expressed as an estimated dollar amount based on projected covered annual payroll for fiscal year beginning October 1, 2015 (\$389,833).

This total cost is to be met by member, City and State contributions. We anticipate member contributions will be **5.0% of covered payroll** for fiscal year ending September 30, 2016 for full-time Firefighters (**\$16,704**), **6.0% of covered payroll** for fiscal year ending September 30, 2016 for volunteer Firefighters (**\$3,346**), member pick-up contributions will be **5.0% of covered full-time payroll** for fiscal year ending September 30, 2016 (**\$16,704**) and allowable State contributions will be **7.8% of covered payroll** for fiscal year ending September 30, 2016 (**\$30,248**). This leaves a base City requirement of **30.5% of covered total payroll** for fiscal year ending September 30, 2016 (**\$118,861**). The City contribution includes an interest adjustment and must be increased if 2016 State contributions are less than \$30,248.

Changes in Actuarial Assumptions, Methods and System Benefits

System benefit provisions remain unchanged from the October 1, 2013 Actuarial Valuation and are summarized on Table X.

The actuarial assumptions and methods remain unchanged from the October 1, 2013 Actuarial Valuation. The actuarial assumptions and methods are summarized on Table XI.

Government Accounting Standards Board Statement Number 68 (GASB No. 68) expense and projected disclosures are included. Share Plan assets and liabilities are included in System assets and liabilities consistent with GASB No. 67 / 68 requirements.

Comparison of October 1, 2013 and October 1, 2014 Valuation Results

Table II of our report provides information of a comparative nature. The left columns of the Table indicate the costs as calculated for October 1, 2013. The right columns indicate the costs as calculated for October 1, 2014.

Comparing the left and right columns of Table II shows the effect of System experience during the year. The number of active participants increased by approximately 3% while covered payroll increased by approximately 1%. Total System membership increased by approximately 3%. Total normal cost increased both as a percentage of covered payroll and as a dollar amount. The unfunded actuarial accrued liability decreased both as a percentage of covered payroll and as a dollar amount. The net Base City minimum funding requirement decreased both as a percentage of covered payroll and as a dollar amount.

The value of vested accrued benefits continues to exceed System assets, resulting in a Vested Benefit Security Ratio (VBSR) of 100.4% which is an increase from 88.1% as of October 1, 2013. The VBSR is measured on a market value of assets basis.

System Experience

Table VII indicates net System experience resulted in an actuarial gain of \$204,453. This suggests actual overall experience was more favorable than expected.

Table XVII provides figures on recent System experience (salary, turnover and investment yield). Salary experience indicates actual salary increases were approximately 1.2% for full-time Firefighters. This was less than the assumption for salary increases of 5.7% and was generally a source of actuarial gain. There was no turnover this year amongst full-time Firefighters. Full-time Firefighter turnover was generally an offsetting source of actuarial loss.

The smoothed actuarial value investment return of 8.86% was more than the 7.75% assumption for investment return. Smoothed actuarial value investment return was a source of actuarial gain during the year. The three, five and ten-year average annual smoothed actuarial value investment returns are

7.5%, 4.5% and 4.4%, respectively. The one, three, five and ten-year average annual returns based upon market value are 11.83%, 12.9%, 8.8% and 4.8%, respectively.

Member Census and Financial Data

The City submitted Member census data as of October 1, 2014 used for this actuarial valuation to us. This information includes name, Social Security number, date of birth, date of hire, employee contributions and actual salary paid for the previous year. Dates of termination and retirement are provided where applicable. The City updated information on inactive participants including retirees, beneficiaries, DROPs and vested terminations.

We received financial information as of September 30, 2014 concerning fund assets from the City. We do not audit the Member census data and asset information that is provided to us. However, we perform certain reasonableness checks and on this basis we believe that the information that we received is reliable.

Summary

In our opinion the benefits provided for under the current System will be sufficiently funded through the payment of the amount as indicated in this and future Actuarial Valuation reports. We will continue to update you on the future payment requirements for the System through our actuarial valuation reports. These reports will also continue to monitor emerging experience of the System.

The actuarial assumptions used in this Actuarial Valuation are as adopted by the Board of Trustees. Each assumption represents an estimate of future System experience.

If all actuarial assumptions are met and if all future minimum required contributions are paid, System assets will be sufficient to pay all System benefits. System minimum required contributions are determined in compliance with the requirements of the Florida Protection of Public Employee Retirement Benefits Act and Firefighters Retirement Chapter 175 with normal cost determined as a level percent of covered payroll and a level percent amortization payment using a maximum amortization period of 30 years.

The VBSR may be appropriate for assessing the sufficiency of System assets to meet the estimated cost of settling benefit obligations based upon funding assumptions but may not be appropriate for assessing the need for or the amount of future contributions.

The GASB Plan Fiduciary Net Position as a Percentage of Total Pension Liability may not be appropriate for assessing the sufficiency of System assets to meet the estimated cost of settling benefit obligations but may be appropriate for assessing the need for or the amount of future contributions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: System experience differing from anticipated under 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) and changes in System provisions or applicable law. Due

to the limited scope of the actuary's assignment, the actuary did not perform an analysis of the potential range of such future measurements.

This report should not be relied upon for any purpose other than the purpose described in the primary communication. Determinations of the financial results associated with the benefits described in this report in a manner other than the intended purpose may produce significantly different results.

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 System 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.

This report may be provided to parties other than the Board only in its entirety and only with the permission of an approved representative of the Board.

The signing actuaries are independent of the System sponsor.

The undersigned 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 in this report. We are available to respond to any questions with regards to matters covered in this report.

Very truly yours,



Lawrence F. Wilson, A.S.A.
Senior Consultant and Actuary



Jennifer M. Borregard, E.A.
Consultant and Actuary

Table I

**City of Starke Firefighters'
Retirement System**

Summary of Retirement Plan Costs as of October 1, 2014

| | <u>Cost Data</u> | <u>% of Payroll</u> |
|--|-----------------------------|--------------------------------|
| A. Participant Data Summary (Table III) | | |
| 1. Active employees | 33 | N/A |
| 2. Terminated vested | 0 | N/A |
| 3. Receiving benefits (including DROPs) | 6 | N/A |
| 4. Annual payroll of active employees | \$ 382,189 | 100.0% |
| B. Total Normal Costs | | |
| 1. Age retirement benefits | \$ 75,411 | 19.7% |
| 2. Termination benefits | 4,100 | 1.1% |
| 3. Death benefits | 1,667 | 0.4% |
| 4. Disability benefits | 2,778 | 0.7% |
| 5. Estimated expenses | 39,000 | 10.2% |
| 6. Total annual normal costs | <u>\$ 122,956</u> | 32.2% |
| C. Total Actuarial Accrued Liability | | |
| 1. Age retirement benefits active employees | \$ 1,795,246 | 469.7% |
| 2. Termination benefits active employees | 13,929 | 3.6% |
| 3. Death benefits active employees | 31,540 | 8.3% |
| 4. Disability benefits active employees | 17,645 | 4.6% |
| 5. Retired or terminated vested participants receiving benefits including DROP participants | 1,448,142 | 378.9% |
| 6. Terminated vested participants entitled to future benefits | 0 | 0.0% |
| 7. Deceased participants whose beneficiaries are receiving benefits | 86,707 | 22.7% |
| 8. Disabled participants receiving benefits | 0 | 0.0% |
| 9. Miscellaneous liability | 0 | 0.0% |
| 10. Share Plan liability | 78,403 | 20.5% |
| 11. Total actuarial accrued liability | <u>\$ 3,471,612</u> | 908.3% |
| D. Smoothed Actuarial Value of Assets (Table VI) | \$ 2,827,628 | 739.9% |
| E. Unfunded Actuarial Accrued Liability (C-D) | \$ 643,984 | 168.5% |

**City of Starke Firefighters'
Retirement System**

Summary of Retirement Plan Costs as of October 1, 2014

| | <u>Cost Data</u> | <u>% of Payroll</u> |
|--|-----------------------------|--------------------------------|
| F. Minimum Required Contribution | | |
| 1. Total normal cost | \$ 122,956 | 32.2% |
| 2. Amortization of unfunded liability | 52,166 | 13.6% |
| 3. Interest adjustment | 7,097 | 1.9% |
| 4. Total required contribution | \$ 182,219 | 47.7% |
| G. Expected payroll of active employees for 2015-2016 year (\$382,189 x 1.02) | \$ 389,833 | 100.0% |
| H. Contribution Sources (percent of expected 2015-2016 payroll) | | |
| 1. Expected City | | |
| a. Base | \$ 118,861 | |
| b. Member pick-up | 16,704 ¹ | |
| c. Total expected City | \$ 135,565 | 34.8% |
| 2. Expected State | 30,248 | 7.8% |
| 3. Expected Member | | |
| a. Full-time member | \$ 16,704 ¹ | |
| b. Volunteer member | 3,346 ² | |
| c. Total member | 20,050 | 5.1% |
| 4. Total expected minimum required contribution | \$ 185,863 | 47.7% |
| I. Actuarial Gains / (Losses) (Table VII) | \$ 204,453 | 53.5% |
| J. Actuarial Present Value of Vested Accrued Benefits | | |
| 1. Retired, terminated vested, beneficiaries and disabled receiving benefits including DROP participants | \$ 1,534,849 | 401.6% |
| 2. Terminated vested participants entitled to future benefits and miscellaneous (including Share Plan) | 78,403 | 20.5% |
| 3. Active participants entitled to future benefits | 1,342,723 | 351.3% |
| 4. Total actuarial present value of vested accrued benefits | \$ 2,955,975 | 773.4% |
| K. Market Value of Assets (Table V) | \$ 2,967,952 | 776.6% |
| L. Unfunded Actuarial Present Value of Vested Accrued Benefits (J. - K., not less than zero) | \$ 0 | 0.0% |
| M. Vested Benefit Security Ratio (K. ÷ J.) | 100.4% | N/A |

¹ 5% of expected 2015-2016 full-time covered payroll (\$334,070)

² 6% of expected 2015-2016 volunteer covered payroll (\$55,763)

**City of Starke Firefighters'
Retirement System**

Comparison of Cost Data of October 1, 2013 and October 1, 2014 Valuations

| | October 1, 2013 | | October 1, 2014 | |
|--|-----------------|-----------------------------|-----------------|-----------------------------|
| | Cost Data | % of Annual Compensation | Cost Data | % of Annual Compensation |
| A. Participants | | | | |
| 1. Active employees | 32 | N/A | 33 | N/A |
| 2. Terminated vested | 0 | N/A | 0 | N/A |
| 3. Receiving benefits (including DROPs) | 6 | N/A | 6 | N/A |
| 4. Annual payroll of active employees | \$ 380,115 | 100.0% | \$ 382,189 | 100.0% |
| 5. Projected annual payroll of active employees | \$ 389,998 | 102.6% | \$ 389,833 | 102.0% |
| B. Total Normal Costs | \$ 119,807 | 31.5% | \$ 122,956 | 32.2% |
| C. Total Actuarial Accrued Liability | \$ 3,368,877 | 886.3% | \$ 3,471,612 | 908.3% |
| D. Smoothed Actuarial Value of Assets | \$ 2,466,636 | 648.9% | \$ 2,827,628 | 739.9% |
| E. Unfunded Actuarial Accrued Liability | \$ 902,241 | 237.4% | \$ 643,984 | 168.5% |
| F. Net Base City Cost | \$ 130,203 | 33.4% ¹ | \$ 118,861 | 30.5% ² |
| G. Actuarial Gain (Loss) | \$ 80,925 | 21.3% | \$ 204,453 | 53.5% |
| H. Unfunded Actuarial Present Value of Vested Accrued Benefits | \$ 340,484 | 89.6% | \$ 0 | 0.0% |
| I. Vested Benefit Security Ratio | 88.1% | N/A | 100.4% | N/A |

¹ Percent of expected 2014-2015 covered payroll (\$389,998)

² Percent of expected 2015-2016 covered payroll (\$389,833)

Table III

**City of Starke Firefighters'
Retirement System**

**Characteristics of Participants in
Actuarial Valuation as of October 1, 2014**

A. Active Plan Participants Summary

| | |
|--|------------|
| 1. Active participants fully vested | 10 |
| 2. Active participants partially vested | 0 |
| 3. Active participants non-vested | 23 |
| 4. Total active participants | 33 |
| 5. Annual rate of pay of active participants | \$ 382,189 |

B. Retired and Terminated Vested Participant Summary

| | |
|---|---|
| 1. Retired or terminated vested participants receiving benefits including DROP participants | 3 |
| 2. Terminated vested participants entitled to future benefits | 0 |
| 3. Deceased participants whose beneficiaries are receiving benefits | 3 |
| 4. Disabled participants receiving benefits | 0 |

C. Projected Annual Retirement Benefits

| | |
|--|------------|
| 1. Retired or terminated vested receiving benefits including DROP participants | \$ 107,320 |
| 2. Terminated vested entitled to future benefits | 0 |
| 3. Beneficiaries of deceased participants | 24,192 |
| 4. Disabled participants | 0 |

Table IV**City of Starke Firefighters'
Retirement System****Statement of System Assets as of October 1, 2014**

| | <u>Market Value</u> |
|--|---------------------|
| A. <u>Cash</u> | \$ 86,814 |
| B. <u>General Investments</u> | |
| 1. Cash equivalents | \$ 399,242 |
| 2. Corporate bonds | \$ 438,596 |
| 3. Common stocks | \$ 2,035,300 |
| C. <u>Receivables</u> | |
| 1. City contribution receivable | \$ 0 |
| 2. State contribution receivable | \$ 10,327 |
| 3. Other receivables | \$ 0 |
| 4. Accrued interest | \$ 3,840 |
| D. <u>Accounts Payable</u> | \$ 6,167 |
| E. <u>Total System Assets</u> (A + B + C - D) | \$ 2,967,952 |

Table V

**City of Starke Firefighters'
Retirement System**

Reconciliation of System Assets

| | | | |
|---|----|-----------------|-----------|
| A. <u>Total Market Value of Assets as of October 1, 2013</u> | | \$ | 2,524,896 |
| B. <u>Receipts During Period</u> | | | |
| 1. Contributions | | | |
| a. Member | \$ | 19,703 | |
| b. Member (picked up by City) | | 16,376 | |
| c. City | | 175,113 | |
| d. State | | 41,482 | |
| e. Total | \$ | <u>252,674</u> | |
| 2. Investment Income | | | |
| a. Interest, dividends and other | \$ | 44,382 | |
| b. Investment expenses | | <u>(26,989)</u> | |
| c. Net investment income | \$ | 17,393 | |
| 3. Net realized gains / (losses) | | 58,506 | |
| 4. Net unrealized gains / (losses) | | <u>230,739</u> | |
| 5. Total receipts during period | | \$ | 559,312 |
| C. <u>Disbursements During Period</u> | | | |
| 1. Pension payments | \$ | 86,205 | |
| 2. DROP distributions | | 0 | |
| 3. Share Plan distributions | | 0 | |
| 4. Contribution refunds | | 375 | |
| 5. Administrative expenses | | <u>29,676</u> | |
| 6. Total disbursements during period | | \$ | 116,256 |
| D. <u>Total Market Value of Assets as of September 30, 2014</u> | | \$ | 2,967,952 |
| E. <u>Share Plan</u> | | | |
| 1. Balance as of October 1, 2013 | \$ | 58,560 | |
| 2. Adjustment | | 0 | |
| 3. Increase from State funds received | | 11,234 | |
| 4. Investment gains / (losses) during year | | 9,809 | |
| 5. Administrative fees | | (1,200) | |
| 6. Distributions | | <u>0</u> | |
| 7. Balance as of September 30, 2014 | | \$ | 78,403 |
| F. <u>Reconciliation of DROP Account Balances</u> | | | |
| 1. DROP account balances as of October 1, 2013 | \$ | 115,784 | |
| 2. Benefit payments into DROP accounts during year | | 53,032 | |
| 3. Investment gains / (losses) during year | | 6,041 | |
| 4. Distributions from DROP accounts during year | | <u>0</u> | |
| 5. DROP account balances as of September 30, 2014 | | \$ | 174,857 |

**City of Starke Firefighters'
Retirement System**

Development of Smoothed Actuarial Value of Assets as of September 30

| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---|----------------|---------------|---------------|---------------|---------------|
| A. Preliminary total smoothed actuarial value from prior year | \$ 2,190,328 | \$ 2,466,636 | \$ 2,827,628 | | |
| B. Market value beginning of year | 2,215,397 | 2,524,896 | 2,967,952 | | |
| C. Market value end of year | 2,524,896 | 2,967,952 | | | |
| D. Non-investment net cash flow | 106,585 | 136,418 | | | |
| E. Investment return | | | | | |
| 1. Total market value return: C. - B. - D. | 202,914 | 306,638 | | | |
| 2. Amount for immediate recognition (7.75%) | 173,881 | 196,450 | | | |
| 3. Amount for phased-in recognition: E.1. - E.2. | 29,033 | 110,188 | | | |
| F. Phased-in recognition of investment return | | | | | |
| 1. Current year: 25% of E.3. | 7,258 | 27,547 | | | |
| 2. First prior year | 43,168 | 7,258 | 27,547 | | |
| 3. Second prior year | (49,851) | 43,168 | 7,258 | 27,547 | |
| 4. Third prior year | (4,733) | (49,849) | 43,166 | 7,259 | 27,547 |
| 5. Total phased-in recognition of investment return | <u>(4,158)</u> | <u>28,124</u> | <u>77,971</u> | <u>34,806</u> | <u>27,547</u> |
| G. Total smoothed actuarial value end of year | | | | | |
| 1. Preliminary total smoothed actuarial value end of year: | | | | | |
| A. + D. + E.2. + F.5. | 2,466,636 | 2,827,628 | | | |
| 2. Upper corridor limit: 120% of C. | 3,029,875 | 3,561,542 | | | |
| 3. Lower corridor limit: 80% of C. | 2,019,917 | 2,374,362 | | | |
| 4. Total smoothed actuarial value end of year: | | | | | |
| G.1., not more than G.2., nor less than G.3. | 2,466,636 | 2,827,628 | | | |
| H. Difference between total market value and total smoothed actuarial value | 58,260 | 140,324 | | | |
| I. Smoothed actuarial value rate of return | 7.56% | 8.86% | | | |
| J. Market value rate of return | 8.94% | 11.83% | | | |

Table VII

**City of Starke Firefighters'
Retirement System**
Actuarial Gains / (Losses) for
System Year Ended September 30, 2014*

A. Derivation of Actuarial Gain / (Loss)

| | |
|---|------------------|
| 1. City and State net normal cost previous valuation | \$ 83,147 |
| 2. Unfunded actuarial accrued liability previous valuation | 902,241 |
| 3. City and State net contributions previous year | 205,361 |
| 4. Interest on: | |
| (a) City and State net normal cost | \$ 6,444 |
| (b) Unfunded actuarial accrued liability | 69,924 |
| (c) City and State net contributions | 7,958 |
| (d) Net total: (a) + (b) - (c) | <u>\$ 68,410</u> |
| 5. Expected unfunded actuarial accrued liability current year: (1. + 2. - 3. + 4.) | \$ 848,437 |
| 6. Actual unfunded actuarial accrued liability current year | <u>643,984</u> |
| 7. Actuarial gain / (loss): (5. - 6.) | \$ 204,453 |

B. Approximate Portion of Gain / (Loss)
due to Investments

| | |
|---|----------------|
| 1. Smoothed actuarial value of net assets previous year | \$ 2,408,076 |
| 2. Net contributions during period | 241,440 |
| 3. Benefits and admin expenses during period | 116,256 |
| 4. Expected net appreciation for period | <u>191,477</u> |
| 5. Expected smoothed actuarial value of net assets current year: (1. + 2. - 3. + 4.) | \$ 2,724,737 |
| 6. Actual smoothed actuarial value of net assets current year | \$ 2,749,225 |
| 7. Approximate investment gain / (loss) due to investments: (6. - 5.) | \$ 24,488 |

C. Approximate Portion of Gain / (Loss)
due to Liabilities: A. - B.

| | |
|--|------------|
| | \$ 179,965 |
|--|------------|

* Net of Share Plan

**City of Starke Firefighters'
Retirement System**

Amortization of Unfunded Actuarial Accrued Liability

A. Actuarial Accrued Liability Remaining Unfunded

| <u>Date</u> | <u>Unfunded Liability</u> | <u>Amortization Payment</u> |
|-----------------|-------------------------------|---------------------------------|
| October 1, 2014 | \$ 643,984 | \$ 52,166 |
| October 1, 2015 | \$ 637,684 | \$ 53,209 |
| October 1, 2016 | \$ 629,772 | \$ 54,274 |
| October 1, 2017 | \$ 620,099 | \$ 55,359 |
| October 1, 2018 | \$ 608,507 | \$ 56,468 |
| ... | | |
| ... | | |
| October 1, 2044 | \$ 0 | \$ 0 |

B. Covered Payroll History

| <u>Date</u> | <u>Covered Payroll *</u> | <u>Annual Increase</u> |
|-----------------|------------------------------|----------------------------|
| October 1, 2014 | \$ 382,189 | 0.5% |
| October 1, 2013 | \$ 380,115 | 1.2% |
| October 1, 2012 | \$ 375,673 | (0.1%) |
| October 1, 2011 | \$ 375,911 | (15.6%) |
| October 1, 2010 | \$ 445,263 | 20.7% |
| October 1, 2009 | \$ 368,919 | (1.4%) |
| October 1, 2008 | \$ 373,979 | 29.3% |
| October 1, 2007 | \$ 289,194 | 4.7% |
| October 1, 2006 | \$ 276,102 | 5.9% |
| October 1, 2005 | \$ 260,780 | (17.2%) |
| October 1, 2004 | \$ 314,817 | N/A |

Ten-Year Average Annual Increase 2.0%

* Excludes DROP payroll

**City of Starke Firefighters'
Retirement System**

Accounting Disclosure Exhibit

| | 10/01/2013 | 10/01/2014 |
|---|-------------------|-------------------|
| I. <u>Number of System Members</u> | | |
| a. Receiving benefits including DROPs | 6 | 6 |
| b. Terminated due deferred benefits | 0 | 0 |
| c. Active plan members | 32 | 33 |
| d. Total | 38 | 39 |
| II. <u>Financial Accounting Standards Board Allocation</u> <u>As of October 1, 2014</u> | | |
| A. <u>Statement of Accumulated System Benefits</u> | | |
| 1. Actuarial present value of accumulated vested system benefits | | |
| a. Participants currently receiving benefits including DROP participants | \$ 1,549,546 | \$ 1,534,849 |
| b. Other participants (including Share Plan) | 1,315,834 | 1,421,126 |
| c. Total | \$ 2,865,380 | \$ 2,955,975 |
| 2. Actuarial present value of accumulated non-vested plan benefits | 21,292 | 20,201 |
| 3. Total actuarial present value of accumulated system benefits | \$ 2,886,672 | \$ 2,976,176 |
| B. <u>Statement of Change in Accumulated System Benefits</u> | | |
| 1. Actuarial present value of accumulated system benefits as of October 1, 2013 | | \$ 2,886,672 |
| 2. Increase (decrease) during year attributable to: | | |
| a. Plan amendment | | \$ 0 |
| b. Change in actuarial assumptions | | 0 |
| c. Benefits paid including refunds | | (86,580) |
| d. Other, including benefits accumulated, increase for interest due to decrease in the discount period | | 176,084 |
| e. Net increase | | \$ 89,504 |
| 3. Actuarial present value of accumulated System benefits as of October 1, 2014 | | \$ 2,976,176 |
| C. <u>Significant Matters Affecting Calculations</u> | | |
| 1. Assumed rate of return used in determining actuarial present values | | 7.75% |
| 2. Change in System provisions | | None. |
| 3. Change in actuarial assumptions | | None. |

**City of Starke Firefighters'
Retirement System**

Accounting Disclosure Exhibit

III. Net Pension Liability and Related Ratios (GASB No. 67 & No. 68)

| | <u>Actual</u> 9/30/2014 | <u>Projected</u> 9/30/2015* |
|---|----------------------------|--------------------------------|
| Measurement date | | |
| A. <u>Total Pension Liability (TPL)</u> | | |
| Service Cost | \$ 83,807 | \$ 83,956 |
| Interest | 269,498 | 272,110 |
| Benefit Changes | 0 | 0 |
| Difference Between Actual and Expected Experience | (90,269) | (169,037) |
| Assumption Changes | 0 | 0 |
| Benefit Payments, including Refunds of Member Contributions | (86,580) | (88,932) |
| Net Change in Total Pension Liability | <u>\$ 176,456</u> | <u>\$ 98,097</u> |
| Total Pension Liability (TPL) - (beginning of year) | <u>3,464,193</u> | <u>3,640,649</u> |
| Total Pension Liability (TPL) - (end of year) | <u><u>\$ 3,640,649</u></u> | <u><u>\$ 3,738,746</u></u> |
| B. <u>Plan Fiduciary Net Position</u> | | |
| Contributions - City and State | \$ 216,595 | \$ 157,898 |
| Contributions - Member | 19,703 | 19,492 |
| Contributions - Member (picked up by City) | 16,376 | 16,434 |
| Net Investment Income | 306,638 | 232,570 |
| Benefit Payments, including Refunds of Member Contributions | (86,580) | (88,932) |
| Administrative Expenses | (29,676) | (39,000) |
| Other | 0 | 0 |
| Net Change in Plan Fiduciary Net Position | <u>\$ 443,056</u> | <u>\$ 298,462</u> |
| Plan Fiduciary Net Position - (beginning of year) | <u>2,524,896</u> | <u>2,967,952</u> |
| Plan Fiduciary Net Position - (end of year) | <u><u>\$ 2,967,952</u></u> | <u><u>\$ 3,266,414</u></u> |
| C. <u>Net Pension Liability (NPL) - (end of year): (A) - (B)</u> | \$ 672,697 | \$ 472,332 |
| D. <u>Plan Fiduciary Net Position as a Percentage of TPL: (B) / (A)</u> | 81.52 % | 87.37 % |
| E. <u>Covered Employee Payroll</u> | \$ 443,142 | \$ 442,363 |
| F. <u>NPL as a Percentage of Covered Employee Payroll: (C) / (E)</u> | 151.80 % | 106.77 % |
| G. <u>Notes to Schedule:</u> | | |
| Valuation Date | 10/01/2013 | 10/01/2014 |
| Update procedures used to roll forward TPL excluding DROP account balances and Share Plan to the measurement dates - actual DROP account balances and Share Plan as of measurement dates included in TPL. | | |
| No benefit or assumption changes during the year. | | |

* Projected - actual amounts will be available after fiscal year end

City of Starke Firefighters'
Retirement System

Accounting Disclosure Exhibit

IV. Schedule of Employer Contributions (GASB No. 67 & No. 68)

| Fiscal Year Ended 9/30 | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll ^{1,2} | Actual Contribution as a % of Covered Payroll |
|---------------------------|---|------------------------|--|-----------------------------------|---|
| 2005 | \$ 116,959 | \$ 109,048 | \$ 7,911 | \$ 314,817 | 34.64% |
| 2006 | 99,861 | 83,007 | 16,854 | 260,780 | 31.83% |
| 2007 | 107,935 | 113,799 | (5,864) | 276,102 | 41.22% |
| 2008 | 118,538 | 150,037 | (31,499) | 289,194 | 51.88% |
| 2009 | 155,024 | 170,589 | (15,565) | 373,979 | 45.61% |
| 2010 | 167,418 | 187,301 | (19,883) | 368,919 | 50.77% |
| 2011 | 187,015 | 187,015 | 0 | 445,263 | 42.00% |
| 2012 | 162,170 | 162,170 | 0 | 375,911 | 43.14% |
| 2013 | 202,879 | 202,879 | 0 | 375,673 | 54.00% |
| 2014 | 173,612 | 216,595 | (42,983) | 443,142 | 48.88% |
| 2015 ³ | 157,898 | 157,898 | 0 | 442,363 | 35.69% |

¹ Projected prior to fiscal year ended September 30, 2014

² As reported for annual valuation - excludes DROP payroll, if any, prior to fiscal year ended September 30, 2014

³ Projected - actual amounts will be available after fiscal year end

**City of Starke Firefighters'
Retirement System**

Accounting Disclosure Exhibit

V. Notes to Schedule of Contributions (GASB No. 67 & No. 68)

Valuation Date: Actuarially determined contributions are calculated as of October 1st - two year(s) prior the fiscal year end in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

| | |
|---------------------------|--|
| Actuarial Cost Method | Entry Age |
| Amortization Method | Level Percentage of Pay, Closed |
| Amortization Period | 30 years |
| Asset Valuation Method | 4-year smoothed market |
| Inflation | 3.5% |
| Salary Increases | 3.5% - 7.5% |
| Investment Rate of Return | 7.75% |
| Payroll Growth Assumption | 5.0% per annum - not greater than historical 10-year average (2.0%). |
| Retirement Age | Experience-based table of rates that are specific to the type of eligibility condition |
| Mortality | For healthy participants, the RP 2000 Combined Mortality Table was used, with separate rates for males and females with Blue Collar Adjustment and fully generational mortality improvements projected to each future valuation date with Scale AA. For disabled participants, the RP-2000 Disabled Mortality Table was used, with separate rates for males and females, and fully generational mortality improvements projected to each future payment date with Scale AA. |

Other Information:

Benefit Changes

2006: One time post-retirement COLA for current retirees and beneficiaries

Assumption Changes

2012: Interest to be earned by Fund updated to 7.75% compounded annually, net of investment expenses, general increase in wage level due to inflation updated to 3.5%, administrative expenses updated to average of the preceding three fiscal years; 2009: mortality assumption for healthy lives updated to RP 2000 Combined Mortality Table with Blue Collar Adjustment with separate rates for males and females and fully generational mortality improvements projected by Scale AA to each future decrement date; mortality assumption for disabled lives updated to the RP 2000 Disabled Mortality Table with separate rates for males and females and fully generational mortality improvements projected by Scale AA to each future decrement date.

City of Starke Firefighters'
Retirement System

Accounting Disclosure Exhibit

VI. Discount Rate (GASB No. 67 & No. 68)

A discount rate of 7.75% was used to measure the TPL. This discount rate was based on the expected rate of return on System investments of 7.75%. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current member contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member contribution rate. Based on these assumptions, the System's fiduciary net position was projected to be available to make all projected future expected benefit payments of current System members. Therefore, the long-term expected rate of return on System investments was applied to all periods of projected benefit payments to determine the TPL.

VII. Sensitivity of the NPL to the Discount Rate Assumption (GASB No. 67 & No. 68)

Measurement date: 9/30/2014

| | 1% Decrease | Current Discount Rate | 1% Increase |
|---------------|--------------|--------------------------|-------------|
| Discount Rate | 6.75% | 7.75% | 8.75% |
| NPL | \$ 1,108,363 | \$ 672,697 | \$ 308,380 |

Measurement date: 9/30/2015 *

| | 1% Decrease | Current Discount Rate | 1% Increase |
|---------------|-------------|--------------------------|-------------|
| Discount Rate | 6.75% | 7.75% | 8.75% |
| NPL | \$ 912,051 | \$ 472,332 | \$ 101,474 |

* Projected - actual amounts will be available after fiscal year end

**City of Starke Firefighters'
Retirement System**

Accounting Disclosure Exhibit

VIII. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (GASB No. 68)

Pension Expense for Fiscal Year Ending September 30, 2015 \$ 117,638

Summary of Outstanding Deferred Inflows and Outflows of Resources as of September 30, 2015

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between actual and expected experience on liabilities | 0 | 83,105 |
| Changes of assumptions or other inputs | 0 | 0 |
| Net difference between projected and actual earnings on pension plan investments | 0 | 84,538 |
| Total | \$ 0 | \$ 167,643 |

Summary of Deferred Outflows and Inflows of Resources that will be Recognized in Pension Expense in Future Years.

| Year Ending 30-Sep | Amount |
|-----------------------|-------------|
| 2016 | \$ (28,298) |
| 2017 | (28,298) |
| 2018 | (28,298) |
| 2019 | (28,300) |
| 2020 | (7,164) |
| Thereafter | (47,285) |

**City of Starke Firefighters'
Retirement System**

Accounting Disclosure Exhibit

The following information is not required to be disclosed but is provided for informational purposes.

IX. Components of Pension Expense (GASB No. 68)

| Measurement Date | <u>9/30/2014</u> | <u>Projected 9/30/2015*</u> |
|--|-------------------|---------------------------------|
| Service Cost | \$ 83,807 | \$ 83,956 |
| Interest on Total Pension Liability | 269,498 | 272,110 |
| Current-Period Benefit Changes | 0 | 0 |
| Contributions - Member | (36,079) | (35,926) |
| Projected Earnings on Plan Investments | (200,966) | (232,570) |
| Administrative Expenses | 29,676 | 39,000 |
| Other Changes in Plan Fiduciary Net Position | 0 | 0 |
| Recognition of Beginning Deferred Outflows / (Inflows) due to Liabilities | (7,164) | (20,370) |
| Recognition of Beginning Deferred Outflows / (Inflows) due to Assets | <u>(21,134)</u> | <u>(21,134)</u> |
| Total Pension Expense | <u>\$ 117,638</u> | <u>\$ 85,066</u> |

* Projected - actual amounts will be available after measurement date

**City of Starke Firefighters'
Retirement System**

Accounting Disclosure Exhibit

The following information is not required to be disclosed but is provided for informational purposes.

X. Recognition of Deferred Outflows and (Inflows) Due to Liabilities (GASB No. 68)

Recognition of Deferred Outflows due to Differences Between Actual and Expected Experience on Liabilities

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2014 | Recognition Amount for 2013 / 2014 | Balance as of 9/30/2014 |
|-------------|-----------------|----------------------------|--|------------------------------------|-------------------------|
| 2013 / 2014 | \$ 0 | 12.6 | 11.6 | \$ 0 | \$ 0 |
| TOTAL | | | | \$ 0 | \$ 0 |

Recognition of Deferred (Inflows) due to Differences Between Actual and Expected Experience on Liabilities

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2014 | Recognition Amount for 2013 / 2014 | Balance as of 9/30/2014 |
|-------------|-----------------|----------------------------|--|------------------------------------|-------------------------|
| 2013 / 2014 | \$ (90,269) | 12.6 | 11.6 | \$ (7,164) | \$ (83,105) |
| TOTAL | | | | \$ (7,164) | \$ (83,105) |

Recognition of Deferred Outflows due to Changes of Assumptions or Other Inputs

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2014 | Recognition Amount for 2013 / 2014 | Balance as of 9/30/2014 |
|-------------|-----------------|----------------------------|--|------------------------------------|-------------------------|
| 2013 / 2014 | \$ 0 | 12.6 | 11.6 | \$ 0 | \$ 0 |
| TOTAL | | | | \$ 0 | \$ 0 |

Recognition of Deferred (Inflows) due to Changes of Assumptions or Other Inputs

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2014 | Recognition Amount for 2013 / 2014 | Balance as of 9/30/2014 |
|-------------|-----------------|----------------------------|--|------------------------------------|-------------------------|
| 2013 / 2014 | \$ 0 | 12.6 | 11.6 | \$ 0 | \$ 0 |
| TOTAL | | | | \$ 0 | \$ 0 |

**City of Starke Firefighters'
Retirement System**

Accounting Disclosure Exhibit

The following information is not required to be disclosed but is provided for informational purposes.

XI. Recognition of Deferred Outflows and (Inflows) Due to Assets (GASB No. 68)

Recognition of Deferred Outflows / (Inflows) due to Difference Between Projected and Actual Earnings on Pension Plan Investments

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2014 | Recognition Amount for 2013 / 2014 | Balance as of 9/30/2014 |
|-------------|-----------------|----------------------------------|---|--|----------------------------|
| 2013 / 2014 | \$ (105,672) | 5 | 4 | \$ (21,134) | \$ (84,538) |
| | | | TOTAL | \$ (21,134) | \$ (84,538) |

**City of Starke Firefighters'
Retirement System**

Outline of Principal Provisions of the Retirement System

A. Normal Retirement:

1. Eligibility:

Earlier of:

- (a) Attainment of age 55 with completion of 10 years of credited service.
- (b) Completion of 25 years of credited service.

2. Mandatory Retirement Age

Age 60. Extensions granted with employer consent.

3. Amount of Pension

Total service times 3.50% of Final Average Salary. Maximum 100% of Final Average Salary.

4. Normal Form

The normal form of pension is a 10 year Certain and Life. Upon his or her death, 100% of the reduced benefit is continued for the remainder of the Certain period, if any. Optional forms are available on an actuarial equivalent basis.

5. Final Average Salary

Highest 3 consecutive years out of last 10. Salary includes base pay plus longevity pay. Lump sum payments paid at the time of retirement are not included in the determination of final average salary.

B. Early Retirement:

1. Eligibility:

Attainment of age 50 with completion of 10 years of credited service.

2. Amount of Pension

Computed as a normal retirement but reduced 3.0% for each year (0.25% for each month) that early retirement precedes the date the member would have been eligible for normal retirement.

**City of Starke Firefighters'
Retirement System**

Outline of Principal Provisions of the Retirement System

C. Deferred Retirement:

1. Eligibility:

10 or more years of service. Pension begins at age 55.

2. Benefit:

Computed as a normal retirement pension but based upon service and Final Average Salary at time of termination.

D. Duty Disability Retirement:

1. Eligibility:

No age or service requirement. Must be in receipt of worker's compensation.

2. Benefit:

Computed as a normal retirement pension. Minimum benefit shall be 42% of Final Average Salary. Worker's compensation payments are offset, to the extent permitted by law.

E. Non-Duty Disability Retirement:

1. Eligibility:

10 or more years of service.

2. Benefit:

Computed as a normal retirement pension. Minimum benefit shall be 42% of Final Average Salary. Worker's compensation payments are offset, to the extent permitted by law.

F. Death Before Retirement:

1. Eligibility:

10 or more years of service.

2. Benefit:

Computed as a normal retirement pension but actuarially reduced in accordance with a 100% joint and survivor election.

**City of Starke Firefighters'
Retirement System**

Outline of Principal Provisions of the Retirement System

G. Deferred Retirement Option Plan (DROP):

Members may elect to freeze their retirement benefit at normal retirement eligibility, and continue working for a maximum of 5 years. The retirement benefit will be calculated as of the date the member elects the DROP. This retirement benefit will be accumulated with interest at 4% during the DROP period in a DROP account. At actual termination, the member can rollover the DROP account balance or receive the balance directly with appropriate tax consequences. The retirement benefit calculated as of the date of the DROP election becomes payable directly to the retiree or beneficiary thereafter. Member pick-up contributions will cease at the date of DROP election. Disability and death before retirement provisions will no longer apply to members who enter the DROP.

H. Post-Retirement Cost-of-Living Adjustments:

Effective October 1, 1994 all current retired members and beneficiaries received an increase in their pension of \$75/month. (Effective October 1, 2004, all current retired members and beneficiaries received an increase in their pension of \$100/month.)

I. Annual Holiday Bonus:

\$100

J. Member Contributions:

5.00% of annual salary for full-time firefighters. 6.00% of annual salary for volunteer firefighters. This amount is refunded upon termination. The City currently picks-up the former 5.00% member contribution for full-time firefighters. For all employees hired prior to December 31, 1999, this amount is refunded upon termination of membership with 3 or more years of credited service in the absence of a pension. For all employees hired after December 31, 1999, this amount is refunded upon termination of membership with 10 or more years of credited service in the absence of a pension. Should a member die and no pension becomes or will become available, picked-up member contributions will be refunded even if the required years of service have not been attained.

If you terminate employment and receive a refund of contributions, you forfeit any rights to future benefits from the Retirement System. The taxable portion of any refund you receive is subject to an automatic 20% withholding for Federal income tax purposes, and a possible 10% excise tax. These taxes can be avoided, however, if you roll the taxable portion over to an Individual Retirement Account (IRA) or another qualified employer plan. This rollover will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, MUST be made directly by the System to your chosen IRA or other qualified employer plan.

**City of Starke Firefighters'
Retirement System**

Outline of Principal Provisions of the Retirement System

K. City Contributions:

Actuarially determined amounts which together with member contributions and premium tax monies are sufficient to at least cover the requirements of the funding objective.

L. Premium Tax Monies:

A distribution of property insurance premium tax monies collected by the State pursuant to Chapter 175, Florida Statutes.

M. Forfeiture of Retirement Benefits:

Retirement benefits granted by the Retirement System are subject to forfeiture if an employee is convicted of an offense specified in Section 112.3173 and 175.195, Florida Statutes, pursuant to the procedures set forth in the cited statutes.

N. Claims Procedure:

Claims for benefits should be filed with the Board of Trustees at the City Clerk's office. If the claim is denied, you will be notified and informed of the procedure to request a hearing before the Board of Trustees. An applicant for benefits must appeal said denial within 60 days of being informed of the denial by filing an appeal with the Board at the City Clerk's office. If no appeal is filed within the time period then the denial shall be final.

O. Disclaimer:

The preceding summary briefly describes the principal benefits of the Retirement System. Detailed benefit conditions and limitations are contained in the Retirement Ordinance which establishes the System. The Internal Revenue Code, Florida Statutes, and the Ordinance all govern the operation of the System, and should be consulted before taking any action concerning your participation or benefits. In the case of any conflict between this summary and the provisions of the Ordinance or other applicable law, the Ordinance or other applicable law will prevail. Copies of the Ordinance are available at the City Clerk's office.

P. Change From Previous Valuation:

None.

**City of Starke Firefighters'
Retirement System**

**Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation**

A. Mortality

For healthy participants, the RP 2000 Combined Mortality Table was used, with separate rates for males and females with Blue Collar Adjustment and fully generational mortality improvements projected to each future valuation date with Scale AA.

For disabled participants, the RP-2000 Disabled Mortality Table was used, with separate rates for males and females, and fully generational mortality improvements projected to each future payment date with Scale AA.

B. Interest to be Earned by Fund

7.75%, compounded annually, net of investment expenses.

C. Allowances for Expenses or Contingencies

Administrative expenses are projected to continue at the same dollar amount as the average of the preceding three fiscal years.

D. Employee Withdrawal Rates

The rates do not apply to members eligible to retire and do not include separation on account of death or disability. This estimate measures the probabilities of members leaving employment. These rates were first used for the September 30, 1983 valuation.

| <u>Sample Ages</u> | <u>Years of Service</u> | <u>Withdrawal Rates Per 100 Employees</u> |
|--------------------|-------------------------|---|
| ALL | 0 | 12.0 |
| | 1 | 9.0 |
| | 2 | 7.0 |
| | 3 | 5.0 |
| | 4 | 4.5 |
| 25 | 5 & Over | 4.5 |
| 30 | | 3.9 |
| 35 | | 2.3 |
| 40 | | 0.9 |
| 45 | | 0.5 |
| 50 | | 0.5 |
| 55 | | 0.5 |
| 60 | 0.5 | |

**City of Starke Firefighters'
Retirement System**

**Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation**

E. Disability Rates

These estimates represent the probabilities of active members becoming disabled.

| <u>Sample Ages</u> | <u>Percent Becoming Disabled Within Next Year</u> | |
|--------------------|---|---------------|
| | <u>Male</u> | <u>Female</u> |
| 20 | 0.07% | 0.03% |
| 25 | 0.09% | 0.05% |
| 30 | 0.10% | 0.07% |
| 35 | 0.14% | 0.13% |
| 40 | 0.21% | 0.19% |
| 45 | 0.32% | 0.28% |
| 50 | 0.52% | 0.45% |
| 55 | 0.92% | 0.76% |
| 60 | 1.53% | 1.10% |

F. Salary Increase Factors

Employee salaries are estimated to increase between the date of hire and date of retirement. Salary increases occur in recognition of (i) individual merit and seniority, (ii) inflation-related depreciation of the purchasing power of salaries, and (iii) competition from other employers for personnel.

| <u>Sample Age</u> | <u>Salary Increase</u> |
|-------------------|------------------------|
| 20 | 7.5% |
| 30 | 6.3% |
| 40 | 5.7% |
| 50 | 4.7% |
| 60 | 3.7% |

General increase in wage level due to inflation is 3.5%.

G. Payroll Growth Assumption

5.0% per annum - not greater than historical 10-year average (2.0%).

**City of Starke Firefighters'
Retirement System**

**Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation**

H. Retirement Rates

These rates are used to measure the probabilities of an eligible member retiring during the next year.

| Normal Retirement <u>Ages</u> | Percent <u>Retiring</u> | Normal Retirement <u>Ages</u> | Percent <u>Retiring</u> |
|--|------------------------------------|--|------------------------------------|
| 45 | 20% | 55 | 20% |
| 46 | 20% | 56 | 15% |
| 47 | 20% | 57 | 10% |
| 48 | 20% | 58 | 10% |
| 49 | 20% | 59 | 10% |
| 50 | 20% | 60 | 10% |
| 51 | 20% | 61 | 10% |
| 52 | 20% | 62 | 10% |
| 53 | 20% | 63 | 10% |
| 54 | 20% | 64 | 20% |
| | | 65 | 100% |

A Firefighter is eligible for retirement after 25 years of service or after attaining age 55 with 10 or more years of service.

Benefits accruing after age 65 are offset by actuarial gains from the deferred retirement.

The above rates for normal retirement were first used for the September 30, 1984 valuation.

| Early Retirement <u>Ages</u> | Percent <u>Retiring</u> |
|---|------------------------------------|
| 50 | 20% |
| 51 | 20% |
| 52 | 20% |
| 53 | 20% |
| 54 | 20% |

A Firefighter is eligible for early retirement at age 50 with 10 or more years of service.

The above rates for early retirement were first used for the September 30, 2001 valuation.

City of Starke Firefighters'
Retirement System

Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation

I. Asset Valuation Method

The method used for determining the smoothed actuarial value of assets phases in the deviation between the expected and actual return on assets at the rate of 25% per year. The smoothed actuarial value of assets will be further adjusted to the extent necessary to remain within the corridor whose lower and upper limits are 80% and 120%, respectively, of the fair market value of system assets.

J. Cost Method

Normal Retirement, Termination, Disability, and Death Benefits: Entry-Age-Normal Cost Method. Under this method the normal cost for each active employee is the amount which is calculated to be a level percentage of pay that would be required annually from his entry age to his assumed retirement age to fund his estimated benefits, assuming the system had always been in effect. The normal cost for the system is the sum of such amounts for all employees. The actuarial accrued liability as of any valuation date for each active employee or inactive employee who is eligible to receive benefits under the system is the excess of the actuarial present value of estimated future benefits over the actuarial present value of current and future normal costs. The unfunded actuarial accrued liability as of any valuation date is the excess of the actuarial accrued liability over the assets of the system.

K. Change From Previous Valuation

None.

L. Technical Assumptions

1. Pay Increase Timing:

Beginning of (Fiscal) year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.

2. Decrement Timing:

Decrements are assumed to occur mid-year.

City of Starke Firefighters'
Retirement System

Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation

L. Technical Assumptions (cont'd)

3. Eligibility Testing:

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.

4. Benefit Service:

Exact fractional service is used to determine the amount of benefit payable.

5. Decrement Relativity:

Decrement rates are used directly from tabular rates - no adjustment for multiple decrement table effects.

6. Decrement Operation:

Disability and mortality decrements do not operate during the first 5 years of service. Disability and withdrawal do not operate during periods of retirement eligibility.

7. Incidence of Contributions:

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. New entrant normal cost contributions are applied to the funding of new entrant benefits.

8. Marriage Assumption:

100% of members are assumed to be married. Male spouses are assumed to be three years older than female spouses.

9. Normal Form of Benefit:

The assumed normal form of benefit is a benefit payable for life with 10 years of guaranteed payments. Optional forms are available on an actuarial equivalent basis for normal retirement.

10. Actuarial Equivalence Basis for Optional Forms of Payment:

7.5% interest and the RP 2000 Combined Healthy Male Mortality Table with Blue Collar adjustment projected to the fiscal year that contains the benefit commencement date for participants and the RP 2000 Combined Healthy Female Mortality Table projected to the fiscal year that contains the benefit commencement date for beneficiaries. Disabled lives are set forward 5 years.

**City of Starke Firefighters'
Retirement System**

**Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation**

L. Technical Assumptions (cont'd)

11. Duty and Non-Duty Related Assumption:

50% are assumed in-service and 50% are assumed non-service for pre-retirement death and disability benefits.

12. Vested members:

Vested members who terminate with a benefit worth less than 100% of their accumulated member contribution balance are assumed to withdraw the balance of their accumulated employee contributions and forfeit any vested benefit.

13. Salary:

Salary reported for the actuarial valuation includes all amounts included in the final average compensation for benefit purposes.

Table XII

**City of Starke Firefighters'
Retirement System
Distribution by Attained Age Groups
and Service Groups as of October 1, 2014**

| <u>Attained</u> <u>Age Group</u> | -----COMPLETED YEARS OF SERVICE----- | | | | | | | <u>Total</u> |
|-------------------------------------|--------------------------------------|------------|--------------|-------------------|--------------|-------------------|----------------------|--------------|
| | <u>0-4</u> | <u>5-9</u> | <u>10-14</u> | <u>15-19</u> | <u>20-24</u> | <u>25-29</u> | <u>30 & Over</u> | |
| Under 25 | 2 | - | - | - | - | - | - | 2 |
| 25-29 | 5 | 3 | - | - | - | - | - | 8 |
| 30-34 | 2 | 6 | 2 | - | - | - | - | 10 |
| 35-39 | 1 | - | - | 2 | - | - | - | 3 |
| 40-44 | - | 1 | 2 | - | 1 | - | - | 4 |
| 45-49 | - | 1 | - | - | 1 | 2 | - | 4 |
| 50-54 | 1 | 1 | - | - | - | - | - | 2 |
| 55-59 | - | - | - | - | - | - | - | 0 |
| 60-64 | - | - | - | - | - | - | - | 0 |
| 65 & Over | - | - | - | - | - | - | - | 0 |
| TOTAL | 11 | 12 | 4 | 2 | 2 | 2 | 0 | 33 |
| | | | | <u>10/01/2013</u> | | <u>10/01/2014</u> | | |
| | | | | 35.55 years | | 35.02 years | | |
| | | | | 25.70 years | | 25.45 years | | |
| | | | | \$ 11,879 | | \$ 11,581 | | |
| | | | | 6.3% | | 6.1% | | |

**City of Starke Firefighters'
Retirement System**

**Statistics for Participants Entitled to Deferred Benefits
and Participants Receiving Benefits**

A. Entitled to Deferred Benefits

| <u>Current Age Group</u> | <u>Count</u> | <u>Total Annual Benefit</u> | <u>Average Annual Benefit</u> |
|-------------------------------------|--|---|--|
| Less than 40 | - | \$ - | \$ - |
| 40-44 | - | - | - |
| 45-49 | - | - | - |
| 50-54 | - | - | - |
| 55-59 | - | - | - |
| 60-64 | - | - | - |
| 65 & Over | - | - | - |
| TOTAL | <hr style="width: 100%; border: 0.5px solid black; margin: 0;"/> - | <hr style="width: 100%; border: 0.5px solid black; margin: 0;"/> \$ - | \$ - |

B. Receiving Benefits (including DROPs)

| <u>Current Age Group</u> | <u>Count</u> | <u>Total Annual Benefit</u> | <u>Average Annual Benefit</u> |
|-------------------------------------|--|---|--|
| Less than 50 | 1 | \$ 2,435 | \$ 2,435 |
| 50-54 | 1 | 53,132 | 53,132 |
| 55-59 | 1 | 51,753 | 51,753 |
| 60-64 | - | - | - |
| 65-69 | - | - | - |
| 70-74 | - | - | - |
| 75 & Over | 3 | 24,192 | 8,064 |
| TOTAL | <hr style="width: 100%; border: 0.5px solid black; margin: 0;"/> 6 | <hr style="width: 100%; border: 0.5px solid black; margin: 0;"/> \$ 131,512 | \$ 21,919 |

Table XIV

**City of Starke Firefighters'
Retirement System**

Reconciliation of Employee Data

| | |
|---|-----------|
| A. <u>Active Participants</u> | |
| 1. Active participants previous year | 32 |
| 2. Retired during year | (1) |
| 3. Entered DROP | 0 |
| 4. Died during year | 0 |
| 5. Disabled during year | 0 |
| 6. Vested terminated during year | 0 |
| 7. Non-vested terminated during year | (1) |
| 8. New active participants | 3 |
| 9. Re-instated during year | 0 |
| 10. Active participants current year | <u>33</u> |
| B. <u>Participants Receiving Benefits</u> | |
| 1. Participants receiving benefits previous year | 5 |
| 2. New retired participants | 1 |
| 3. Former DROPs now receiving benefits | 0 |
| 4. New terminated vested receiving benefits | 0 |
| 5. New disabled receiving benefits | 0 |
| 6. New beneficiaries receiving benefits | 0 |
| 7. Died or ceased payment during year | (1) |
| 8. Retired or terminated vested receiving benefits current year | <u>5</u> |
| C. <u>DROP Participants</u> | |
| 1. DROP participants previous year | 1 |
| 2. Died during year | 0 |
| 3. Became disabled during year | 0 |
| 4. Employment terminated and retired during year | 0 |
| 5. Entered DROP during year | 0 |
| 6. DROP participants current year | <u>1</u> |
| D. <u>Terminated Vested Participants Entitled to Future Benefits</u> | |
| 1. Terminated vested entitled previous year | 0 |
| 2. Died during year | 0 |
| 3. Commenced receiving benefits during year | 0 |
| 4. New terminated vested | 0 |
| 5. Terminated vested paid lump sum | 0 |
| 6. Terminated vested entitled current year | <u>0</u> |

**City of Starke Firefighters'
Retirement System**

Projected Retirement Benefits

| <u>Fiscal Year</u> | <u>Projected Total Annual Payout</u> |
|---------------------------|---|
| 2015 | \$ 141,964 |
| 2016 | \$ 154,056 |
| 2017 | \$ 165,082 |
| 2018 | \$ 175,132 |
| 2019 | \$ 188,081 |
| 2020 | \$ 204,089 |
| 2021 | \$ 220,292 |
| 2022 | \$ 236,523 |
| 2023 | \$ 252,258 |
| 2024 | \$ 269,056 |

The above projected payout of System benefits during the next ten years is based on assumptions involving all decrements. The actual payouts may differ from the above estimates depending upon the death, salary and retirement experience of the System. However, since the projected payment is recomputed each valuation date, there is an automatic correction to the extent that actual experience varies from expected experience.

Table XVI

**City of Starke Firefighters'
Retirement System**

Summary of Transaction Information

| Valuation Date | Benefits Paid ¹ | Administrative Expenses | Employee Contributions | City Contributions | City Contributions (Member Pick-up) | State Contributions | Smoothed Actuarial Value ^{2,3} |
|-------------------|-------------------------------|----------------------------|---------------------------|-----------------------|---|------------------------|---|
| 10/01/2014 | \$ 86,580 | \$ 29,676 | \$ 19,703 | \$ 175,113 | \$ 16,376 | \$ 41,482 | \$ 2,827,628 |
| 10/01/2013 | 89,073 | 35,105 | 19,575 | 161,708 | 16,156 | 41,171 | 2,466,636 |
| 10/01/2012 | 143,356 | 53,138 | 19,355 | 123,399 | 15,920 | 38,771 | 2,085,908 |
| 10/01/2011 | 96,354 | 19,379 | 22,012 | 149,434 | 19,320 | 37,581 | 1,977,744 |
| 10/01/2010 | 91,345 | 22,418 | 22,592 | 149,928 | 20,619 | 37,373 | 1,885,006 |
| 10/01/2009 | 92,398 | 19,074 | 19,864 | 131,351 | 17,664 | 39,238 | 1,754,894 |
| 10/01/2008 | 89,747 | 28,896 | 18,893 | 110,400 | 17,674 | 39,637 | 1,670,448 |
| 10/01/2007 | 111,911 | 17,188 | 15,987 | 76,417 | 14,188 | 37,382 | 1,580,073 |
| 10/01/2006 | 93,620 | 15,428 | 13,631 | 54,040 | 12,819 | 28,967 | 1,467,896 |
| 10/01/2005 | 51,357 | 21,044 | 15,475 | 74,600 | 14,554 | 34,448 | 1,366,942 |
| 10/01/2004 | 39,681 | 20,699 | 15,236 | 65,402 | 14,330 | 21,435 | 1,235,022 |
| 10/01/2003 | 35,013 | 34,418 | 4,063 | 54,773 | 14,071 | 23,636 | 1,137,647 |
| 10/01/2002 | 43,132 | 22,590 | 3,890 | 36,415 | 13,473 | 24,101 | 1,079,544 |
| 10/01/2001 | 34,527 | 17,937 | 3,692 | 28,775 | 12,787 | 20,565 | 1,060,211 |
| 10/01/2000 | 45,283 | 9,748 | 4,095 | 26,827 | 11,818 | 25,145 | 1,021,145 |
| 10/01/1999 | 33,569 | 3,461 | 2,349 | 27,775 | 11,742 | 15,385 | 950,656 |

¹ Effective for year ending September 30, 2013, includes DROP distributions (previously included DROP benefit payments)

² Effective for year ending September 30, 2013, includes DROP account balances

³ Prior to October 1, 2009 and effective for year ending September 30, 2013, actuarial value included the excess State contribution reserve

Table XVII

**City of Starke Firefighters'
Retirement System**

Recent Compensation, Termination and Investment Return Experience

| Valuation Date | Compensation ¹ | | Termination ¹ | Investment Return ² | | |
|-------------------|---------------------------|---------------------|--------------------------------|--------------------------------|-------------------|---------|
| | % Increase (Decrease) | Assumed Increase | Ratio of Actual to Expected | Market Value | Smoothed Value | Assumed |
| 10/01/2014 | 1.2% | 5.7% | 0.0 | 11.83% | 8.86% | 7.75% |
| 10/01/2013 | 1.7% | 5.8% | 0.0 | 8.94% | 7.56% | 7.75% |
| 10/01/2012 | 0.5% | 7.4% | 0.0 | 18.1% | 6.0% | 8.0% |
| 10/01/2011 | (4.0%) | 7.5% | 0.0 | (2.2%) | (0.6%) | 8.0% |
| 10/01/2010 | 12.0% | 7.4% | 0.0 | 8.2% | 1.1% | 8.0% |
| 10/01/2009 | 6.4% | 7.5% | 2.4 | 1.4% | 0.7% | 8.0% |
| 10/01/2008 | 18.1% | 7.7% | N/A | (14.0%) | 1.4% | 8.0% |
| 10/01/2007 | 19.9% | 7.6% | N/A | 6.5% | 6.6% | 8.0% |
| 10/01/2006 | 3.4% | 7.7% | N/A | 7.6% | 7.4% | 8.0% |
| 10/01/2005 | 5.0% | 7.6% | N/A | 4.6% | 5.1% | 8.0% |
| Last 3 Periods | 1.1% | 6.3% | 0.0 | 12.9% | 7.5% | 7.8% |
| Last 5 Periods | 2.1% | 6.8% | 0.0 | 8.8% | 4.5% | 7.9% |
| Last 10 Periods | 6.2% | 7.2% | N/A | 4.8% | 4.4% | 7.9% |

¹ For full-time Firefighters only

² Computed as $2I/(A+B-I)$, where A is beginning value, B is ending value and I is investment return.

**City of Starke Firefighters'
Retirement System**

Employer Contribution Information

| Valuation Date | Contribution Fiscal Year End | Minimum Required Employer Contributions | | Actual City Contributions | | Actual State Contributions | | Actual Employer Contributions |
|-------------------|------------------------------------|--|--------------|---------------------------------|----|----------------------------------|----|-------------------------------------|
| 10/01/2014 | 09/30/2016 | \$ 149,109 | ¹ | N/A | | N/A | | N/A |
| 10/01/2013 | 09/30/2015 | \$ 160,451 | ¹ | N/A | | N/A | | N/A |
| 10/01/2012 | 09/30/2014 | \$ 162,378 | ² | \$ 175,113 | \$ | 41,482 | \$ | 216,595 |
| 10/01/2011 | 09/30/2013 | \$ 202,879 | ² | \$ 161,708 | \$ | 41,171 | \$ | 202,879 |
| 10/01/2010 | 09/30/2012 | \$ 162,170 | ² | \$ 123,399 | \$ | 38,771 | \$ | 162,170 |
| 10/01/2009 | 09/30/2011 | \$ 187,015 | ² | \$ 149,434 | \$ | 37,581 | \$ | 187,015 |
| 10/01/2008 | 09/30/2010 | \$ 167,418 | ² | \$ 149,928 | \$ | 37,373 | \$ | 187,301 |
| 10/01/2007 | 09/30/2009 | \$ 155,024 | ² | \$ 131,351 | \$ | 39,238 | \$ | 170,589 |

¹ Projected

² Based upon percentage of payroll

**City of Starke Firefighters'
Retirement System**

Actuarial Valuation as of October 1, 2014

State Required Exhibit

| | <u>10/01/2013</u> | <u>10/01/2014</u> |
|---|---------------------|---------------------|
| A. <u>Participant Data</u> | | |
| 1. Active participants | 32 | 33 |
| 2. Retired participants and beneficiaries receiving benefits (including DROPs) | 6 | 6 |
| 3. Disabled participants receiving benefits | 0 | 0 |
| 4. Terminated vested participants | 0 | 0 |
| 5. Annual payroll of active participants | \$ 380,115 | \$ 382,189 |
| 6. Projected payroll of active participants | \$ 389,998 | \$ 389,833 |
| 7. Annual benefits payable to those currently receiving benefits including DROP participants | \$ 142,205 | \$ 131,512 |
| B. <u>Value of Assets</u> | | |
| 1. Smoothed Actuarial Value of Assets | \$ 2,466,636 | \$ 2,827,628 |
| 2. Market Value of Assets | \$ 2,524,896 | \$ 2,967,952 |
| C. <u>Liabilities</u> | | |
| 1. Actuarial present value of future expected benefit payments for active members | | |
| a. Retirement benefits | \$ 2,488,348 | \$ 2,561,832 |
| b. Vesting benefits | 55,905 | 54,440 |
| c. Death benefits | 47,486 | 48,484 |
| d. Disability benefits | 46,808 | 46,057 |
| e. Total | <u>\$ 2,638,547</u> | <u>\$ 2,710,813</u> |
| 2. Actuarial present value of future expected benefit payments for terminated vested members | \$ 0 | \$ 0 |
| 3. Actuarial present value of future expected benefit payments for members currently receiving benefits | | |
| a. Service retired including DROP participants | \$ 1,369,942 | \$ 1,448,142 |
| b. Disability retired | 0 | 0 |
| c. Beneficiaries | 179,604 | 86,707 |
| d. Miscellaneous | 0 | 0 |
| e. Total | <u>\$ 1,549,546</u> | <u>\$ 1,534,849</u> |

**Table XIX
(Cont'd)**

**City of Starke Firefighters'
Retirement System**

Actuarial Valuation as of October 1, 2014

State Required Exhibit

| | <u>10/01/2013</u> | <u>10/01/2014</u> |
|--|-------------------|-------------------|
| 4. Share Plan liability | \$ 58,560 | \$ 78,403 |
| 5. Total actuarial present value of future expected benefit payments | \$ 4,246,653 | \$ 4,324,065 |
| 6. Actuarial accrued liabilities | \$ 3,368,877 | \$ 3,471,612 |
| 7. Unfunded actuarial accrued liabilities | \$ 902,241 | \$ 643,984 |

D. Statement of Accumulated System Benefits

| | | |
|--|---------------------|---------------------|
| 1. Actuarial present value of accumulated vested benefits | | |
| a. Participants currently receiving benefits including DROP participants | \$ 1,549,546 | \$ 1,534,849 |
| b. Other participants (including Share Plan) | 1,315,834 | 1,421,126 |
| c. Total | <u>\$ 2,865,380</u> | <u>\$ 2,955,975</u> |
| 2. Actuarial present value of accumulated non-vested plan benefits | <u>21,292</u> | <u>20,201</u> |
| 3. Total actuarial present value of accumulated system benefits | \$ 2,886,672 | \$ 2,976,176 |

E. Statement of Change in Accumulated Plan Benefits

| | |
|---|----------------|
| 1. Actuarial present value of accumulated system benefits as of October 1, 2013 | \$ 2,886,672 |
| 2. Increase (decrease) during year attributable to: | |
| a. System amendment | \$ 0 |
| b. Change in actuarial assumptions | 0 |
| c. Benefits paid including refunds | (86,580) |
| d. Other, including benefits accumulated and increase for interest due to decrease in the discount period | <u>176,084</u> |
| e. Net increase | \$ 89,504 |
| 3. Actuarial present value of accumulated system benefits as of October 1, 2014 | \$ 2,976,176 |

**City of Starke Firefighters'
Retirement System**

Actuarial Valuation as of October 1, 2014

State Required Exhibit

| | <u>10/01/2013</u> | <u>10/01/2014</u> |
|--|-------------------|-------------------|
| F. <u>Pension Cost</u> | | |
| 1. Total normal cost | \$ 119,807 | \$ 122,956 |
| 2. Payment required to amortize unfunded liability | 64,857 | 52,166 |
| 3. Interest adjustment | 7,452 | 7,097 |
| 4. Total required contribution | <u>\$ 192,116</u> | <u>\$ 182,219</u> |
| 5. Item 4 as a percentage of payroll | 50.5% | 47.7% |
| 6. Estimated employee contributions | \$ 20,084 | \$ 20,050 |
| 7. Item 6 as a percentage of projected payroll | 5.1% | 5.1% |
| 8. Estimated State contributions | \$ 30,248 | \$ 30,248 |
| 9. Item 8 as a percentage of projected payroll | 7.8% | 7.8% |
| 10. Estimated pick-up employee contributions by City | \$ 16,576 | \$ 16,704 |
| 11. Item 10 as a percentage of projected payroll | 4.3% | 4.3% |
| 12. Net amount payable by City | \$ 130,203 | \$ 118,861 |
| 13. Item 12 as a percentage of projected payroll | 33.4% | 30.5% |
| G. <u>Past Contributions</u> | | |
| 1. Total contribution required (prior valuation % of pay) | \$ 197,994 | \$ 197,111 |
| 2. Actual contributions made: | | |
| a. Employees | \$ 19,703 | N/A |
| b. State (net) | 30,248 | N/A |
| c. City (Member Pick-Up) | 16,376 | N/A |
| d. City | 175,113 | N/A |
| e. Total | <u>\$ 241,440</u> | N/A |
| H. <u>Net Actuarial Gain (Loss)</u> | \$ 80,925 | \$ 204,453 |
| I. <u>Disclosure of Following Items:</u> | | |
| 1. Actuarial present value of future salaries - attained age | \$ 3,896,652 | \$ 3,791,168 |
| 2. Actuarial present value of future employee contributions - attained age | \$ 360,110 | \$ 350,672 |
| 3. Actuarial present value of future contributions from other sources | N/A | N/A |
| 4. Amount of active members' accumulated contributions | \$ 406,632 | \$ 450,175 |
| 5. Actuarial present value of future salaries and future benefits at entry age | N/A | N/A |
| 6. Actuarial present value of future employee contributions at entry age | N/A | N/A |


City of Starke Firefighters'
Retirement System

State Required Exhibit

| | <u>Unfunded Actuarial Accrued Liabilities</u> | Current Unfunded <u>Liabilities</u> | Amortization <u>Payment</u> | Remaining Funding <u>Period</u> |
|------------|---|--|--------------------------------|------------------------------------|
| 10/01/1989 | Excess of Assets over AAL | \$ (2,735) | \$ (609) | 5 years |
| 10/01/1990 | Actuarial Loss (Gain) | (40) | (8) | 6 years |
| 10/01/1991 | Actuarial Loss (Gain) | (535) | (90) | 7 years |
| 10/01/1992 | Actuarial Loss (Gain) | (388) | (58) | 8 years |
| 10/01/1993 | Actuarial Loss (Gain) | (2,354) | (322) | 9 years |
| 10/01/1994 | Actuarial Loss (Gain) | 5,944 | 751 | 10 years |
| 10/01/1994 | System Amendment | 5,119 | 647 | 10 years |
| 10/01/1995 | Actuarial Loss (Gain) | (3,287) | (387) | 11 years |
| 10/01/1995 | Assumption and Method Change | 11,058 | 1,303 | 11 years |
| 10/01/1996 | Actuarial Loss (Gain) | 561 | 62 | 12 years |
| 10/01/1997 | Actuarial Loss (Gain) | (13,519) | (1,415) | 13 years |
| 10/01/1997 | Assumption and Method Change | 13,856 | 1,450 | 13 years |
| 10/01/1998 | Actuarial Loss (Gain) | 8,142 | 811 | 14 years |
| 10/01/1999 | Actuarial Loss (Gain) | 9,951 | 947 | 15 years |
| 10/01/2000 | Actuarial Loss (Gain) | (1,332) | (122) | 16 years |
| 10/01/2001 | Actuarial Loss (Gain) | 101,043 | 8,893 | 17 years |
| 10/01/2001 | System Amendment | 17,080 | 1,503 | 17 years |
| 10/01/2002 | Actuarial Loss (Gain) | 73,591 | 6,260 | 18 years |
| 10/01/2002 | System Amendment | 90,322 | 7,683 | 18 years |
| 10/01/2003 | Actuarial Loss (Gain) | (68,773) | (5,670) | 19 years |
| 10/01/2003 | System Amendment | 5,319 | 439 | 19 years |
| 10/01/2004 | Actuarial Loss (Gain) | 7,659 | 614 | 20 years |
| 10/01/2005 | Actuarial Loss (Gain) | 97,126 | 7,579 | 21 years |
| 10/01/2006 | Actuarial Loss (Gain) | (14,906) | (1,135) | 22 years |
| 10/01/2006 | System Amendment | 13,163 | 1,002 | 22 years |
| 10/01/2007 | Actuarial Loss (Gain) | (29,842) | (2,222) | 23 years |
| 10/01/2008 | Actuarial Loss (Gain) | 98,560 | 7,187 | 24 years |
| 10/01/2009 | Actuarial Loss (Gain) | 192,218 | 13,747 | 25 years |
| 10/01/2009 | Assumption Change | 56,462 | 4,038 | 25 years |
| 10/01/2010 | Actuarial Loss (Gain) | 196,932 | 13,833 | 26 years |
| 10/01/2011 | Actuarial Loss (Gain) | 110,977 | 7,666 | 27 years |
| 10/01/2012 | Actuarial Loss (Gain) | (41,822) | (2,844) | 28 years |
| 10/01/2012 | Assumption Change | (9,500) | (646) | 28 years |
| 10/01/2013 | Actuarial Loss (Gain) | (77,613) | (5,202) | 29 years |
| 10/01/2014 | Actuarial Loss (Gain) | (204,453) | (13,519) | 30 years |
| | TOTAL | \$ 643,984 | \$ 52,166 | |

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, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. 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 other wise provided for in the valuation. All known events or trends which may require material increase in system costs or required contribution rates have been taken into account in the valuation.

Enrollment Number: 14-02802
Dated: April 24, 2015


Lawrence F. Wilson, A.S.A.