

CITY OF SARASOTA GENERAL EMPLOYEES' PENSION FUND
Chapter 112.664, F.S. Compliance Report
In Connection with the September 30, 2015 Funding Actuarial Valuation Report
And the Plan's Financial Reporting for the Year Ending September 30, 2015

May 13, 2016

Board of Trustees
City of Sarasota General Employees' Pension Fund
Sarasota, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Sarasota General Employees' Pension Fund (Plan) to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

This report was prepared at the request of the Board and is intended for use by the Retirement Board and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board.

The purpose of the report is to provide the required information specified in Ch. 112.664, F.S. as well as supplement this information with additional exhibits. This report should not be relied on for any purpose other than the purpose described above.

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

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

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Board as described in our September 30, 2015 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our September 30, 2015 actuarial valuation report. Please refer to the September 30, 2015 actuarial valuation report, dated March 11, 2016, for summaries and descriptions of this information.

The use of an investment return assumption that is 2% higher than the investment return assumption used to determine the funding requirements does not represent an estimate of future Plan experience nor does it reflect an observation of future return estimates inherent in financial market data. The use of this investment return assumption is provided as a counterpart to the Chapter 112.664, Florida Statutes requirement to utilize an investment return assumption that is 2% lower than the assumption used to determine the funding requirements. The inclusion of the additional exhibits showing the effect of using

a 2% higher investment return assumption shows a more complete assessment of the range of possible results as opposed to showing a one-sided range as required by Florida Statutes.

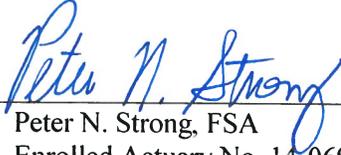
Peter N. Strong and Trisha Amrose are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1) F.S., the actuarial disclosures required under this section were 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, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By 
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Enrolled Actuary No. 14-06975
Senior Consultant & Actuary

By 
Trisha Amrose, MAAA
Enrolled Actuary No. 14-8010
Consultant & Actuary

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RESULTS

**Schedule of Changes in the Employers' Net Pension Liability
Using Financial Reporting Assumptions per GASB Statement No. 67**

Fiscal year ending September 30,	<u>2015</u>
1. Total pension liability	
a. Service Cost	\$ 2,119,194
b. Interest	12,562,816
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	101,089
e. Assumption Changes	-
f. Benefit Payments	(10,452,370)
g. Contribution Refunds	(12,822)
h. Net Change in Total Pension Liability	<u>4,317,907</u>
i. Total Pension Liability - Beginning	<u>183,659,727</u>
j. Total Pension Liability - Ending	<u><u>\$ 187,977,634</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 6,141,916
b. Contributions - Non-Employer Contributing Entity	107,691
c. Contributions - Member	767,707
d. Net Investment Income	(3,099,197)
e. Benefit Payments	(10,452,370)
f. Contribution Refunds	(12,822)
g. Administrative Expense	(157,689)
h. Other	3,488
i. Net Change in Plan Fiduciary Net Position	<u>(6,701,276)</u>
j. Plan Fiduciary Net Position - Beginning	<u>140,654,804</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 133,953,528</u></u>
3. Net Pension Liability / (Asset)	54,024,106
Certain Key Assumptions	
Valuation Date	09/30/2014
Measurement Date	09/30/2015
Investment Return Assumption	7.00%
Mortality Table	RP-2000 fully generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(a), F.S.**

Fiscal year ending September 30,	<u>2015</u>
1. Total pension liability	
a. Service Cost	\$ 2,119,194
b. Interest	12,562,816
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	101,089
e. Assumption Changes	-
f. Benefit Payments	(10,452,370)
g. Contribution Refunds	(12,822)
h. Net Change in Total Pension Liability	<u>4,317,907</u>
i. Total Pension Liability - Beginning	<u>183,659,727</u>
j. Total Pension Liability - Ending	<u>\$ 187,977,634</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 6,141,916
b. Contributions - Non-Employer Contributing Entity	107,691
c. Contributions - Member	767,707
d. Net Investment Income	(3,099,197)
e. Benefit Payments	(10,452,370)
f. Contribution Refunds	(12,822)
g. Administrative Expense	(157,689)
h. Other	3,488
i. Net Change in Plan Fiduciary Net Position	<u>(6,701,276)</u>
j. Plan Fiduciary Net Position - Beginning	<u>140,654,804</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 133,953,528</u>
3. Net Pension Liability / (Asset)	54,024,106
Certain Key Assumptions	
Valuation Date	09/30/2014
Measurement Date	09/30/2015
Investment Return Assumption	7.00%
Mortality Table	RP-2000 fully generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(b), F.S.**

Fiscal year ending September 30,	<u>2015</u>
1. Total pension liability	
a. Service Cost	\$ 3,322,675
b. Interest	11,315,809
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(10,452,370)
g. Contribution Refunds	(12,822)
h. Net Change in Total Pension Liability	<u>4,173,292</u>
i. Total Pension Liability - Beginning	<u>229,907,708</u>
j. Total Pension Liability - Ending	<u>\$ 234,081,000</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 6,141,916
b. Contributions - Non-Employer Contributing Entity	107,691
c. Contributions - Member	767,707
d. Net Investment Income	(3,099,197)
e. Benefit Payments	(10,452,370)
f. Contribution Refunds	(12,822)
g. Administrative Expense	(157,689)
h. Other	3,488
i. Net Change in Plan Fiduciary Net Position	<u>(6,701,276)</u>
j. Plan Fiduciary Net Position - Beginning	<u>140,654,804</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 133,953,528</u>
3. Net Pension Liability / (Asset)	100,127,472
Certain Key Assumptions	
Valuation Date	09/30/2014
Measurement Date	09/30/2015
Investment Return Assumption	5.00%
Mortality Table	RP-2000 fully generational using Scale AA

Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

Fiscal year ending September 30,	<u>2015</u>
1. Total pension liability	
a. Service Cost	\$ 1,425,695
b. Interest	13,193,629
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(10,452,370)
g. Contribution Refunds	(12,822)
h. Net Change in Total Pension Liability	<u>4,154,132</u>
i. Total Pension Liability - Beginning	<u>151,130,982</u>
j. Total Pension Liability - Ending	<u>\$ 155,285,114</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 6,141,916
b. Contributions - Non-Employer Contributing Entity	107,691
c. Contributions - Member	767,707
d. Net Investment Income	(3,099,197)
e. Benefit Payments	(10,452,370)
f. Contribution Refunds	(12,822)
g. Administrative Expense	(157,689)
h. Other	3,488
i. Net Change in Plan Fiduciary Net Position	<u>(6,701,276)</u>
j. Plan Fiduciary Net Position - Beginning	<u>140,654,804</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 133,953,528</u>
3. Net Pension Liability / (Asset)	21,331,586
Certain Key Assumptions	
Valuation Date	09/30/2014
Measurement Date	09/30/2015
Investment Return Assumption	9.00%
Mortality Table	RP-2000 fully generational using Scale AA

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions from the Plan's Latest Actuarial Valuation

FYE	Market Value of Assets (BOY)	Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2016	132,611,558	8,892,173	11,161,018	130,342,713
2017	130,342,713	8,711,920	11,773,430	127,281,203
2018	127,281,203	8,477,705	12,342,256	123,416,653
2019	123,416,653	8,190,096	12,830,562	118,776,187
2020	118,776,187	7,849,942	13,268,314	113,357,815
2021	113,357,815	7,456,289	13,678,796	107,135,308
2022	107,135,308	7,008,821	14,018,595	100,125,534
2023	100,125,534	6,510,160	14,246,490	92,389,204
2024	92,389,204	5,962,905	14,409,679	83,942,430
2025	83,942,430	5,367,411	14,530,267	74,779,574
2026	74,779,574	4,721,997	14,644,959	64,856,612
2027	64,856,612	4,026,398	14,673,293	54,209,716
2028	54,209,716	3,280,208	14,699,215	42,790,709
2029	42,790,709	2,481,250	14,688,572	30,583,386
2030	30,583,386	1,628,157	14,648,009	17,563,534
2031	17,563,534	719,640	14,565,914	3,717,261
2032	3,717,261	-	14,446,229	-
2033	-	-	14,280,120	-
2034	-	-	14,079,361	-
2035	-	-	13,826,362	-
2036	-	-	13,539,233	-
2037	-	-	13,199,829	-
2038	-	-	12,821,018	-
2039	-	-	12,391,289	-
2040	-	-	11,924,800	-
2041	-	-	11,410,036	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

16.25

Certain Key Assumptions

Valuation Investment return assumption

7.00%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(a), F.S.

FYE	Market Value of Assets (BOY)	Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2016	132,611,558	8,892,173	11,161,018	130,342,713
2017	130,342,713	8,711,920	11,773,430	127,281,203
2018	127,281,203	8,477,705	12,342,256	123,416,653
2019	123,416,653	8,190,096	12,830,562	118,776,187
2020	118,776,187	7,849,942	13,268,314	113,357,815
2021	113,357,815	7,456,289	13,678,796	107,135,308
2022	107,135,308	7,008,821	14,018,595	100,125,534
2023	100,125,534	6,510,160	14,246,490	92,389,204
2024	92,389,204	5,962,905	14,409,679	83,942,430
2025	83,942,430	5,367,411	14,530,267	74,779,574
2026	74,779,574	4,721,997	14,644,959	64,856,612
2027	64,856,612	4,026,398	14,673,293	54,209,716
2028	54,209,716	3,280,208	14,699,215	42,790,709
2029	42,790,709	2,481,250	14,688,572	30,583,386
2030	30,583,386	1,628,157	14,648,009	17,563,534
2031	17,563,534	719,640	14,565,914	3,717,261
2032	3,717,261	-	14,446,229	-
2033	-	-	14,280,120	-
2034	-	-	14,079,361	-
2035	-	-	13,826,362	-
2036	-	-	13,539,233	-
2037	-	-	13,199,829	-
2038	-	-	12,821,018	-
2039	-	-	12,391,289	-
2040	-	-	11,924,800	-
2041	-	-	11,410,036	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

16.25

Certain Key Assumptions

Valuation Investment return assumption

7.00%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(b), F.S.

FYE	Market Value of Assets (BOY)	Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2016	132,611,558	6,351,552	11,161,018	127,802,092
2017	127,802,092	6,095,769	11,773,430	122,124,431
2018	122,124,431	5,797,665	12,342,256	115,579,840
2019	115,579,840	5,458,228	12,830,562	108,207,506
2020	108,207,506	5,078,667	13,268,314	100,017,860
2021	100,017,860	4,658,923	13,678,796	90,997,987
2022	90,997,987	4,199,434	14,018,595	81,178,827
2023	81,178,827	3,702,779	14,246,490	70,635,116
2024	70,635,116	3,171,514	14,409,679	59,396,950
2025	59,396,950	2,606,591	14,530,267	47,473,274
2026	47,473,274	2,007,540	14,644,959	34,835,855
2027	34,835,855	1,374,960	14,673,293	21,537,522
2028	21,537,522	709,396	14,699,215	7,547,703
2029	7,547,703	10,171	14,688,572	-
2030	-	-	14,648,009	-
2031	-	-	14,565,914	-
2032	-	-	14,446,229	-
2033	-	-	14,280,120	-
2034	-	-	14,079,361	-
2035	-	-	13,826,362	-
2036	-	-	13,539,233	-
2037	-	-	13,199,829	-
2038	-	-	12,821,018	-
2039	-	-	12,391,289	-
2040	-	-	11,924,800	-
2041	-	-	11,410,036	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

13.50

Certain Key Assumptions

Valuation Investment return assumption

5.00%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2016	132,611,558	11,432,794	11,161,018	132,883,334
2017	132,883,334	11,429,696	11,773,430	132,539,600
2018	132,539,600	11,373,162	12,342,256	131,570,507
2019	131,570,507	11,263,970	12,830,562	130,003,915
2020	130,003,915	11,103,278	13,268,314	127,838,879
2021	127,838,879	10,889,953	13,678,796	125,050,036
2022	125,050,036	10,623,667	14,018,595	121,655,108
2023	121,655,108	10,307,868	14,246,490	117,716,486
2024	117,716,486	9,946,048	14,409,679	113,252,855
2025	113,252,855	9,538,895	14,530,267	108,261,483
2026	108,261,483	9,084,510	14,644,959	102,701,034
2027	102,701,034	8,582,795	14,673,293	96,610,536
2028	96,610,536	8,033,484	14,699,215	89,944,804
2029	89,944,804	7,434,047	14,688,572	82,690,279
2030	82,690,279	6,782,965	14,648,009	74,825,235
2031	74,825,235	6,078,805	14,565,914	66,338,126
2032	66,338,126	5,320,351	14,446,229	57,212,248
2033	57,212,248	4,506,497	14,280,120	47,438,625
2034	47,438,625	3,635,905	14,079,361	36,995,169
2035	36,995,169	2,707,379	13,826,362	25,876,186
2036	25,876,186	1,719,591	13,539,233	14,056,544
2037	14,056,544	671,097	13,199,829	1,527,812
2038	1,527,812	-	12,821,018	-
2039	-	-	12,391,289	-
2040	-	-	11,924,800	-
2041	-	-	11,410,036	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:** 22.08

Certain Key Assumptions

Valuation Investment return assumption	9.00%
Valuation Mortality Table	RP-2000 fully generational using Scale AA

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Actuarially Determined Contribution - Fiscal Year Ending 9/30/2017

	Plan's Latest Actuarial Valuation	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. except 2% higher investment return assumption
Normal Cost				
Service pensions	1,724,747	1,724,747	2,751,221	1,117,339
Disability pensions	123,948	123,948	180,265	86,997
Pre-retirement survivor pensions	23,517	23,517	38,570	14,708
Termination Benefits				
Deferred service pensions	88,061	88,061	164,769	60,464
Refunds of member contributions	104,257	104,257	97,245	110,218
Total Normal Cost	<u>2,064,530</u>	<u>2,064,530</u>	<u>3,232,070</u>	<u>1,389,726</u>
Unfunded Actuarial Accrued Liability				
Retired members and beneficiaries	0	0	0	0
Active and vested terminated members	4,941,580	4,941,580	7,716,009	2,320,486
Total Unfd. Actuarial Accrued Liability	<u>4,941,580</u>	<u>4,941,580</u>	<u>7,716,009</u>	<u>2,320,486</u>
Administrative Expenses	157,689	157,689	157,689	157,689
Total Unadjusted Computed Contribution	7,163,799	7,163,799	11,105,768	3,867,901
Total Adjusted Contribution Requirement				
Member portion	776,560	776,560	776,560	776,560
City portion #	6,387,239	6,387,239	10,329,208	3,091,341
Expected covered payroll	12,942,671	12,942,671	12,942,671	12,942,671
City Contribution as a % of covered payroll	49.35%	49.35%	79.81%	23.88%
Total Contribution as a % of covered payroll	55.35%	55.35%	85.81%	29.88%

FS 112.64 requires City contributions to be deposited not less frequently than quarterly. Member contributions, which are in addition to the City contributions, must be deposited immediately.