

CITY OF SARASOTA GENERAL EMPLOYEES' PENSION FUND

ACTUARIAL VALUATION REPORT AS OF SEPTEMBER 30, 2015

ANNUAL EMPLOYER CONTRIBUTION IS DETERMINED BY THIS VALUATION FOR THE
FISCAL YEAR ENDING SEPTEMBER 30, 2017

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March 11, 2016

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

The results of the September 30, 2015 Annual Actuarial Valuation of the City of Sarasota General Employees' Pension Fund are presented in this report.

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

The purpose of the valuation is to measure the Plan's funding progress, to determine the employer contribution required for the fiscal year ending September 30, 2017, and to provide the actuarial information for Governmental Accounting Standards Board (GASB) Statement No. 67 for the fiscal year ending September 30, 2015. This report also includes estimated GASB Statement No. 67 information for the fiscal year ending September 30, 2016. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

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

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

The valuation was based upon information furnished by the City 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.

This report was prepared using certain assumptions prescribed by the Board as described in Section D.

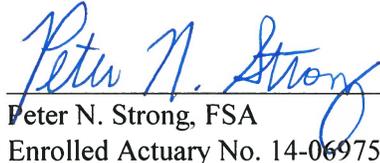
This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations 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.

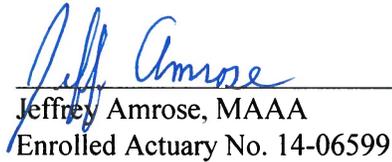
Peter N. Strong and Jeffrey Amrose are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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

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

Respectfully submitted,


Peter N. Strong, FSA
Enrolled Actuary No. 14-06975


Jeffrey Amrose, MAAA
Enrolled Actuary No. 14-06599

Section A



Valuation Results and Commentary

ACTUARIAL VALUATION PROCESS

An actuarial valuation is the process by which a balance between revenues (participant contributions, employer contributions and investment income) and obligations (benefits and expenses) is determined and funded condition is measured.

The flow of activity constituting the valuation may be summarized as follows:

A. Covered person information about:

- each person receiving pension payments
- each former participant with a vested pension not yet payable
- each former participant who is not vested and has not claimed a member contribution refund
- each active participant

B. Financial Information (assets, revenues, and expenditures)

C. Benefit Provisions (Retirement Ordinance)

D. Actuarial Assumptions about the volume and incidence of future activities

E. Actuarial Cost Method (entry age) for allocating benefit costs to time periods

F. Mathematical linking of the person information, financial information, benefit provisions, experience estimates and actuarial cost method

G. Determination of:

- contribution rate for the plan year
- current funded condition

Items A, B and C are furnished by the pension office and constitute the current knowns about the Fund. Since the majority of activities will occur in the future, estimates must be made about these future activities (Item D).

ACTUARIAL COST METHOD

Under the Entry Age Actuarial Cost Method, each year's difference between projected and actual Fund activities (experience gains/losses), reduce/increase the Unfunded Actuarial Accrued Liability. This treatment of experience gains/losses leaves the Normal Cost unaffected by year to year experience fluctuations and, thereby, is more likely to satisfy the level contribution Funding Objective set out on page B-1. Normal Cost rate changes occur only in response to changes in benefits, experience assumptions and age at hire patterns.

OBSERVED EXPERIENCE

The City's actuarially required contribution for the fiscal year beginning October 1, 2016 is \$6,387,239 (49.35% of current participant payroll) compared to \$6,422,747 (48.28% of the previous year's participant payroll) for the fiscal year beginning October 1, 2015. By ordinance, the City must contribute a minimum of 8% of payroll. The Pension Board uses a dollar-based contribution determination method. Therefore, \$6,387,239 is required to be contributed by the City during the fiscal year ending September 30, 2017, and \$6,422,747 is required to be contributed during the fiscal year ending September 30, 2016.

The funded condition, as measured by the ratio of the funding value of assets to the actuarial accrued liability, is 71.2%, an increase from last year's 69.9%.

There was a net experience loss for the year. The key elements of this experience were:

- The rate of return on the funding value of assets was 7.4% versus the projected 7.0% (favorable).
Note: the rate of return based on the market value was (2.3)%.
- Average salary increase was 4.1% versus an assumption of 5.0% (slightly favorable).
- 14 retirements versus 16 expected (approximately neutral).
- 1 termination versus 5 expected (unfavorable)
- 8 deaths (with \$173,563 in annual benefits) versus 13.9 deaths (with \$257,797 in annual benefits) expected (unfavorable).

The net result of all fiscal and demographic activity was an experience loss of \$130,073. This loss results in an increase of \$11,368 in the City's contribution requirement, or 0.09% of current participant payroll.

Pension payroll is now 80.3% of participant payroll. Because the Plan is closed to new entrants, the pension payroll is expected to increase dramatically with the passage of time. A dollar-based contribution determination method (rather than a percentage of payroll method) is being used in anticipation of this trend.

CHANGES IN BENEFITS

There have been no changes to the Plan's benefit provisions since the last Actuarial Valuation.

CHANGE IN ACTUARIAL ASSUMPTIONS

There have been no changes to the Plan's actuarial assumptions since the last Actuarial Valuation. As of the next actuarial valuation date (9/30/2016), the Plan will be required under Florida Statutes to use the same mortality assumption as the Florida Retirement System. If this change had been implemented this year, the City contribution requirement for the fiscal year ending September 30, 2017 would have been \$6,975,850 (53.90% of current participant payroll)

REQUIRED CONTRIBUTIONS IN LATER YEARS

The payment on the unfunded accrued liability will be a fixed dollar amount for the next 14 years while covered payroll continues to decrease due to the closure of the Plan to new members. As a result, the payment on the unfunded accrued liability will increase as a percent of the remaining payroll. The normal cost in dollars will decrease as payroll decreases. Therefore, the total required contribution as a percent of covered payroll will tend to increase in the future even if actual experience is in line with the assumptions. The Board is using a dollar-based contribution determination method in order to continue funding the Plan adequately as covered payroll continues to decline.

Eventually, due to the Plan closure, the investment horizon of the Plan will become short enough and the cash demands large enough that the asset allocation will likely lean more towards fixed income and less towards equities or other volatile asset classes. This transition will eventually require a reduction in the assumed rate of investment return, and thus an increase in costs and liabilities.

RELATIONSHIP TO MARKET VALUE

If Market Value had been the basis for the valuation, the City contribution requirement for the fiscal year ending September 30, 2017 would have been \$6,419,551 (49.60% of current participant payroll) and the funded ratio would have been 71.0%. In the absence of future gains or losses, the City contribution should increase toward that level over the next few years.

Section B



Detailed Valuation Results

FUNDING OBJECTIVE

The funding objective for the Pension Fund is to establish and receive contributions, which are inherently level from year to year when funding assumptions are realized and benefits are unchanged. This objective meets the requirements of Part VII, Chapter 112, Florida Statutes.

CONTRIBUTION RATES

The Pension Fund is supported by participant contributions, City contributions and investment income on Pension Fund assets.

Contributions which satisfy the funding objective are determined by the annual actuarial valuation and are sufficient to:

- (1) cover the costs allocated to the current year (normal cost) by the actuarial cost methods described in Section D ; and
- (2) finance over a period of future years the actuarial costs not covered by present assets and anticipated future normal costs (unfunded actuarial accrued liability).

Initial financing periods used for the unfunded actuarial accrued liability are:

30 years for experience gains and losses occurring between 9/30/02 and 9/30/10;

25 years for experience gains and losses occurring after 9/30/10;

25 years for benefit changes occurring after 9/30/02;

25 years for global actuarial assumption/method changes occurring after 9/30/02;

10 years for actuarial assumption/method changes occurring after 9/30/02 that apply only to retirees.

Effective September 30, 2014, the maximum number of years remaining to pay off any base was set at 23 years, to be reduced by 1 year at each subsequent valuation date. As of September 30, 2015, new amortization bases have 22 years remaining.

Contribution requirements for the plan and fiscal years beginning October 1, 2015 and October 1, 2016 are shown on page B-2.

CONTRIBUTIONS TO FINANCE BENEFITS OF THE PENSION FUND

Contributions Expressed as Percents of Active Member Payroll for Fiscal Year Ending

	9/30/2017		9/30/2016	
	\$ (Dollar)	% of Pay	\$ (Dollar)	% of Pay
Normal Cost				
Service pensions	\$1,724,747	13.33 %	\$1,772,182	13.32 %
Disability pensions	123,948	0.95	122,373	0.92
Death-in-service pensions	23,517	0.18	24,383	0.18
Termination Benefits				
Deferred service pensions	88,061	0.68	92,478	0.70
Refunds of member contributions	104,257	0.81	107,778	0.81
Total Normal Cost	\$2,064,530	15.95 %	\$2,119,194	15.93 %
Unfunded Actuarial Accrued Liability				
Retired members and beneficiaries	\$0	0.00 %	\$0	0.00 %
Active and vested terminated members	4,941,580	38.18	4,935,768	37.10
Total Unf'd. Actuarial Accrued Liability	\$4,941,580	38.18 %	\$4,935,768	37.10 %
Administrative Expenses	\$157,689	1.22 %	\$166,043	1.25 %
Total Contribution Requirement	\$7,163,799	55.35 %	\$7,221,005	54.28 %
Expected Member portion	776,560	6.00 %	798,258	6.00 %
City portion @	6,387,239	49.35 %	6,422,747	48.28 %
Expected covered payroll (millions)	\$12,942,671		\$13,304,308	

@ The Retirement Ordinance specifies an 8.0% minimum contribution rate.

(1) Please refer to page B-7 for a schedule of financing periods.

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 not less frequently than monthly.

Comparative contribution amounts for prior fiscal years are shown on page B-8.

FUNDING PROGRESS INDICATORS

There is no single all-encompassing measure of a pension plan's funding progress and current funded status. A traditional indicator has been the relationship of the funding value of assets to actuarial accrued liability - a measure that is influenced by the choice of actuarial cost method. This relationship is shown on page B-6.

We believe a better understanding of funding progress and status can be achieved using the following indicators which are less dependent on the actuarial cost method:

Indicator (1) - The actuarial present value of gains or losses realized in the operation of the Pension Fund.

Gains and losses are expected to cancel each other over a period of years but sizable year to year fluctuations are common. Further details on the derivation of the gain (loss) are shown on page B-5.

Indicator (2) - The ratio of the funding value of assets to the actuarial accrued liability using the entry age actuarial cost method. The ratio is expected to increase over time but the basic trend may be interrupted by benefit improvements and assumption changes.

Indicator (3) - The ratio of the unfunded actuarial accrued liability to participant payroll. In a soundly financed pension fund, the amount of the unfunded actuarial accrued liability will be controlled and prevented from increasing in the absence of benefit improvements. However, in an inflationary environment it is seldom practical to impose this control on dollar amounts which are depreciating in value. The ratio is a relative index of condition where inflation is present in both items. The ratio is expected to decrease over time but the basic trend may be interrupted by benefit improvements.

FUNDING PROGRESS INDICATORS - HISTORICAL COMPARISON
(\$ AMOUNTS IN MILLIONS)

Valuation Date	Indicator (1)		Indicator (2)			Indicator (3)		
	Gain (Loss)	Funding Value of Assets	AAL	Percent Funded	Unfunded AAL	Active		
						Participant Payroll	Ratio to Payroll	
September 30, 1991	\$ N.A.	\$ 31.44	\$ 37.48	83.9 %	6.04	\$ 13.75	43.9 %	
September 30, 1992	2.38	36.56	40.48	90.3	3.92	14.50	27.0	
September 30, 1993	1.90	41.18	43.41	94.9	2.23	13.62	16.4	
September 30, 1994	(2.49)	41.81	48.28	86.6	6.47	14.37	45.0	
September 30, 1995	7.59	51.45	50.52	101.8	(0.93)	14.23	(6.5)	
September 30, 1996	4.22	59.22	54.16	109.3	(5.06)	14.24	(35.5)	
September 30, 1997	10.88	74.83	59.61	125.5	(15.22)	14.76	(103.1)	
September 30, 1998	(2.61)	78.41	64.86	120.9	(13.55)	15.37	(88.2)	
September 30, 1999	0.17	83.57	72.02	116.0	(11.55)	16.65	(69.4)	
September 30, 2000	(2.45)	90.53	80.45	112.5	(10.08)	17.90	(56.3)	
September 30, 2001	(2.35)	94.03	85.26	110.3	(8.77)	18.16	(48.3)	
September 30, 2002	(7.26)	91.77	90.00	102.0	(1.77)	18.91	(9.4)	
September 30, 2003	(4.26)	95.30	97.55	97.7	2.25	19.75	11.4	
September 30, 2004	(3.78)	98.03	108.07	90.7	10.04	20.25	49.6	
September 30, 2005	(4.77)	100.61	116.27	86.5	15.66	20.91	74.9	
September 30, 2006	0.81	107.73	123.60	87.2	15.87	21.87	72.6	
September 30, 2007	3.02	119.06	133.56	89.1	14.50	24.42	59.4	
September 30, 2008	0.51	123.43	137.93	89.5	14.50	22.90	63.3	
September 30, 2009	(4.86)	125.83	145.37	86.6	19.54	22.22	87.9	
September 30, 2010	(7.25)	125.18	155.76	80.4	30.58	20.64	148.2	
September 30, 2011	(10.18)	122.24	162.51	75.2	40.27	21.23	189.7	
September 30, 2012	(3.45)	116.88	172.14	67.9	55.26	15.32	360.7	
September 30, 2013	0.33	120.67	176.88	68.2	56.21	13.80	407.3	
September 30, 2014	1.84	127.69	182.77	69.9	55.08	13.30	414.1	
September 30, 2015	(0.13)	132.98	186.89	71.2	53.91	12.94	416.6	

AAL represents actuarial accrued liability calculated using the entry age actuarial cost method.

EXPERIENCE GAIN (LOSS)

DERIVATION	Year Ended	
	9/30/15	9/30/14
(1) UAAL at start of year	\$55,086,339	\$56,211,059
(2) City normal cost for year (Total normal cost plus expenses from last valuation - employee contributions)	1,261,599	1,248,476
(3) Non-employee contributions for year	6,253,095	6,014,211
(4) Interest accrued .07 x [(1) + ½ [(2) - (3)]]	3,681,341	3,767,973
(5) Expected UAAL before changes [(1) + (2) - (3) + (4)]	53,776,184	55,213,297
(6) Effect of assumption changes	None	1,713,475
(7) Effect of cost method changes	None	None
(8) Effect of benefit changes	None	None
(9) Expected UAAL after changes	53,776,184	56,926,772
(10) Actual UAAL	53,906,257	55,086,339
(11) Gain (loss) (9) - (10)	(130,073)	1,840,433
(12) % of AAL at start of year	(0.1) %	1.0 %

UAAL represents unfunded actuarial accrued liability.

UNFUNDED ACTUARIAL ACCRUED LIABILITY

	<u>09/30/15</u>	<u>09/30/14</u>
A. Actuarial present value of future benefits	\$ 198,821,455	195,479,734
B. Actuarial present value of future normal costs	<u>11,933,933</u>	<u>12,706,363</u>
C. Actuarial accrued liability	186,887,522	182,773,371
D. Actuarial value of assets	<u>132,981,265</u>	<u>127,687,032</u>
E. Unfunded actuarial accrued liability	<u><u>53,906,257</u></u>	<u><u>55,086,339</u></u>
F. Funded ratio	71.2%	69.9%

**SOURCES AND FINANCING OF
UNFUNDED ACTUARIAL ACCRUED LIABILITY**

Source of Unfunded Act. Accrued Liability	Unfunded Act. Accrued Liability		Current Amount	Remaining Financing Period 9/30/15	Current Contrib.	% of Payroll Contrib.
	Initial Amount	Fin. Prd.				
Experience Changes						
9/30/2003	\$ 4,264,562	30	\$ 4,419,600	18	\$ 424,749	3.28 %
9/30/2004	3,782,178	30	4,651,956	19	435,119	3.36
9/30/2005	4,765,498	30	5,691,315	20	519,350	4.01
9/30/2006	(805,562)	30	(938,952)	21	(83,772)	(0.65)
9/30/2007	(3,016,425)	30	(3,516,856)	22	(307,368)	(2.37)
9/30/2008	(31,334)	30	(569,665)	22	(49,788)	(0.38)
9/30/2009	4,864,544	30	5,396,738	22	471,667	3.64
9/30/2010	7,252,867	30	7,791,843	22	680,996	5.26
9/30/2011	10,176,533	25	10,300,031	21	918,960	7.10
9/30/2012	3,454,235	25	3,420,872	22	298,979	2.31
9/30/2013	(325,573)	25	(314,789)	22	(27,512)	(0.21)
9/30/2014	(1,840,433)	23	(1,803,958)	22	(157,663)	(1.22)
9/30/2015	130,073	22	130,073	22	11,368	0.09
Benefit Changes						
9/30/2010	(63,410)	25	(66,326)	20	(6,052)	(0.05)
9/30/2011	(7,017,298)	25	(7,102,459)	21	(633,675)	(4.90)
Assumption or Cost Method Changes						
9/30/2004	3,968,165	25	4,392,414	14	485,544	3.75
9/30/2007	998,493	25	1,094,374	17	108,363	0.84
9/30/2010	3,282,127	25	3,433,004	20	313,272	2.42
9/30/2011	5,333,438	25	5,398,163	21	481,619	3.72
9/30/2012	10,520,982	25	10,419,364	22	910,637	7.04
9/30/2014	1,713,475	23	1,679,516	22	146,787	1.13
Totals	51,407,135		53,906,258		4,941,580	38.18

CITY CONTRIBUTION REQUIREMENT: HISTORICAL COMPARISON
(\$ AMOUNT IN MILLIONS)

GRS

Valuation Date	Applicable Fiscal Year	Percent of Payroll Contribution					Dollar Contributions	
		Normal Cost	Expenses	UAAL *	Adjustments	Total @	Projected	Actual#
9/30/91	91-92	6.36	1.76	1.88	0.00	10.00	1.41	1.43
9/30/92	92-93	6.33	1.84	0.02	0.08	8.27	1.24	1.21
9/30/93	93-94	6.29	2.15	(1.63)	0.75	7.56	1.11	1.14
9/30/94	94-95	6.35	2.16	1.00	0.93	10.44	1.53	1.52
9/30/95	95-96	6.88	2.56	(5.27)	(0.02)	4.15	1.16 &	1.18
9/30/96	96-97	6.85	2.89	(9.29)	(0.08)	0.37	1.16 &	1.22
9/30/97	97-98	6.85	3.12	(17.87)	(0.99)	0.00	1.21 &	1.26
9/30/98	98-99	6.84	2.76	(17.59)	(0.70)	0.00	1.26 &	1.29
9/30/99	99-00	6.94	0.53	(19.98)	(0.09)	0.00	1.35 &	1.34
9/30/00	00-01	6.40	0.47	(20.24)	(0.02)	0.00	1.43 &	1.43
9/30/01	01-02	6.50	0.34	(20.41)	0.00	0.00	1.45 &	1.45
9/30/02	02-03	6.76	0.34	(2.09)	(0.02)	4.99	1.51 &	1.50
9/30/03	03-04	6.81	0.33	(1.45)	0.00	5.69	1.58 &	1.58
9/30/03	04-05	6.81	0.33	(1.45)	0.00	5.69	1.64 &	1.60
9/30/04	05-06	7.13	0.50	1.24	0.00	8.87	1.86	1.88
9/30/05	06-07	7.20	0.47	2.65	0.00	10.32	2.23	2.43
9/30/06	07-08	7.35	0.52	2.39	0.00	10.26	2.32	2.37
9/30/07	08-09	8.48	0.39	4.05	0.00	12.92	3.27	2.87
9/30/08	09-10	8.29	0.54	4.44	0.00	13.27	3.14	2.77
9/30/09	10-11	8.30	0.54	6.39	0.00	15.23	3.50	3.04
9/30/10	11-12	8.76	0.57	13.25	0.00	22.58	4.66	3.63
9/30/11	12-13	8.07	0.63	19.74	0.00	28.44	5.05	3.97
9/30/12	13-14	8.56	0.91	29.76	0.00	39.23	6.01	6.01
9/30/13	14-15	8.75	1.11	35.42	0.00	45.28	6.25	6.25
9/30/14	15-16	9.93	1.25	37.10	0.00	48.28	6.42	
9/30/15	16-17	9.95	1.22	38.18	0.00	49.35	6.39	

* UAAL represents unfunded actuarial accrued liability. A negative amount indicates assets in excess of the actuarial accrued liability.
City contributes calculated percent-of-payroll contribution rate applied to actual covered payroll.
@ The Retirement Ordinance specifies a minimum contribution of 8.0%.
& Based on 8.0% minimum City contribution.

ACTUARIAL BALANCE SHEET - SEPTEMBER 30, 2015***PRESENT RESOURCES AND EXPECTED FUTURE RESOURCES***

A. Net assets available for benefits		
1. Market value	\$	132,611,558
2. Funding value adjustment		<u>369,707</u>
3. Funding value of assets		132,981,265
 B. Actuarial present value of expected future City contributions		
1. For normal costs		7,047,514
2. For unfunded actuarial accrued liability		<u>53,906,257</u>
3. Total		60,953,771
 C. Actuarial present value of expected future member contributions		<u>4,886,419</u>
 D. Total Present and Future Resources	\$	<u><u>198,821,455</u></u>

ACTUARIAL PRESENT VALUE OF EXPECTED FUTURE BENEFIT PAYMENTS AND RESERVES

A. To retired members and beneficiaries	\$	132,122,887
 B. To vested terminated participants		3,297,178
 C. To present active participants		
1. Allocated to service rendered prior to valuation date		51,467,457
2. Allocated to service likely to be rendered after valuation date		<u>11,933,933</u>
3. Total		63,401,390
 D. Total Actuarial Present Value of Expected Future Benefit Payments and Reserves	\$	<u><u>198,821,455</u></u>

Section C

Summary of Benefit Provisions
and Valuation Data

SUMMARY OF PROVISIONS CONSIDERED FOR ACTUARIAL VALUATION

A. Ordinances

Plan established under the Code of Ordinances for the City of Sarasota, Florida, Chapter 24, Article II, and Division 4 and was most recently amended under Ordinance No. 14-5087 passed and adopted on May 5, 2014. The Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

B. Effective Date

November 2, 2009 (Restatement)

C. Plan Year

October 1 through September 30

D. Type of Plan

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

E. Eligibility Requirements

All full-time City employees hired prior to September 7, 2011 participate in the plan as a condition of employment, exclusive of the City Manager who may elect not to participate. Temporary and part-time employees, DROP participants, and any persons covered by the police officers' pension fund or the firefighters' pension fund are not eligible to participate.

F. Credited Service

Service is measured as the total number of years and completed months for which a member made Member Contributions to the plan. No service is credited for any periods of employment for which the member received a refund of their contributions.

G. Compensation/Earnings

The total compensation reportable on the member's W-2 form, plus all amounts deferred under deferred compensation plans, but excluding allowances for clothing, car or other miscellaneous expenses and all lump sum payments. Overtime earnings after December 28, 2011 in excess of 300 hours in a calendar year are excluded. Compensation will be limited by the provisions of Internal Revenue Code Section 401(a) (17), when applicable.

H. Final Average Compensation (FAC)

One twelfth of the average Compensation for the highest 3 years out of the last 10 years of Credited Service prior to December 28, 2011 or the highest 4 years of Credited Service prior to termination or retirement, whichever is greater. Final Average Compensation for members eligible for normal retirement on December 28, 2011 is the highest 3 years out of the last 10 years of Credited Service.

I. Normal Retirement

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

- (1) age 65 and 10 years of Credited Service, or
- (2) 30 years of Credited Service regardless of age.

Benefit: 2.5% of FAC multiplied by years of Credited Service earned prior to December 28, 2011 and 2.0% of FAC multiplied by years of Credited Service earned after December 28, 2011. For members eligible for normal retirement on December 28, 2011, the benefit is 2.5% of FAC multiplied by years of Credited Service. Benefit will be limited by the provisions of Internal Revenue Code Section 415, when applicable.

Normal Form of Benefit: Single life annuity; other options are also available.

J. Early Retirement

Eligibility: A member may elect to retire earlier than the Normal Retirement Eligibility upon attainment of age 55 and 10 years of Credited Service.

Benefit: FAC multiplied by Credited Service multiplied by the following applicable pension percent:

EARLY RETIREMENT AGE	PENSION PERCENTAGE FOR MEMBERS WITH LESS THAN 25 YEARS OF CREDITED SERVICE		PENSION PERCENTAGE FOR MEMBERS WITH MORE THAN 25, BUT LESS THAN 30, YEARS OF CREDITED SERVICE	
	FOR SERVICE PRIOR TO DECEMBER 28, 2011	FOR SERVICE ON OR AFTER DECEMBER 28, 2011	FOR SERVICE PRIOR TO DECEMBER 28, 2011	FOR SERVICE ON OR AFTER DECEMBER 28, 2011
55	1.836	1.469	2.233	1.786
56	1.925	1.540	2.264	1.811
57	2.014	1.611	2.296	1.837
58	2.101	1.681	2.328	1.862
59	2.190	1.752	2.360	1.888
60	2.279	1.823	2.391	1.913
61	2.368	1.894	2.424	1.939
62	2.455	1.964	2.455	1.964
63	2.470	1.976	2.470	1.976
64	2.485	1.988	2.485	1.988

Normal Form of Benefit: Single life annuity; other options are also available.

K. Delayed Retirement

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

Disability (Service Connected or Non-Service Connected)

Eligibility: Any member who has 10 years of Credited Service and becomes totally and permanently disabled as a result of an act occurring in the performance of service for the City is immediately eligible for a disability benefit.

Benefit: Accrued Normal Retirement Benefit taking into account compensation earned and service credited until the date of disability. There will be no actuarial reduction for the period of time that the date of disability precedes the Normal Retirement date. Disability benefits, when combined with Social Security, Worker's Compensation or any other local, state or federal government benefits, cannot exceed and will be limited to the FAC on the date of disability.

Normal Form of Benefit: Single life annuity.

Accumulated contributions with interest will be refunded to the beneficiaries of all members with less than 10 years of Credited Service.

L. Preretirement Death (Service Connected or Non-Service Connected)

Eligibility: All members are eligible for survivor benefits after 10 years of Credited Service.

Benefit: The actuarial present value of the member's accrued Normal Retirement Benefit.

Normal Form of Benefit: Single life annuity paid for the life of the beneficiary. A lump sum option is also available. Alternatively, the beneficiary may choose to withdraw the vested member's accumulated contributions with interest.

Accumulated contributions with interest will be refunded to the beneficiaries of all members with less than 10 years of Credited Service.

M. Optional Forms

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are the 10 Year Certain and Life, 15 Year Certain and Life, the 50%, 66 2/3%, 75% and 100% Joint and Survivor options, or a Lump Sum payment of the actuarial present value of the retiree's accrued benefit.

N. Vested Termination

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 10 years of Credited Service.

Benefit: The benefit is the member's accrued Normal Retirement Benefit as of the date of termination. Benefit begins at age 65. Alternatively, members can elect a reduced Early Retirement benefit any time after age 55. If the terminated member dies prior to retirement, payments will be made to the beneficiary based upon the actuarial present value of the member's accrued Normal Retirement pension payable as of the date of death.

Normal Form of Benefit: Single life annuity; other options are also available.

Members terminating employment with less than 10 years of Credited Service will receive a refund of their own accumulated contributions with interest.

O. Refunds

Eligibility: All members terminating employment with less than 10 years of Credited Service are eligible. Optionally, vested members (those with 10 or more years of Credited Service) may elect a refund in lieu of the vested benefits otherwise due.

Benefit: Refund of the member's contributions with interest. The current rate of interest is 4.5% annually.

P. Member Contributions

6% of Compensation

Q. Employer Contributions

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

R. Cost of Living Increases

COLA applies to all benefit recipients (Normal Retirement, Early Retirement, Disability, Death and Vested Termination).

For those who retire prior to 1/1/2000:

At the end of each February, pensions are adjusted by the percentage change in the Consumer Price Index during the preceding calendar year not to exceed 4.0%. A pension will not be reduced below the initial amount.

For those who retire on or after 1/1/2000 and prior to December 28, 2011:

At the end of each February, pensions are increased by 3.0%. The increase will be prorated if the member retired during the preceding calendar year.

For those who retire on or after December 28, 2011:

The amount of the pension benefit accrued on or after December 28, 2011 is increased by 2.0% beginning the earlier of five years following the date of retirement or age 65 and continued annually thereafter. The amount of the pension benefit accrued before December 28, 2011 is increased by 3.0% each year after retirement.

For those members who are eligible for normal retirement December 28, 2011 and retire after this date, the pension benefit is increased by 3.0% each year after retirement.

S. 13th Check

Not Applicable

T. Deferred Retirement Option Plan

Eligibility: Plan members who meet one of the following criteria are eligible for the DROP:

- (1) age 65 with 10 years of Credited Service, or
- (2) 30 years of Credited Service regardless of age.

Members who meet eligibility must submit a written election to participate in the DROP.

Benefit: The member's Credited Service and FAC are frozen upon entry into the DROP. The monthly retirement benefit as described under Normal Retirement is calculated based upon the frozen Credited Service and FAC.

Maximum

DROP Period: 60 months

Interest

Credited: The member's DROP account is credited at a rate equal to 2.0% per annum compounded quarterly.

Normal Form

of Benefit: Lump Sum

U. Other Ancillary Benefits

There are no ancillary retirement type benefits not required by statutes but which might be deemed a City of Sarasota General Employees' Pension Fund liability if continued beyond the availability of funding by the current funding source.

V. Changes from Previous Valuation

There are no changes from the previous valuation.

ACCOUNTING INFORMATION SUBMITTED FOR VALUATION

Statement of Plan Assets at Market Value

Item	September 30	
	2015	2014
A. Cash and Cash Equivalents (Operating Cash)	\$ 644,935	\$ 1,193,861
B. Receivables:		
1. Member Contributions	\$ -	\$ -
2. Employer Contributions	-	-
3. State Contributions	-	-
4. Investment Income and Other Receivables	722,301	286,004
5. Prepaid Expenses	19,530	18,777
6. Total Receivables	\$ 741,831	\$ 304,781
C. Investments		
1. Short Term Investments	\$ 3,249,795	\$ 9,184,103
2. Domestic Equities	83,300,545	72,233,305
3. International Equities	4,117,353	22,977,298
4. Domestic Fixed Income	27,817,262	28,355,570
5. International Fixed Income	-	-
6. Real Estate	14,672,077	6,607,633
7. Private Equity	-	-
8. Total Investments	\$ 133,157,032	\$ 139,357,909
D. Liabilities		
1. Benefits Payable	\$ -	\$ -
2. Accrued Expenses and Other Payables	(590,270)	(201,747)
3. Total Liabilities	\$ (590,270)	\$ (201,747)
E. Total Market Value of Assets Available for Benefits	\$ 133,953,528	\$ 140,654,804
F. Reserves - DROP Account	\$ (1,341,970)	\$ (980,832)
G. Market Value Net of Reserves	\$ 132,611,558	\$ 139,673,972
H. Allocation of Investments		
1. Short Term Investments	2.4%	6.6%
2. Domestic Equities	62.6%	51.8%
3. International Equities	3.1%	16.5%
4. Domestic Fixed Income	20.9%	20.4%
5. International Fixed Income	0.0%	0.0%
6. Real Estate	11.0%	4.7%
7. Private Equity	0.0%	0.0%
8. Total Investments	100.0%	100.0%

Reconciliation of Plan Assets

Item	September 30	
	2015	2014
A. Market Value of Assets at Beginning of Year	\$ 140,654,804	\$ 130,861,234
Adjustment to Beginning of Year Market Value	-	-
Adjusted Market Value at Beginning of Year	\$ 140,654,804	\$ 130,861,234
B. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions	\$ 767,707	\$ 791,009
b. Employer Contributions	6,141,916	5,889,483
c. County Contributions	107,691	122,107
d. Other	3,488	2,621
e. Total	\$ 7,020,802	\$ 6,805,220
2. Investment Income		
a. Interest, Dividends, and Other Income	\$ 2,857,601	\$ 2,798,238
b. Net Realized Gains/(Losses)	8,474,459	11,649,976
c. Net Unrealized Gains/(Losses)	(13,555,300)	(415,686)
d. Investment Expenses	(875,957)	(795,700)
e. Net Investment Income	\$ (3,099,197)	\$ 13,236,828
3. Benefits and Refunds		
a. Regular Monthly Benefits	\$ (10,222,205)	\$ (9,720,762)
b. Refunds	(12,822)	(124,586)
c. Withdrawals from DROP Accounts	(230,165)	(237,087)
d. Total	\$ (10,465,192)	\$ (10,082,435)
4. Administrative Expenses and Miscellaneous Items		
a. Administrative Expenses	\$ (157,689)	\$ (166,043)
b. Miscellaneous	-	-
c. Total	\$ (157,689)	\$ (166,043)
5. Transfers	\$ -	\$ -
C. Total Market Value of Assets Available for Benefits	\$ 133,953,528	\$ 140,654,804
D. Reserves - DROP Account	\$ (1,341,970)	\$ (980,832)
E. Market Value Net of Reserves	\$ 132,611,558	\$ 139,673,972

DEVELOPMENT OF FUNDING VALUE OF PENSION FUND ASSETS

Valuation Date - 09/30/2015	2014	2015	2016	2017	2018	2019
A. Actuarial Value of Assets Beginning of Year	\$ 120,670,020	\$127,687,032				
B. Market Value End of Year	139,673,972	132,611,558				
C. Market Value Beginning of Year	130,116,889	139,673,972				
D. Non-Investment/Administrative Net Cash Flow	(3,679,745)	(3,963,217)				
E. Investment Income						
E1. Actual Market Total: B-C-D	13,236,828	(3,099,197)				
E2. Assumed Rate of Return	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
E3. Assumed Amount of Return	8,318,110	8,799,380				
E4. Amount Subject to Phase-In: E1-E3	4,918,718	(11,898,577)				
F. Phase-In Recognition of Investment Income						
F1. Current Year: 0.20 x E4	983,744	(2,379,715)				
F2. First Prior Year	2,137,110	983,744	(2,379,715)			
F3. Second Prior Year	1,923,705	2,137,110	983,744	(2,379,715)		
F4. Third Prior Year	(2,206,774)	1,923,705	2,137,110	983,744	(2,379,715)	
F5. Fourth Prior Year	(459,138)	(2,206,774)	1,923,705	2,137,110	983,742	(2,379,717)
F5. Total Phase-Ins	2,378,647	458,070	2,664,844	741,139	(1,395,973)	(2,379,717)
G. Actuarial Value of Assets End of Year						
G1. Preliminary Actuarial Value of Assets End of Year: A+D+E3+F5	127,687,032	132,981,265				
G2. Upper Corridor Limit: 120%*B	167,608,766	159,133,870				
G3. Lower Corridor Limit: 80%*B	111,739,178	106,089,246				
G4. Funding Value End of Year	\$ 127,687,032	\$ 132,981,265				
H. Difference between Market & Actuarial Value of Assets	\$ 11,986,940	\$ (369,707)				
I. Actuarial Rate of Return*	9.0%	7.4%				
J. Market Value Rate of Return*	10.3%	-2.3%				
K. Ratio of Actuarial Value of Assets to Market Value	91.4%	100.3%				

* Net of investment expenses.

History of Investment Return Rates

Plan Year Ending September 30 of	Actuarial	Market
2006	8.9	8.6
2007	13.0	15.7
2008	6.5	(15.6)
2009	4.3	(0.2)
2010	3.1	7.9
2011	1.0	(0.8)
2012	1.4	18.8
2013	8.3	16.3
2014	9.0	10.3
2015	7.4	(2.3)
Average returns:		
Last five years:	5.4	8.1
Last ten years:	6.2	5.4

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

Reconciliation of Deferred Retirement Option Plan (DROP) Accounts	
Value at Beginning of Period	\$ 980,832
Payments Credited to Accounts	+ 540,664
Investment Earning Credited	+ 50,639
Withdrawals from Accounts	<u>- 230,165</u>
Value at End of Period	1,341,970

**RETIRED PARTICIPANT AND BENEFICIARY DATA (INCLUDING DROP)
HISTORICAL SCHEDULE**

Period	Added (1)		Removed		Net Increase		End of Period		Expected Removals	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits	No.	Benefits
									No.	Benefits
9/30/1991							176	\$ 1,290,828		
9/30/1992	10	\$ 110,262	3	\$ 22,042	7	\$ 88,220	183	1,379,048	6.9	\$ 46,315
9/30/1993	24	302,468	14	59,299	10	213,169	193	1,592,217	7.5	52,166
9/30/1994	24	211,241	16	98,597	8	112,644	201	1,704,861	7.5	57,437
9/30/1995	14	218,043	7	69,745	7	148,298	208	1,853,159	6.0	49,293
9/30/1996	21	263,877	12	110,220	9	153,657	217	2,006,816	6.4	55,101
9/30/1997	17	283,991	12	133,439	5	150,552	222	2,157,368	6.5	61,202
9/30/1998	21	208,694	13	88,973	8	119,721	230	2,277,089	6.9	66,612
9/30/1999	21	202,938	5	72,470	16	130,468	246	2,407,558	7.0	71,006
9/30/2000	25	410,442	6	75,108	19	335,334	265	3,742,892	6.8	70,234
9/30/2001	22	511,097	11	75,783	11	435,314	276	3,178,206	6.9	78,673
9/30/2002	16	349,270	5	150,038	11	199,232	287	3,377,438	6.9	80,026
9/30/2003	21	440,929	0	0	21	440,929	308	3,818,367	7.4	72,685
9/30/2004	17	425,100	12	109,106	5	315,994	313	4,134,361	8.3	85,477
9/30/2005	24	646,738	16	178,329	8	468,409	320	4,602,770	8.1	91,697
9/30/2006	21	584,522	8	105,434	13	479,088	333	5,081,858	8.4	101,942
9/30/2007	20	498,214	11	100,167	9	398,047	340	5,479,905	8.8	113,699
9/30/2008	27	800,828	8	108,767	19	692,061	359	6,171,966	8.8	119,269
9/30/2009	17	560,642	10	145,783	7	524,247	366	6,696,213	9.7	138,735
9/30/2010	26	995,789	8	90,590	18	905,199	382	7,601,412	10.0	145,525
9/30/2011	22	626,250	4	46,646	18	579,604	400	8,181,016	10.7	165,630
9/30/2012	21	813,538	11	183,249	10	630,289	410	8,811,305	12.5	206,457
9/30/2013	14	836,930	11	160,462	3	676,468	413	9,487,773	14.4	287,855
9/30/2014	15	724,676	13	172,470	2	552,206	415	10,039,979	13.9	257,797
9/30/2015	12	529,215	8	173,563	4	355,652	419	10,395,631	14.4	278,404

(1) Includes annual cost-of-living increase

**RETIRED PARTICIPANTS AND BENEFICIARIES
HISTORICAL COMPARISON**

Valuation Date	% Increase in Annual Benefits	No. of Active Per Retired	Annual Benefits as % of Active Payroll	Average Benefit
9/30/1988	34.1 %	3.6	7.9 %	\$ 5,856
9/30/1989	5.5	3.8	7.6	5,984
9/30/1990	22.2	3.4	8.7	6,726
9/30/1991	9.7	3.3	9.4	7,334
9/30/1992	6.8	3.1	9.5	7,536
9/30/1993	15.5	2.6	11.7	8,250
9/30/1994	7.1	2.5	11.9	8,482
9/30/1995	8.7	2.4	13.0	8,909
9/30/1996	8.3	2.3	14.1	9,248
9/30/1997	7.5	2.2	14.6	9,718
9/30/1998	5.6	2.1	14.8	9,900
9/30/1999	5.7	2.0	14.5	9,787
9/30/2000	13.9	1.9	15.3	10,351
9/30/2001	15.9	1.8	17.5	11,515
9/30/2002	6.3	1.8	17.9	11,768
9/30/2003	13.1	1.7	19.3	12,397
9/30/2004	8.3	1.6	20.4	13,209
9/30/2005	11.3	1.5	22.0	14,339
9/30/2006	10.4	1.5	23.2	15,261
9/30/2007	10.8	1.5	22.4	16,117
9/30/2008	12.6	1.3	27.0	17,192
9/30/2009	8.5	1.2	30.1	18,296
9/30/2010	13.5	1.0	36.8	19,899
9/30/2011	7.6	0.9	38.5	20,453
9/30/2012	7.7	0.7	57.5	21,491
9/30/2013	7.7	0.6	68.7	22,973
9/30/2014	5.8	0.5	75.5	24,193
9/30/2015	3.5	0.5	80.3	24,811

ACTIVE AND VESTED TERMINATED PARTICIPANTS INCLUDED IN VALUATION

Valuation Date	Active Members	Term. Vested Members	Valuation Payroll	Age	Average Service	Pay
9/30/1988	554	1	\$ 11,538,163	42.2 yrs.	8.8 yrs.	\$ 20,827
9/30/1989	613	2	12,712,202	41.9	8.0	20,738
9/30/1990	600	4	13,531,591	42.9	8.2	22,553
9/30/1991	581	7	13,748,191	43.3	8.6	23,663
9/30/1992	560	7	14,504,068	44.1	9.4	25,900
9/30/1993	506	5	13,616,097	44.9	10.1	26,909
9/30/1994	511	7	14,366,425	45.1	10.1	28,114
9/30/1995	500	6	14,229,564	45.7	10.4	28,459
9/30/1996	488	6	14,238,338	46.4	10.6	29,177
9/30/1997	496	6	14,760,059	46.6	10.6	29,758
9/30/1998	489	6	15,366,393	46.6	10.8	31,424
9/30/1999	490	7	16,646,637	47.0	10.8	33,973
9/30/2000	503	9	17,897,802	46.7	10.4	35,582
9/30/2001	507	14	18,163,661	46.9	9.9	35,826
9/30/2002	520	16	18,906,642	47.5	9.8	36,359
9/30/2003	518	15	19,746,442	47.9	9.8	38,121
9/30/2004	510	16	20,251,638	48.5	10.0	39,709
9/30/2005	497	16	20,913,910	48.4	9.9	42,080
9/30/2006	503	15	21,873,836	48.3	9.6	43,487
9/30/2007	509	15	24,417,185	48.1	9.4	47,971
9/30/2008	452	13	22,897,978	48.9	10.2	50,659
9/30/2009	428	12	22,216,991	49.7	10.5	51,909
9/30/2010	390	17	20,644,102	49.6	10.6	52,934
9/30/2011	374	13	21,234,520	49.9	10.9	56,777
9/30/2012	275	18	15,323,219	50.7	12.9	55,721
9/30/2013	245	20	13,803,015	51.1	13.7	56,339
9/30/2014	226	20	13,304,308	51.6	14.2	58,869
9/30/2015	211	21	12,942,671	52.2	14.7	61,340

NUMBER ADDED TO AND REMOVED FROM ACTIVE PARTICIPATION

Year Ended	Added During Year		Service Retirement		Disability Retirement		Died In Service		Terminations				Active Members End of Year
	A	E*	A	E	A	E	A	E	Vested	Other	Totals		
									A	A	A	E	
9/30/1992	14	35	10	5	0	2	0	2	0	25	25	32	560
9/30/1993	16	70	17	5	2	2	0	2	0	51	51	23	506
9/30/1994	47	42	13	5	3	2	1	2	3	22	25	19	511
9/30/1995	42	53	12	5	1	2	1	2	1	38	39	23	500
9/30/1996	46	58	14	5	0	1	0	1	0	44	44	23	488
9/30/1997	47	39	14	6	2	1	1	1	0	22	22	24	496
9/30/1998	43	50	16	6	0	1	1	1	9	24	33	25	489
9/30/1999	49	48	21	6	0	2	0	1	3	24	27	25	490
9/30/2000	80	67	23	11	1	1	0	1	5	38	43	38	503
9/30/2001	74	70	20	11	0	1	0	1	10	40	50	44	507
9/30/2002	74	61	15	9	1	1	0	1	4	41	45	39	520
9/30/2003	60	62	18	10	1	1	0	1	1	42	43	41	518
9/30/2004	47	55	15	9	0	1	0	1	5	35	40	40	510
9/30/2005	73	86	23	18	0	1	1	1	1	61	62	36	497
9/30/2006	70	64	18	18	1	1	0	0	1	44	45	37	503
9/30/2007	76	70	21	19	0	1	1	1	3	45	48	39	509
9/30/2008	17	74	20	19	1	1	2	1	1	50	51	40	452
9/30/2009	15	39	19	19	0	1	0	1	0	19	20	40	428
9/30/2010	19	57	26	19	0	1	0	1	5	26	31	40	390
9/30/2011	21	37	19	16	0	1	0	0	3	15	18	19	374
9/30/2012	0	0	21	21	0	1	1	0	8	69	77	17	275
9/30/2013	0	0	18	15	0	1	0	0	3	9	12	8	245
9/30/2014	0	0	15	16	0	1	0	0	1	3	4	6	226
9/30/2015	0	0	14	16	0	1	0	0	1	0	1	5	211
9/30/2016				17		1		0				4	
24 Yr Totals	930	1,137	422	289	13	29	9	22	68	787	856	683	

*A represents actual number; E represents expected number; *Balancing item*

AGE & SALARY DISTRIBUTION FOR ACTIVE MEMBERS

Age Group	Years of Service to Valuation Date									Totals
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20+	
20-24 NO.	0	0	0	0	0	0	0	0	0	0
TOT PAY	0	0	0	0	0	0	0	0	0	0
AVG PAY	0	0	0	0	0	0	0	0	0	0
25-29 NO.	0	0	0	0	0	1	0	0	0	1
TOT PAY	0	0	0	0	0	54,367	0	0	0	54,367
AVG PAY	0	0	0	0	0	54,367	0	0	0	54,367
30-34 NO.	0	0	0	0	0	6	3	0	0	9
TOT PAY	0	0	0	0	0	340,697	153,034	0	0	493,731
AVG PAY	0	0	0	0	0	56,783	51,011	0	0	54,859
35-39 NO.	0	0	0	0	1	5	3	1	0	10
TOT PAY	0	0	0	0	44,251	220,600	144,194	72,101	0	481,146
AVG PAY	0	0	0	0	44,251	44,120	48,065	72,101	0	48,115
40-44 NO.	0	0	0	0	3	6	4	3	0	16
TOT PAY	0	0	0	0	151,493	309,481	236,741	180,619	0	878,334
AVG PAY	0	0	0	0	50,498	51,580	59,185	60,206	0	54,896
45-49 NO.	0	0	0	0	0	4	16	7	7	34
TOT PAY	0	0	0	0	0	228,943	952,528	428,536	514,765	2,124,772
AVG PAY	0	0	0	0	0	57,236	59,533	61,219	73,538	62,493
50-54 NO.	0	0	0	0	1	10	17	6	15	49
TOT PAY	0	0	0	0	57,049	613,421	986,493	355,082	1,041,740	3,053,785
AVG PAY	0	0	0	0	57,049	61,342	58,029	59,180	69,449	62,322
55-59 NO.	0	0	0	0	1	9	14	12	7	43
TOT PAY	0	0	0	0	56,963	478,510	701,762	643,670	516,463	2,397,368
AVG PAY	0	0	0	0	56,963	53,168	50,126	53,639	73,780	55,753
60-64 NO.	0	0	0	0	0	9	12	13	10	44
TOT PAY	0	0	0	0	0	437,405	702,531	718,672	723,000	2,581,608
AVG PAY	0	0	0	0	0	48,601	58,544	55,282	72,300	58,673
65-99 NO.	0	0	0	0	0	1	1	2	1	5
TOT PAY	0	0	0	0	0	45,959	48,595	95,237	81,907	271,698
AVG PAY	0	0	0	0	0	45,959	48,595	47,619	81,907	54,340
TOT NO.	0	0	0	0	6	51	70	44	40	211
TOT AMT	0	0	0	0	309,756	2,729,383	3,925,878	2,493,917	2,877,875	12,336,809
AVG AMT	0	0	0	0	51,626	53,517	56,084	56,680	71,947	58,468

AGE & ANNUAL BENEFIT DISTRIBUTION FOR INACTIVE MEMBERS

Age Group	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-
35-39	1	13,019	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-
45-49	3	19,446	-	-	2	9,197	-	-
50-54	9	90,622	-	-	8	275,594	-	-
55-59	4	64,581	-	-	44	1,322,530	-	-
60-64	3	30,480	3	61,182	66	2,178,751	-	-
65-69	1	49,104	4	58,822	85	2,323,883	2	31,229
70-74	-	-	3	53,382	60	1,316,659	-	-
75-79	-	-	2	21,486	65	1,470,381	-	-
80-84	-	-	1	20,058	32	638,353	-	-
85-89	-	-	1	6,209	27	451,420	-	-
90-94	-	-	-	-	10	106,272	1	2,493
95-99	-	-	-	-	3	47,730	-	-
100 & Over	-	-	-	-	-	-	-	-
Total	21	267,252	14	221,139	402	10,140,770	3	33,722
Average Age		55		71		71		76

Section D

The Actuarial Valuation Process
Summary of Actuarial Assumptions
and Definitions of Technical Terms

THE ACTUARIAL VALUATION PROCESS

An actuarial valuation is the mathematical process by which a pension fund contribution requirement is determined and its actuarial condition is measured.

The flow of activity constituting the valuation may be summarized as follows:

- A. ***Covered Person Data***, furnished by the fund administrator including:
 - Retired members and beneficiaries now receiving benefits
 - Former members with vested benefits not yet payable
 - Active members
- B. + ***Asset Data*** (cash & investments), furnished by the fund administrator
- C. + ***Fund Description Data***, furnished by the fund administrator
- D. + ***Assumptions about various future activities of the fund*** (risk elements)
- E. + ***The Actuarial Cost Method*** for allocating costs to time periods and determining the long-term planned pattern for employer contributions
- F. + ***Mathematically combining the Data, the Estimates of Future Activities, and the Cost Method***
- G. = Determination of:

Employer Contribution Requirement and Actuarial Condition

Items A, B and C constitute the current “knowns” about the Fund. A good deal of fund activity which will result in benefit payments has yet to occur. Accordingly, certain assumptions must be made about future fund activity. These assumptions (Item D) may be classified as demographic or fiscal. Demographic assumptions include future mortality rates, disability rates, rates of pre-retirement withdrawal from employment, and retirement ages. Fiscal assumptions consist of future salary increases and rates of investment return.

Demographic assumptions are generally selected on the basis of the Fund's historical activity, modified for expected future differences. Past activity of funds which are similar in nature to the fund being valued may be utilized if fund data or activities are insufficient to be reliable.

Fiscal assumptions, on the other hand, do not lend themselves to prediction on the basis of historical activity -- the reason being that both salary increases and investment return are impacted by inflation. Inflation defies reliable prediction. Fiscal assumptions are generally selected on the basis of what would be expected to occur in an inflation-free environment and then both are increased by some provision for long-term inflation.

This is a case where two wrongs may make a right. If inflation is higher than expected it will probably result in actual rates of salary increase and investment return which exceed the assumed rates. Salaries increasing faster than expected result in unexpected costs. Investment return exceeding the assumed rate result in unanticipated assets. To a large degree the additional assets will offset the additional cost over the long-term.

Once items A, B, C and D are available, the actuarial valuation process begins. The first step is to determine the plan's *total actuarial present value* for individuals in each of the 3 covered person categories.

Retired participants now receiving monthly payments;

Vested terminated participants not yet at retirement age;

Active participants.

The actuarial present value is the value today after taking into account the probabilities of payment and the effect of time, of fund promises to pay benefits in the future on the basis of both service already completed and projected future service.

The total actuarial present value is allocated between projected future service and completed service by the actuarial cost method (Item E) -- *the individual entry age* method is being utilized for this valuation. The portion of the total actuarial present value allocated to projected future service is the *actuarial present value of future normal costs* -- normal cost being the series of annual costs, from entry age to retirement age, which will accumulate to the actuarial present value of the individual's benefit at the time of retirement or death. The remainder of the total actuarial present value is the actuarial accrued liability.

At this stage determination has been made of:

1. The total actuarial present value;
2. The actuarial present value of future normal cost; and
3. The actuarial accrued liability.

In the typical fund, the actuarial accrued liability may not be covered by the system's accrued assets -- leaving an *unfunded actuarial accrued liability*.

The next step in the valuation process is a determination of the contribution rate (Item G) required to support Fund benefits in accordance with the funding objective (page B-1).

The contribution rate is determined in two basic components:

1. The normal cost component; and
2. The component which will finance (pay off) the unfunded actuarial accrued liability over the periods indicated on page B-7.

Since the Plan has been closed to new hires, the payroll growth assumption has been set to 0.0%.

The actuarial estimates regarding the inflation rate, real investment return rate, and salary increase rates are used, in combination with the other estimates, to (i) determine the present value of amounts expected to be paid in the future and (ii) establish rates of contribution which are expected to remain relatively level as a percent of total valuation payroll. The interest rate used in making the valuation was 7.0% a year compounded yearly. It is composed of inflation and real investment return.

INFLATION. 2.3% per annum, compounded annually, effective 9/30/12. This is the rate at which growth in the supply of money and credit is estimated to exceed growth in the supply of goods and services. It may be thought of as the rate of depreciation of the purchasing power of the dollar. There are a number of indices for measuring the inflation rate. The recent inflation rate as measured by the Consumer Price Index is shown in a table which follows.

REAL INVESTMENT RETURN. 4.7% per annum net of investment related expenses, compounded annually, based on the funding value of assets, effective 9/30/2012. This is the rate of return estimated to be produced by investing a pool of assets in an inflation-free environment. Recent real rates of investment return on the funding value of assets are shown in a table which follows.

SALARY INCREASES. Participant 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. A schedule of rates of increases in individual salaries based on length of service follows:

<u>Years of Service</u>	<u>Step Increase</u>	<u>Inflation</u>	<u>Longevity, Promotion and Other</u>	<u>Total (Rounded)</u>
1	3.525 %	2.300 %	1.400 %	7.2 %
2	3.525	2.300	1.400	7.2
3	3.525	2.300	1.400	7.2
4	3.525	2.300	1.400	7.2
5	3.525	2.300	1.400	7.2
6	3.525	2.300	1.400	7.2
7	3.525	2.300	1.400	7.2
8 or more	0.000	2.300	2.500	4.8

The valuation is based on the closed group of active participants (which will decline over time), with no payroll increase assumption. Inflation is currently expected to be 2.3% per year.

A schedule of recent experience is shown in the following table.

Year Ended 9/30	Rate of Inflation		Rate of Inv. Return		Real Rate of Inv. Return		Salary Increases	
	A	E	A	E	A	E	A	E
1993	2.7 %	5.0 %	12.8 %	8.0 %	10.1 %	3.0 %	4.4 %	6.7 %
1994	3.0	5.0	2.2	8.0	(0.8)	3.0	6.5	6.6
1995	2.6	4.5	22.9	8.0	20.3	3.5	2.9	6.1
1996	3.0	4.5	16.2	8.0	13.2	3.5	5.0	6.0
1997	2.2	4.5	28.3	8.0	26.1	3.5	5.7	6.0
1998	1.5	4.5	5.7	8.0	4.2	3.5	7.3	6.0
1999	2.6	4.5	7.5	8.0	4.9	3.5	5.0	6.0
2000	3.5	3.5	9.1	8.5	5.6	5.0	9.8	5.5
2001	2.6	3.5	5.0	8.5	2.4	5.0	4.9	5.5
2002	1.5	3.5	(1.0)	8.5	(2.5)	5.0	5.4	5.5
2003	2.3	3.5	5.3	8.5	3.0	5.0	7.0	5.5
2004	2.5	3.5	4.6	8.5	2.1	5.0	6.4	5.5
2005	4.7	3.5	4.9	8.5	0.2	5.0	9.2	5.5
2006	2.1	3.5	8.9	8.5	6.8	5.0	6.6	5.5
2007	2.8	3.5	13.0	8.5	10.2	5.0	13.5	5.5
2008	4.9	3.5	6.5	8.5	1.6	5.0	5.8	6.1
2009	(1.3)	3.5	4.3	8.5	5.6	5.0	4.2	6.1
2010	1.1	3.5	3.1	8.5	2.0	5.0	3.2	6.1
2011	3.9	3.5	1.0	8.3	(2.9)	4.8	8.4	5.8
2012	2.2	3.5	1.4	8.0	(0.8)	4.5	(1.3)	5.6
2013	1.2	2.3	8.3	7.0	7.1	4.7	2.3	5.4
2014	1.7	2.3	9.0	7.0	7.3	4.7	4.9	5.0
2015	0.0	2.3	7.4	7.0	7.4	4.7	4.1	5.0
Averages	2.3	3.7	7.9	8.1	5.6	4.4	5.7	5.8

MORTALITY TABLE. The RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years after 2000 using Scale AA. For disabled retirees, the regular mortality tables are set forward 12 years in age to reflect impaired longevity.

The mortality table is used to measure the probabilities of participants dying before retirement and the probabilities of each benefit payment being made after retirement.

RATES OF SEPARATION FROM ACTIVE MEMBERSHIP. The rates do not apply to participants eligible to retire and do not include separation on account of death or disability. Separation rates are used to measure the probabilities of participants remaining in employment.

Sample Ages	Years of Service	Percent Separating Within Next Year
ALL	0	30.0%
	1	16.0
	2	13.0
	3	9.0
	4	8.0
25	5 & Over	7.0
30		7.0
35		6.4
40		4.8
45		3.1
50		1.9
55		0.9
60		0.5

RATES OF DISABILITY. Disability rates measure the probabilities of active participants becoming disabled.

Sample Ages	Percent Becoming Disabled Within Next Year
20	0.08%
25	0.09
30	0.10
35	0.15
40	0.24
45	0.38
50	0.67
55	1.00

RATES OF RETIREMENT. Rates of retirement are used to measure the probabilities of an eligible member retiring during the next year.

Year of Eligibility	Percent Retiring		
	Early	Normal	
		65 & 10	30 & Out
1	25 %	45 %	60 %
2	10	45	80
3	10	25	100
4	10	25	100
5	10	25	100
6	15	100	100
7	35	100	100
8	35	100	100
9	15	100	100
10	25	100	100

EXPENSES. Non-investment related expenses are included as an additional employer contribution to provide for reimbursement of these expenses. Expenses are assumed to be the same as the preceding year.

MARITAL STATUS. Eighty-five percent of active participants who meet the age and service requirements for pre-retirement survivor benefits are estimated to be married. Female spouses are assumed to be 3 years younger than the male participant. Male spouses are assumed to be 3 years older than the female participant.

COST OF LIVING ADJUSTMENT. An annual increase of 3.0% is assumed for those who retired before 1/1/2000 and 3.0% for those who retired after 1/1/2000 and before 12/28/2011. For members who retired on or after 12/28/2011 the annual increase is 2.0% on benefits earned after 12/28/2011 (3.0% on benefits earned before 12/28/2011) beginning the earlier of age 65 or 5 years following retirement. Members who are eligible for normal retirement on 12/28/2011 and retire after this date will receive a 3.0% annual increase following retirement.

ASSET VALUATION METHOD. Smoothed market value (investment income differing from assumed rate of return is recognized in five equal annual installments).

CHANGES FROM PREVIOUS VALUATION. None.

DEFINITIONS OF TECHNICAL TERMS

ACCRUED SERVICE. Service credited under the system which was rendered before the date of the actuarial valuation.

ACTUARIAL ACCRUED LIABILITY. The difference between the actuarial present value of future benefit payments and the actuarial present value of future normal costs. Also referred to as “accrued liability” or “past service liability.”

ACTUARIAL ASSUMPTIONS. Estimates of expected future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement estimates (rates of mortality, disability, turn-over and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic estimates (salary increases and investment income) consist of the underlying rates in an inflation-free environment plus a provision for a long-term average rate of inflation.

ACTUARIAL COST METHOD. A mathematical budgeting procedure for allocating the dollar amount of the “actuarial present value of future benefit payments” between future normal costs and actuarial accrued liability. Sometimes referred to as the “actuarial valuation cost method.”

ACTUARIAL EQUIVALENT. A single amount or series of amounts of equal actuarial present value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.

ACTUARIAL PRESENT VALUE. The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payment. Also referred to as “present value.”

AMORTIZATION. Paying off an interest-discounted amount with periodic payments of interest and principal -- as opposed to paying it off with a lump sum payment.

EXPERIENCE GAIN (LOSS). The difference between actual actuarial costs and assumed actuarial costs -- during the period between two valuation dates.

FUNDING VALUE OF ASSETS. The value used to determine contribution requirements was derived by spreading the difference between the actual and assumed rate of investment return in equal dollar installments over five years. This treatment helps remove the timing of investment activities from the valuation process.

NORMAL COST. The actuarial cost allocated to the current year by the actuarial cost method. Sometimes referred to as “current service cost.”

UNFUNDED ACTUARIAL ACCRUED LIABILITY. The difference between actuarial accrued liability and the actuarial value of system assets. Sometimes referred to as “unfunded past service liability”, “unfunded accrued liability” or “unfunded supplemental present value.”

Most retirement systems have unfunded actuarial accrued liability. It arises each time new benefits are added and each time an experience loss is realized.

The existence of unfunded actuarial accrued liability is not in itself bad, any more than a mortgage on a house is bad. Unfunded actuarial accrued liability does not represent a debt that is payable today. What is important is the ability to control the amount of unfunded actuarial accrued liability and the trend in its amount (after due allowance for devaluation of the dollar).

Section E

The Actuarial Accrued Liability
and Certain Other Disclosures
Required by Statement No. 67
of the Governmental Accounting
Standards Board

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

Fiscal year ending September 30,	2016*	2015	2014
Total pension liability			
Service Cost	\$ 2,064,530	\$ 2,119,194	\$ 2,036,380
Interest	12,838,835	12,562,816	12,150,963
Benefit Changes	-	-	-
Difference between actual & expected experience	269,488	101,089	(19,854)
Assumption Changes	-	-	1,949,249
Benefit Payments	(11,111,824)	(10,452,370)	(9,957,849)
Refunds	(49,194)	(12,822)	(124,586)
Other	-	-	-
Net Change in Total Pension Liability	4,011,835	4,317,907	6,034,303
Total Pension Liability - Beginning	187,977,634	183,659,727	177,625,424
Total Pension Liability - Ending (a)	\$ 191,989,469	\$ 187,977,634	\$ 183,659,727
Plan Fiduciary Net Position			
Contributions - Employer (From City)	\$ 6,322,747	\$ 6,141,916	\$ 5,889,483
Contributions - Employer (From State)	-	-	-
Contributions - Non-Employer Contributing Entity	100,000	107,691	122,107
Contributions - Member	776,560	767,707	791,009
Net Investment Income	9,232,568	(3,099,197)	13,236,828
Benefit Payments	(11,111,824)	(10,452,370)	(9,957,849)
Refunds	(49,194)	(12,822)	(124,586)
Administrative Expense	(157,689)	(157,689)	(166,043)
Other	-	3,488	2,621
Net Change in Plan Fiduciary Net Position	5,113,168	(6,701,276)	9,793,570
Plan Fiduciary Net Position - Beginning	133,953,528	140,654,804	130,861,234
Plan Fiduciary Net Position - Ending (b)	\$ 139,066,696	\$ 133,953,528	\$ 140,654,804
Net Pension Liability - Ending (a) - (b)	52,922,773	54,024,106	43,004,923
Plan Fiduciary Net Position as a Percentage			
of Total Pension Liability	72.43 %	71.26 %	76.58 %
Covered Employee Payroll	\$ 13,500,000	\$ 13,778,114	\$ 14,151,688
Net Pension Liability as a Percentage			
of Covered Employee Payroll	392.02 %	392.10 %	303.89 %

*These figures are estimates only. Actual figures will be provided after the end of the fiscal year.

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

FY Ending September 30,	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Plan Fiduciary Net Position as a % of Total Pension Liability	Covered Employee Payroll	Net Pension Liability as a % of Covered Employee Payroll
2014	\$ 183,659,727	\$ 140,654,804	\$ 43,004,923	76.58%	\$ 14,151,688	303.89%
2015	187,977,634	133,953,528	54,024,106	71.26%	13,778,114	392.10%
2016*	191,989,469	139,066,696	52,922,773	72.43%	13,500,000	392.02%

*** These figures are estimates only. Actual figures will be provided after the end of the fiscal year.**

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

Valuation Date: September 30, 2015
Measurement Date: September 30, 2016

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Inflation	2.3%
Salary Increases	4.8% to 7.2% depending on service, including inflation
Investment Rate of Return	7.0%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years after 2000 using Scale AA

Other Information:

Notes See Discussion of Valuation Results in the September 30, 2015 Actuarial Valuation Report.

SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contribution as a % of Covered Employee Payroll
2014	\$ 6,011,590	\$ 6,011,590	\$ -	\$ 14,151,688	42.48%
2015	6,249,607	6,249,607	-	13,778,114	45.36%
2016*	6,422,747	6,422,747	-	13,500,000	47.58%

*** These figures are estimates only. Actual figures will be provided after the end of the fiscal year.**

NOTES TO SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

Valuation Date: September 30, 2014
Notes Actuarially determined contributions are calculated as of October 1, which is two year(s) prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	20 years
Asset Valuation Method	5-year smoothed market
Inflation	2.3%
Salary Increases	4.8% to 7.2% depending on service, including inflation
Investment Rate of Return	7.0%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years after 2000 using Scale AA.

Other Information:

Notes There were no benefit changes during the year.

SINGLE DISCOUNT RATE
GASB Statement No. 67

A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7.00%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

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

1% Decrease 6.00%	Current Single Rate Assumption 7.00%	1% Increase 8.00%
\$ 74,189,059	\$ 52,922,773	\$ 35,003,662

**These figures are estimates only. Actual figures will be provided after the end of the fiscal year.*

Section F

Summary of Valuation Results
in State Format

SUMMARY OF VALUATION RESULTS IN STATE FORMAT - (\$ AMOUNTS IN THOUSANDS)

	<u>September 30, 2015</u>	<u>September 30, 2014</u>
(a) Participant Data		
(i) Active participants	211	226
- number		
- annual payroll	\$12,943	\$13,304
(ii) Retired participants & beneficiaries (excl. disability)		
- number	405	401
- annualized benefit payroll	\$10,174	\$9,822
(iii) Disabled participants & beneficiaries		
- number	14	14
- annualized benefit payroll	\$221	\$218
(iv) Terminated vested participants		
- number	21	20
- annualized benefit payroll	\$267	\$261
(b) Assets		
(i) Funding value	\$132,981	\$127,687
(ii) Market value	132,612	139,674
(c) Actuarial Liabilities		
(i) Actuarial present value of active partic. benefits		
normal & early retirement	58,830	60,530
termination benefits - pensions	1,239	1,289
disability retirement	2,399	2,466
survivor benefits (pre-retirement)	810	817
termination benefits - refunds	123	171
Total	63,401	65,273
(ii) Actuarial present value of terminated vested participant benefits	3,297	3,151
(iii) Actuarial present value of retired partic. & beneficiary:		
normal/early retirement & survivors (excl. disability)	129,922	124,860
disability retirement & survivors	2,201	2,195
Total	132,123	127,055
(iv) Additional inactive benefits payable as of the valuation date	0	0
(v) Total actuarial present value of future benefit payments	198,821	195,479
(vi) Payables	0	0
(vii) Actuarial accrued liability	186,887	182,773
(viii) Unfunded actuarial accrued liability(1)	53,906	55,086

(1) Please refer to page B-7 for requested detail.

	<u>September 30, 2015</u>	<u>September 30, 2014</u>
(d) Actuarial Present Value of Accrued Benefits (calculated in accordance with FASB Statement 35)		
(i) Vested accrued benefits		
Retired participants and beneficiaries	\$ 132,123	\$ 127,055
Terminated participants	3,297	3,151
Additional inactive benefits payable as of the valuation date	0	0
Active participants (includes non-forfeitable accum. partic. Contributions of \$11,361 and \$11,280)	40,144	40,502
Total value	<u>175,564</u>	<u>170,708</u>
(ii) Non-vested accrued benefits	<u>2,233</u>	<u>3,139</u>
(iii) Total actuarial present value of accrued benefits	177,797	173,847
(iv) Actuarial p.v. of accrued benefits at beginning of year	173,847	167,554
(v) Changes attributable to:		
Amendments	0	0
Assumption change	0	1,551
Operation of decrements and passage of time	14,776	15,061
Benefit payments (net basis)	<u>(10,826)</u>	<u>(10,319)</u>
(vi) Net Change	3,950	6,293
(vii) Actuarial p.v. of accrued benefits at end of year	177,797	173,847
(e) Plan costs for fiscal year beginning October 1, 2016 and October 1, 2015 *	<u>September 30, 2015</u>	<u>September 30, 2014</u>
(i) Normal costs		
Service Pensions	13.33 %	13.32 %
Disability pensions	0.95	0.92
Survivor pensions (pre-retirement)	0.18	0.18
Deferred service pensions	0.68	0.70
Refunds of member contributions	0.81	0.81
Total normal cost	<u>15.95</u>	<u>15.93</u>
(ii) Payment to amortize unfunded act. accr. liab.	38.18	37.10
(iii) Administrative expenses	1.22	1.25
(iv) Amount to be paid by participants	6.00	6.00
(v) Expected plan sponsor contribution		
% of payroll	49.35 %	48.28 %
dollars (minimum of 8% of payroll)	\$ 6,387	\$ 6,423

Plan costs are displayed as a percentage of covered payroll. The covered payroll for the fiscal years beginning 10/1/2015 and 10/1/2014 is \$12,942,671 and \$13,304,308, respectively.

		<u>September 30, 2015</u>	<u>September 30, 2014</u>
(f) Past Contributions (fiscal year ending 9/30/15 & 14)			
(i) Required minimum:	Fund sponsor	\$ 6,250	\$ 6,012
	Participants	<u>768</u>	<u>791</u>
	Total	7,018	6,803
(ii) Actual:	Fund sponsor	6,250	6,012
	Participants	<u>768</u>	<u>791</u>
	Total	7,018	6,803
(g) Net Experience Gain (Loss)		(130)	1,840
(h) Other Disclosures			
(i) Present value of active member future salaries			
	from attained age	\$ 81,440	\$ 86,437
	from entry age	Not applicable to individual EANC method	
(ii) Present value of active member future contributions			
	from attained age	\$ 4,886	\$ 5,186
	from entry age	Not applicable to individual EANC method	

RECONCILIATION OF PARTICIPANTS FOR THE PLAN YEAR ENDED SEPTEMBER 30, 2015

	<u>Pension Recipients</u>				
	<u>Active Participants</u>	<u>Vested Terminated Participants</u>	<u>DROP</u>	<u>Service Retirees & Beneficiaries</u>	<u>Disability Retirees</u>
No. at Start of Year	226	20	13	388	14
Increase (Decrease) From					
DROP	(6)		6	3	
Service Retirement	(6)	1	(3)	6	
Disability Retirement					
Deaths				(8)	
Other Pension Terminations					
Vested Terminations	(1)	0		0	
Non-Vested Terminations					
New Entrants/Rehires					
Refund of Contributions	0				
Received Lump Sum	(2)	0		0	
Data Correction					
No. End of Year	211	21	16	389	14