

CITY OF TALLAHASSEE PENSION PLANS

ACTUARIAL VALUATION REPORT AS OF
OCTOBER 1, 2017

ANNUAL EMPLOYER CONTRIBUTION FOR THE FISCAL
YEAR ENDING SEPTEMBER 30, 2019





June 5, 2018

Board of Trustees
Pension Plan for the City of Tallahassee
Tallahassee, Florida

Re: City of Tallahassee Pension Plans Actuarial Valuation as of October 1, 2017 and Actuarial Disclosures

Dear Trustees:

The results of the October 1, 2017 Annual Actuarial Valuation of the City of Tallahassee Pension Plans are presented in this report. The City of Tallahassee Pension Plans are treated as three separate Plans: General Employees' Pension Plan, the Police Officers' Pension Plan and the Firefighters' Pension Plan.

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

The contribution rates in this report are determined using the actuarial assumptions and methods disclosed in Section B of this report. This report does not include an assessment of the risks of future experience not meeting the actuarial assumptions, as this was outside the scope of this assignment. We encourage a review and assessment of investment and other significant risks (i.e., the impact of differences between actual future experience and the Plans' assumptions on the Plans' financial condition).

We believe the assumptions and methods used in this report for purposes of developing the contribution rates are reasonable. The investment return assumption, which was set by the City and Plan Administrator, is a prescribed assumption as defined by Actuarial Standard of Practice No. 27 (ASOP 27). This prescribed assumption is near the upper limit of what we believe constitutes a reasonable range for this assumption as defined by ASOP 27.

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

The purposes of the valuation are to measure the Plans' funding progress and to determine the employer contribution rates for the fiscal year ending September 30, 2019. 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. As requested, separate employer contribution rates have been prepared for General Employees, Firefighters and Police Officers.

The findings in this report are based on data or other information through September 30, 2017. 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 Plans' 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 and Plan Administrator concerning Retirement 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 and Plan Administrator.

In addition, this report was prepared using certain assumptions approved by the Plan Administrator and prescribed by the Florida Statutes as described in the section of this report entitled Actuarial Assumptions and Cost Methods. The prescribed assumptions are the assumed mortality rates detailed in the Actuarial Assumptions and Cost Methods section in accordance with Florida Statutes, Chapter 112.63.

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. These actuaries 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 us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate. In our 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 Plans' 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

Board of Trustees
City of Tallahassee Pension Plans
June 5, 2018
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contribution rates have been taken into account in the valuation.

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

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY



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SECTION A

DISCUSSION OF VALUATION RESULTS

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

The required employer contribution developed in this year's valuation is compared below to the last valuation.

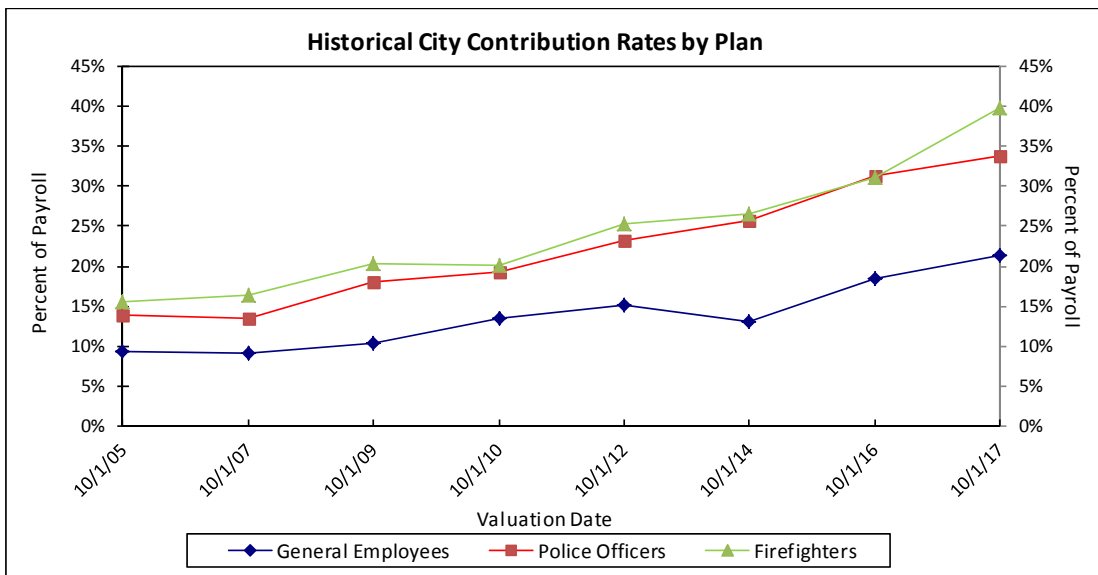
	For FYE 9/30/19 Based on 10/1/2017 Valuation	For FYE 9/30/18 Based on 10/1/2016 [#] Valuation	Increase/ (Decrease)
General Employees			
As % of Contr. Year Payroll	21.27 %	18.53 %	2.74 %
If Paid in Full by January 1	\$ 21,927,000	\$ 18,932,000	\$ 2,995,000
Police Officers			
As % of Contr. Year Payroll	33.69 %	31.40 %	2.29 %
If Paid in Full by January 1	\$ 8,055,000	\$ 7,323,000	\$ 732,000
Firefighters			
As % of Contr. Year Payroll	39.81 %	31.13 %	8.68 %
If Paid in Full by January 1	\$ 5,735,000	\$ 4,706,000	\$ 1,029,000

Reflects all Actuarial Impact Statements through November 2017.

Payment of Required Contribution

The required employer contributions developed in this valuation have been calculated as though the payments are evenly distributed throughout the year.

The actual total employer contributions for the year ending September 30, 2017 were \$26,451,984, an amount which met the minimum required payment for the year.



Revisions in Benefits

There have been the following revisions in benefits for General Employees and Firefighters since the previous valuation:

For General Employees:

- Effective October 28, 2017, the General Employees' employee contribution rate is increased by 1.25% from 3.75% to 5.00%.
- Effective June 1, 2017, all General Employees participating in the Deferred Retirement Option Program shall not contribute to the Plan.

For Firefighters:

- All Firefighters contribute at a rate of 17.34% of Compensation from October 1, 2016 through September 30, 2017, 17.47% of Compensation from October 1, 2017 through September 30, 2018, 19.08% of Compensation from October 1, 2018 through September 30, 2019, and 20.69% of Compensation from October 1, 2019 and thereafter.
- Effective October 1, 2017, all Firefighters participating in the Deferred Retirement Option Program shall not contribute to the Plan.
- No interest will be given on refunds of employee pension contributions for all future refunds paid.
- There will be no COLA increase in benefits while a participant is in the DROP for all Firefighters entering the DROP on or after October 1, 2017.
- Firefighters hired on or after October 1, 2017 are classified as Part D members. Part D benefit provisions that differ from the current plan provisions (for Firefighters hired before October 1, 2017) include the following:
 - Members are eligible for the automatic 3% COLA beginning at the later of the retirement date or age 62.
 - The benefit formula is equal to AFC multiplied by the sum of 2.0% per year of purchased military and out-of-city public service and 3.0% per year of Credited Service. The maximum benefit is 81% of AFC, provided that each member's total accrual shall average at least two percent for each year of participation pursuant to the requirement of F.S. 175.351(4).
 - AFC is the average of Compensation received during the highest 5 consecutive years of Credited Service.
 - Members become 100% vested after completion of 10 years of Credited Service.

The above revisions in benefits for General Employees were measured in the Actuarial Impact Statement dated October 6, 2017, and for Firefighters were measured in the Actuarial Impact Statement dated November 21, 2017. There were no changes in benefits for Police Officers.

Revisions in Actuarial Assumptions and Methods

The assumed investment return assumption has been reduced by 0.10% from 7.70% to 7.60%. This assumption is intended to be reduced by 0.10% per year each year until a target of 7.50% is reached. The current 7.60% investment return assumption is a prescribed assumption as defined by Actuarial Standard of Practice No. 27 (ASOP 27), as it was set by the Plan Administrator. This prescribed assumption is near the upper limit of what we believe constitutes a reasonable range for this assumption as defined by ASOP 27.

Beginning in 2016, new salary, retirement, employment separation, disability and administrative expense

assumptions from the Assumption Study and Experience Investigation for the Seven-Year Period Ending September 30, 2014, dated June 24, 2016, are being phased-in over a three-year period. These assumption changes include:

- Changes in the salary increase rate assumptions from uniform rates (3.5% for General Employees, 5.0% for Police Officers, and 4.0% for Firefighters) to a table of rates that vary by the number of years of service (varying from 2.95% to 5.0% for General Employees, from 4.5% to 6.4% for Police Officers, and from 4.4% to 5.75% for Firefighters);
- Changes in the assumed rates of retirement reflecting actual experience observed over the seven-year period ending September 30, 2014;
- Changes in the assumed rates of separation from active membership (withdrawal) reflecting actual experience observed over the seven-year period ending September 30, 2014;
- Changes in the assumed rates of disability from a table of rates that vary by age to a table of rates that vary by age and gender which are based on the FRS' assumed disability rates and actual experience observed over the seven-year period ending September 30, 2014; and,
- A change in the assumed amount of administrative expenses from 0.30% of valuation payroll to the average actual administrative expenses incurred during the two years ending on the valuation date.

The five changes listed above are being phased in at a rate of 33.33% per year and will be fully reflected in the October 1, 2018 actuarial valuation report. For the October 1, 2017 valuation, the above five changes are being phased in at a rate of 66.67%. For the previous valuation, the above five changes were being phased in at a rate of 33.33%.

The aggregate impact of this year's assumption changes was an increase in the employer contribution rates of 1.71% for General Employees, 2.94% for Police Officers, and 4.00% for Firefighters.

The following method changes were effective with the October 1, 2017 valuation:

- The amortization period for amortizing changes in the unfunded actuarial accrued liability (UAAL) has been changed from 28 years to 25 years for Police Officers and Firefighters.
- New amortization bases created on October 1, 2017 or later are amortized on a level dollar amortization basis (instead of as a level percentage of pay).

The aggregate impact of the method changes was an increase in the employer contribution rates of 0.14% for General Employees, 0.16% for Police Officers and 1.33% for Firefighters.

If all of the assumption changes had been fully recognized this year, including a full phase-in assumption change with a 7.5% investment return assumption, the employer contribution rates would have been as follows:

	General Employees	Police Officers	Firefighters
Contribution Rate:	23.40 %	37.11 %	44.66 %
Funded Ratio:	89.59	82.78	76.26

Actuarial Experience

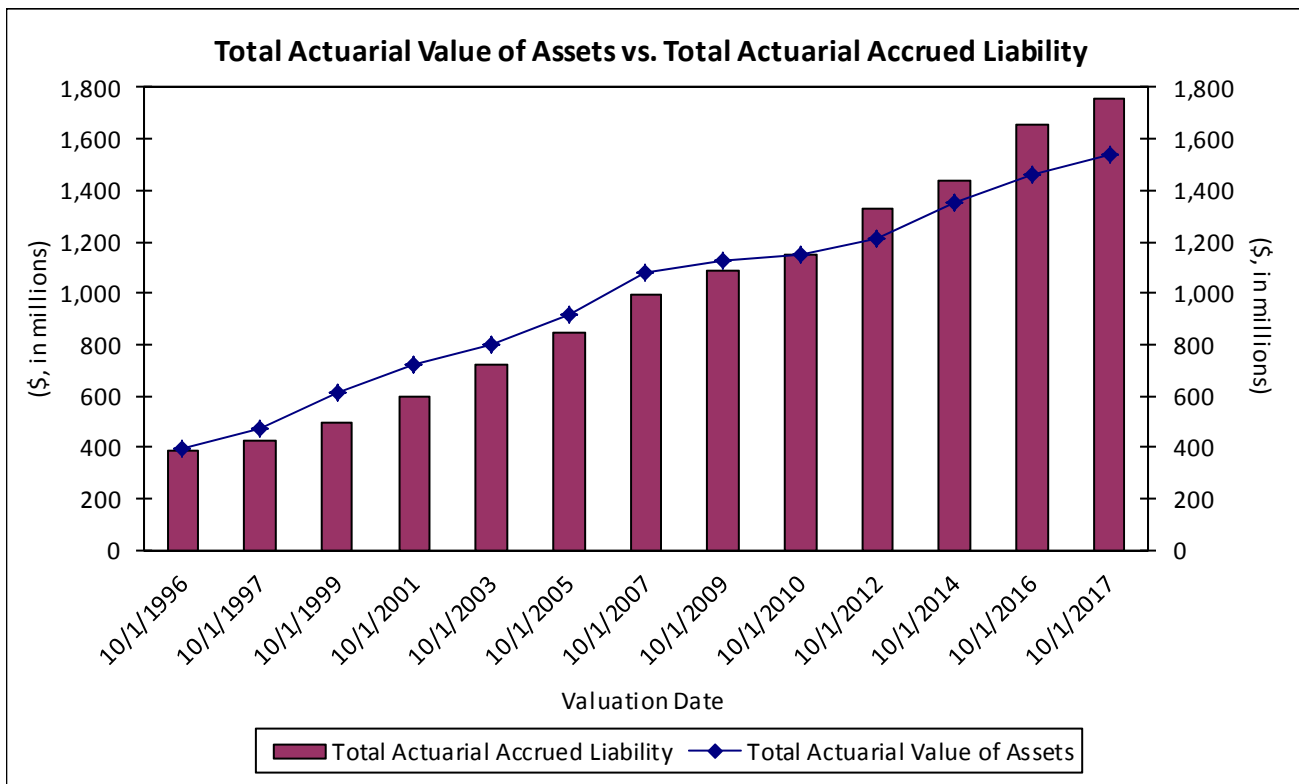
There were net actuarial experience losses during the past year of \$2,919,000 for General Employees and of \$1,244,000 for Firefighters, which means that actuarial experience for General Employees and Firefighters was less favorable than expected. There were net actuarial experience gains during the past year of \$4,261,000 for Police Officers, which mean that actuarial experience for Police Officers was more favorable than expected. The

gains for the Police Officers were mostly due to favorable investment experience. The total investment return based on the actuarial value of assets was 8.6% for 2017 (9.1% for Police Officers) compared to the assumed annual investment return of 7.70%. The favorable investment experience also helped to partially offset the losses that occurred for General Employees and Firefighters. The losses for General Employees and Firefighters were due to the following:

- Actual salary increases were higher than expected. Average salary increases since the prior valuation were 5.5% for General Employees (versus expected increases of 3.58%), and 6.5% for Firefighters (versus expected increases of 4.43%).
- Demographic experience (retirement and mortality experience); retirement experience was higher than expected, more so for Firefighters (66 versus 65 expected for General Employees and 21 versus 13 expected for Firefighters).
- Data adjustments from October 1, 2016 to October 1, 2017 (some COLA increases had not been reflected as of October 1, 2016 and several service purchases were recognized during the year).

Funded Ratio

This year’s combined overall funded ratio for the City of Tallahassee Pension Plans is 87.6% compared to 88.6% last valuation (after reflecting all Actuarial Impact Statements). The funded ratios for each Plan are 91.1% for General Employees, 83.8% for Police Officers, and 77.5% for Firefighters. Before reflecting the assumption changes, the funded ratios for each plan would have been 92.2% for General Employees, 84.8% for Police Officers, and 78.8% for Firefighters. In the prior valuation (reflecting all Actuarial Impact Statements), the funded ratios for each Plan were 92.5% for General Employees, 83.1% for Police Officers, and 78.5% for Firefighters. The funded ratio is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability. Below is a historical comparison of the total actuarial value of assets versus the total actuarial accrued liability:



Analysis of Employer Contribution

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

	General <u>Employees</u>	Police <u>Officers</u>	<u>Firefighters</u>
Contribution Rate Last Year	18.53 %	31.40 %	31.13 %
Experience (Gains) or Losses	0.25	(1.17)	0.54
Revision in Assumptions	1.71	2.94	4.00
Method Changes	0.14	0.16	1.33
Change in Payroll Growth Assumption for for UAAL Amortization	0.24	1.09	0.58
Other Changes in Amortization Payments on UAAL	0.57	0.14	1.80
Normal Cost Rate	(0.26)	(0.99)	0.29
Administrative Expense	0.09	0.12	0.14
Contribution Rate This Year	21.27 %	33.69 %	39.81 %

The other changes in amortization payments on the UAAL were caused by the contribution lag (the contribution rate determined in the October 1, 2014 actuarial valuation was contributed during the fiscal year ending September 30, 2017, and this contribution rate was much lower than the contribution rate calculated as of October 1, 2016) as well as a 4.5% reduction in covered payroll from October 1, 2016 to October 1, 2017 for Firefighters. The UAAL amortization payments are scheduled to increase by the payroll growth assumption each year, and when covered payroll does not also increase by the same rate, the amortization payment as a percentage of covered payroll increases.

According to the Florida Administrative Code (Statute 112), the payroll growth assumption used to determine amortization amounts may not exceed the average payroll growth over the last ten years. The long-term payroll growth assumption is 3.5%, but the ten-year average payroll growth rates as of October 1, 2016 and October 1, 2017 were as follows:

	10-year average payroll growth rate as of	
	<u>10/1/2016</u>	<u>10/1/2017</u>
General Employees	1.71 %	1.25 %
Police Officers	3.43 %	2.72 %
Firefighters	4.18 %	3.25 %

Since the actual 10-year average payroll growth rates as of October 1, 2017 for General Employees, Police Officers, and Firefighters are less than 3.5%, the ten-year average payroll growth rates shown above are used for the payroll growth assumption.

Variability of Future Contribution Rates

The Actuarial Cost Method used to determine the required contribution is intended to produce contribution rates which are generally level as a percent of payroll. Even so, when experience differs from the assumptions, as it often does, the employer's contribution rate can vary significantly from year-to-year,

particularly when actual investment return do not match assumed returns.

Over time, if the year-to-year gains and losses offset each other, the contribution rate would be expected to return to the current level, but this does not always happen.

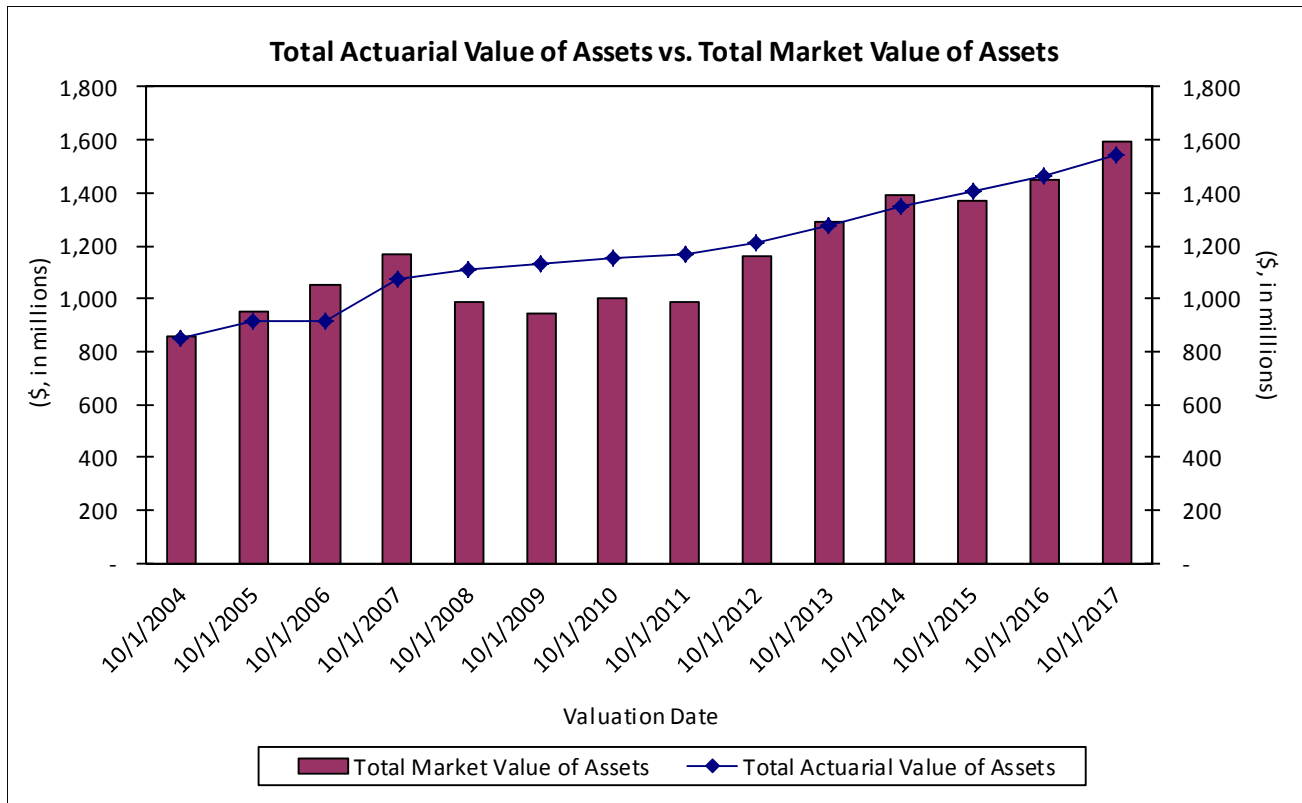
The total Actuarial Value of Assets is less than the total Market Value of Assets by \$52,584,000 as of the valuation date (see Section C). This difference will be gradually recognized in the absence of offsetting losses. In turn, the computed employer contribution rate is expected to gradually decrease by approximately 2.92% of covered payroll for General Employees, 5.86% of covered payroll for Police Officers, and 3.02% of covered payroll for Firefighters.

Relationship to Market Value

If the Market Value of Assets had been the basis for the valuation, the contribution rate and funded ratio would have been:

	<u>General Employees</u>	<u>Police Officers</u>	<u>Firefighters</u>
Contribution Rate:	18.35 %	27.83 %	36.79 %
Funded Ratio:	93.87	88.29	79.43

In the absence of other gains and losses and disregarding the effects of any plan or assumption changes, the Employer contribution rates should decrease for General Employees, Police Officers and Firefighters towards these levels over the next few years.



Conclusion

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

SECTION B

VALUATION RESULTS

SUMMARY OF VALUATION RESULTS		
	October 1, 2017	October 1, 2016[#]
GENERAL EMPLOYEES		
Active Members	1,952	2,016
Terminated Vested Members	239	217
Retired Members	<u>1,599</u>	<u>1,540</u>
Total Members	3,790	3,773
Covered Annual Payroll (expected)	\$ 103,700,000	\$ 102,332,000
Retired Member Annual Benefits	\$ 55,182,000	\$ 51,597,000
Market Value of Assets	\$ 1,074,804,000	\$ 983,771,000
Actuarial Value of Assets	\$ 1,043,040,000	\$ 995,919,000
Unfunded Actuarial Liability	\$ 101,926,000	\$ 80,237,000
City Contribution Rate	21.27%	18.53%
POLICE OFFICERS		
Active Members	331	330
Terminated Vested Members	32	37
Retired Members	<u>274</u>	<u>262</u>
Total Members	637	629
Covered Annual Payroll (expected)	\$ 23,705,000	\$ 22,969,000
Retired Member Annual Benefits	\$ 17,100,000	\$ 16,091,000
Market Value of Assets	\$ 312,205,000	\$ 279,774,000
Actuarial Value of Assets	\$ 296,299,000	\$ 277,773,000
Unfunded Actuarial Liability	\$ 57,331,000	\$ 56,317,000
City Contribution Rate	33.69%	31.40%
FIREFIIGHTERS		
Active Members	230	246
Terminated Vested Members	7	7
Retired Members	<u>247</u>	<u>230</u>
Total Members	484	483
Covered Annual Payroll (expected)	\$ 14,211,000	\$ 14,878,000
Retired Member Annual Benefits	\$ 14,233,000	\$ 12,759,000
Market Value of Assets	\$ 205,257,000	\$ 187,102,000
Actuarial Value of Assets	\$ 200,343,000	\$ 190,332,000
Unfunded Actuarial Liability	\$ 58,080,000	\$ 52,155,000
City Contribution Rate	39.81%	31.13%

Reflects all Actuarial Impact Statements through November 2017.

PARTICIPANT DATA					
	October 1, 2017				October 1, 2016
	Total	General Employees	Police Officers	Firefighters	Total
ACTIVE MEMBERS					
Number	2,513	1,952	331	230	2,592
Covered Annual Payroll (expected)	\$ 141,616,000	\$ 103,700,000	\$ 23,705,000	\$ 14,211,000	\$ 140,179,000
Average Annual Salary	\$ 56,353	\$ 53,125	\$ 71,616	\$ 61,787	\$ 54,081
Average Age	44.6	46.4	38.8	37.9	44.3
Average Past Service	11.3	11.7	10.4	9.4	11.2
Average Age at Hire	33.3	34.7	28.4	28.5	33.1
RETIREES, BENEFICIARIES & DROP					
Number	2,068	1,551	271	246	1,980
Annual Benefits	\$ 85,148,367	\$ 53,967,969	\$ 16,981,318	\$ 14,199,080	\$ 79,068,467
Average Annual Benefit	\$ 41,174	\$ 34,796	\$ 62,662	\$ 57,720	\$ 39,934
Average Age	66.7	67.9	62.4	63.8	66.4
DISABILITY RETIREES					
Number	52	48	3	1	52
Annual Benefits	\$ 1,366,934	\$ 1,213,950	\$ 118,932	\$ 34,052	\$ 1,378,234
Average Annual Benefit	\$ 26,287	\$ 25,291	\$ 39,644	\$ 34,052	\$ 26,505
Average Age	60.5	61.1	51.0	62.0	61.8
TERMINATED VESTED MEMBERS					
Number	278	239	32	7	261
Annual Benefits	\$ 4,634,541	\$ 4,112,005	\$ 451,578	\$ 70,958	\$ 4,244,643
Average Annual Benefit	\$ 16,671	\$ 17,205	\$ 14,112	\$ 10,137	\$ 16,263
Average Age	49.7	50.7	44.2	40.8	50.3

ACTUARIALLY DETERMINED CONTRIBUTION (ADC)						
A. Valuation Date	October 1, 2017			October 1, 2016 [#]		
	<i>General Employees</i>	<i>Police Officers</i>	<i>Firefighters</i>	<i>General Employees</i>	<i>Police Officers</i>	<i>Firefighters</i>
B. ADC to Be Paid During Fiscal Year Ending	9/30/2019	9/30/2019	9/30/2019	9/30/2018	9/30/2018	9/30/2018
C. Covered Annual Payroll	\$103,700,000	\$ 23,705,000	\$ 14,211,000	\$ 102,332,000	\$ 22,969,000	\$ 14,878,000
D. Annual Payment to Amortize Unfunded Actuarial Liability	9,208,000	3,804,000	3,841,000	6,819,000	3,414,000	3,187,000
As % of Covered Payroll	8.88 %	16.05 %	27.03 %	6.66 %	14.86 %	21.42 %
E. Total Employer Normal Cost	11,876,000	3,795,000	1,507,000	11,278,000	3,435,000	1,164,000
As % of Covered Payroll	11.45 %	16.01 %	10.60 %	11.02 %	14.96 %	7.82 %
F. Total Contribution Rate						
Employer Normal Cost	11.45 %	16.01 %	10.60 %	11.02 %	14.96 %	7.82 %
Amortization	8.88	16.05	27.03	6.66	14.86	21.42
Interest (half-year on Total Normal Cost and Amortization)	0.94	1.63	2.18	0.85	1.58	1.89
Total	21.27	33.69	39.81	18.53	31.40	31.13
G. ADC as % of Covered Payroll (Assuming Mid-Year Average Timing)	21.27 %	33.69 %	39.81 %	18.53 %	31.40 %	31.13 %
H. Assumed Rate of Increase in Covered Payroll to Contribution Year	1.25 %	2.72 %	3.25 %	1.71 %	3.43 %	3.50 %
I. Covered Payroll for Contribution Year	\$104,996,000	\$ 24,350,000	\$ 14,673,000	\$ 104,082,000	\$ 23,757,000	\$ 15,399,000
J. ADC for Contribution Year: G x I (If Paid in Full by April 1)	\$ 22,333,000	\$ 8,204,000	\$ 5,841,000	\$ 19,286,000	\$ 7,460,000	\$ 4,794,000
K. ADC for Contribution Year if Paid in Full by January 1	\$ 21,927,000	\$ 8,055,000	\$ 5,735,000	\$ 18,932,000	\$ 7,323,000	\$ 4,706,000

Reflects all Actuarial Impact Statements through November 2017.



ACTUARIALLY DETERMINED CONTRIBUTION (ADC) - BEFORE CHANGES						
A. Valuation Date	October 1, 2017			October 1, 2016 [#]		
	<i>General Employees</i>	<i>Police Officers</i>	<i>Firefighters</i>	<i>General Employees</i>	<i>Police Officers</i>	<i>Firefighters</i>
B. ADC to Be Paid During Fiscal Year Ending	9/30/2019	9/30/2019	9/30/2019	9/30/2018	9/30/2018	9/30/2018
C. Covered Annual Payroll	\$103,700,000	\$ 23,705,000	\$ 14,211,000	\$ 102,332,000	\$ 22,969,000	\$ 14,878,000
D. Annual Payment to Amortize Unfunded Actuarial Liability	7,958,000	3,537,000	3,444,000	6,819,000	3,414,000	3,187,000
As % of Covered Payroll	7.67 %	14.92 %	24.23 %	6.66 %	14.86 %	21.42 %
E. Total Employer Normal Cost	11,258,000	3,347,000	1,170,000	11,278,000	3,435,000	1,164,000
As % of Covered Payroll	10.86 %	14.12 %	8.23 %	11.02 %	14.96 %	7.82 %
F. Total Contribution Rate						
Employer Normal Cost	10.86 %	14.12 %	8.23 %	11.02 %	14.96 %	7.82 %
Amortization	7.67	14.92	24.23	6.66	14.86	21.42
Interest (half-year on Total Normal Cost and Amortization)	0.89	1.55	2.02	0.85	1.58	1.89
Total	19.42	30.59	34.48	18.53	31.40	31.13
G. ADC as % of Covered Payroll (Assuming Mid-Year Average Timing)	19.42 %	30.59 %	34.48 %	18.53 %	31.40 %	31.13 %
H. Assumed Rate of Increase in Covered Payroll to Contribution Year	1.25 %	2.72 %	3.25 %	1.71 %	3.43 %	3.50 %
I. Covered Payroll for Contribution Year	\$104,996,000	\$ 24,350,000	\$ 14,673,000	\$ 104,082,000	\$ 23,757,000	\$ 15,399,000
J. ADC for Contribution Year: G x I (If Paid in Full by April 1)	\$ 20,390,000	\$ 7,449,000	\$ 5,059,000	\$ 19,286,000	\$ 7,460,000	\$ 4,794,000
K. ADC for Contribution Year if Paid in Full by January 1	\$ 20,016,000	\$ 7,312,000	\$ 4,966,000	\$ 18,932,000	\$ 7,323,000	\$ 4,706,000

Reflects all Actuarial Impact Statements through November 2017.



ACTUARIAL VALUE OF BENEFITS AND ASSETS					
A. Valuation Date	October 1, 2017				October 1, 2016 [#]
	Total	General Employees	Police Officers	Firefighters	Total
B. Actuarial Present Value of All Projected Benefits for					
1. Active Members					
a. Service Retirement Benefits	\$ 678,045,000	\$ 434,028,000	\$ 148,303,000	\$ 95,714,000	\$ 653,563,000
b. Vesting Benefits	23,528,000	18,701,000	3,792,000	1,035,000	24,520,000
c. Disability Benefits	32,703,000	26,508,000	3,458,000	2,737,000	34,041,000
d. Preretirement Death Benefits	14,523,000	11,703,000	1,545,000	1,275,000	14,222,000
e. Return of Member Contributions	3,053,000	1,401,000	1,070,000	582,000	2,751,000
f. Total	751,852,000	492,341,000	158,168,000	101,343,000	729,097,000
2. Inactive Members					
a. Service Retirees & Beneficiaries	1,171,345,000	724,157,000	246,337,000	200,851,000	1,079,051,000
b. Disability Retirees	17,651,000	15,524,000	1,671,000	456,000	17,403,000
c. Terminated Vested Members	38,073,000	34,287,000	3,295,000	491,000	35,539,000
d. Total	1,227,069,000	773,968,000	251,303,000	201,798,000	1,131,993,000
3. Total for All Members	1,978,921,000	1,266,309,000	409,471,000	303,141,000	1,861,090,000
C. Actuarial Accrued (Past Service) Liability	1,757,019,000	1,144,966,000	353,630,000	258,423,000	1,652,518,000
D. Actuarial Value of Accumulated Plan Benefits per ASC 960 (Formerly FASB No. 35)	1,611,136,000	1,053,351,000	318,836,000	238,949,000	1,507,260,000
E. Adjustment for 1.5% Firefighters' Member Contribution Decrease in 10/1/2016-9/30/2017 Plan Year	0	0	0	0	215,000
F. Plan Assets					
1. Market Value	1,592,266,000	1,074,804,000	312,205,000	205,257,000	1,450,647,000
2. Actuarial Value	1,539,682,000	1,043,040,000	296,299,000	200,343,000	1,464,024,000
G. Unfunded Actuarial Accrued Liability	217,337,000	101,926,000	57,331,000	58,080,000	188,709,000
H. Actuarial Present Value of Projected Covered Payroll	1,077,217,000	739,959,000	197,012,000	140,246,000	1,047,865,000
I. Actuarial Present Value of Projected Member Contributions	89,533,000	36,998,000	23,742,000	28,793,000	84,003,000
J. Accumulated Value of Active Member Contributions	99,411,000	56,942,000	23,672,000	18,797,000	97,499,000
K. Funded Ratio	87.6%	91.1%	83.8%	77.5%	88.6%

Reflects all Actuarial Impact Statements through November 2017.



ACTUARIAL VALUE OF BENEFITS AND ASSETS - BEFORE CHANGES					
A. Valuation Date	October 1, 2017				October 1, 2016 [#]
	Total	General Employees	Police Officers	Firefighters	Total
B. Actuarial Present Value of All Projected Benefits for					
1. Active Members					
a. Service Retirement Benefits	\$ 653,497,000	\$ 425,473,000	\$ 139,632,000	\$ 88,392,000	\$ 653,563,000
b. Vesting Benefits	23,383,000	18,072,000	4,092,000	1,219,000	24,520,000
c. Disability Benefits	33,942,000	26,034,000	4,330,000	3,578,000	34,041,000
d. Preretirement Death Benefits	14,208,000	11,508,000	1,431,000	1,269,000	14,222,000
e. Return of Member Contributions	3,182,000	1,465,000	1,162,000	555,000	2,751,000
f. Total	728,212,000	482,552,000	150,647,000	95,013,000	729,097,000
2. Inactive Members					
a. Service Retirees & Beneficiaries	1,159,413,000	717,075,000	243,643,000	198,695,000	1,079,051,000
b. Disability Retirees	17,480,000	15,374,000	1,654,000	452,000	17,403,000
c. Terminated Vested Members	37,409,000	33,694,000	3,233,000	482,000	35,539,000
d. Total	1,214,302,000	766,143,000	248,530,000	199,629,000	1,131,993,000
3. Total for All Members	1,942,514,000	1,248,695,000	399,177,000	294,642,000	1,861,090,000
C. Actuarial Accrued (Past Service) Liability	1,734,701,000	1,131,074,000	349,410,000	254,217,000	1,652,518,000
D. Actuarial Value of Accumulated Plan Benefits per ASC 960 (Formerly FASB No. 35)	1,589,740,000	1,038,328,000	315,352,000	236,060,000	1,507,260,000
E. Adjustment for 1.5% Firefighters' Member Contribution Decrease in 10/1/2016-9/30/2017 Plan Year	0	0	0	0	215,000
F. Plan Assets					
1. Market Value	1,592,266,000	1,074,804,000	312,205,000	205,257,000	1,450,647,000
2. Actuarial Value	1,539,682,000	1,043,040,000	296,299,000	200,343,000	1,464,024,000
G. Unfunded Actuarial Accrued Liability	195,019,000	88,034,000	53,111,000	53,874,000	188,709,000
H. Actuarial Present Value of Projected Covered Payroll	1,057,884,000	735,451,000	186,134,000	136,299,000	1,047,865,000
I. Actuarial Present Value of Projected Member Contributions	87,140,000	36,773,000	22,385,000	27,982,000	84,003,000
J. Accumulated Value of Active Member Contributions	99,411,000	56,942,000	23,672,000	18,797,000	97,499,000
K. Funded Ratio	88.8%	92.2%	84.8%	78.8%	88.6%

Reflects all Actuarial Impact Statements through November 2017.



CALCULATION OF EMPLOYER NORMAL COST

A. Valuation Date	October 1, 2017								October 1, 2016 [#]
	<i>Total</i>	<i>General Employees</i>		<i>Police Officers</i>		<i>Firefighters</i>		<i>Total</i>	
B. Normal Cost for									
1. Service Retirement Benefits	\$ 21,354,000	\$ 11,912,000	11.49%	\$ 5,538,000	23.36%	\$ 3,904,000	27.47%	\$ 20,268,000	
2. Vesting Benefits	2,108,000	1,666,000	1.60%	357,000	1.51%	85,000	0.60%	2,143,000	
3. Disability Benefits	2,040,000	1,661,000	1.60%	216,000	0.91%	163,000	1.15%	2,108,000	
4. Preretirement Death Benefits	940,000	736,000	0.71%	117,000	0.49%	87,000	0.61%	922,000	
5. Return of Member Contributions	554,000	342,000	0.33%	158,000	0.67%	54,000	0.38%	559,000	
6. Total for Future Benefits	26,996,000	16,317,000	15.73%	6,386,000	26.94%	4,293,000	30.21%	26,000,000	
7. Assumed Amount for Administrative Expenses	1,088,000	744,000	0.72%	213,000	0.90%	131,000	0.92%	610,000	
8. Total Normal Cost	28,084,000	17,061,000	16.45%	6,599,000	27.84%	4,424,000	31.13%	26,610,000	
C. Expected Member Contribution	10,700,000	5,185,000	5.00%	2,804,000	11.83%	2,711,000	19.08%	10,325,000	
D. Adjustment for Future Member Contribution Increases	206,000	0	0.00%	0	0.00%	206,000	1.45%	408,000	
E. Employer Normal Cost: B8-C-D	17,178,000	11,876,000	11.45%	3,795,000	16.01%	1,507,000	10.60%	15,877,000	
F. Employer Normal Cost as a % of Covered Payroll	12.13%	11.45%		16.01%		10.60%		11.33%	

Reflects all Actuarial Impact Statements through November 2017.

CALCULATION OF EMPLOYER NORMAL COST - BEFORE CHANGES

A. Valuation Date	October 1, 2017								October 1, 2016 [#]
	<i>Total</i>	<i>General Employees</i>		<i>Police Officers</i>		<i>Firefighters</i>		<i>Total</i>	
B. Normal Cost for									
1. Service Retirement Benefits	\$ 20,214,000	\$ 11,602,000	11.19%	\$ 5,058,000	21.34%	\$ 3,554,000	25.01%	\$ 20,268,000	
2. Vesting Benefits	2,085,000	1,606,000	1.55%	383,000	1.61%	96,000	0.68%	2,143,000	
3. Disability Benefits	2,114,000	1,631,000	1.57%	272,000	1.15%	211,000	1.48%	2,108,000	
4. Preretirement Death Benefits	923,000	725,000	0.70%	111,000	0.47%	87,000	0.61%	922,000	
5. Return of Member Contributions	589,000	352,000	0.34%	185,000	0.78%	52,000	0.37%	559,000	
6. Total for Future Benefits	<u>25,925,000</u>	<u>15,916,000</u>	15.35%	<u>6,009,000</u>	25.35%	<u>4,000,000</u>	28.15%	<u>26,000,000</u>	
7. Assumed Amount for Administrative Expenses	756,000	527,000	0.51%	142,000	0.60%	87,000	0.61%	610,000	
8. Total Normal Cost	<u>26,681,000</u>	<u>16,443,000</u>	15.86%	<u>6,151,000</u>	25.95%	<u>4,087,000</u>	28.76%	<u>26,610,000</u>	
C. Expected Member Contribution	10,700,000	5,185,000	5.00%	2,804,000	11.83%	2,711,000	19.08%	10,325,000	
D. Adjustment for Future Member Contribution Increases	206,000	0	0.00%	0	0.00%	206,000	1.45%	408,000	
E. Employer Normal Cost: B8-C-D	15,775,000	11,258,000	10.86%	3,347,000	14.12%	1,170,000	8.23%	15,877,000	
F. Employer Normal Cost as a % of Covered Payroll	11.14%	10.86%		14.12%		8.23%		11.33%	

Reflects all Actuarial Impact Statements through November 2017.

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

(Before Changes)

UAAL AMORTIZATION PERIOD AND PAYMENTS - GENERAL EMPLOYEES						
Original UAAL				Current UAAL		
Date Established	Type of Amortization Base	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/2014	Combined Bases	13	\$ 10,158,000	10	\$ 7,661,000	\$ 996,000
10/1/2016	(Gain)/Loss	20	23,045,000	19	24,461,000	2,121,000
10/1/2016	Assumption Change	20	49,832,000	19	52,893,000	4,586,000
10/1/2016	Plan Change	20	94,000	19	100,000	9,000
10/1/2017	(Gain)/Loss	20	<u>2,919,000</u>	20	<u>2,919,000</u>	<u>246,000</u>
			86,048,000		88,034,000	7,958,000

(After Assumption and Method Changes)

UAAL AMORTIZATION PERIOD AND PAYMENTS - GENERAL EMPLOYEES						
Original UAAL				Current UAAL		
Date Established	Type of Amortization Base	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/2014	Combined Bases	13	\$ 10,158,000	10	\$ 7,661,000	\$ 992,000
10/1/2016	(Gain)/Loss	20	23,045,000	19	24,461,000	2,107,000
10/1/2016	Assumption Change	20	49,832,000	19	52,893,000	4,556,000
10/1/2016	Plan Change	20	94,000	19	100,000	9,000
10/1/2017	(Gain)/Loss	20	2,919,000	20	2,919,000	268,000
10/1/2017	Assumption Change	20	<u>13,892,000</u>	20	<u>13,892,000</u>	<u>1,276,000</u>
			99,940,000		101,926,000	9,208,000

(Before Changes)

UAAL AMORTIZATION PERIOD AND PAYMENTS - POLICE OFFICERS						
Original UAAL				Current UAAL		
Date Established	Type of Amortization Base	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/2007	Fresh Start	30	\$ (8,620,000)	20	\$ (10,422,000)	\$ (787,000)
10/1/2009	(Gain)/Loss	30	13,859,000	22	20,019,000	1,431,000
10/1/2010	(Gain)/Loss	30	3,815,000	23	4,396,000	306,000
10/1/2012	(Gain)/Loss	30	14,549,000	25	16,306,000	1,087,000
10/1/2012	Plan Change	30	2,995,000	25	3,357,000	224,000
10/1/2012	Assumption Change	30	7,877,000	25	8,828,000	588,000
10/1/2013	Plan Change	30	1,654,000	26	1,753,000	114,000
10/1/2014	(Gain)/Loss	30	(5,579,000)	27	(5,818,000)	(373,000)
10/1/2014	Plan Change	30	2,558,000	27	2,667,000	171,000
10/1/2016	(Gain)/Loss	28	5,884,000	27	6,006,000	385,000
10/1/2016	Assumption Change	28	10,071,000	27	10,280,000	659,000
10/1/2017	(Gain)/Loss	28	<u>(4,261,000)</u>	28	<u>(4,261,000)</u>	<u>(268,000)</u>
			44,802,000		53,111,000	3,537,000

(After Assumption and Method Changes)

UAAL AMORTIZATION PERIOD AND PAYMENTS - POLICE OFFICERS						
Original UAAL				Current UAAL		
Date Established	Type of Amortization Base	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/2007	Fresh Start	30	\$ (8,620,000)	20	\$ (10,422,000)	\$ (782,000)
10/1/2009	(Gain)/Loss	30	13,859,000	22	20,019,000	1,419,000
10/1/2010	(Gain)/Loss	30	3,815,000	23	4,396,000	304,000
10/1/2012	(Gain)/Loss	30	14,549,000	25	16,306,000	1,077,000
10/1/2012	Plan Change	30	2,995,000	25	3,357,000	222,000
10/1/2012	Assumption Change	30	7,877,000	25	8,828,000	583,000
10/1/2013	Plan Change	30	1,654,000	25	1,753,000	116,000
10/1/2014	(Gain)/Loss	30	(5,579,000)	25	(5,818,000)	(384,000)
10/1/2014	Plan Change	30	2,558,000	25	2,667,000	176,000
10/1/2016	(Gain)/Loss	28	5,884,000	25	6,006,000	397,000
10/1/2016	Assumption Change	28	10,071,000	25	10,280,000	679,000
10/1/2017	(Gain)/Loss	28	(4,261,000)	25	(4,261,000)	(358,000)
10/1/2017	Assumption Change	25	<u>4,220,000</u>	25	<u>4,220,000</u>	<u>355,000</u>
			49,022,000		57,331,000	3,804,000

(Before Changes)

UAAL AMORTIZATION PERIOD AND PAYMENTS - FIREFIGHTERS						
Original UAAL				Current UAAL		
Date Established	Type of Amortization Base	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/2007	Fresh Start	30	\$ 1,482,000	20	\$ 3,380,000	\$ 245,000
10/1/2009	(Gain)/Loss	30	3,225,000	22	4,088,000	279,000
10/1/2010	Assumption Change	30	(1,151,000)	23	(1,285,000)	(85,000)
10/1/2010	(Gain)/Loss	30	8,141,000	23	9,082,000	604,000
10/1/2012	(Gain)/Loss	30	12,290,000	25	13,486,000	855,000
10/1/2012	Assumption Change	30	7,106,000	25	7,797,000	494,000
10/1/2014	(Gain)/Loss	30	(126,000)	27	(129,000)	(8,000)
10/1/2016	(Gain)/Loss	28	8,381,000	27	8,485,000	516,000
10/1/2016	Assumption Change	28	9,004,000	27	9,116,000	554,000
10/1/2016	Plan Change	28	(1,373,000)	27	(1,390,000)	(84,000)
10/1/2017	(Gain)/Loss	28	<u>1,244,000</u>	28	<u>1,244,000</u>	<u>74,000</u>
			48,223,000		53,874,000	3,444,000

(After Assumption and Method Changes)

UAAL AMORTIZATION PERIOD AND PAYMENTS - FIREFIGHTERS						
Original UAAL				Current UAAL		
Date Established	Type of Amortization Base	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/2007	Fresh Start	30	\$ 1,482,000	20	\$ 3,380,000	\$ 243,000
10/1/2009	(Gain)/Loss	30	3,225,000	22	4,088,000	277,000
10/1/2010	Assumption Change	30	(1,151,000)	23	(1,285,000)	(85,000)
10/1/2010	(Gain)/Loss	30	8,141,000	23	9,082,000	599,000
10/1/2012	(Gain)/Loss	30	12,290,000	25	13,486,000	847,000
10/1/2012	Assumption Change	30	7,106,000	25	7,797,000	490,000
10/1/2014	(Gain)/Loss	30	(126,000)	25	(129,000)	(8,000)
10/1/2016	(Gain)/Loss	28	8,381,000	25	8,485,000	533,000
10/1/2016	Assumption Change	28	9,004,000	25	9,116,000	573,000
10/1/2016	Plan Change	28	(1,373,000)	25	(1,390,000)	(87,000)
10/1/2017	(Gain)/Loss	28	1,244,000	25	1,244,000	105,000
10/1/2017	Assumption Change	25	<u>4,206,000</u>	25	<u>4,206,000</u>	<u>354,000</u>
			52,429,000		58,080,000	3,841,000

Amortization Schedule

The UAAL is being amortized as a level percent of pay and level dollar over the number of years remaining in each amortization period. The following schedule illustrates the expected amortization of the UAAL:

Amortization Schedule					
Year	Expected UAAL				
	General Employees		Police Officers		Firefighters
2017	\$	101,926,000	\$	57,331,000	\$ 58,080,000
2018		99,772,000		57,609,000	58,378,000
2019		97,342,000		57,782,000	58,563,000
2020		94,625,000		57,854,000	58,643,000
2021		91,596,000		57,814,000	58,597,000
2022		88,231,000		57,650,000	58,422,000
2027		65,317,000		54,495,000	54,991,000
2032		36,122,000		45,822,000	45,466,000
2037		-		28,607,000	26,357,000
2042		-		-	-

10- Year Growth in Covered Payroll (Annualized: in 000's)*

	<u>General Employees</u>		<u>Police Officers</u>		<u>Firefighters</u>	
	<u>Payroll</u>	<u>Growth</u>	<u>Payroll</u>	<u>Growth</u>	<u>Payroll</u>	<u>Growth</u>
10/1/2007	100,129		21,065		12,965	
10/1/2017	113,415	1.25%	27,548	2.72%	17,859	3.25%

*Note: Includes payroll for all employees receiving pay (including DROP participants), because the DROP was first implemented in 2007 and there were relatively few participants in the DROP as of October 1, 2007. This is consistent with past practice for these pension plans.

ACTUARIAL GAINS AND LOSSES

The assumptions used to anticipate mortality, employment turnover, investment income, expenses, salary increases, and other factors have been based on long range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the period involved. If significant long term experience reveals consistent deviation from what has been expected and that deviation is expected to continue, the assumptions should be modified. The net actuarial gain (loss) for the past two years is computed as follows:

	General Employees 2016-2017	Police Officers 2016-2017	Firefighters 2016-2017
1. UAAL at 10/1/2016	80,237,000	56,317,000	52,155,000
2. 2016-17 Employer Normal Cost (MOY) plus Expected Administrative Expenses	13,234,000	3,836,000	1,560,000
3. 2016-17 Employer Contributions	14,486,000	6,996,000	4,970,000
4. Interest at the Assumed Rate on:			
a. 1 for one year and 2 for half-year	6,688,000	4,484,000	4,076,000
b. 3 from dates paid	558,000	269,000	191,000
c. a - b	6,130,000	4,215,000	3,885,000
5. This Year's Expected UAAL Prior to Revision:	85,115,000	57,372,000	52,630,000
6. Change in UAAL Due to Plan Amendments and/or Changes in Actuarial Assumptions	13,892,000	4,220,000	4,206,000
7. This Year's Expected UAAL (after changes):	99,007,000	61,592,000	56,836,000
8. This Year's Actual UAAL (after changes):	101,926,000	57,331,000	58,080,000
9. Net Actuarial Gain/(Loss):	(2,919,000)	4,261,000	(1,244,000)
10. Gain/(Loss) Due to Investments:	7,941,000	3,976,000	1,228,000
11. Gain/(Loss) Due to Other Sources:	(10,860,000)	285,000	(2,472,000)

The annual experience (gains)/losses in previous years have been as follows:

Year Ending	Experience (Gain) / Loss		
	General Employees	Police Officers	Firefighters
9/30/2009	\$ 34,053,000	\$ 13,859,000	\$ 3,225,000
9/30/2010	37,353,000	3,815,000	8,141,000
9/30/2012	43,870,000	14,549,000	12,290,000
9/30/2014	(36,333,000)	(5,579,000)	(126,000)
9/30/2016	23,045,000	5,884,000	8,381,000
9/30/2017	2,919,000	(4,261,000)	1,244,000

The fund earnings and salary increase assumptions have considerable impact on the cost of the plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings and salary increase rates compared to the assumed rates for the last few years:

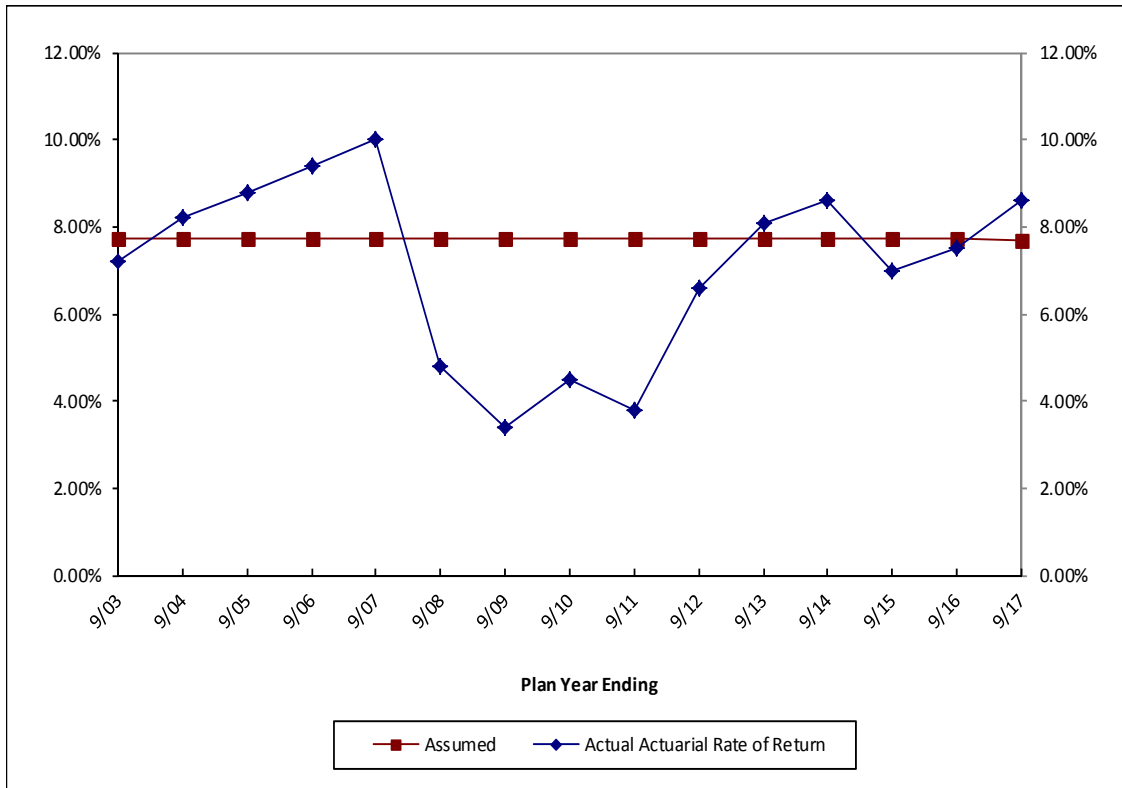
Year Ending	Investment Return	
	Actual Actuarial Rate of Return	Assumed
9/30/2003	7.2 %	7.75 %
9/30/2004	8.2	7.75
9/30/2005	8.8	7.75
9/30/2006	9.4	7.75
9/30/2007	10.0	7.75
9/30/2008	4.8	7.75
9/30/2009	3.4	7.75
9/30/2010	4.5	7.75
9/30/2011	3.8	7.75
9/30/2012	6.6	7.75
9/30/2013	8.1	7.75
9/30/2014	8.6	7.75
9/30/2015	7.0	7.75
9/30/2016	7.5	7.75
9/30/2017	8.6	7.70
Average	7.1 %	

Period Ending	Salary Increases					
	General Employees		Police Officers		Firefighters	
	Actual*	Assumed*	Actual*	Assumed*	Actual*	Assumed*
10/1/2001	5.7 %	6.50 %	9.2 %	6.50 %	5.0 %	6.50 %
10/1/2003	2.7	6.25	4.0	6.25	5.5	6.25
10/1/2005	0.3	6.00	1.3	6.00	0.5	6.00
10/1/2007	3.9	6.00	3.4	6.00	5.0	6.00
10/1/2009	3.3	6.00	6.5	6.00	2.3	6.00
10/1/2010	(0.7)	5.00	1.1	6.00	0.9	6.00
10/1/2012	1.7	4.00	2.6	6.00	0.3	5.00
10/1/2014	2.5	3.50	4.8	5.00	6.8	4.00
10/1/2016	4.6	3.50	6.3	5.00	8.8	4.00
10/1/2017	5.5	3.58	4.8	5.27	6.5	4.43
Average	2.8 %	5.0 %	4.3 %	5.8 %	4.1 %	5.4 %

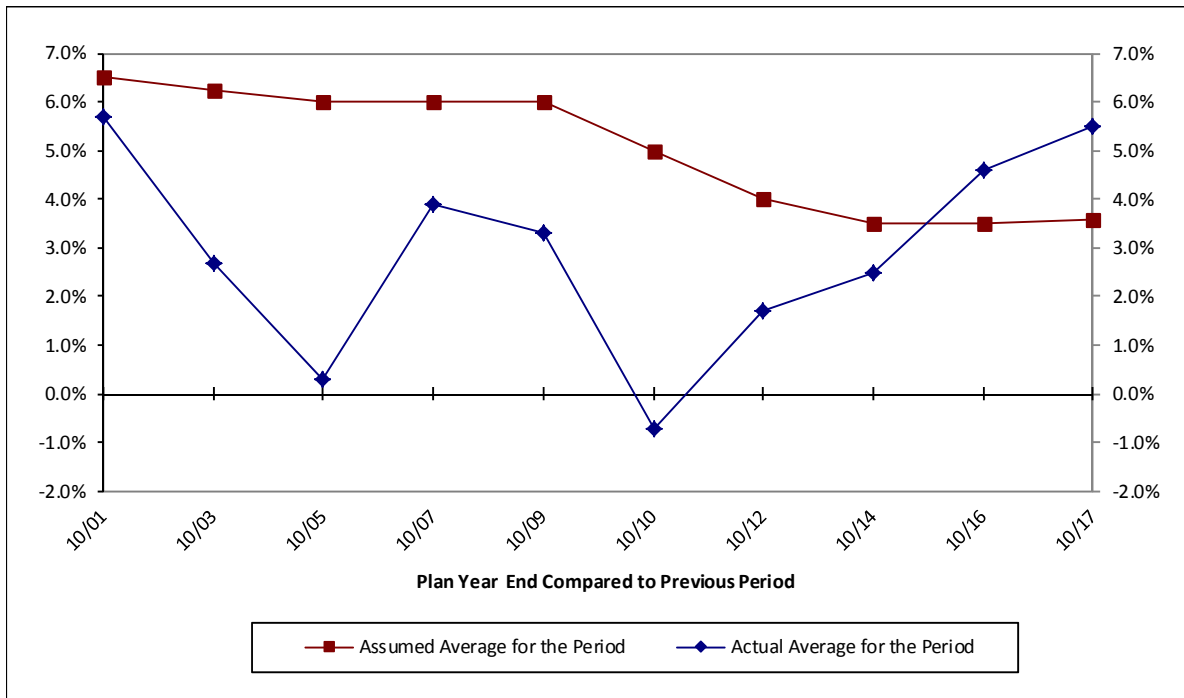
*Actual and assumed rates are based on average compound increases for the period since the prior valuation.

The actual investment return rates shown above are based on the actuarial value of assets. The actual salary increase rates shown above are the increases received by those active members who were included in the actuarial valuations both at the beginning and end of each period.

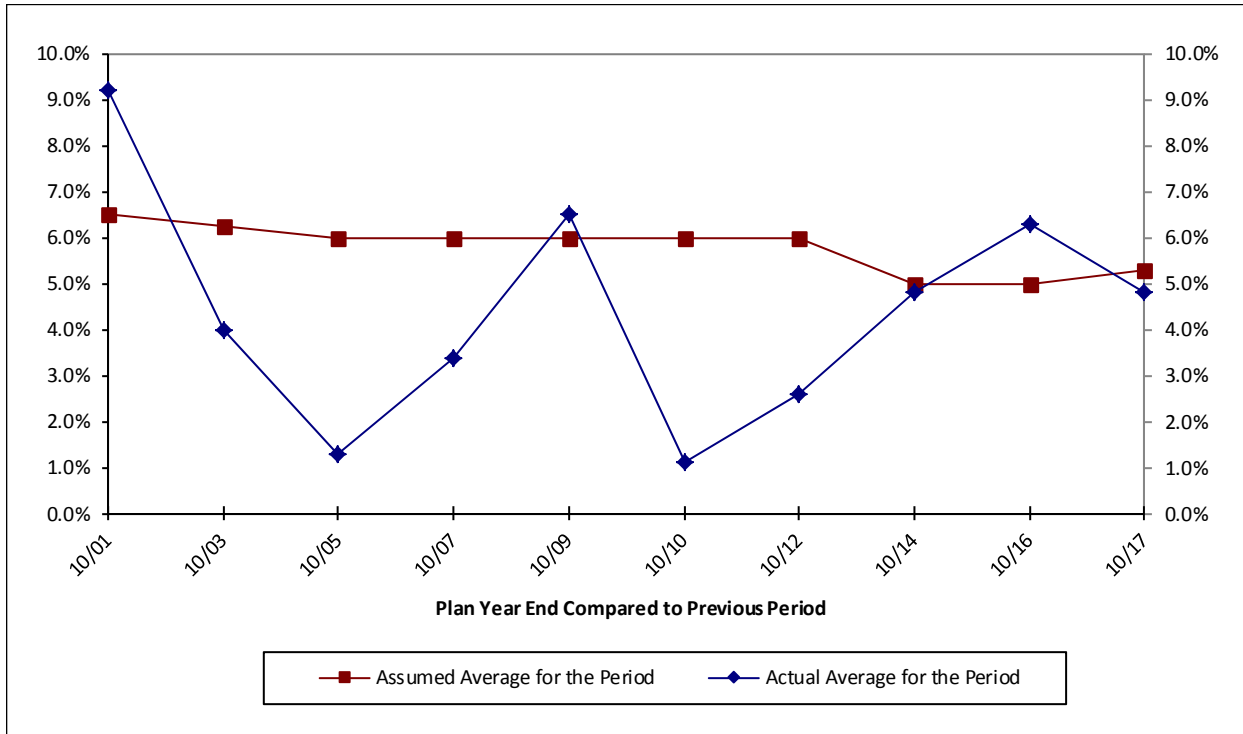
History of Investment Return Based on Total Actuarial Value of Assets



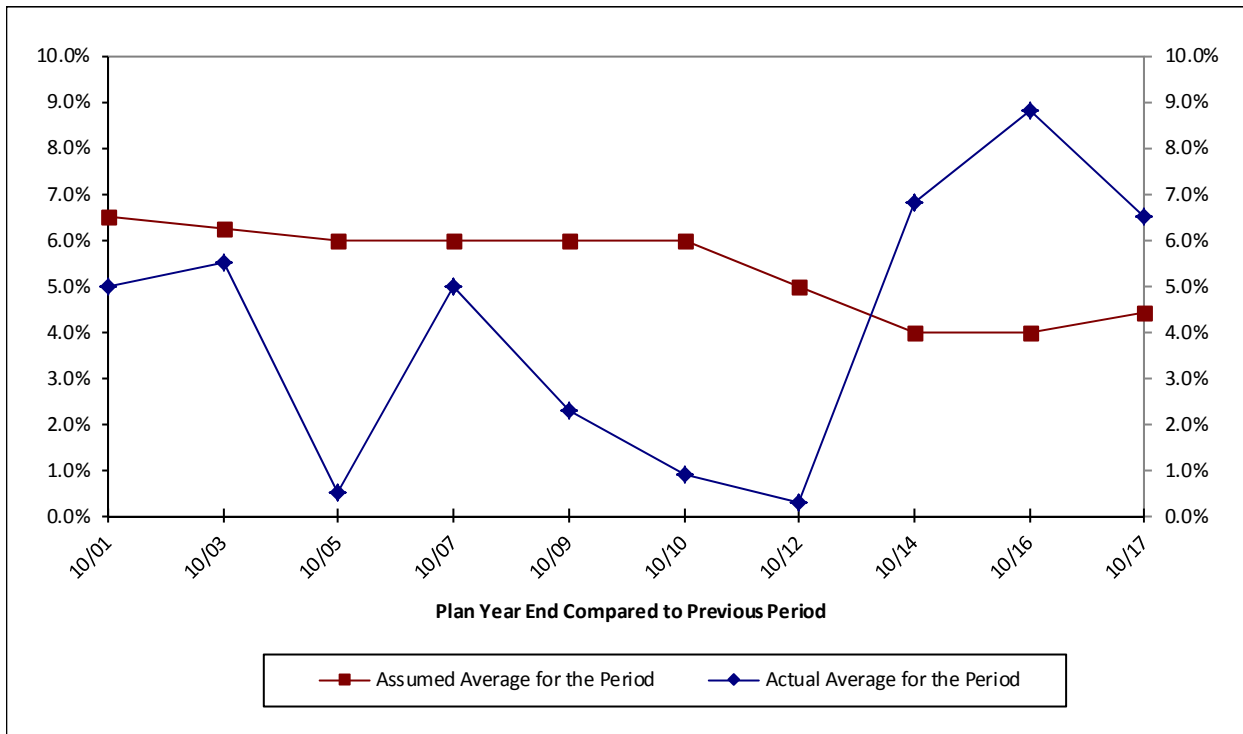
History of Salary Increases – General Employees



History of Salary Increases – Police Officers



History of Salary Increases – Firefighters



Number Added To and Removed from Active Participation Actual (A) Compared to Expected (E)

General Employees

Two Years Ended	Number Added During Year		Service & DROP 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	
9/30/2014	323	314	159	112	9	21	0	6	26	120	146	148	2,028
9/30/2016	290	302	139	130	3	22	5	6	58	97	155	154	2,016
9/30/2017*	135	199	66	65	5	9	3	4	50	75	125	78	1,952
5-Yr Total	748	815	364	307	17	52	8	16	134	292	426	380	

*One-Year Ended for 9/30/2017.

Police Officers

Two Years Ended	Number Added During Year		Service & DROP 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	
9/30/2014	39	50	36	33	2	2	0	1	2	10	12	27	319
9/30/2016	62	51	34	26	0	2	1	1	7	9	16	28	330
9/30/2017*	17	16	9	6	0	1	0	0	1	6	7	18	331
5-Yr Total	118	117	79	65	2	5	1	2	10	25	35	73	

*One-Year Ended for 9/30/2017.

Firefighters

Two Years Ended	Number Added During Year		Service & DROP 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	
9/30/2014	31	29	25	12	0	1	0	0	0	4	4	5	229
9/30/2016	39	22	16	15	0	1	0	0	2	4	6	5	246
9/30/2017*	8	24	21	13	0	1	1	0	2	0	2	3	230
5-Yr Total	78	75	62	40	0	3	1	0	4	8	12	13	

*One-Year Ended for 9/30/2017.

RECENT HISTORY OF VALUATION RESULTS							
TOTAL							
Valuation Date	Number of		Covered Annual Payroll	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Funded Ratio	Unfunded AAL (UAAL)
	Active Members	Inactive Members					
10/1/2003	2,768	1,068	\$113,698	\$ 719,211	\$ 796,597	110.8 %	\$ (77,386)
10/1/2005	2,783	1,217	118,637	842,124	916,306	108.8	(74,182)
10/1/2007	2,789	1,454	129,565	994,170	1,076,700	108.3	(82,530)
10/1/2009	2,587	1,638	129,375	1,088,093	1,127,828	103.7	(39,735)
10/1/2010	2,544	1,754	126,835	1,150,210	1,150,335	100.0	(125)
10/1/2012	2,576	1,919	132,903	1,326,608	1,210,969	91.3	115,639
10/1/2014	2,576	2,075	132,610	1,435,593	1,349,401	94.0	86,027
10/1/2016	2,592	2,293	140,179	1,652,733	1,464,024	88.6	188,709
10/1/2017	2,513	2,398	141,616	1,757,019	1,539,682	87.6	217,337

Note: Dollar amounts are in thousands.

RECENT HISTORY OF VALUATION RESULTS							
GENERAL EMPLOYEES							
Valuation Date	Number of		Covered Annual Payroll	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Funded Ratio	Unfunded AAL (UAAL)
	Active Members	Inactive Members					
10/1/2003	2,180	842	\$ 85,682	\$ 500,687	\$ 559,896	111.8 %	\$ (59,209)
10/1/2005	2,190	958	89,409	581,686	640,763	110.2	(59,077)
10/1/2007	2,196	1,158	97,702	673,821	749,213	111.2	(75,392)
10/1/2009	2,025	1,293	96,220	729,103	781,265	107.2	(52,162)
10/1/2010	1,994	1,381	94,107	768,705	794,685	103.4	(25,980)
10/1/2012	2,019	1,488	98,491	874,076	831,528	95.1	42,548
10/1/2014	2,028	1,591	98,430	932,982	922,824	98.9	10,158
10/1/2016	2,016	1,757	102,332	1,076,156	995,919	92.5	80,237
10/1/2017	1,952	1,838	103,700	1,144,966	1,043,040	91.1	101,926

Note: Dollar amounts are in thousands.

RECENT HISTORY OF VALUATION RESULTS POLICE OFFICERS							
Valuation Date	Number of		Covered Annual Payroll	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Funded Ratio	Unfunded AAL (UAAL)
	Active Members	Inactive Members					
10/1/2003	340	123	\$ 16,848	\$ 119,819	\$ 132,365	110.5 %	\$ (12,546)
10/1/2005	350	147	17,911	143,671	155,217	108.0	(11,546)
10/1/2007	356	158	19,879	177,741	186,361	104.8	(8,620)
10/1/2009	330	192	20,885	204,687	198,204	96.8	6,483
10/1/2010	317	204	20,292	215,882	203,836	94.4	12,046
10/1/2012	330	232	22,224	259,341	219,840	84.8	39,501
10/1/2014	319	263	21,461	290,761	250,832	86.3	39,764
10/1/2016	330	299	22,969	334,090	277,773	83.1	56,317
10/1/2017	331	306	23,705	353,630	296,299	83.8	57,331

Note: Dollar amounts are in thousands.

RECENT HISTORY OF VALUATION RESULTS FIREFIGHTERS							
Valuation Date	Number of		Covered Annual Payroll	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Funded Ratio	Unfunded AAL (UAAL)
	Active Members	Inactive Members					
10/1/2003	248	103	\$ 11,168	\$ 98,705	\$ 104,336	105.7 %	\$ (5,631)
10/1/2005	243	112	11,317	116,766	120,326	103.0	(3,560)
10/1/2007	237	138	11,984	142,608	141,126	99.0	1,482
10/1/2009	232	153	12,270	154,303	148,359	96.1	5,944
10/1/2010	233	169	12,436	165,623	151,814	91.7	13,809
10/1/2012	227	199	12,188	193,191	159,601	82.6	33,590
10/1/2014	229	221	12,719	211,850	175,745	83.0	36,105
10/1/2016	246	237	14,878	242,487	190,332	78.5	52,155
10/1/2017	230	254	14,211	258,423	200,343	77.5	58,080

Note: Dollar amounts are in thousands.

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS

Valuation Date	End of Year To Which Valuation Applies	Required Contributions							Actual Contributions			
		General Employees		Police Officers		Firefighters		Total	General Employees	Police Officers	Firefighters	Total
		Amount	% of Payroll	Amount	% of Payroll	Amount	% of Payroll	Amount				
9/30/2005	9/30/2008	\$ 9,609	9.33 %	\$ 3,014	13.90 %	\$ 2,072	15.65 %	\$ 14,695	\$ 9,609	\$ 3,014	\$ 2,072	\$ 14,695
9/30/2007	9/30/2009	9,547	9.08	3,064	13.48	2,376	16.35	14,987	9,547	3,064	2,376	14,987
9/30/2007	9/30/2010	8,862	9.08	3,071	13.48	2,447	16.35	14,380	8,862	3,071	2,447	14,380
10/1/2009	9/30/2011	10,408	10.37	4,228	17.96	3,022	20.30	17,658	10,408	4,228	3,022	17,658
10/1/2010	9/30/2012	10,523	13.40	4,251	19.22	3,024	20.11	17,798	10,523	4,251	3,024	17,798
10/1/2010	9/30/2013	14,335	13.40	4,787	19.22	3,154	20.11	22,276	14,335	4,787	3,154	22,276
10/1/2012	9/30/2014	16,110	15.19	5,779	23.24	3,894	25.21	25,783	16,110	5,779	3,894	25,783
10/1/2012	9/30/2015	16,537	15.19	5,940	23.24	4,104	25.21	26,581	16,537	5,940	4,104	26,581
10/1/2014	9/30/2016	14,591	13.07	6,585	25.75	4,671	26.47	25,847	14,591	6,585	4,671	25,847
10/1/2014	9/30/2017	14,486	13.07	6,996	25.75	4,970	26.47	26,452	14,486	6,996	4,970	26,452
10/1/2016	9/30/2018	---	18.53	---	31.40	---	31.13	---	---	---	---	---
10/1/2017	9/30/2019	---	21.27	---	33.69	---	39.81	---	---	---	---	---

Note: Dollar amounts are in thousands.

ACTUARIAL ASSUMPTIONS AND COST METHOD

Valuation Methods

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

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

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

Financing of Unfunded Actuarial Accrued Liabilities - Unfunded Actuarial Accrued Liabilities were amortized as a level (principal & interest combined) percent of payroll for bases created before October 1, 2017 and as a level dollar amount for bases created on and after October 1, 2017, over a prescribed period of future years. For the amortization of bases as a level percent of payroll, the actual payroll growth average over the last 10 years was for General Employees: 1.25%; for Police Officers: 2.72%; and for Firefighters: 3.25%. This is compared to the assumed rate of 3.5%. Florida administrative code requires using the lesser of the two rates for purposes of amortizing unfunded liabilities as a level percent of pay, but not less than zero. *This method was a level percent of payroll for all bases in the previous valuation.*

Actuarial Value of Assets - The Actuarial Value of Assets recognizes each year 20% of the difference between the expected actuarial value (based on assumed return) and the market value of assets. The Actuarial Value of Assets is further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

Valuation Assumptions

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

Economic Assumptions

The investment return rate assumed in the valuation is 7.60% per year, compounded annually (net after investment expenses). *This rate was 7.70% in the previous valuation.* The current 7.60% investment return assumption is a prescribed assumption as defined by the Actuarial Standard of Practice No. 27 (ASOP 27), as it was set by the Plan Administrator. The prescribed assumption is near the upper limit of what we believe constitutes a reasonable range for this assumption as defined by ASOP 27.

The **Inflation Rate** assumed in this valuation was 2.50% per year.

The assumed **real rate of return** over inflation is defined to be the portion of total investment return that is more than the assumed inflation rate. Considering other economic assumptions, the 7.60% investment return rate translates to an assumed real rate of return over inflation of 5.10%.

The rates of salary increase used are in accordance with the following tables below and are a blend of 33.33% of the old table and 66.67% of the new table based on the Experience Study dated June 24, 2016. This assumption is used to project a member's current salary to the salaries upon which benefits will be based. *This assumption was a blend of 66.67% of the old table and 33.33% of the new table in the previous valuation.*

Old Assumption Table

Age	% Increase in Salary		
	General Employees	Police Officers	Firefighters
ALL	3.50%	5.00%	4.00%

New Assumption Table

% Increase in Salary - General Employees			
Years of Service	Merit and Seniority	Inflation	Total Increase
Under 4	2.50%	2.50%	5.00%
4 - 7	1.30%	2.50%	3.80%
8 - 11	1.10%	2.50%	3.60%
12 - 15	0.80%	2.50%	3.30%
16 - 19	0.60%	2.50%	3.10%
20 & Over	0.45%	2.50%	2.95%

% Increase in Salary - Police Officers			
Years of Service	Merit and Seniority	Inflation	Total Increase
Under 8	3.90%	2.50%	6.40%
8 - 11	3.60%	2.50%	6.10%
12 - 15	3.40%	2.50%	5.90%
16 - 19	2.70%	2.50%	5.20%
20 & Over	2.00%	2.50%	4.50%

% Increase in Salary - Firefighters			
Years of Service	Merit and Seniority	Inflation	Total Increase
Under 12	3.25%	2.50%	5.75%
12 - 15	2.60%	2.50%	5.10%
16 - 19	2.25%	2.50%	4.75%
20 & Over	1.90%	2.50%	4.40%

Demographic Assumptions

The mortality table is the RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB . These are the same rates currently in use for members of the Florida Retirement System (FRS), as mandated by Florida Statutes, Chapter 112.63.

For General Employees: For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Regular class members of FRS.

FRS Healthy Post-Retirement Mortality for Non-Special Risk Class Members

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
20	0.09 %	0.03 %	64.79	69.86
30	0.13	0.04	54.34	59.19
40	0.28	0.09	44.25	48.62
50	0.55	0.23	34.66	38.31
55	0.60	0.32	30.03	33.29
60	0.76	0.47	25.36	28.39
65	1.15	0.74	20.84	23.65
70	1.78	1.24	16.59	19.19
75	2.97	2.09	12.73	15.11
80	5.03	3.51	9.40	11.49

This assumption is used to measure the probabilities of each benefit payment being made after retirement.

FRS Healthy Pre-Retirement Mortality for Non-Special Risk Class Members

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
20	0.03 %	0.02 %	67.50	70.58
30	0.05	0.03	56.72	59.84
40	0.11	0.06	46.07	49.18
50	0.21	0.15	35.58	38.66
55	0.36	0.24	30.46	33.51
60	0.61	0.39	25.53	28.49
65	1.08	0.70	20.88	23.67
70	1.78	1.24	16.59	19.19
75	2.97	2.09	12.73	15.11
80	5.03	3.51	9.40	11.49

This assumption is used to measure the probabilities of active members dying prior to retirement (10% of deaths are assumed to be service-connected).

For disabled retirees, the mortality table was the RP-2000 Mortality for Disabled Annuitants with ages set back 4 years for males and set forward 2 years for females. These are the same rates currently in use for Regular class members of FRS.

For Police Officers and Firefighters: For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Special Risk class members of FRS.

FRS Healthy Post-Retirement Mortality for Special Risk Class Members

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
20	0.08 %	0.03 %	64.11	69.86
30	0.15	0.04	53.55	59.19
40	0.30	0.09	43.53	48.62
50	0.54	0.23	33.90	38.31
55	0.67	0.32	29.26	33.29
60	0.90	0.47	24.68	28.39
65	1.31	0.74	20.28	23.65
70	2.01	1.24	16.15	19.19
75	3.26	2.09	12.43	15.11
80	5.37	3.51	9.23	11.49

This assumption is used to measure the probabilities of each benefit payment being made after retirement.

FRS Healthy Pre-Retirement Mortality for Special Risk Class Members

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
20	0.03 %	0.02 %	66.77	70.58
30	0.07	0.03	55.96	59.84
40	0.13	0.06	45.35	49.18
50	0.23	0.15	34.89	38.66
55	0.39	0.24	29.77	33.51
60	0.71	0.39	24.89	28.49
65	1.23	0.70	20.33	23.67
70	2.01	1.24	16.15	19.19
75	3.26	2.09	12.43	15.11
80	5.37	3.51	9.23	11.49

This assumption is used to measure the probabilities of active members dying prior to retirement (10% of deaths are assumed to be service-connected).

For disabled retirees, the mortality table was 60% of the RP-2000 Combined Mortality Table for Disabled

Annuitants with ages set back 4 years for males and set forward 2 years for females, and 40% of the RP-2000 Annuitant Mortality Table with a white collar adjustment with no age setback, both with no provision being made for future mortality improvements. These are the same rates currently in use for Special Risk class members of FRS.

The active member population is assumed to remain constant.

The rates of retirement used to measure the probability of eligible members retiring during the next year are a blend of 33.33% of the old table and 66.67% of the new table based on the Experience Study dated June 24, 2016. *This assumption was a blend of 66.67% of the old table and 33.33% of the new table in the previous valuation.*

Old Assumption Table

For General Employees:

<u>Age</u>	<u>Normal Retirement*</u>	<u>Early Retirement</u>
54 & Under	10.0%	2.0%
55-61	10.0	5.0
62	25.0	5.0
63	10.0	5.0
64	10.0	5.0
65	100.0	

*An additional 40% are assumed to retire in the year first eligible for unreduced benefits with an immediate COLA.

For Police Officers: 75% will retire when first eligible for unreduced benefit; 30% of the remaining will retire each year thereafter until age 62 when all remaining members are assumed to retire. Also, it is assumed that 5% will retire each year with reduced early retirement benefits.

For Firefighters: 65% will retire when first eligible for unreduced benefits; 23% of the remaining will retire each year thereafter until age 62 when all remaining members are assumed to retire. Also, it is assumed that 2% will retire each year with unreduced early retirement benefits.

New Assumption Table

For General Employees in Plan B & C:

<u>Age</u>	<u>Years of Service</u>	<u>Normal Retirement</u>	<u>Age</u>	<u>Years of Service</u>	<u>Early Retirement</u>
Under 56	30 & Over	45.00%	Under 50	25 - 29	4.50%
56 - 59	30 & Over	60.00	50 - 54	25 - 29	7.50
60	5 - 29	50.00	55 - 59	5	7.50
	30 & Over	60.00		6 - 19	2.50
61	5 - 29	20.00		20 - 24	7.50
	30 & Over	60.00		25 - 29	10.00
62	5 - 19	45.00	60	5 - 29	9.00
	20 & Over	60.00	61	5 - 29	15.00
63 - 64	5 - 19	30.00			
	20 & Over	34.00			
65 - 69	5 - 19	40.00			
	20 & Over	70.00			
70 & Over	5 & Over	100.00			

For General Employees in Plan D:

<u>Age</u>	<u>Years of Service</u>	<u>Normal Retirement</u>	<u>Age</u>	<u>Years of Service</u>	<u>Early Retirement</u>
Under 59	33 & Over	45.00%	Under 53	28 - 32	4.50%
59 - 64	33 & Over	60.00	53 - 57	28 - 32	7.50
65	5 - 19	45.00	58 - 62	5	7.50
	20 & Over	60.00		6 - 19	2.50
66 - 67	5 - 19	30.00		20 - 27	7.50
	20 & Over	34.00		28 - 32	10.00
68 - 69	5 - 19	40.00	63	5 - 32	9.00
	20 & Over	70.00	64	5 - 32	15.00
70 & Over	5 & Over	100.00			

For Police Officers:

<u>Age</u>	<u>Years of Service</u>	<u>Normal Retirement</u>	<u>Age</u>	<u>Years of Service</u>	<u>Early Retirement</u>
Under 50	25	52.50%	Under 50	20 - 24	2.75%
	26 & Over	55.00		50 - 54	5 - 19
50 - 54	25	62.50	20 - 24		20 - 24
	26 & Over	55.00			
55	5 - 24	15.00			
	25	62.50			
	26 & Over	55.00			
56 - 61	5 - 24	25.00			
	25	62.50			
	26 & Over	55.00			
62 & Over	5 & Over	100.00			

For Firefighters:

<u>Age</u>	<u>Years of Service</u>	<u>Normal Retirement</u>	<u>Age</u>	<u>Years of Service</u>	<u>Early Retirement</u>
Under 50	25	62.50%	Under 50	20 - 24	2.50%
	26 & Over	67.50		50 - 54	5 - 19
50 - 54	25	67.50	20 - 24		20 - 24
	26 & Over	67.50			
55	5 - 24	20.00			
	25	67.50			
	26 & Over	67.50			
56 - 61	5 - 19	20.00			
	20 - 24	40.00			
	25	67.50			
	26 & Over	67.50			
62 & Over	5 & Over	100.00			

Rates of separation from active membership were as shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability) and are a blend of 33.33% of the old table and 66.67% of the new table based on the Experience Study dated June 24, 2016. This assumption measures the probabilities of members remaining in employment. *This assumption was a blend of 66.67% of the old table and 33.33% of the new table in the previous valuation.*

Old Assumption Table

% of Active Members Separating Within Next Year

Sample Ages	Years of Service	General Employees	Police Officers	Firefighters
ALL	0	15.0%	25.00%	5.0%
	1	10.0	18.75	3.0
	2	7.5	12.50	2.0
	3	5.0	6.25	1.0
20-40	4 & Over	5.0	3.00	1.0
		3.0	2.50	1.0
		2.0	2.00	1.0
		2.0	2.00	1.0

New Assumption Table

% of Active Members Separating Within Next Year

Years of Service	General Employees	
	Males	Females
Under 1	14.00%	15.50%
1	10.40	14.00
2	7.50	7.50
3	5.50	7.50
4	5.50	5.80
5 - 6	5.50	5.30
7 - 9	3.00	5.30
10 - 14	2.70	3.20
15 & Over	1.40	2.80

% of Active Members Separating Within Next Year

Age	Years of Service	Police Officers
ALL	0	13.00%
	1	13.00
	2	8.00
Under 35	3	4.50
	4 & Over	3.50
		2.00
35 - 39		2.00
40 & Over		1.50

% of Active Members Separating Within Next Year

Age	Service	Firefighters
Under 35	ALL	2.40%
35 - 39		0.90
40 & Over		0.40

Rates of disability among active members are shown below and are a blend of 33.33% of the old table and 66.67% of the new table based on the Experience Study dated June 24, 2016. New table rates are equal to 150% of the current disability rates assumed by FRS. For General Employees 10% of disabilities are assumed to be service-connected, and for Police Officers and Firefighters 50% of disabilities are assumed to be service-connected. *This assumption was a blend of 66.67% of the old table and 33.33% of the new table in the previous valuation.*

Old Assumption Table

% Becoming Disabled Within Next Year

<u>Sample Ages</u>	<u>Male/Female</u>
20	0.064%
25	0.064
30	0.094
35	0.140
40	0.208
45	0.330
50	0.594
55	1.108
60	1.519
64	1.519

New Assumption Table

% Becoming Disabled Within Next Year

<u>Sample Ages</u>	<u>General Employees</u>				<u>Police Officers and Firefighters</u>			
	<u>Non Service-Connected</u>		<u>Service Connected</u>		<u>Non Service-Connected</u>		<u>Service Connected</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
20	0.000%	0.000%	0.000%	0.000%	0.030%	0.000%	0.015%	0.000%
25	0.015%	0.015%	0.001%	0.001%	0.030%	0.030%	0.015%	0.006%
30	0.015%	0.015%	0.001%	0.001%	0.045%	0.030%	0.015%	0.006%
35	0.030%	0.015%	0.001%	0.001%	0.045%	0.045%	0.015%	0.006%
40	0.030%	0.030%	0.001%	0.001%	0.045%	0.045%	0.030%	0.060%
45	0.120%	0.090%	0.006%	0.001%	0.045%	0.090%	0.090%	0.060%
50	0.240%	0.150%	0.009%	0.009%	0.120%	0.165%	0.210%	0.075%
55	0.375%	0.240%	0.009%	0.009%	0.075%	0.165%	0.150%	0.120%
60	0.450%	0.390%	0.015%	0.019%	0.075%	0.165%	0.210%	0.225%
64	0.150%	0.120%	0.015%	0.015%	0.075%	0.165%	0.450%	0.225%

Miscellaneous and Technical Assumptions

<i>Administrative & Investment Expenses</i>	The investment return assumption is intended to be the return net of investment expenses. Annual administrative expenses are assumed to be equal to a blend of 33.33% of 0.30% of covered payroll and 66.67% of the average of the prior two years' expenses. Assumed administrative expenses are added to the Normal Cost. <i>The assumed administrative expenses were a blend of 66.67% of 0.30% of covered payroll and 33.33% of the average of the prior two years' expenses in the previous valuation.</i>
<i>Benefit Service</i>	Service calculated based on completed months is used to determine the amount of benefit payable.
<i>Decrement Operation</i>	Disability and mortality decrements operate during retirement eligibility.
<i>Decrement Timing</i>	Decrements of all types are assumed to occur at the middle of the year.
<i>DROP Retirement</i>	Firefighters entering the DROP on or after October 1, 2017 are assumed to remain in the DROP for a period of three years.
<i>Eligibility Testing</i>	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
<i>Forfeitures</i>	For vested separations from service, it is assumed that members separating will only withdraw their contributions and forfeit an employer financed benefit if the value of their accumulated contributions exceeds the present value of their deferred monthly benefit. It was further assumed that the liability at termination is the greater of the vested deferred benefit (if any) or the member's accumulated contributions.
<i>Incidence of Contributions</i>	Employer contributions and Member contributions are assumed to be received continuously throughout the year based upon the computed percentages of payroll shown in this report, and the actual payroll payable at the time contributions are made.
<i>Marriage Assumption</i>	85% of males and 85% of females are assumed to be married for purposes of death-in-service benefits. Males are assumed to be three years older than their spouses for active member valuation purposes.
<i>Normal Form of Benefit</i>	A 10-year certain and life annuity is the normal form of benefit for Police and Fire. A 66.67% joint and contingent life annuity is the normal form of benefit for General Employees.
<i>Pay Increase Timing</i>	End of the year. Annual rates of pay as of the valuation date are assumed to be the full-year pays for the year beginning on the valuation date.
<i>Service Credit Accruals</i>	It is assumed that members accrue one year of service credit per year.

GLOSSARY

<i>Actuarial Accrued Liability (AAL)</i>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
<i>Actuarial Assumptions</i>	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members; and other items.
<i>Actuarial Cost Method</i>	A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.
<i>Actuarial Equivalent</i>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<i>Actuarial Present Value (APV)</i>	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made.
<i>Actuarial Present Value of Future Benefits (APVFB)</i>	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits, and inactive, nonretired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
<i>Actuarial Valuation</i>	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan.
<i>Actuarial Value of Assets</i>	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially determined contribution (ADC).
<i>Actuarially Determined Contribution (ADC)</i>	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under GASB. The ADC consists of the Employer Normal Cost and Amortization Payment.

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

Unfunded Actuarial Accrued Liability

The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.

Valuation Date

The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

SECTION C

PENSION FUND INFORMATION

Statement of Total Plan Assets at Market Value

Item	September 30	
	2017	2016
A. Cash and Cash Equivalents (Operating Cash)	\$ 9,626,076	\$ 7,710,839
B. Receivables:		
1. Accounts Receivable	\$ 969,333	\$ 1,011,401
2. Securities Lending Collateral	-	-
3. Investment Income and Other Receivables	318,092	1,827,382
4. Open Security Sales (Pending)	-	-
5. Total Receivables	<u>\$ 1,287,425</u>	<u>\$ 2,838,783</u>
C. Investments	\$ 1,581,352,219	\$ 1,440,098,115
D. Liabilities		
1. Open Security Purchases (Pending)	\$ -	\$ -
2. Securities Lending Collateral	-	-
3. Total Liabilities	<u>\$ -</u>	<u>\$ -</u>
E. Total Market Value of Assets	\$ 1,592,265,720	\$ 1,450,647,737

Reconciliation of Plan Assets by Plan

Item	September 30, 2017			
	General Employees	Police Officers	Firefighters	Total
A. Market Value of Assets at Beginning of Year	\$ 983,771,323	\$ 279,774,015	\$ 187,102,399	\$ 1,450,647,737
B. Revenues and Expenditures				
1. Contributions				
a. Member Contributions	\$ 5,160,466	\$ 3,482,689	\$ 3,270,190	\$ 11,913,345
b. Employer Contributions	14,486,086	6,996,392	4,969,506	26,451,984
c. Miscellaneous	355,830	108,924	66,616	531,370
d. Total	<u>\$ 20,002,382</u>	<u>\$ 10,588,005</u>	<u>\$ 8,306,312</u>	<u>\$ 38,896,699</u>
2. Investment Income				
a. Interest, Dividends, and Other Income	\$ 15,391,944	\$ 4,701,230	\$ 2,882,561	\$ 22,975,735
b. Net Appreciation in Fair Value of Investments	116,554,999	35,779,396	21,825,671	174,160,066
c. Investment Expenses	(4,799,039)	(1,464,887)	(898,598)	(7,162,524)
d. Net Investment Income	<u>\$ 127,147,904</u>	<u>\$ 39,015,739</u>	<u>\$ 23,809,634</u>	<u>\$ 189,973,277</u>
3. Benefits and Refunds				
a. Regular Monthly Benefits	\$ (54,633,763)	\$ (16,698,928)	\$ (13,668,578)	\$ (85,001,269)
b. Refunds	(269,177)	(104,711)	(65,357)	(439,245)
c. Total	<u>\$ (54,902,940)</u>	<u>\$ (16,803,639)</u>	<u>\$ (13,733,935)</u>	<u>\$ (85,440,514)</u>
4. Administrative and Miscellaneous Expenses	\$ (1,214,907)	\$ (369,598)	\$ (226,974)	\$ (1,811,479)
5. Transfers	\$ -	\$ -	\$ -	\$ -
C. Market Value of Assets at End of Year	\$ 1,074,803,762	\$ 312,204,522	\$ 205,257,436	\$ 1,592,265,720

Actuarial Value of Assets by Plan

Valuation Date – September 30, 2017	General Employees	Police Officers	Firefighters	Total
A. Actuarial Value of Assets Beginning of Year	\$ 995,919,000	\$ 277,773,000	\$ 190,332,000	\$1,464,024,000
B. Market Value End of Year	1,074,804,000	312,205,000	205,257,000	1,592,266,000
C. Market Value Beginning of Year	983,771,000	279,774,000	187,102,000	1,450,647,000
D. Non-Investment/Administrative Net Cash Flow	(36,115,000)	(6,585,000)	(5,655,000)	(48,355,000)
E. Investment Income				
E1. Actual Market Total: B-C-D	127,148,000	39,016,000	23,810,000	189,974,000
E2. Assumed Rate of Return	7.70%	7.70%	7.70%	7.70%
E3. Assumed Amount of Return	75,295,000	21,135,000	14,438,000	110,868,000
F. Actuarial Value of Assets End of Year				
F1. Expected Actuarial Value of Assets End of Year:				
A+D+E3	1,035,099,000	292,323,000	199,115,000	1,526,537,000
F2. Excess: B - F1	39,705,000	19,882,000	6,142,000	65,729,000
F3. Adjustment to Market: 20% x F2	7,941,000	3,976,000	1,228,000	13,145,000
F4. Preliminary Actuarial Value of Assets End of Year:				
F1 + F3	1,043,040,000	296,299,000	200,343,000	1,539,682,000
F5. Upper Corridor Limit: 120%*B	1,289,765,000	374,646,000	246,308,000	1,910,719,000
F6. Lower Corridor Limit: 80%*B	859,843,000	249,764,000	164,206,000	1,273,813,000
F7. Actuarial Value of Assets End of Year	1,043,040,000	296,299,000	200,343,000	1,539,682,000
G. Difference between Market & Actuarial Value of Assets	31,764,000	15,906,000	4,914,000	52,584,000
H. Actuarial Rate of Return	8.5%	9.1%	8.4%	8.6%
I. Market Value Rate of Return	13.2%	14.1%	12.9%	13.3%
J. Ratio of Actuarial Value of Assets to Market Value	97.0%	94.9%	97.6%	96.7%

Period Ending	Investment Rate of Return	
	Total Market Value	Total Actuarial Value
9/30/2004	11.0 %	8.2 %
9/30/2005	12.3	8.8
9/30/2006	11.9	9.4
9/30/2007	12.1	10.0
9/30/2008	(14.1)	4.8
9/30/2009	(2.4)	3.4
9/30/2010	9.6	4.5
9/30/2011	0.9	3.8
9/30/2012	21.1	6.6
9/30/2013	14.5	8.1
9/30/2014	10.4	8.6
9/30/2015	1.0	7.0
9/30/2016	9.5	7.5
9/30/2017	13.3	8.6
Average Returns:		
Last 5 Years	9.6 %	8.0 %
Last 10 Years	5.9 %	6.3 %
All Years Shown Above	7.6 %	7.1 %

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

SECTION D

FINANCIAL ACCOUNTING INFORMATION

ASC 960 INFORMATION					
A. Valuation Date	October 1, 2017				October 1, 2016 [#]
B. Actuarial Present Value of Accumulated Plan Benefits	<i>Total</i>	<i>General Employees</i>	<i>Police Officers</i>	<i>Firefighters</i>	<i>Total</i>
1. Vested Benefits					
a. Members Currently Receiving Payments	\$ 1,188,996,000	\$ 739,681,000	\$ 248,008,000	\$ 201,307,000	\$ 1,096,454,000
b. Terminated Vested Members	38,073,000	34,287,000	3,295,000	491,000	35,539,000
c. Other Members	349,625,000	255,931,000	59,779,000	33,915,000	342,099,000
d. Total	1,576,694,000	1,029,899,000	311,082,000	235,713,000	1,474,092,000
2. Non-Vested Benefits	34,442,000	23,452,000	7,754,000	3,236,000	33,168,000
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	1,611,136,000	1,053,351,000	318,836,000	238,949,000	1,507,260,000
4. Accumulated Contributions of Active Members	99,411,000	56,942,000	23,672,000	18,797,000	97,499,000
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits					
1. Total Value at October 1, 2016	1,507,260,000	983,624,000	298,586,000	225,050,000	1,300,455,000
2. Increase (Decrease) During the Period Attributable to:					
a. Plan Amendments	0	0	0	0	(981,000)
b. Change in Actuarial Assumptions	21,396,000	15,023,000	3,484,000	2,889,000	61,197,000
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	167,921,000	109,607,000	33,570,000	24,744,000	301,443,000
d. Benefits Paid	(85,441,000)	(54,903,000)	(16,804,000)	(13,734,000)	(154,854,000)
e. Net Increase	103,876,000	69,727,000	20,250,000	13,899,000	206,805,000
3. Total Value at October 1, 2017	1,611,136,000	1,053,351,000	318,836,000	238,949,000	1,507,260,000
D. Market Value of Assets	1,592,266,000	1,074,804,000	312,205,000	205,257,000	1,450,647,000
E. Funded Ratio Using Market Value	98.8%	102.0%	97.9%	85.9%	96.2%
F. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods					

Reflects all Actuarial Impact Statements through November 2017.

SECTION E

MISCELLANEOUS INFORMATION

RECONCILIATION OF TOTAL MEMBERSHIP DATA		
	From 10/1/16 To 10/1/17	From 10/1/14 To 10/1/16
A. Active Members		
1. Number Included in Last Valuation	2,592	2,576
2. New Members Included in Current Valuation	159	391
3. Non-Vested Employment Terminations	(81)	(110)
4. Vested Employment Terminations	(53)	(67)
5. DROP Retirement	(65)	(107)
6. Service Retirements	(31)	(82)
7. Disability Retirements	(5)	(3)
8. Deaths	(4)	(6)
9. Transfer	0	0
10. Rehire	<u>1</u>	<u>0</u>
11. Number Included in This Valuation	2,513	2,592
B. Terminated Vested Members		
1. Number Included in Last Valuation	261	238
2. Additions from Active Members	53	67
3. Lump Sum Payments/Refund of Contributions	(14)	(24)
4. Payments Commenced	(20)	(20)
5. Deaths	(1)	(1)
6. Rehire	(1)	0
7. Other - Data Corrections	<u>0</u>	<u>1</u>
8. Number Included in This Valuation	278	261
C. DROP Retirees, Service Retirees, Disability Retirees and Beneficiaries		
1. Number Included in Last Valuation	2,032	1,837
2. Additions from Active Members	101	192
3. Additions from Terminated Vested Members	20	20
4. Deaths	(45)	(72)
5. Additions from New Survivor Benefits	18	58
6. End of Certain Period - No Further Payments	(6)	(3)
7. Other	<u>0</u>	<u>0</u>
8. Number Included in This Valuation	2,120	2,032

RECONCILIATION OF MEMBERSHIP DATA BY PLAN FROM 10/1/16 TO 10/1/17				
	General Employees	Police Officers	Firefighters	Total
A. Active Members				
1. Number Included in Last Valuation	2,016	330	246	2,592
2. New Members Included in Current Valuation	136	15	8	159
3. Non-Vested Employment Terminations	(75)	(6)	0	(81)
4. Vested Employment Terminations	(50)	(1)	(2)	(53)
5. DROP Retirement	(37)	(8)	(20)	(65)
6. Service Retirements	(29)	(1)	(1)	(31)
7. Disability Retirements	(5)	0	0	(5)
8. Deaths	(3)	0	(1)	(4)
9. Transfer	(2)	2	0	0
10. Rehire	1	0	0	1
11. Number Included in This Valuation	<u>1,952</u>	<u>331</u>	<u>230</u>	<u>2,513</u>
B. Terminated Vested Members				
1. Number Included in Last Valuation	217	37	7	261
2. Additions from Active Members	50	1	2	53
3. Lump Sum Payments/Refund of Contributions	(11)	(1)	(2)	(14)
4. Payments Commenced	(15)	(5)	0	(20)
5. Deaths	(1)	0	0	(1)
6. Rehire	(1)	0	0	(1)
7. Other	0	0	0	0
8. Number Included in This Valuation	<u>239</u>	<u>32</u>	<u>7</u>	<u>278</u>
C. DROP Retirees, Service Retirees, Disability Retirees and Beneficiaries				
1. Number Included in Last Valuation	1,540	262	230	2,032
2. Additions from Active Members	71	9	21	101
3. Additions from Terminated Vested Members	15	5	0	20
4. Deaths	(32)	(3)	(10)	(45)
5. Additions from New Survivor Benefits	11	1	6	18
6. End of Certain Period - No Further Payments	(6)	0	0	(6)
7. Other	0	0	0	0
8. Number Included in This Valuation	<u>1,599</u>	<u>274</u>	<u>247</u>	<u>2,120</u>

**ACTIVE MEMBERS AS OF OCTOBER 1, 2017
GENERAL EMPLOYEES**

Age Group	Years of Service to Valuation Date									Earnings	
	0-1	1-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Total	Average
< 25	24	16	1	-	-	-	-	-	41	\$ 1,374,472	\$ 33,524
25-29	20	73	15	1	-	-	-	-	109	4,102,497	37,638
30-34	25	81	51	28	3	-	-	-	188	8,640,463	45,960
35-39	22	74	42	75	28	3	-	-	244	12,239,750	50,163
40-44	14	53	49	63	45	20	1	-	245	12,227,612	49,909
45-49	11	60	57	56	60	37	19	2	302	17,165,902	56,841
50-54	8	49	41	62	65	41	70	10	346	19,905,750	57,531
55-59	7	31	35	58	63	36	74	9	313	18,213,012	58,189
60-64	5	17	8	30	18	22	34	2	136	7,979,497	58,673
65-69	1	5	4	2	2	2	2	2	20	1,166,899	58,345
70+	-	3	-	2	2	1	-	-	8	683,662	85,458
Total	137	462	303	377	286	162	200	25	1,952	103,699,516	53,125

Average Age: 46.4

Average Service: 11.7

**ACTIVE MEMBERS AS OF OCTOBER 1, 2017
POLICE OFFICERS**

Age Group	Years of Service to Valuation Date									Earnings	
	0-1	1-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Total	Average
< 25	2	13	-	-	-	-	-	-	15	\$ 716,564	\$ 47,771
25-29	8	27	6	-	-	-	-	-	41	2,107,926	51,413
30-34	4	22	23	12	-	-	-	-	61	3,720,414	60,990
35-39	2	16	5	25	10	-	-	-	58	4,044,785	69,738
40-44	1	4	4	16	35	7	-	-	67	5,501,307	82,109
45-49	-	2	4	8	19	26	1	-	60	5,170,454	86,174
50-54	-	3	3	6	5	4	2	-	23	1,918,802	83,426
55-59	-	1	2	-	1	-	-	-	4	324,181	81,045
60-64	-	1	-	-	-	1	-	-	2	200,148	100,074
65-69	-	-	-	-	-	-	-	-	-	-	-
70+	-	-	-	-	-	-	-	-	-	-	-
Total	17	89	47	67	70	38	3	-	331	23,704,581	71,615

Average Age: 38.8

Average Service: 10.4

**ACTIVE MEMBERS AS OF OCTOBER 1, 2017
FIREFIGHTERS**

Age Group	Years of Service to Valuation Date									Earnings	
	0-1	1-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Total	Average
< 25	1	3	1	-	-	-	-	-	5	\$ 224,813	\$ 44,963
25-29	2	27	5	-	-	-	-	-	34	1,608,225	47,301
30-34	3	24	28	6	-	-	-	-	61	3,266,649	53,552
35-39	1	8	17	18	1	-	-	-	45	2,718,876	60,419
40-44	-	3	6	8	17	2	-	-	36	2,540,431	70,568
45-49	-	1	1	8	9	11	-	-	30	2,276,656	75,889
50-54	1	-	-	2	2	6	-	-	11	909,208	82,655
55-59	-	1	-	-	4	3	-	-	8	666,053	83,257
60-64	-	-	-	-	-	-	-	-	-	-	-
65-69	-	-	-	-	-	-	-	-	-	-	-
70+	-	-	-	-	-	-	-	-	-	-	-
Total	8	67	58	42	33	22	-	-	230	14,210,911	61,787

Average Age: 37.9

Average Service: 9.4

ACTIVE MEMBERS AS OF OCTOBER 1, 2017
ALL MEMBERS

Age Group	Years of Service to Valuation Date									Earnings	
	0-1	1-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Total	Average
< 25	27	32	2	-	-	-	-	-	61	\$ 2,315,849	\$ 37,965
25-29	30	127	26	1	-	-	-	-	184	7,818,648	42,493
30-34	32	127	102	46	3	-	-	-	310	15,627,527	50,411
35-39	25	98	64	118	39	3	-	-	347	19,003,411	54,765
40-44	15	60	59	87	97	29	1	-	348	20,269,350	58,245
45-49	11	63	62	72	88	74	20	2	392	24,613,012	62,788
50-54	9	52	44	70	72	51	72	10	380	22,733,760	59,826
55-59	7	33	37	58	68	39	74	9	325	19,203,245	59,087
60-64	5	18	8	30	18	23	34	2	138	8,179,645	59,273
65-69	1	5	4	2	2	2	2	2	20	1,166,899	58,345
70+	-	3	-	2	2	1	-	-	8	683,662	85,458
Total	162	618	408	486	389	222	203	25	2,513	141,615,008	56,353

Average Age: 44.6

Average Service: 11.3

**INACTIVE MEMBERS AS OF OCTOBER 1, 2017
GENERAL EMPLOYEES**

Age	<u>Terminated Vested</u>		<u>Disabled</u>		<u>Retired</u>		<u>Survivor Beneficiaries</u>		<u>Grand Total</u>	
	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits
Under 25	0	0	0	0	0	0	11	68,059	11	68,059
25 - 29	0	0	0	0	0	0	1	20,019	1	20,019
30 - 34	8	69,274	0	0	0	0	2	22,992	10	92,266
35 - 39	27	290,711	1	18,212	0	0	2	25,792	30	334,715
40 - 44	26	370,636	4	91,998	0	0	2	16,812	32	479,446
45 - 49	28	412,709	1	41,795	6	217,493	4	40,881	39	712,878
50 - 54	65	1,402,444	3	100,907	43	1,664,441	4	86,378	115	3,254,170
55 - 59	60	1,167,386	7	135,313	132	5,249,907	25	435,441	224	6,988,047
60 - 64	25	398,845	14	360,285	320	11,883,624	27	791,162	386	13,433,916
65 - 69	0	0	10	232,402	371	13,849,025	32	815,654	413	14,897,081
70 - 74	0	0	7	210,039	239	8,887,952	24	500,298	270	9,598,289
75 - 79	0	0	1	22,999	123	4,118,392	30	808,486	154	4,949,877
80 - 84	0	0	0	0	62	2,171,185	17	394,468	79	2,565,653
85 - 89	0	0	0	0	31	933,653	20	519,363	51	1,453,016
90 - 94	0	0	0	0	11	198,325	9	171,630	20	369,955
95 - 99	0	0	0	0	1	34,427	1	34,748	2	69,175
100 & Over	0	0	0	0	0	0	1	7,362	1	7,362
Total	239	4,112,005	48	1,213,950	1,339	49,208,424	212	4,759,545	1,838	59,293,924
 Average Age:		50.7		61.1		67.9		67.9		65.5

**INACTIVE MEMBERS AS OF OCTOBER 1, 2017
POLICE OFFICERS**

Age	<u>Terminated Vested</u>		<u>Disabled</u>		<u>Retired</u>		<u>Survivor Beneficiaries</u>		<u>Grand Total</u>	
	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits
Under 25	0	0	0	0	0	0	0	0	0	0
25 - 29	0	0	0	0	0	0	0	0	0	0
30 - 34	4	39,344	0	0	0	0	0	0	4	39,344
35 - 39	6	92,364	0	0	0	0	0	0	6	92,364
40 - 44	6	103,888	0	0	0	0	0	0	6	103,888
45 - 49	9	96,818	2	55,317	10	650,339	1	52,431	22	854,905
50 - 54	7	119,164	0	0	56	3,980,159	0	0	63	4,099,323
55 - 59	0	0	1	63,615	66	4,310,605	2	116,796	69	4,491,016
60 - 64	0	0	0	0	37	2,435,995	4	159,204	41	2,595,199
65 - 69	0	0	0	0	33	2,022,598	2	130,481	35	2,153,079
70 - 74	0	0	0	0	29	1,564,123	3	148,866	32	1,712,989
75 - 79	0	0	0	0	11	609,832	2	103,808	13	713,640
80 - 84	0	0	0	0	8	455,157	1	24,042	9	479,199
85 - 89	0	0	0	0	5	162,927	0	0	5	162,927
90 - 94	0	0	0	0	0	0	1	53,955	1	53,955
95 - 99	0	0	0	0	0	0	0	0	0	0
100 & Over	0	0	0	0	0	0	0	0	0	0
Total	32	451,578	3	118,932	255	16,191,735	16	789,583	306	17,551,828
 Average Age:		44.2		51.0		62.0		68.7		60.3

**INACTIVE MEMBERS AS OF OCTOBER 1, 2017
FIREFIGHTERS**

Age	<u>Terminated Vested</u>		<u>Disabled</u>		<u>Retired</u>		<u>Survivor Beneficiaries</u>		<u>Grand Total</u>	
	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits
Under 25	0	0	0	0	0	0	0	0	0	0
25 - 29	1	9,953	0	0	0	0	0	0	1	9,953
30 - 34	1	7,583	0	0	0	0	0	0	1	7,583
35 - 39	1	6,115	0	0	0	0	0	0	1	6,115
40 - 44	2	15,270	0	0	0	0	0	0	2	15,270
45 - 49	1	24,258	0	0	8	597,248	1	47,081	10	668,587
50 - 54	1	7,779	0	0	44	2,699,856	1	28,420	46	2,736,055
55 - 59	0	0	0	0	56	3,291,301	1	64,982	57	3,356,283
60 - 64	0	0	1	34,052	47	2,901,667	0	0	48	2,935,719
65 - 69	0	0	0	0	24	1,400,580	1	24,550	25	1,425,130
70 - 74	0	0	0	0	18	859,409	2	125,352	20	984,761
75 - 79	0	0	0	0	13	661,998	6	234,780	19	896,778
80 - 84	0	0	0	0	9	570,909	5	188,182	14	759,091
85 - 89	0	0	0	0	6	318,978	1	29,155	7	348,133
90 - 94	0	0	0	0	1	70,820	2	83,812	3	154,632
95 - 99	0	0	0	0	0	0	0	0	0	0
100 & Over	0	0	0	0	0	0	0	0	0	0
Total	7	70,958	1	34,052	226	13,372,766	20	826,314	254	14,304,090
 Average Age:		40.8		62.0		62.7		76.2		63.1

INACTIVE MEMBERS AS OF OCTOBER 1, 2017
ALL MEMBERS

Age	<u>Terminated Vested</u>		<u>Disabled</u>		<u>Retired</u>		<u>Survivor Beneficiaries</u>		<u>Grand Total</u>	
	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits
Under 25	0	0	0	0	0	0	11	68,059	11	68,059
25 - 29	1	9,953	0	0	0	0	1	20,019	2	29,972
30 - 34	13	116,201	0	0	0	0	2	22,992	15	139,193
35 - 39	34	389,190	1	18,212	0	0	2	25,792	37	433,194
40 - 44	34	489,794	4	91,998	0	0	2	16,812	40	598,604
45 - 49	38	533,785	3	97,112	24	1,465,080	6	140,393	71	2,236,370
50 - 54	73	1,529,387	3	100,907	143	8,344,456	5	114,798	224	10,089,548
55 - 59	60	1,167,386	8	198,928	254	12,851,813	28	617,219	350	14,835,346
60 - 64	25	398,845	15	394,337	404	17,221,286	31	950,366	475	18,964,834
65 - 69	0	0	10	232,402	428	17,272,203	35	970,685	473	18,475,290
70 - 74	0	0	7	210,039	286	11,311,484	29	774,516	322	12,296,039
75 - 79	0	0	1	22,999	147	5,390,222	38	1,147,074	186	6,560,295
80 - 84	0	0	0	0	79	3,197,251	23	606,692	102	3,803,943
85 - 89	0	0	0	0	42	1,415,558	21	548,518	63	1,964,076
90 - 94	0	0	0	0	12	269,145	12	309,397	24	578,542
95 - 99	0	0	0	0	1	34,427	1	34,748	2	69,175
100 & Over	0	0	0	0	0	0	1	7,362	1	7,362
Total	278	4,634,541	52	1,366,934	1,820	78,772,925	248	6,375,442	2,398	91,149,842
 Average Age:	 49.7		 60.5		 66.4		 68.6		 64.6	

SECTION F

SUMMARY OF PLAN PROVISIONS

SUMMARY OF PLAN PROVISIONS

GENERAL EMPLOYEES

A. Ordinances

The Plan was established under the Code of Ordinances for the City of Tallahassee, Florida, Chapter 14, Article II. The Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

B. Effective Date

Not Available.

C. Plan Year

October 1 through September 30

D. Type of Plan

Qualified, governmental defined benefit retirement plan; for GASB purposes it is a multiple employer cost-sharing plan.

E. Eligibility Requirements

All regular full-time or part-time municipal employees in an approved budgeted position as well as elected officials.

F. Credited Service

Credited Service is measured as the total number of days (considered as 1/365 of a year, ignoring the impact of a leap year) of full-time service with the City during which time prescribed employee contributions are made. Members may purchase up to 5 years of military service or service with another public employer. No service is credited for any periods of employment for which the member received a refund of their contributions.

G. Compensation

Amounts actually paid to participants, including overtime, standby and call-back pay, tool allowance, worker's compensation salary differential, holiday pay, vacation pay up 240 hours, National Institute of Automotive Service Excellence Certification Supplement, differential pay for 'acting' status, leadworker differential, longevity/merit bonuses, and severance pay paid as a continuation of salary.

H. Average Final Compensation (AFC)

For Part C participants (hired prior to 4/1/2013): The average of Compensation shall be the higher of:

- (1) The final 3 years of Credited Service;
- (2) Any consecutive 3 years during the period January 1987 through December 2005 escalated by three percent from the end of the 3-year period to December 2005; or
- (3) Any consecutive 3 years during the period January 1987 to the point of retirement.

For Part D participants (hired on or after 4/1/2013): The average of Compensation shall be the highest consecutive five 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 earliest of:

For Part C participants:

- (1) Age 62 and 5 years of Credited Service; or
- (2) 30 years of Credited Service, regardless of age.

For Part D participants:

- (1) Age 65 and 5 years of Credited Service; or
- (2) 33 years of Credited Service, regardless of age.

Part C participants who were previously participants in Part B are also eligible for Normal Retirement at age 60 and 7 years of Credited Service.

Benefit: 2.25% of AFC multiplied by years of Credited Service, 3.0% for each year of pension participation as an Elected Official, and 2.0% for each year of purchased Military and out-of-city public service.

Part C participants who were previously participants in Part B may receive the greater of the above benefit or AFC multiplied by the accrual percentage rate of:

- (1) 1.5% for each year of Credited Service through age 34,
- (2) 2.0% for each year of Credited Service from age 35 through age 49, and
- (3) 2.5% for each year of participation for age 50 and beyond.
- (4) Maximum accrual percentage is 75%.

The maximum benefit is 81% of AFC for all General Employees.

Normal Form

of Benefit: 66-2/3% Joint and Survivor option; other options are also available.

Health Care

Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service (not in excess of 30) commencing at retirement but not before age 55 (not before age 50 if retiring after completion of 30 or 33 years of service).

COLA: Each retiree will receive a 3.0% increase in benefits on each October 1st starting:
(1) at the later of normal retirement date, or age 55 (if retiring under age and service eligibility) or age 50 (if retiring under service eligibility) for Part C participants, or
(2) at the later of normal retirement date or age 65 for Part D participants.

J. Early Retirement

Eligibility: A member may elect to retire earlier than the Normal Retirement Eligibility after attainment of

For Part C participants:

- (1) Age 55 and 5 years of Credited Service; or
- (2) 25 years of Credited Service, regardless of age.

For Part D participants:

- (1) Age 58 and 5 years of Credited Service; or
- (2) 28 years of Credited Service, regardless of age.

Benefit: If member is retiring under the age and service eligibility, the Normal Retirement Benefit is reduced by 4.8% per year for each year by which the Early Retirement date precedes the Normal Retirement date. If member is retiring under the service eligibility, the Normal Retirement Benefit is reduced by 5.0% per year for each year by which the Early Retirement date precedes the Normal Retirement date.

Part C participants who were previously participants in Part B may have their Normal Retirement benefit reduced by 2.4% per year for each year by which the Early Retirement date precedes the Part B Normal Retirement date.

Normal Form of Benefit: 66-2/3% Joint and Survivor option; other options are also available.

Health Care Supplement: Same as Normal Retirement.

COLA: Same as Normal Retirement.

K. Delayed Retirement

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

L. Service Connected Disability

Eligibility: Any member who 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: The greater of:
(1) the member's accrued benefit to date of disability, and
(2) the member's benefit with service projected to normal retirement date not to exceed 50% of AFC in effect on the date of disability.

Normal Form of Benefit: 66-2/3% Joint and Survivor option; other options are also available.

Health Care Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service (not in excess of 30).

COLA: Each disabled retiree will receive a 3.0% increase in benefits on October 1st of each year.

M. Non-Service Connected Disability

Eligibility: Any member with 5 years of Credited Service who becomes totally and permanently disabled (non-service related) is immediately eligible for a disability benefit.

Benefit: The greater of:
(1) the member's accrued benefit to date of disability, and
(2) the member's benefit with service projected to normal retirement date not to exceed 50% of AFC in effect on the date of disability.

Normal Form of Benefit: 66-2/3% Joint and Survivor option; other options are also available.

Health Care Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service (not in excess of 30).

COLA: Each disabled retiree will receive a 3.0% increase in benefits on October 1st of each year.

N. Service Connected Pre-Retirement Death

Eligibility: Any member whose death is determined to be the result of a service incurred injury is eligible for survivor benefits regardless of Credited Service.

Benefit: Single lump sum payment of the greater of 50% of the member's base salary in effect on the date of death, \$50,000, or a refund of accumulated contributions.

In addition to the above, if the member has a legal spouse, the spouse may elect to receive either:

- (1) a monthly annuity of 25% of the member's monthly base salary, and a monthly payment of 10% of the member's monthly base salary to each dependent child until they reach age 22. The maximum payment to the member's children shall not exceed 50% of monthly base salary, or
- (2) a monthly annuity of 50% of the member's monthly base salary.

If the member had attained retirement eligibility at the time of his death, the spouse may elect the above or the member's accrued benefit under the joint and contingent full option.

Normal Form
of Benefit: Payable for the life of the beneficiary.

Health Care
Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service (not in excess of 30).

COLA: Each beneficiary will receive a 3.0% increase in benefits on October 1st of each year.

O. Other Pre-Retirement Death

Eligibility: All members whose death is not service related and which occurs on or prior to Normal or actual retirement date while in service.

Benefit: Single lump sum payment of the greater of 50% of the member's base salary in effect on the date of death, \$50,000, or a refund of accumulated contributions.

In addition to the above, if the member has 5 years of service with the City and a legal spouse, the spouse will receive a monthly annuity of 25% of the member's monthly base salary, and a monthly payment of 10% of the member's monthly base salary to each dependent child until they reach age 22. The maximum payment to the member's children shall not exceed 50% of monthly base salary.

If the member had attained retirement eligibility at the time of death, the spouse may elect the above or the member's accrued benefit under the joint and contingent full option.

Normal Form
of Benefit: Payable for the life of the beneficiary.

Health Care
Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service (not in excess of 30).

COLA: Each beneficiary will receive a 3.0% increase in benefits on October 1st of each year.

P. Post Retirement Death

Benefit determined by the form of benefit elected upon retirement.

Q. Optional Forms

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are a Life Annuity, 10 Year Certain and Life Annuity, 15 Year Certain and Life Annuity, 20 Year Certain and Life Annuity, and 50%, 75% and 100% Joint and Survivor options.

R. Vested Termination

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 5 years of Credited Service.

Benefit: The benefit is the member's accrued Normal Retirement Benefit. The benefit begins on the date that would have been the member's Normal Retirement date based on years of Credited Service at the termination date.

For Part C participants: If a member has 10 years of Credited Service and was hired prior to June 1, 2005, the member's accrued Normal Retirement benefit shall be increased by 3% each year from the date of separation until age 62.

Normal Form of Benefit: 66-2/3% Joint and Survivor option; other options are also available.

Health Care Supplement: Same as Normal Retirement.

COLA: Same as Normal Retirement.

S. Refunds

Members terminating employment with less than 5 years of Credited Service will receive a refund of the member's contributions with interest at a rate of 6.0% per annum.

T. Member Contributions

3.75% of Compensation; picked up by the employer. Effective October 28, 2017, the member contribution rate is increased by 1.25%, to 5.00%.

Effective June 1, 2017, all General Employees participating in the Deferred Retirement Option Program shall not contribute to the Plan.

U. Employer Contributions

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

V. Cost of Living Increases

Each retiree and vested/deferred retiree who retires or enters the DROP will receive a 3.0% increase in benefits on each October 1st starting:

- (1) at the later of normal retirement date, or age 55 (if retiring under age and service eligibility) or age 50 (if retiring under service eligibility) for Part C participants, or
- (2) at the later of normal retirement date or age 65 for Part D participants.

Each disability retiree and beneficiary will receive a 3.0% increase in benefits on each October 1st of each year.

W. Deferred Retirement Option Plan

Eligibility: Same as Normal Retirement.

Benefit: The member's Credited Service and AFC 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 AFC.

Maximum
DROP Period: 60 months.

Interest
Credited: The actual rate of return earned on the assets in each individual DROP account.

Normal Form
of Benefit: Lump Sum, Direct Rollover, or Partial Lump Sum with a Direct Rollover of the remaining balance.

COLA: Same as Normal Retirement.

X. Other Ancillary Benefits

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

Y. Changes from Previous Valuation

The following changes were reflected in an Actuarial Impact Statement.

Effective October 28, 2017, the General Employees' employee contribution rate is increased by 1.25%, from 3.75% to 5.00%.

Effective June 1, 2017, all General Employees participating in the Deferred Retirement Option Program shall not contribute to the Plan.

SUMMARY OF PLAN PROVISIONS

POLICE OFFICERS

A. Ordinances

The Plan was established under the Code of Ordinances for the City of Tallahassee, Florida, Chapter 14, Article III, The Plan is also governed by certain provisions of Chapter 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

B. Effective Date

Not Available.

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

Any police officer employed by the city on a regular full-time basis in an approved budgeted position.

F. Credited Service

Service is measured as the total number of days (considered as 1/365 of a year, ignoring the impact of a leap year) of full-time service with the City during which time prescribed employee contributions are made. Members may purchase up to 5 years of military service or service with another public employer. No service is credited for any periods of employment for which the member received a refund of their contributions.

G. Compensation

Amounts actually paid to participants, including standby and call-back pay, holiday pay, vacation pay up to six weeks based on the average workweek, police educational incentive supplements, differential pay for 'acting' status, differential pay for staff position, longevity/merit bonuses, and severance pay paid as a continuation of salary.

H. Average Final Compensation (AFC)

The average of Compensation shall be the

- (1) The final 3 years of Credited Service;
- (2) Any consecutive 3 years during the period January 1987 through December 2005 escalated by three percent from the end of the 3-year period to December 2005; or
- (3) Any consecutive 3 years during the period January 1987 to the point of retirement.

I. Normal Retirement

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

- (1) Age 55 and 5 years of Credited Service; or
- (2) 25 years of Credited Service regardless of age.

Benefit: AFC multiplied by accrual percentage rate. Accrual rates for each year of service are:

- (1) 2.0% for purchased military and out-of-city public service,
- (2) 3.0% for the first 20 years of Credited Service, and
- (3) 4.0% after 20 years of Credited Service (up to an additional five years and three months).

The maximum benefit is 81% of AFC for all Police Officers.

Normal Form

of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care

Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service (not in excess of 30).

COLA: Each retiree will receive a 3.0% increase in benefits on each October 1st starting:

- (1) at the later of normal retirement date or age 52 for current active participants with a pension entry date earlier than January 1, 1998; or
- (2) at the later of normal retirement date or age 62 for current active participants with a pension entry date on or after January 1, 1998; or
- (3) at the normal retirement date for participants retiring on or after reaching age 55.

J. Early Retirement

Eligibility: A member may elect to retire earlier than the Normal Retirement Eligibility after attainment of age 50 with 5 years of Credited Service, or after completion of 20 years of Credited Service.

Benefit: If member is retiring after attainment of age 50 and 5 years of Credited Service eligibility, the Normal Retirement Benefit is reduced by 3.0% per year for each year by which the Early Retirement date precedes the Normal Retirement date. If the member is retiring after attainment of 20 years of Credited Service, the Normal Retirement Benefit is reduced by 7.2% per year for each year by which the Early Retirement date precedes the 25 years of service attainment date.

Normal Form

of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care

Supplement: Same as Normal Retirement.

COLA: Same as Normal Retirement.

K. Delayed Retirement

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

L. Service Connected Disability

Eligibility: Any member who 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: The greater of:
(1) the member's accrued benefit to the date of disability, or
(2) the member's benefit with service projected to the normal retirement date not to exceed 50% of AFC in effect on the date of disability.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service projected to normal retirement date (not in excess of 30).

COLA: Same as Normal Retirement.

M. Non-Service Connected Disability

Eligibility: Any member with 2 years of Credited Service who becomes totally and permanently disabled is immediately eligible for a disability benefit.

Benefit: The greater of:
(1) the member's accrued benefit to the date of disability, or
(2) the member's benefit with service projected to the normal retirement date not to exceed 50% of AFC in effect on the date of disability.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service projected to normal retirement date (not in excess of 30).

COLA: Same as Normal Retirement.

N. Death in the Line of Duty

Eligibility: Any member whose death is determined to be the result of a service incurred injury is eligible for survivor benefits regardless of Credited Service.

Benefit: Single lump sum payment equal to the member's monthly base salary multiplied by 2.0% multiplied by service projected to age 55 multiplied by 100, maximum \$400,000.

If the member has a legal spouse, the spouse receives an option of electing:

- (1) lump sum death benefit as described above;
- (2) member's benefit calculated as the amount the member would have received had the member remained in service until the earlier of 25 years of Credited Service or age 60, received future salary increases of 3.0% each year and elected the joint and contingent full option; and
- (3) monthly benefit equal to 50% of AFC at the date of death.

If the member had attained retirement eligibility at the time of death, the spouse may elect the member's accrued benefit under the joint and contingent full option.

Normal Form
of Benefit: Payable for the life of the beneficiary.

Health Care
Supplement: Same as Normal Retirement.

COLA: Same as Normal Retirement.

O. Other Pre-Retirement Death

Eligibility: All members whose death is not service related and which occurs on or prior to Normal or actual retirement date while in service.

Benefit: Single lump sum payment equal to the member's monthly base salary multiplied by 2.0% multiplied by service projected to age 55 multiplied by 100, maximum \$400,000.

If the member had attained retirement eligibility at the time of death, the spouse may elect the member's accrued benefit under the joint and contingent full option.

Normal Form
of Benefit: Lump Sum (or life annuity if member had attained retirement eligibility at the time of death and spouse elects to receive the member's accrued benefit).

Health Care
Supplement: None.

COLA: None.

P. Post Retirement Death

Benefit determined by the form of benefit elected upon retirement.

Q. Optional Forms

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are a Life Annuity, 15 Year Certain and Life Annuity, 20 Year Certain and Life Annuity, and 50%, 66 2/3%, 75% and 100% Joint and Survivor options.

R. Vested Termination

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 5 years of Credited Service.

Benefit: The benefit is the member's accrued Normal Retirement Benefit. The benefit begins on the date that would have been the member's Normal Retirement date based on years of Credited Service at the termination date.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care Supplement: Same as Normal Retirement.

COLA: Same as Normal Retirement.

S. Refunds

Members terminating employment with less than 5 years of Credited Service will receive a refund of the member's contributions with interest at a rate of 6.0% per annum.

T. Member Contributions

<u>Effective Date</u>	<u>Contribution Rate</u>
October 1, 2007	5.95% of Compensation
October 1, 2008	6.60
October 1, 2009	7.25
October 1, 2010	7.90
October 1, 2011	8.55
October 1, 2012*	9.20
October 1, 2013*	10.45
October 1, 2014*	11.25

*Employees hired on or after 10/1/2012 contribute 2.44% of Compensation more than the above rates (11.64% of Compensation effective October 1, 2012, 12.89% of Compensation effective October 1, 2013, and 13.69% of Compensation effective October 1, 2014).

U. Employer Contributions

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

V. Cost of Living Increases

Each retiree, beneficiary, vested/deferred and disability retiree who retires or enters the DROP will receive a 3.0% increase in benefits on each October 1st starting:

- (1) at the later of normal retirement date or age 52 for current active participants with a pension entry date earlier than January 1, 1998; or
- (2) at the later of normal retirement date or age 62 for current active participants with a pension entry date on or after January 1, 1998.

W. Deferred Retirement Option Plan

Eligibility: Same as Normal Retirement.

Benefit: The member's Credited Service and AFC 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 AFC.

Maximum

DROP Period: 36 months for members entering the DROP before October 1, 2013; 60 months for members entering the DROP on or after October 1, 2013.

Interest

Credited: The actual rate of return earned on the assets in each individual DROP account.

Normal Form

of Benefit: Lump Sum, Direct Rollover, or Partial Lump Sum with a Direct Rollover of the remaining balance.

COLA: Same as Normal Retirement.

X. Other Ancillary Benefits

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

Y. Changes from Previous Valuation

None.

SUMMARY OF PLAN PROVISIONS

FIREFIGHTERS

A. Ordinances

The Plan was established under the Code of Ordinances for the City of Tallahassee, Florida, Chapter 50, Article IV. The Plan is also governed by certain provisions of Chapter 175, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

B. Effective Date

Not Available.

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

Any firefighter employed by the city on a regular full-time basis in an approved budgeted position.

F. Credited Service

Service is measured as the total number of days (considered as 1/365 of a year, ignoring the impact of a leap year) of full-time service with the City during which time prescribed employee contributions are made. Members may purchase up to 5 years of military service or service with another public employer. No service is credited for any periods of employment for which the member received a refund of their contributions.

G. Compensation

Amounts actually paid to participants, including standby and call-back pay, holiday pay, vacation pay up to six weeks based on the average workweek, differential pay for 'acting' status, differential pay for staff position, longevity/merit bonuses, and severance pay paid as a continuation of salary.

H. Average Final Compensation (AFC)

For Part C Participants (hired prior to 10/1/2017): The average of Compensation shall be the

- (1) The final 3 years of Credited Service;
- (2) Any consecutive 3 years during the period January 1987 through December 2005 escalated by three percent from the end of the 3-year period to December 2005; or
- (3) Any consecutive 3 years during the period January 1987 to the point of retirement.

For Part D participants (hired on or after 10/1/2017): The average of Compensation shall be the highest consecutive five 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 earliest of:

- (1) Age 55 and 5 years of Credited Service; or
- (2) 25 years of Credited Service regardless of age.

Benefit: AFC multiplied by accrual percentage rate. Accrual rates for each year of service are:

For Part C participants:

- (1) 2.0% for purchased military and out-of-city public service,
- (2) 3.0% for the first 20 years of Credited Service, and
- (3) 4.0% after 20 years of Credited Service (up to an additional five years and three months).

For Part D participants:

- (1) 2.0% for purchased military and out-of-city public service, and
- (2) 3.0% for each year of Credited Service.

The maximum benefit is 81% of AFC for all firefighters.

Normal Form

of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care

Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service (not in excess of 30).

COLA: Each member will receive a 3.0% increase in benefits on October 1st of each year starting:

- (1) at the later of normal retirement date, or age 52 for Part C participants, or
- (2) at the later of normal retirement date, or age 62 for Part D participants.

J. Early Retirement

Eligibility: A member may elect to retire earlier than the Normal Retirement Eligibility after attainment of age 50 with 5 years of Credited Service, or after completion of 20 years of Credited Service.

Benefit: If member is retiring after attainment of age 50 with 5 years of Credited Service eligibility, the Normal Retirement Benefit is reduced by 3.0% per year for each year by which the Early Retirement date precedes the Normal Retirement date. If the member is retiring after attainment of 20 years of Credited Service, the Normal Retirement Benefit is reduced by 6.8% per year for each year by which the Early Retirement date precedes the 25 years of service attainment date.

Normal Form
of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care
Supplement: Same as Normal Retirement.

COLA: Same as Normal Retirement.

K. Delayed Retirement

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

L. Service Connected Disability

Eligibility: Any member who 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: The greater of:
(1) the member's accrued benefit to the date of disability, or
(2) the member's benefit with service projected to the normal retirement date not to exceed 50% of AFC on the date of disability.

Normal Form
of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care
Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service projected to normal retirement date (not in excess of 30).

COLA: Same as Normal Retirement.

M. Non-Service Connected Disability

Eligibility: Any member with 2 years of Credited Service who becomes totally and permanently disabled is immediately eligible for a disability benefit.

Benefit: The greater of:
(1) the member's accrued benefit to the date of disability, or
(2) the member's benefit with service projected to the normal retirement date not to exceed 50% of AFC in effect on the date of disability.

Normal Form
of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care

Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service projected to normal retirement date (not in excess of 30).

COLA: Same as Normal Retirement.

N. Death in the Line of Duty

Eligibility: Any member whose death is determined to be the result of a service incurred injury is eligible for survivor benefits regardless of Credited Service.

Benefit: Single lump sum payment equal to the member's monthly base salary multiplied by 2.0% multiplied by service projected to age 55 multiplied by 100, maximum \$400,000.

If the member has a legal spouse, the spouse receives an option of electing:

- (1) lump sum death benefit as described above;
- (2) member's benefit calculated as the amount the member would have received had the member remained in service until the earlier of 25 years of Credited Service or age 60, received future salary increases of 3.0% each year and elected the joint and contingent full option; and
- (3) monthly benefit equal to 50% of AFC at the date of death.

If the member had attained retirement eligibility at the time of his death, the spouse may elect the member's accrued benefit under the joint and contingent full option.

Normal Form

of Benefit: Payable for the life of the beneficiary.

Health Care

Supplement: Same as Normal Retirement.

COLA: Same as Normal Retirement.

O. Other Pre-Retirement Death

Eligibility: All members whose death is not service related and which occurs on or prior to Normal or actual retirement date while in service.

Benefit: Single lump sum payment equal to the member's monthly base salary multiplied by 2.0% multiplied by service projected to age 55 multiplied by 100, maximum \$400,000.

If the member had attained retirement eligibility at the time of death, the spouse may elect the member's accrued benefit under the joint and contingent full option.

Normal Form

of Benefit: Lump Sum (or life annuity if member had attained retirement eligibility at the time of death and spouse elects to receive the member's accrued benefit).

Health Care
Supplement: None.

COLA: None.

P. Post Retirement Death

Benefit determined by the form of benefit elected upon retirement.

Q. Optional Forms

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are a Life Annuity, 15 Year Certain and Life Annuity, 20 Year Certain and Life Annuity, and 50%, 66-2/3%, 75% and 100% Joint and Survivor options.

R. Vested Termination

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 5 years of Credited Service for Part C participants, or after the completion of 10 years of Credited Service for Part D participants.

Benefit: The benefit is the member's accrued Normal Retirement Benefit. The benefit begins on the date that would have been the member's Normal Retirement date based on years of Credited Service at the termination date.

Normal Form
of Benefit: 10 Years Certain and Life thereafter; other options are also available.

Health Care
Supplement: Same as Normal Retirement.

COLA: Same as Normal Retirement.

S. Refunds

Members terminating employment with less than 5 years of Credited Service will receive a refund of the member's contributions without interest.

T. Member Contributions

<u>From</u>	<u>Until</u>	<u>Contribution Rate</u>
October 1, 2007	September 30, 2008	10.08% of Compensation
October 1, 2008	September 30, 2009	10.12
October 1, 2009	September 30, 2010	10.91
October 1, 2010	September 30, 2011	11.95
October 1, 2011	September 30, 2012	12.99
October 1, 2012	September 30, 2013	14.16
October 1, 2013	September 30, 2014	15.33

<u>From</u>	<u>Until</u>	<u>Contribution Rate</u>
October 1, 2014	September 30, 2015	16.50
October 1, 2015	September 30, 2016	17.67
October 1, 2016	September 30, 2017	17.34
October 1, 2017	September 30, 2018	17.47
October 1, 2018	September 30, 2019	19.08
October 1, 2019	Thereafter	20.69

Effective October 1, 2017, all Firefighters participating in the Deferred Retirement Option Program shall not contribute to the Plan.

U. Employer Contributions

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

V. Cost of Living Increases

Each retiree, beneficiary, vested/deferred and disability retiree who retires will receive a 3.0% increase in benefits on October 1st starting:

- (1) at the later of normal retirement date or age 52 for Part C participants, or
- (2) at the later of normal retirement date or age 62 for Part D participants.

For members who enter the DROP on or after October 1, 2017, no COLA will be paid until after the member exits the DROP.

W. Deferred Retirement Option Plan

Eligibility: Same as Normal Retirement.

Benefit: The member's Credited Service and AFC 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 AFC.

Maximum
DROP Period: 60 months.

Interest
Credited: The actual rate of return earned on the assets in each individual DROP account.

Normal Form
of Benefit: Lump Sum, Direct Rollover, or Partial Lump Sum with a Direct Rollover of the remaining balance.

COLA: Same as Normal Retirement if the member entered the DROP before October 1, 2017. None while the member is in the DROP if entered the DROP on or after October 1, 2017.

X. Other Ancillary Benefits

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

Y. Changes from Previous Valuation

The following changes were reflected in an Actuarial Impact Statement:

The member contribution rate was decreased from a schedule of 18.84% of Compensation from October 1, 2016 through September 30, 2017 and thereafter increasing by 0.13% each year until October 1, 2036, when it reaches 21.44% of Compensation, to 17.34% of Compensation from October 1, 2016 through September 30, 2017, 17.47% of Compensation from October 1, 2017 through September 30, 2018, 19.08% of Compensation from October 1, 2018 through September 30, 2019, and 20.69% of Compensation from October 1, 2019 and thereafter.

Effective October 1, 2017, all Firefighters participating in the Deferred Retirement Option Program shall not contribute to the Plan. Additionally, there will be no COLA increase in benefits while a participant is in the DROP for all Firefighters entering the DROP on or after October 1, 2017.

No interest will be given on refunds of employee pension contributions for all future refunds paid. Previously members received interest at a rate of 6.0% per annum.

Firefighters hired on or after October 1, 2017 are classified as Part D members. Part D benefit provisions that differ from the current plan provisions (for Firefighters hired before October 1, 2017) include the following:

- Members are eligible for the automatic 3% COLA beginning at the later of the retirement date or age 62.
- The benefit formula is equal to AFC multiplied by the sum of 2.0% per year of purchased military and out-of-city public service and 3.0% per year of Credited Service. The maximum benefit is 81% of AFC, provided that each member's total accrual shall average at least two percent for each year of participation pursuant to the requirement of F.S. 175.351(4).
- AFC is the average of Compensation received during the highest 5 consecutive years of Credited Service.
- Members become 100% vested after completion of 10 years of Credited Service.