

CITY OF FLORIDA CITY ELECTED OFFICIALS RETIREMENT PLAN
Chapter 112.664, F.S. Compliance Report
In Connection with the October 1, 2014 Funding Actuarial Valuation Report
And the Plan's Financial Reporting for the Year Ending September 30, 2014



October 14, 2015

Board of Trustees,
Elected Officials Retirement Plan
City of Florida City
404 West Palm Drive
P.O. Box 343570
Florida City, Florida 33034

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Florida City Elected Officials Retirement Plan (Plan) to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

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

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

The findings in this report are based on data or other information through September 30, 2014. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of this engagement does not include an analysis of the potential range of such measurements.

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

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Board as described in our October 1, 2014 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2014 actuarial valuation report. Please refer to the October 1, 2014 actuarial valuation report, dated August 28, 2015, for summaries and descriptions of this information.

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

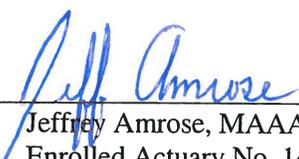
This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and

fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1) F.S., the actuarial disclosures required under this section were prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By 

Jeffrey Amrose, MAAA
Enrolled Actuary No. 14-6599
Senior Consultant & Actuary

By 

Melissa R. Algayer, MAAA, FCA
Enrolled Actuary No. 14-6467
Consultant & Actuary

TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
Ch. 112.664, F.S. Results	
Schedule of Changes in Net Pension Liability	
1. Using financial reporting assumptions per GASB Statement No. 67	1
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	2
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	3
Assets Versus Benefit Payments Projections	
1. Using assumptions per the plan's latest actuarial valuation	4
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	5
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	6
Actuarially Determined Contribution	7

CH. 112.664, Florida Statutes

RESULTS

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

Fiscal year ending September 30,

	<u>2014</u>
1. Total pension liability	
a. Service Cost	\$ 70,966
b. Interest	166,982
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	-
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>237,948</u>
i. Total Pension Liability - Beginning	<u>3,268,673</u>
j. Total Pension Liability - Ending	<u>\$ 3,506,621</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 382,791
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	-
d. Net Investment Income	1,057
e. Benefit Payments	-
f. Contribution Refunds	-
g. Administrative Expense	-
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>383,848</u>
j. Plan Fiduciary Net Position - Beginning	<u>1,831,508</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 2,215,356</u>
3. Net Pension Liability / (Asset)	1,291,265
Certain Key Assumptions	
Valuation Date	10/01/2012
Measurement Date	09/30/2014
Investment Return Assumption	5.00%
Mortality Table	RP-2000 fully generational using Scale AA

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

Fiscal year ending September 30,	<u>2014</u>
1. Total pension liability	
a. Service Cost	\$ 70,966
b. Interest	166,982
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	-
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>237,948</u>
i. Total Pension Liability - Beginning	<u>3,268,673</u>
j. Total Pension Liability - Ending	<u>\$ 3,506,621</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 382,791
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	-
d. Net Investment Income	1,057
e. Benefit Payments	-
f. Contribution Refunds	-
g. Administrative Expense	-
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>383,848</u>
j. Plan Fiduciary Net Position - Beginning	<u>1,831,508</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 2,215,356</u>
3. Net Pension Liability / (Asset)	1,291,265
Certain Key Assumptions	
Valuation Date	10/01/2012
Measurement Date	09/30/2014
Investment Return Assumption	5.00%
Mortality Table	RP-2000 fully generational using Scale AA

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

Fiscal year ending September 30,	<u>2014</u>
1. Total pension liability	
a. Service Cost	\$ 142,850
b. Interest	127,209
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	-
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>270,059</u>
i. Total Pension Liability - Beginning	<u>4,097,447</u>
j. Total Pension Liability - Ending	<u>\$ 4,367,506</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 382,791
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	-
d. Net Investment Income	1,057
e. Benefit Payments	-
f. Contribution Refunds	-
g. Administrative Expense	-
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>383,848</u>
j. Plan Fiduciary Net Position - Beginning	<u>1,831,508</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 2,215,356</u>
3. Net Pension Liability / (Asset)	2,152,150
Certain Key Assumptions	
Valuation Date	10/01/2012
Measurement Date	09/30/2014
Investment Return Assumption	3.00%
Mortality Table	RP-2000 fully generational using Scale AA

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

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2015	2,215,356	106,169	183,940	2,137,585
2016	2,137,585	102,211	186,721	2,053,075
2017	2,053,075	97,920	189,334	1,961,661
2018	1,961,661	93,288	191,790	1,863,159
2019	1,863,159	88,307	194,048	1,757,418
2020	1,757,418	82,915	198,236	1,642,097
2021	1,642,097	77,099	200,224	1,518,972
2022	1,518,972	70,897	202,068	1,387,801
2023	1,387,801	64,296	203,770	1,248,327
2024	1,248,327	57,274	205,678	1,099,923
2025	1,099,923	49,820	207,030	942,713
2026	942,713	41,931	208,183	776,461
2027	776,461	33,597	209,042	601,016
2028	601,016	24,812	209,544	416,284
2029	416,284	15,574	209,592	222,266
2030	222,266	5,888	208,993	19,161
2031	19,161	-	207,619	-
2032	-	-	205,311	-
2033	-	-	201,883	-
2034	-	-	197,144	-
2035	-	-	191,148	-
2036	-	-	183,873	-
2037	-	-	175,265	-
2038	-	-	165,629	-
2039	-	-	154,810	-
2040	-	-	142,545	-

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

16.08

Certain Key Assumptions

Valuation Investment return assumption

5.00%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

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

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

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2015	2,215,356	106,169	183,940	2,137,585
2016	2,137,585	102,211	186,721	2,053,075
2017	2,053,075	97,920	189,334	1,961,661
2018	1,961,661	93,288	191,790	1,863,159
2019	1,863,159	88,307	194,048	1,757,418
2020	1,757,418	82,915	198,236	1,642,097
2021	1,642,097	77,099	200,224	1,518,972
2022	1,518,972	70,897	202,068	1,387,801
2023	1,387,801	64,296	203,770	1,248,327
2024	1,248,327	57,274	205,678	1,099,923
2025	1,099,923	49,820	207,030	942,713
2026	942,713	41,931	208,183	776,461
2027	776,461	33,597	209,042	601,016
2028	601,016	24,812	209,544	416,284
2029	416,284	15,574	209,592	222,266
2030	222,266	5,888	208,993	19,161
2031	19,161	-	207,619	-
2032	-	-	205,311	-
2033	-	-	201,883	-
2034	-	-	197,144	-
2035	-	-	191,148	-
2036	-	-	183,873	-
2037	-	-	175,265	-
2038	-	-	165,629	-
2039	-	-	154,810	-
2040	-	-	142,545	-

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

16.08

Certain Key Assumptions

Valuation Investment return assumption

5.00%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

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

**Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(b), F.S.**

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2015	2,215,356	63,702	183,940	2,095,118
2016	2,095,118	60,053	186,721	1,968,450
2017	1,968,450	56,213	189,334	1,835,329
2018	1,835,329	52,183	191,790	1,695,722
2019	1,695,722	47,961	194,048	1,549,635
2020	1,549,635	43,516	198,236	1,394,915
2021	1,394,915	38,844	200,224	1,233,535
2022	1,233,535	33,975	202,068	1,065,442
2023	1,065,442	28,907	203,770	890,579
2024	890,579	23,632	205,678	708,533
2025	708,533	18,151	207,030	519,654
2026	519,654	12,467	208,183	323,938
2027	323,938	6,583	209,042	121,479
2028	121,479	501	209,544	-
2029	-	-	209,592	-
2030	-	-	208,993	-
2031	-	-	207,619	-
2032	-	-	205,311	-
2033	-	-	201,883	-
2034	-	-	197,144	-
2035	-	-	191,148	-
2036	-	-	183,873	-
2037	-	-	175,265	-
2038	-	-	165,629	-
2039	-	-	154,810	-
2040	-	-	142,545	-

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

13.58

Certain Key Assumptions

Valuation Investment return assumption

3.00%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

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

ACTUARIALLY DETERMINED CONTRIBUTION (ADC)			
	Plan's Latest Actuarial Valuation	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions
A. Valuation Date	October 1, 2014	October 1, 2014	October 1, 2014
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2016	9/30/2016	9/30/2016
C. Assumed Dates of Employer Contributions	Quarterly	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 249,573	\$ 249,573	\$ 327,436
E. Employer Normal Cost	83,283	83,283	155,487
F. Employer ADC if Paid on Valuation Date: D + E	332,856	332,856	482,923
G. Employer ADC Adjusted for Frequency of Payments	343,066	343,066	491,877
H. Employer ADC Adjusted for Frequency of Payments as % of Covered Payroll	159.12 %	159.12 %	228.14 %
I. Adjustment for Interest to Contribution Year	5.00 %	5.00 %	3.00 %
J. Covered Payroll Adjusted for Interest to Contribution Year	226,381	226,381	222,069
K. Employer ADC for Contribution Year: H x J	360,219	360,219	506,633
L. Estimated State Revenue in Contribution Year	0	0	0
M. Net Employer ADC in Contribution Year	360,219	360,219	506,633
N. Net Employer ADC as % of Covered Payroll in Contribution Year: M ÷ J	159.12 %	159.12 %	228.14 %
O. Expected Member Contributions	0	0	0
P. Total Contribution (including Members) in Contribution Year	360,219	360,219	506,633
Q. Total Contribution as a % of Covered Payroll in Contribution Year: P ÷ J	159.12 %	159.12 %	228.14 %
R. Certain Key Assumptions			
Investment Return Assumption	5.00%	5.00%	3.00%
Mortality Table	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA