City of Lauderhill General Employees Retirement System

ACTUARIAL VALUATION REPORT
AS OF OCTOBER 1, 2017

ANNUAL EMPLOYER CONTRIBUTION FOR THE FISCAL YEAR

GRS Retirement Consulting
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May 14, 2018

Board of Trustees,
City of Lauderhill General Employees Retirement System
Ft. Lauderdale, FL

Dear Board Members:

The results of the October 1, 2017 Annual Actuarial Valuation Report for the City of Lauderhill General Employees Retirement System are presented in this report.

The contribution amount shown on page 1 may be considered as a minimum contribution rate that complies with the Board'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 Plan in excess of those presented in this report be considered.

The contribution rate in this report is determined using the actuarial assumptions and methods disclosed in Section II of this report. This report includes risk metrics in Section I but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment. We encourage a review and assessment of investment and other significant risks that may have a material effect on the Plans financial condition.

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

The purpose of the valuation is to measure the System's funding progress, to determine the employer contribution rate for the fiscal year ending September 30, 2018, and to determine the actuarial information for Governmental Accounting Standards Board (GASB) Statement No. 67 for the fiscal year ending September 30, 2017. Estimated GASB Statement No. 67 information for the fiscal year ending September 30, 2018 is also presented. This report should not be relied on for any purpose other than the purpose described herein. Determinations of financial results associated with the benefits described in this report for purposes other than those identified above may be significantly different.

The findings in this report are based on data and other information through September 30, 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 plan's funded status); and changes in plan provisions or applicable law. The limited 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 Plan Administrator concerning Retirement System 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 audit the data. We are not responsible for the accuracy or completeness of the information provided by the Plan Administrator.

In addition, this report was prepared using assumptions approved by the Board and prescribed by the Florida Statutes as described in Section II. The prescribed assumptions are the assumed mortality rates detailed in the Actuarial Cost Methods and Assumptions section in accordance with Florida House Bill 1309 (codified in Chapter 2015-157).

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

Theora Braccialarghe and Melissa Moskovitz are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

This actuarial valuation 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 plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

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

Respectfully submitted,

GABRIEL, ROEDER, SMITH & COMPANY

By Theora Braccialarghe	By Melissa R. Moskovitz
Theora P. Braccialarghe, FSA, MAAA, FCA Enrolled Actuary No. 17-02826	Melissa R. Moskovitz, MAAA, FCA Enrolled Actuary No. 17-06467

Table of Contents

SECTION I

INTRODUCTION

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

The required contribution for the Plan Year beginning October 1, 2017, is $966,275. The results for the current and previous year are shown below.

Contribution Period	10/1/2017 to 9/30/2018		10/1/2016 to 9/30/2017	
	Amount	% of Pay	Amount	% of Pay
Required City Contribution	$ 966,275	30.79 %	$ 1,095,544	31.08 %

Actuarial Experience

Actual experience during the last year was more favorable than that anticipated by the actuarial assumptions. There was a liability gain primarily due to average salary increases less than expected (2.0% versus 5.0% assumed). Average salary increases excluding members who transferred to the management plan were 0.6%. Additionally, there was an investment gain due to a return on a smoothed valuation asset basis of 8.1% as compared to the assumed rate of 7.0%. The return on a market value basis was 15.1%.

Change in Actuarial Assumption or Method

There were no changes in assumptions since the last valuation.

Change in Benefit Provisions

There were no changes in benefit provisions.

Variability of Future Contribution Rates

The Actuarial Cost Method used to determine the contribution rate 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.

Over time, if year-to-year gains and losses offset each other, the contributions rate would be expected to return to the current level, but this doesn’t always happen.

The Market Value of Assets exceeds the Actuarial Value of Assets by $1,157,390 as of the valuation date. This difference will be recognized over the next few years in the absence of offsetting losses. In turn, the employer contribution rate should decrease by about $96,000 as this difference is recognized in the valuation process.

Relationship to Market Value

If Market Value had been the basis for the valuation, the City contribution would have been about $870,046 and the funded ratio would have been 84.1%. In the absence of other gains and losses, or changes in assumptions, methods, or plan provisions, the City contribution would be expected to move in that direction over the next few years.

Recommendation and Conclusion

Steps were taken in recent years to improve the funded ratio by changing the provisions for employees hired after December 10, 2012, lowering the investment return assumption, and shortening the amortization period for funding the unfunded liability. However, the funded ratio is 80% and the goal should be 100%. Steps were taken to improve this situation by a reduction in the amortization period for new bases would improve the funded position of the Plan. Reducing existing amortization periods to 20 years in connection with this valuation would increase the contribution by about $11,000.

The remainder of this Report covers detailed actuarial valuation results, financial information, other information and statistics, a summary of plan provisions, and annual filings required by law.

FINANCIAL POSITION OF THE PLAN

The purpose of this Section of the Report is to provide certain measures, which indicate the financial position of the program. These measures relate to short-term position, long-term position and level funding.

The various percentages listed in this Section as of a single valuation date are not overly significant standing alone. What is more significant is the trend of the rates over a period of years. It is also important to keep in mind that each time benefits or assumptions are revised actuarial liabilities are created or diminished. Any newly created liabilities are financed systematically over a period of future years. All actuarially computed values in this analysis are based on the actuarial assumptions utilized in the respective years' actuarial valuations.

SHORT TERM POSITION

The ultimate test of financial position is the program's ability to pay all promised benefits when due. The program's progress in accumulating assets to pay all promised benefits can be measured by comparing the market value of assets with:

1. Accumulated contributions of active members of the program,

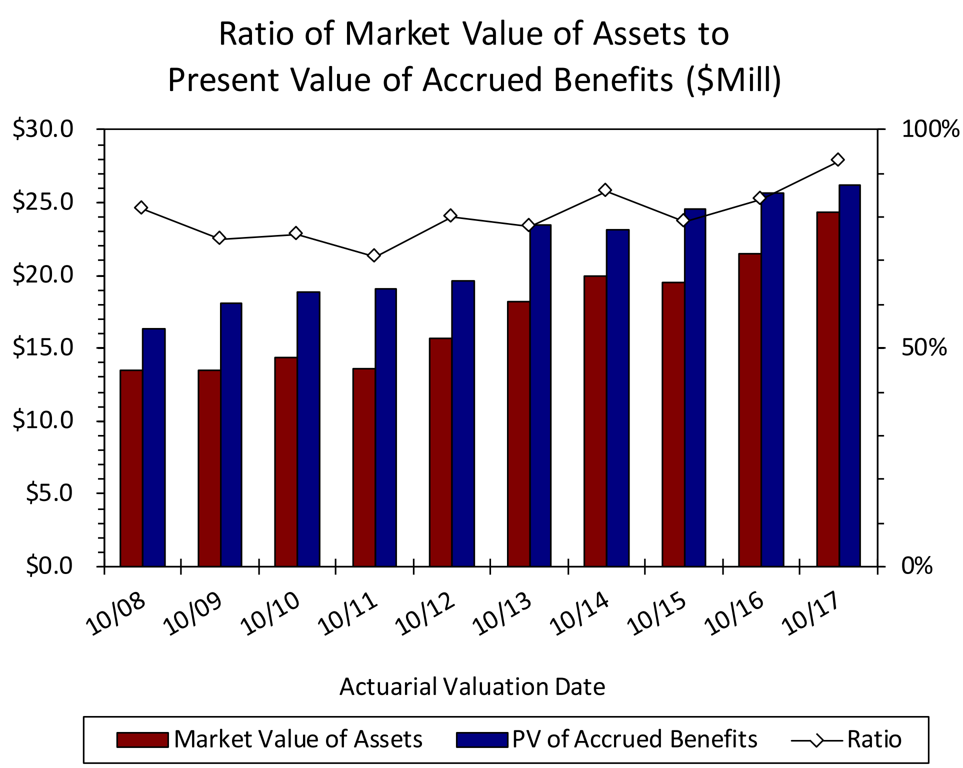
2. The actuarial present value (APV) of projected benefits payable to those already receiving benefits and to vested terminations, and

3. The employer financed portion of the actuarial present value of accrued benefits payable to active participants. This amount is based on benefits earned to date without future credited service or salary increases.

The total of the first two items should generally be fully covered by assets. The portion of the third item covered by assets should increase over time. Increases in benefits will, of course, adversely affect the trend in the years when such increases are first reflected in the actuarial values.

Although more conservative actuarial assumptions would be used in the event of a termination of the program, this test shows how much of the benefits accrued to date might be covered by assets in the event of a plan freeze using the valuation assumptions.

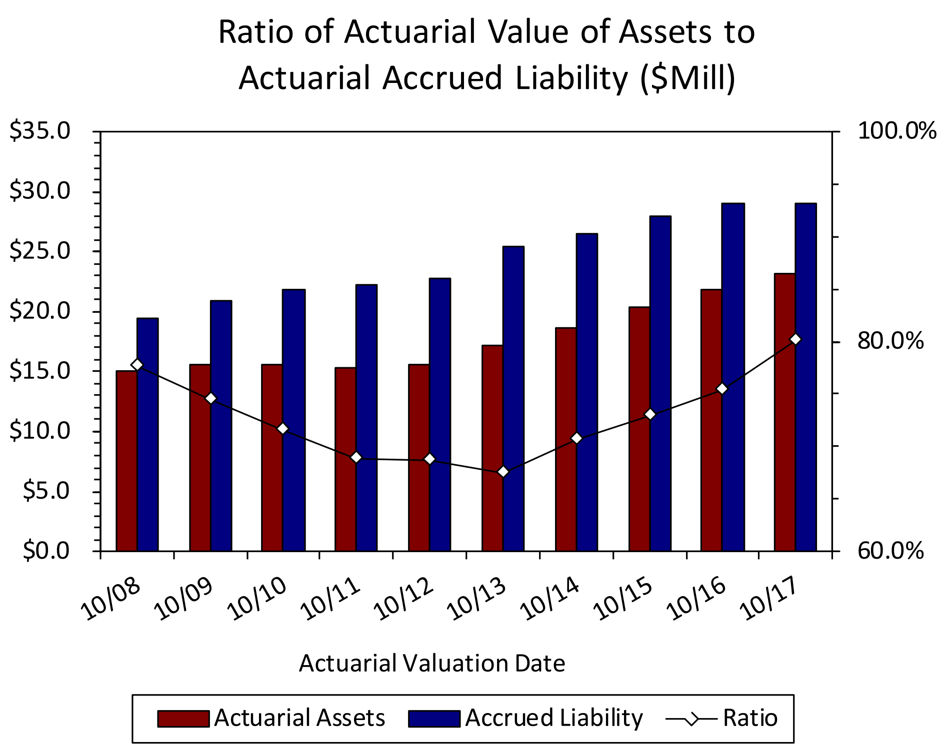
Valuation Date	Market Value of Assets	APV of All Accrued Benefits	Assets as % of Total
10/1/17	$ 24,372,790	$ 26,231,324	93 %
10/1/16	21,520,498	25,690,195	84
10/1/15	19,530,227	24,612,817	79
10/1/14	19,951,694	23,117,897	86
10/1/13	18,256,716	23,499,508	78



LONG TERM POSITION

Over the longer term, the position of an ongoing plan can be measured by comparing the actuarial value of assets to an amount known as the Actuarial Accrued Liability (AAL) under the Entry Age Actuarial Cost Method. This item has often been called the "past service liability". Its derivation differs from the short-term position value derivation in several ways, but mainly due to the fact that future salary increases are included in the AAL. As in the case of the short-term position values, the AAL is affected immediately by any revisions in benefits or assumptions. The accumulation of assets to equal the AAL can be considered a long range funding goal. Largely because of periodic benefit increases, very few retirement programs have attained this goal.

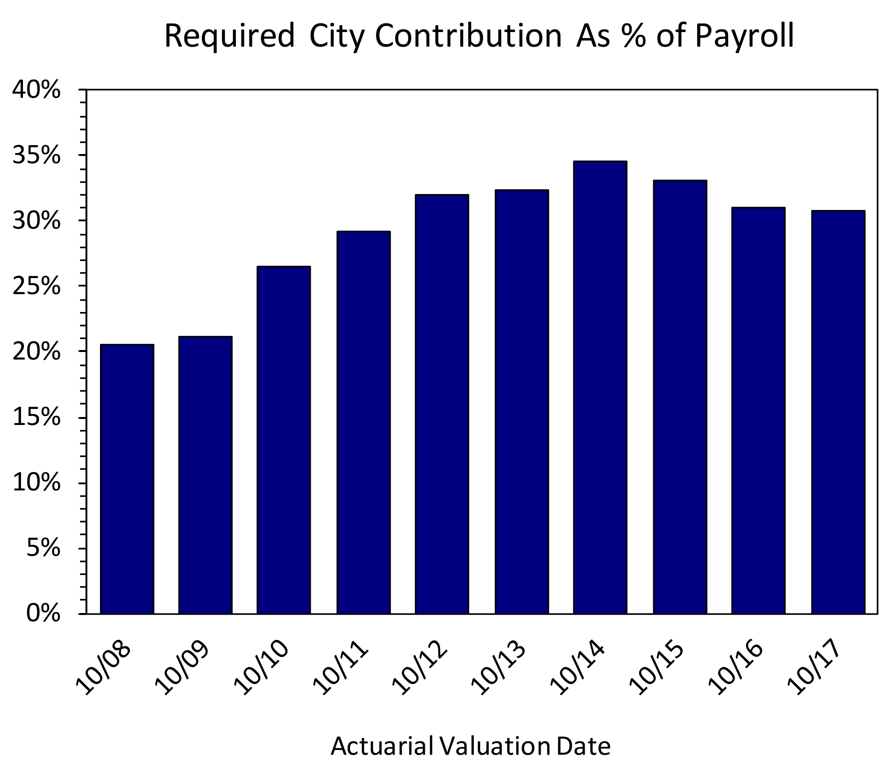
Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	% of AAL Covered by Assets
10/1/17	$ 23,215,400	$ 28,997,704	80.1 %
10/1/16	21,838,774	28,952,205	75.4
10/1/15	20,400,790	27,967,004	72.9
10/1/14	18,643,107	26,421,033	70.6
10/1/13	17,133,048	25,418,523	67.4



LEVEL CONTRIBUTION RATES

The actuarial assumptions and cost methods have been chosen with the intent of producing required employer contributions, which remain fairly level as a percentage of covered payroll. If this goal is attained, future employer contribution rates will not have to be raised materially in order to make up for the past. For many employers, this measure of the program's position is the most important of all.

Valuation Date	Required City Contribution As % of Payroll
10/1/17	30.79 %
10/1/16	31.08
10/1/15	33.15
10/1/14	34.58
10/1/13	32.42



A major factor affecting the stability of the percentages shown above is how well the actual plan experience is faring compared to the actuarial assumptions. The value of the difference between what actually occurred and what was assumed to occur is called the actuarial gain or loss. Gains tend to lower the subsequent cost of the program while losses tend to cause subsequent costs to rise. A summary of the actuarial gains and losses of the Plan is in the next Section.

Analysis of all the benchmarks listed above over a period of years will provide an indication of whether the program is becoming financially stronger or weaker.

RECENT CHANGES IN PLAN, ASSUMPTIONS AND METHODS

1. Effective October 1, 2006, Ordinance No. 07R-08-148 provides for a coordination of benefits for employees who transfer from the General Employees' Pension Plan to the Managerial Employees' Plan. The benefit payable from the General Employees' Pension Plan will reflect years of service as of the date of transfer and average final compensation as of the date the employee terminates service with the City (rather than as of the date of transfer). The Normal Retirement Date to be used for benefit payment purposes is the date in the Managerial Employees' Pension Plan rather than the one in the General Employees' Pension Plan.

2. Effective March 31, 2008, Ordinance No. 08O-02-106 provided for a 3% multiplier for all years of service in the General Employees' Pension Plan for employees who transferred from the General Employees' Pension Plan to the Managerial Employees' Pension Plan subsequent to October 1, 2002 and prior to October 1, 2006.

3. Effective October 1, 2013, the assumed investment return was changed to 7.5% net of investment expenses, and the RP-2000 Combined Healthy Participant Mortality Table using scale AA, with ages set ahead one year, and several other changes in actuarial assumptions were adopted based on an actuarial experience study.

4. Effective October 1, 2014, the assumed investment return was changed to 7.25% net of investment expenses.

5. Effective October 1, 2014, Ordinance No. 150-03-107 provided the following:
   a. Tier I members hired before December 10, 2012 – no changes
   b. Tier II members hired from December 11, 2012 to January 12, 2015 –benefit rate 2.5%
   c. Tier III members hired after January 12, 2012 – benefit rate 2.25%
   d. Tier II and Tier III members become vested after 10 years of service, may retire at the earlier of Age 60 & 15 years of service, Age 65 & 10 years of service, or with 25 years of service regardless of age, and may not participate in the DROP

6. Effective October 1, 2015, the one year age adjustment to the mortality table was eliminated. In addition the amortization period for new bases was shortened to 25 years, and the period for all current bases with more than 25 years remaining was shortened to 25 years.

7. Effective October 1, 2016, the assumed investment return was changed to 7.00% net of investment expenses, the assumed inflation rate was changed to 2.00%, and the mortality table was changed to the FRS Regular Class (Non-Special Risk) tables.

SECTION II

VALUATION RESULTS

COMPARATIVE SUMMARY OF VALUATION RESULTS AS OF OCTOBER 1	2017	2016
Covered Group		
A. Number of Participants		
Actives	76	83
Management Employees due future benefits	27	29
Retirees, Disabilities, Beneficiaries and Vested Terminations	103	96
Total Covered Annual Payroll	$ 3,138,231	$ 3,525,214
Long Range Cost		
B. Actuarial Present Value of Projected Benefits	$ 32,506,558	$ 32,734,594
C. Actuarial Present Value of Future Normal Costs	3,508,854	3,782,389
D. Actuarial Accrued Liability (AAL): B - C	28,997,704	28,952,205
E. Valuation Assets	23,215,400	21,838,774
F. Unfunded AAL (UAAL): D–E	5,782,304	7,113,431
Current Cost		
G. Payment Required to Amortize UAAL	$ 526,856	$ 620,461
As % of Payroll	16.79 %	17.60 %
H. Total Normal Cost (for current year, exclusive of funding toward UAAL)	707,880	776,290
As % of Payroll	22.56 %	22.02 %
I. Fiscal Year to which Contributions Apply	2017/2018	2016/2017
J. Interest	45,362	51,314
K. Total Required Contribution if paid Monthly	1,280,098	1,448,065
As % of Payroll	40.79 %	41.08 %
L. Expected Member Contributions	313,823	352,521
As % of Payroll	10.00 %	10.00 %
M. Remaining Required City Contribution	966,275	1,095,544
As % of Payroll	30.79 %	31.08 %

DERIVATION OF NORMAL COST AS OF OCTOBER 1	2017	2016
A. Entry Age Normal Costs for Benefits		
1. Service Retirement Benefits	$ 456,633	$ 507,178
2. Vesting Benefits	72,927	84,698
3. Disability Benefits	48,390	51,539
4. Preretirement Death Benefits	7,544	8,212
5. Return of Contributions	44,535	50,618
6. Total	630,029	702,245
B. Normal Cost for Expenses	77,851	74,045
C. Total Normal Cost	707,880	776,290

PRESENT VALUE OF PROJECTED BENEFITS AS OF OCTOBER 1	2017	2016
A. Present Value of Future Salaries	$ 19,402,195	$ 21,355,121
B. Present Value of Future Member Contributions	1,940,220	2,135,512
C. Present Value of Projected Benefits		
1. Active Members		
a. Service Retirement Benefits	12,846,949	14,853,522
b. Vesting Benefits	732,538	863,113
c. Disability Benefits	559,902	577,764
d. Preretirement Death Benefits	108,989	118,491
e. Return of Contributions	172,481	161,006
f. Total	14,420,859	16,573,896
2. Inactive Members		
a. Service Retirees & DROP	15,871,916	14,169,234
b. Disability Retirees	396,738	453,732
c. Beneficiaries Receiving Benefits	1,201,987	1,311,691
d. Terminated Vested Members	615,058	226,041
e. Total	18,085,699	16,160,698
3. Grand Total	32,506,558	32,734,594

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

The Unfunded Actuarial Accrued Liability (UAAL) is being amortized as a level dollar amount over the number of years remaining in the amortization period. Details relating to the UAAL are as follows:

Original UAAL			Current UAAL		
Date	Original Years	Amount	Years Remaining	Amount	Payment
10/1/02 (Gain)/Loss	30	$ 602,388	15	456,578	46,850
10/1/03 (Gain)/Loss	30	644,765	16	506,284	50,088
10/1/03 Amendment	30	1,330,334	16	1,045,453	103,429
10/1/03 Amendment	30	84,100	16	66,091	6,539
10/1/04 (Gain)/Loss	30	348,586	17	283,321	27,121
10/1/05 (Gain)/Loss	30	(43,434)	18	(36,372)	(3,379)
10/1/05 Technical Change	30	(79,211)	18	(66,334)	(6,163)
10/1/06 (Gain)/Loss	30	(756,362)	19	(649,703)	(58,748)
10/1/06 Assumption Change	30	253,680	19	217,907	19,704
10/1/06 Amendment	30	1,387,234	19	1,191,613	107,750
10/1/07 (Gain)/Loss	30	(368,267)	20	(310,822)	(27,420)
10/1/08 (Gain)/Loss	30	319,941	21	276,128	23,816
10/1/09 (Gain)/Loss	30	1,124,035	22	992,379	83,847
10/1/10 (Gain)/Loss	30	973,884	23	877,749	72,774
10/1/11 (Gain)/Loss	30	869,734	23	805,190	66,758
10/1/12 (Gain)/Loss	30	373,482	23	346,746	28,749
10/1/13 (Gain)/Loss	30	137,745	23	129,545	10,741
10/1/13 Assumption Change	30	1,241,431	23	1,167,514	96,799
10/1/14 (Gain)/Loss	30	(923,985)	23	(879,939)	(72,956)
10/1/14 Assumption Change	30	674,994	23	642,818	53,296
10/1/14 Amendment	30	(11,874)	23	(11,308)	(938)
10/1/15 (Gain)/Loss	25	(357,260)	23	(344,766)	(28,585)
10/1/15 Assumption Change	25	420,080	23	405,390	33,611
10/1/16 (Gain)/Loss	25	(1,099,730)	24	(1,079,988)	(88,003)
10/1/16 Assumption Change	25	915,884	24	899,443	73,291
10/1/17 (Gain)/Loss	25	(1,148,613)	25	(1,148,613)	(92,115)
Totals				5,782,304	526,856

Fiscal Year Ended	UAAL
2017	$ 5,782,304
2018	5,623,329
2019	5,453,225
2020	5,271,214
2021	5,076,462
2026	3,878,098
2031	2,197,329
2036	662,980
2041	(92,115)
2042	0

ACTUARIAL GAINS AND LOSSES

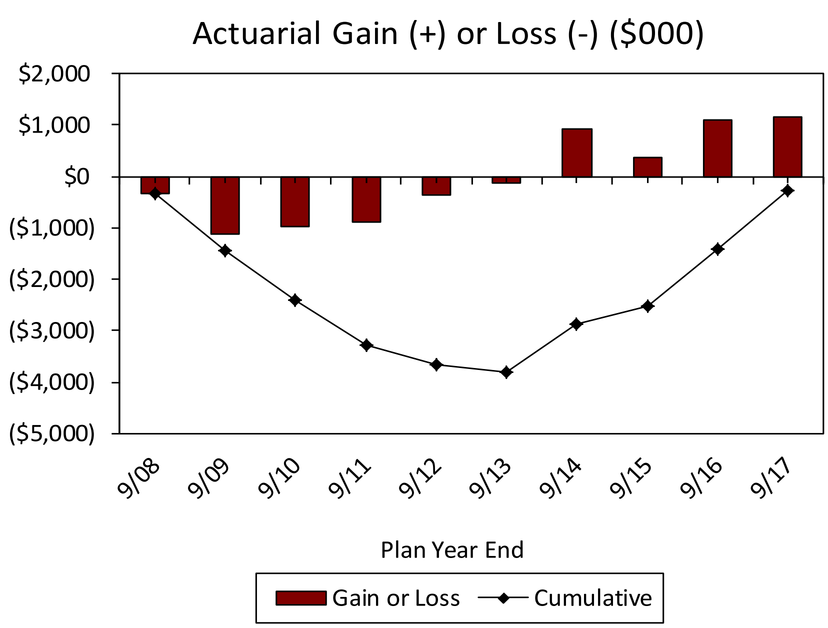
The assumptions used to anticipate mortality, employment turnover, investment income, expenses, salary increases, and other factors have been based on long-range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the period involved. 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.

DEVELOPMENT OF CURRENT YEAR ACTUARIAL GAIN / (LOSS)

A. Derivation of Experience Gain / (Loss)	
1. Unfunded Actuarial Accrued Liability (UAAL) Previous Valuation	$ 7,113,431
2. Employer Normal Cost (NC) Previous Valuation	423,769
3. City Contributions Previous Year	1,095,544
4. Interest at Valuation Rate on:	
a. UAAL & NC (full year on (1) and (2))	527,604
b. Contributions (3a)	38,343
c. Net Total: (a) - (b)	489,261
5. Change in UAAL due to Benefit Changes	0
6. Change in UAAL due to Assumption Changes	0
7. Expected UAAL Current Year: (1) + (2) - (3) + (4) + (5) + (6)	6,930,917
8. Actual UAAL Current Year	5,782,304
9. Experience Gain / (Loss): (7) - (8)	1,148,613
B. Approximate Portion of Gain / (Loss) Due to Investments	246,906
C. Approximate Portion of Gain / (Loss) Due to Liabilities: (A) - (B)	901,707

The net actuarial gain (loss) for recent years is:

Year Ending	Actuarial Gain (Loss)
9/30/17	$ 1,148,613
9/30/16	1,099,730
9/30/15	357,260
9/30/14	923,985
9/30/13	(137,745)
9/30/12	(373,482)
9/30/11	(879,550)
9/30/10	(973,884)
9/30/09	(1,124,035)
9/30/08	(319,941)



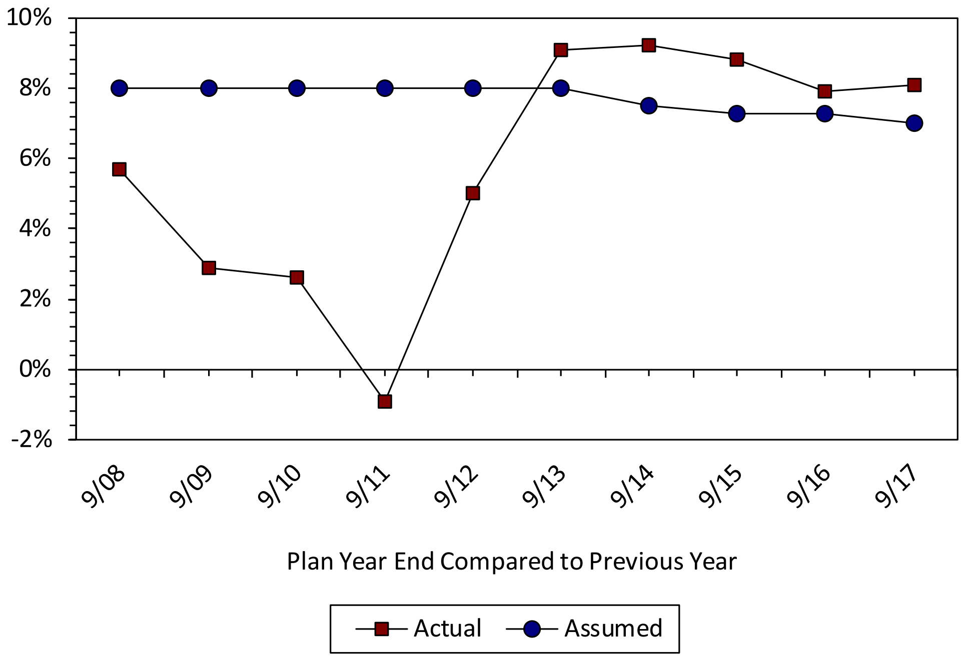
The fund earnings and salary increase assumptions have considerable impact on the cost of the Plan so it is important that they be in line with the actual experience. The following table shows the actual fund earnings and salary increase rates* compared to the assumed rates for the last few years:

Year Ended	Investment Rate of Return			Salary Increase	
	Market Value	Actuarial Value	Assumed	Actual	Assumed
9/30/17	15.1 %	8.1 %	7.00 %	2.0 %	5.0 %
9/30/16	11.0	7.9	7.25	6.0	5.0
9/30/15	(2.5)	8.8	7.25	2.0	5.0
9/30/14	9.6	9.2	7.50	0.0	5.0
9/30/13	15.8	9.1	8.00	10.5	7.0
9/30/12	19.0	5.0	8.00	2.0	7.0
9/30/11	(4.4)	(0.9)	8.00	1.9	7.0
9/30/10	9.0	2.6	8.00	3.6	7.0
9/30/09	(0.2)	2.9	8.00	12.3	7.0
9/30/08	(12.2)	5.7	8.00	7.2	7.0

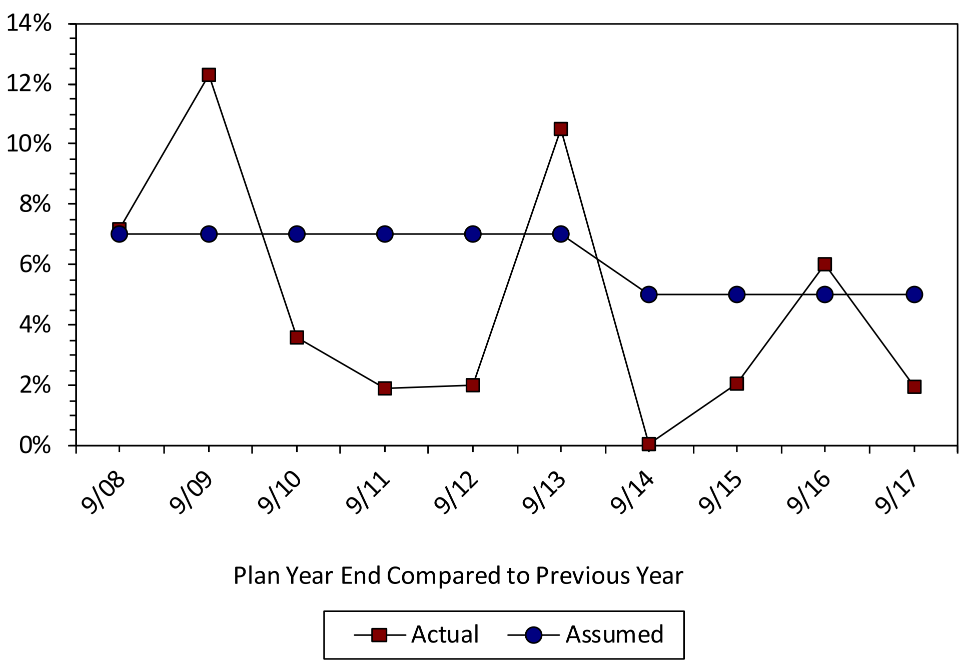
The actual salary increase rates shown above are the increases received by those active members who were included in the actuarial valuation both at the beginning and end of each year.

Note: Prior to the October 1, 2016 valuation, actual increases shown reflect an assumed 5% increase over the prior reported pay for management transferees when actual pays were not available.

History of Investment Return
Based on Actuarial Value of Assets



History of Salary Increases



RECENT HISTORY OF VALUATION RESULTS									
Valuation Date	Number of Members			Covered Annual Payroll	Actuarial Value of Assets	UAAL	Employer Normal Cost	
	Active	Mgt Xfr[1]	Inactive				Amount	% of Payroll
10/1/17	76	27	103	$3,138,231	$23,215,400	$5,782,304	$394,057	12.56 %
10/1/16	83	29	96	3,525,214	21,838,774	7,113,431	423,769	12.02
10/1/15	84	25	96	3,543,395	20,400,790	7,566,214	361,431	10.20
10/1/14	81	27	92	3,472,515	18,643,107	7,777,926	389,975	11.23
10/1/13	85	25	90	3,776,063	17,133,048	8,285,475	374,165	9.91
10/1/12	82	21	92	3,453,665	15,606,667	7,117,289	340,497	9.86
10/1/11	87	22	96	3,616,860	15,336,711	6,914,221	347,431	9.61
10/1/10	91	23	104	3,756,141	15,597,828	6,187,152	357,435	9.52
10/1/09	109	13	96	4,357,098	15,522,330	5,350,700	363,262	8.34
10/1/08	105	13	90	3,931,828	15,083,377	4,344,582	348,498	8.86

[1]*Members who have transferred to the Managerial Plan and are entitled to future benefits from this Plan which reflect earnings while covered by the Management Plan.*

SCHEDULE OF FUNDING PROGRESS						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Entry Age Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL As % of Covered Payroll [(b)-(a)]/(c)]
10/01/17	$ 23,215,400	$ 28,997,704	$ 5,782,304	80.1 %	$ 3,138,231	184.3 %
10/01/16	21,838,774	28,952,205	7,113,431	75.4	3,525,214	201.8
10/01/15	20,400,790	27,967,004	7,566,214	72.9	3,543,395	213.5
10/01/14	18,643,107	26,421,033	7,777,926	70.6	3,472,515	224.0
10/01/13	17,133,048	25,418,523	8,285,475	67.4	3,776,063	219.4
10/01/12	15,606,667	22,723,956	7,117,289	68.7	3,453,665	206.1
10/01/11	15,336,711	22,250,932	6,914,221	68.9	3,616,860	191.2
10/01/10	15,597,828	21,784,980	6,187,152	71.6	3,756,141	164.7
10/01/09	15,522,330	20,873,030	5,350,700	74.4	4,357,098	122.8
10/01/08	15,083,377	19,427,959	4,344,582	77.6	3,931,828	110.5

FASB NO. 35 INFORMATION
AS OF OCTOBER 1

	2017	2016
A. Number of Members Included in the Calculations		
1. Retirees & beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	103	96
2. Management Transferees entitled to benefits but not yet receiving them	27	29
3. Current Employees		
a. Non Vested	32	29
b. Vested	44	54
c. Total	76	83
4. Total	206	208
B. Statement of Accumulated Plan Benefits		
1. Actuarial present value (APV) of accumulated vested plan benefits		
a. Participants currently receiving benefits	$17,470,641	$15,934,657
b. DROP Reserve	248,297	241,531
c. Other participants	9,654,020	10,761,357
d. Total	27,372,958	26,937,545
2. APV of accumulated non-vested plan benefits	389,306	342,066
3. Total APV of accumulated plan benefits	27,762,264	27,279,611
C. Statement of Change in Accumulated Plan Benefits		
1. Actuarial present value of accumulated plan benefits as of beginning of year	27,279,611	26,383,205
2. Increase (decrease) during year attributable to:		
a. Plan Amendment	0	0
b. Change in assumptions/methods	0	848,242
Change in methods -- include DROP Reserve	N/A	N/A
c. Benefits paid and contributions refunded	(1,765,589)	(1,707,950)
d. Interest, benefits accumulated, other	2,248,242	1,756,114
e. Net Increase	482,653	896,406
3. Actuarial present value of accumulated plan benefits as of end of year	27,762,264	27,279,611
D. Assumed rate of return	7.00%	7.00%
E. Market Value of Assets	$24,621,087	$21,762,029
F. Funded Ratio	88.69%	79.77%

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

Fiscal year ending September 30,	2018*	2017	2016	2015	2014
Total pension liability					
Service Cost	$ 630,029	$ 677,372	$ 652,913	$ 673,960	$ 682,926
Interest	2,093,711	2,107,824	2,036,952	1,936,129	1,923,089
Benefit Changes	-	-	-	(11,874)	-
Difference between actual & expected experience	(979,386)	(1,073,581)	(73,178)	(646,450)	(4,059)
Assumption Changes	-	936,429	420,080	674,994	-
Benefit Payments	(1,740,433)	(1,672,465)	(1,633,810)	(1,382,619)	(1,708,640)
Refunds	(21,939)	(93,124)	(74,140)	-	-
Other	-	-	-	-	-
Net Change in Total Pension Liability	(18,018)	882,455	1,328,817	1,244,140	893,316
Total Pension Liability - Beginning	30,161,315	29,278,860	27,950,043	26,705,903	25,812,587
Total Pension Liability - Ending (a)	$ 30,143,297	$ 30,161,315	$ 29,278,860	$ 27,950,043	$ 26,705,903
Plan Fiduciary Net Position					
Contributions - Employer (From City)	$ 966,275	$ 1,095,544	$ 1,162,968	$ 1,212,601	$ 1,224,361
Contributions - Employer (From State)		-	-	-	-
Contributions - Non-Employer Contributing Entity	-	-	-	-	-
Contributions - Member	313,823	349,378	358,574	356,306	358,549
Net Investment Income	1,703,872	3,254,358	2,169,338	(512,452)	1,786,880
Benefit Payments	(1,740,433)	(1,672,465)	(1,633,810)	(1,382,619)	(1,708,640)
Refunds	(21,939)	(93,124)	(74,140)	-	-
Administrative Expense	(77,851)	(74,633)	(81,069)	(67,020)	(58,696)
Other: Adjustment to Beginning of Year	-	-	118	-	-
Net Change in Plan Fiduciary Net Position	1,143,747	2,859,058	1,901,979	(393,184)	1,602,454
Plan Fiduciary Net Position - Beginning	24,621,087	21,762,029	19,860,050	20,253,234	18,650,780
Plan Fiduciary Net Position - Ending (b)	$ 25,764,834	$ 24,621,087	$ 21,762,029	$ 19,860,050	$ 20,253,234
Net Pension Liability - Ending (a) - (b)	4,378,463	5,540,228	7,516,831	8,089,993	6,452,669
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	85.47 %	81.63 %	74.33 %	71.06 %	75.84 %
Covered Payroll**	$ 3,138,231	$ 3,493,780	$ 3,585,740	$ 3,563,060	$ 3,585,490
Net Pension Liability as a Percentage of Covered Payroll	139.52 %	158.57 %	209.63 %	227.05 %	179.97 %

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

** Covered Payroll was calculated by dividing the total member contributions for the fiscal year by the member contribution rate of 10%.

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

FY Ending September 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll**	Net Pension Liability as a % of Covered Payroll
2014	$ 26,705,903	$ 20,253,234	$ 6,452,669	75.84%	$ 3,585,490	179.97%
2015	27,950,043	19,860,050	8,089,993	71.06%	3,563,060	277.05%
2016	29,278,860	21,762,029	7,516,831	74.33%	3,585,740	209.63%
2017	30,161,315	24,621,087	5,540,228	81.63%	3,493,780	158.57%
2018*	30,143,297	25,764,834	4,378,463	85.47%	3,138,231	139.52%

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

** Covered Payroll was calculated by dividing the total member contributions for the fiscal year by the member contribution rate of 10%.

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

Valuation Date:	October 1, 2017
Measurement Date:	September 30, 2018

Methods and Assumptions Used to Determine Net Pension Liability:

Actuarial Cost Method	Entry Age Normal
Inflation	2.00%
Salary Increases	5.0%
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 Mortality Tables with collar adjustments and generational projetions using Scale BB as used by the Florida Retirement System for Regular Class Members in the July 1, 2016 Actuarial Valuation.

Other Information:

Notes	See Discussion of Valuation Results on Page 1

SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2009	809,482	809,482	0	4,760,650	17.00%
2010	920,970	920,970	0	4,005,580	22.99%
2011	993,731	993,731	0	3,631,980	27.36%
2012	1,056,516	1,056,516	0	3,495,200	30.23%
2013	1,103,955	1,103,955	0	3,798,110	29.07%
2014	1,224,361	1,224,361	0	3,585,490	34.15%
2015	1,200,656	1,212,601	(11,945)	3,563,060	34.03%
2016	1,174,771	1,162,968	11,803	3,585,740	32.43%
2017	1,095,544	1,095,544	0	3,493,780	31.36%
2018*	966,275	966,275	0	3,138,231	30.79%

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

** Covered Payroll was calculated by dividing the total member contributions for the fiscal year by the member contribution rate of 10%.

NOTES TO SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

Valuation Date:	October 1, 2017
Notes	Actuarially determined contribution rates are calculated as of the October 1 which is one year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	4-year smoothed market
Inflation	2.00%
Salary Increases	5.0%
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 Mortality Tables with collar adjustments and generational projetions using Scale BB as used by the Florida Retirement System for Regular Class Members in the July 1, 2016 Actuarial Valuation.
Other Information:	
Notes	See Discussion of Valuation Results on Page 1

SINGLE DISCOUNT RATE
GASB Statement No. 67

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

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

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

1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
$7,775,444	$4,378,463	$1,541,084

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

ACTUARIAL COST METHODS AND ASSUMPTIONS AS OF OCTOBER 1, 2017

Valuation Methods

Actuarial Cost Method	Entry Age Actuarial Cost Method.
Actuarial Value of Assets	The difference between actual and assumed return is recognized evenly over four years.
Financing Unfunded Actuarial Accrued Liabilities	Unfunded actuarial accrued liabilities are amortized by level dollar contributions over a fixed number of years.

Actuarial Assumptions

Rationale for Assumptions: The covered group is too small to provide statistically significant experience on which to base certain demographic assumptions. The investment return assumption is per direction from the Board of Trustees based on information from their investment consultant. The mortality table is based on the assumption used by the Florida Retirement System, as required by Florida House Bill 1309 (codified in Chapter 2015-157). The other actuarial assumptions are based on a combination of the results of the experience study issued January 2013 and input from the Board of Trustees.

Investment Earnings	7.00% per direction from the Board of Trustees based on information from their investment consultant. The 7.00% is per year, on a net basis, after payment of investment expenses, compounded annually.
Salary Increases	5.00% per year from valuation date to the assumed retirement age. See Table below.
Increase in Covered Payroll	NA
Inflation	2.00% per year.
Retirement Rates	80% probability before age 65 and 100% thereafter. Early Retirement assumed at after age 55 with 15 years of service, at the rate of 1.0% per year of those eligible. Actuarial losses due to early retirement are assumed to be offset by gains due to eliminating future salary increases. Actuarial losses due to delayed retirement are assumed to be offset by gains due to delaying benefit commencement.

Mortality Rates

Rates used are the same rates currently in use for Regular Class (non-special risk) members of the Florida Retirement System (FRS), as mandated by Florida House Bill 1309. The 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. 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. For disabled lives, the mortality table used was the RP-2000 Mortality Table for Disabled Annuitants, set-back 4 years for males and set-forward 2 years for females, with no provision being made for future mortality improvements. Sample rates follow:

FRS Regular Class Post-Retirement Healthy Mortality

Sample Ages in 2017	% Mortality During the Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
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
Ref:	1421 x 1.00	1420 x 1.00	896	897

FRS Regular Class Pre-Retirement Healthy Mortality

Sample Ages in 2017	% Mortality During the Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
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
Ref:	1533 x 1.00	1534 x 1.00	896	897

FRS Regular Class Post Retirement Disabled Mortality

Sample Ages in 2017	% Mortality During the Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	2.38%	1.35%	20.25	23.74
55	3.03%	1.87%	17.78	20.46
60	3.67%	2.41%	15.55	17.43
65	4.35%	3.13%	13.44	14.58
70	5.22%	4.29%	11.39	11.96
75	6.58%	5.95%	9.43	9.65
80	8.70%	8.23%	7.65	7.66
Ref:	1425 x 1.00	1423 x 1.00	1	1

Turnover Rates See Table below.

Disability See Table below.

Age	Disability Rate During Year	Termination Rate During Year	Current Salary as% of Salary at Age 62
20	0.07%	20.7%	12.9%
30	0.11	14.1	21.0
40	0.19	8.5	34.2
50	0.51	3.5	55.7
60	1.66	0.0	90.7

Administrative Expense Average actual expenses paid during the previous two years.

Changes since last Valuation None.

GLOSSARY OF TERMS

Actuarial Accrued Liability (AAL)	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
Actuarial Assumptions	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.
Actuarial Cost Method	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.
Actuarial Equivalent	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
Actuarial Present Value (APV)	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.
Actuarial Present Value of Future Benefits (APVFB)	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.
Actuarial Valuation	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. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB No. 67, such as the Funded Ratio and the Annual Required Contribution (ADC).
Actuarial Value of Assets	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 required contribution (ADC).

Amortization Method 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.

Amortization Payment That portion of the plan contribution or ADC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

Amortization Period The period used in calculating the Amortization Payment.

Annual Required Contribution (ADC) The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under GASB No. 67. The ADC consists of the Employer Normal Cost and Amortization Payment.

Closed Amortization Period 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.

Employer Normal Cost The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.

Entry Age Actuarial Cost Method Method under which the current year's cost, or Normal Cost is calculated for each individual. The Normal Cost is the amount, determined as a level amount which, if deposited each year from the time an employee was first included in the actuarial valuation (or would have been had the plan been in effect) until retirement, would fully fund his or her benefit. The Entry Age Actuarial Liability at any given time is equal to the Actuarial Present Value of Projected Benefits minus the Actuarial Present Value of future Normal Costs. Under the Entry Age Actuarial Cost Method, experience gains (losses) reduce (increase) the Actuarial Accrued Liability. Increases or decreases in the Actuarial Accrued Liability will also occur as a result of changes in pension Plan benefits, actuarial assumptions, or asset valuation methods.

Equivalent Single Amortization Period	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.
Experience Gain/Loss	A measure of the difference between the normal cost rate from last year and the normal cost rate from this year.
Funded Ratio	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
GASB	Governmental Accounting Standards Board.
GASB No. 67 and GASB No. 68	These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
Normal Cost	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 III

PENSION FUND INFORMATION

MARKET VALUE OF ASSETS AT SEPTEMBER 30			
	2017		2016
Cash & Securities			
Cash	$ 140,444	0.5%	$ 238,617
Mutual Funds - Equity	14,083,590	57.3%	13,063,248
Mutual Funds - International	3,773,094	15.3%	1,931,817
Mutual Funds - Fixed Income	4,649,804	18.9%	5,669,446
Mutual Funds - Absolute Return	1,100,410	4.5%	0
Real Estate (Mortgages)	850,000	3.5%	850,000
Sub-Total	24,597,342	100.0%	21,753,128
Receivables & Accruals			
Accrued Income and Other Receivables	29,918		13,572
Payables/Prepaid			
Accounts Payable	6,173		4,671
Total Assets & Liabilities at Market Value	24,621,087		21,762,029
Reserve for DROP Accounts	248,297		241,531
Market Value of Assets, Net Reserve	24,372,790		21,520,498

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED SEPTEMBER 30		
	2017	2016
Available Market Value of Fund, BOY	$ 21,762,029	$ 19,860,168
Receipts		
Contributions		
Members	349,378	358,574
City		
Prepaid Prior Year	0	0
Actual During Current Year	1,095,544	1,162,968
Total Contributions	1,444,922	1,521,542
Investment Income		
Dividends & Interest	1,038,221	1,096,765
Realized & Unrealized Gains (Losses)*	2,246,646	1,081,773
Investment & Custodial Expenses	(30,563)	(29,533)
Total Investment Income	3,254,304	2,149,005
Other Income	54	20,333
Total Receipts	4,699,280	3,690,880
Disbursements		
Benefit Payments & DROP Distributions	1,672,465	1,633,810
Refund of Contributions with Interest	93,124	74,140
Administrative Expenses	74,633	81,069
Total Disbursements	1,840,222	1,789,019
Net Increase (Decrease) in Fund	2,859,058	1,901,861
Value of Fund at End of Year	24,621,087	21,762,029
Reserve for DROP Accounts	248,297	241,531
Value of Fund at End of Year, Net Reserve	24,372,790	21,520,498

*A detailed breakdown of realized and unrealized gains(losses) was not provided.

ACTUARIAL VALUE OF ASSETS SEPTEMBER 30		
	2017	2016
A. Preliminary Valuation Assets, including Reserves	$ 22,080,305	$ 20,730,731
B. Contributions	1,444,922	1,521,542
C. Benefit Payments and Administrative Expenses	1,840,222	1,789,019
D. Actual Investment Earnings Net Investment Expenses	3,254,358	2,169,338
E. Expected Investment Earnings	1,531,786	1,493,282
F. Excess of Actual over Expected Investment Earnings: D-E	1,722,572	676,056
G. Recognition of Excess Earnings Over 4 Years		
1. From This Year	430,643	169,014
2. From One Year Ago	169,014	(472,567)
3. From Two Years Ago	(472,567)	119,816
4. From Three Years Ago	119,816	307,506
5. Total	246,906	123,769
H. Preliminary Valuation Assets at End of Year: A+B-C+E+G5	23,463,697	22,080,305
I. Final Valuation Assets must be within the range of 80% to 120% of Market Value		
1. 80% of Market Value	19,696,870	17,409,623
2. 120% of Market Value	29,545,304	26,114,435
3. Valuation Assets	23,463,697	22,080,305
J. Adjustment for Reserves -- DROP	(248,297)	(241,531)
K. Final Valuation Assets at End of Year	23,215,400	21,838,774
J. Investment earnings recognized in the Valuation Assets:	1,778,692	1,617,051

Reconciliation of DROP Accounts					
Year Ended	Balance at Beginning of Year	Credits	Interest	Distributions	Balance at End of Year
9/30/17 *	$ 241,531	$ 151,198	$ 24,893	$ 169,325	$ 248,297
9/30/16 *	329,941	91,773	25,354	205,537	241,531
9/30/15 *	301,540	86,287	(3,173)	54,713	329,941
9/30/14 *	394,064	77,283	21,230	191,037	301,540
9/30/13 *	594,941	122,393	65,907	389,177	394,064
9/30/12 *	849,636	180,001	107,755	542,451	594,941
9/30/11 **	901,130	232,386	0	283,880	849,636
9/30/10	579,041	308,990	73,197	60,098	901,130

* Estimate

** Provided by auditor

INVESTMENT RATE OF RETURN

The investment rate of return has been calculated on the following bases:

Basis 1 - **Market Value Basis -** Interest, dividends, realized gains (losses) and unrealized appreciation (depreciation) less investment expenses, divided by the weighted average of the market value of the fund during the year. This figure is normally called the net Total Rate of Return.

Basis 2 - **Valuation Asset Basis -** Investment earnings recognized in the Actuarial Value of Assets divided by the weighted average of the Actuarial Value of Assets during the year.

	Investment Rate of Return	
Year Ended	**Basis 1**	**Basis 2**
9/30/17	15.1 %	8.1 %
9/30/16	11.0	7.9
9/30/15	(2.5)	8.8
9/30/14	9.6	9.2
9/30/13	15.8	9.1
9/30/12	19.0	5.0
9/30/11	(4.4)	(0.9)
9/30/10	9.0	2.6
9/30/09	(0.2)	2.9
9/30/08	(12.2)	5.7
Average Compounded Rate of Return for Last 5 Years	9.6	8.6
Average Compounded Rate of Return for Last 10 Years	5.5	5.8

SECTION IV

MEMBER STATISTICS

STATISTICAL DATA			
	10/1/2017	**10/1/2016**	**10/1/2015**
Active Partipants			
Number	76	83	84
Total Annual Earnings	$ 2,988,791	$ 3,357,347	$ 3,374,662 *
Average Annual Earnings	39,326	40,450	40,175
Averages			
Current Age	45.2	45.1	44.8
Age at Employment	36.6	36.1	35.2
Past Service	8.6	9.0	9.6
Service at Age 62	25.4	25.9	26.8
Confidential & Managerial Employees Retirement Plan Transfers			
Number	27	29	25
Total Annual Earnings	$ 1,646,160	$ 1,714,788	$ 1,557,671
DROP Members			
Number	8	3	3
Total Annual Pension	$ 236,064	$ 87,245	$ 80,581
Average Monthly Benefit	2,459	2,423	2,238
Retirees and Beneficiaries			
Number	81	82	81
Total Annual Pension	$ 1,365,075	$ 1,346,020	$ 1,362,012
Average Monthly Benefit	1,404	1,368	1,401
Disability Retirees			
Number	6	6	6
Total Annual Pension	$ 44,501	$ 44,501	$ 44,501
Average Monthly Benefit	618	618	618
Terminated Members with Vested Benefits			
Number	8	5	6
Total Annual Pensions	$ 76,821	$ 35,781	$ 42,856
Average Monthly Benefit	800	596	595

*Reflects an assumed 5% increase over the prior reported pay for management transferees.

Age and Service Distribution

Active Employees

As of October 1, 2017

	Years of Past Service											
Ages	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Totals
15-19	0	0	0	0	0	0	0	0	0	0	0	0
20-24	2	2	0	0	0	0	0	0	0	0	0	4
25-29	1	3	1	1	0	1	0	0	0	0	0	7
30-34	2	0	0	0	2	0	3	0	0	0	0	7
35-39	0	1	2	0	0	1	2	1	0	0	0	7
40-44	0	0	0	0	0	1	5	0	0	0	0	6
45-49	0	0	1	1	0	0	4	3	0	0	0	9
50-54	2	3	1	1	0	2	7	0	0	0	0	16
55-59	0	3	0	0	2	0	2	7	0	0	0	14
60-64	0	1	0	0	0	0	2	2	1	0	0	6
65&UP	0	0	0	0	0	0	0	0	0	0	0	0
Totals	7	13	5	3	4	5	25	13	1	0	0	76

Reconciliation of Membership Data From 10/1/16 to 9/30/17

A.	**Active Members**		
	1	Number Included in Last Valuation	83
	2	New Members Included in Current Valuation	8
	3	Non-Vested Employment Terminations	(3)
	4	Vested Employment Terminations	(6)
	5	DROP Retirements	(3)
	6	Service Retirements	(1)
	7	Transfers from/(to) Confidential & Managerial Plan	(2)
	8	Number Included in This Valuation	76
B.	**Active Members Transferred to the Confidential & Managerial Employees Retirement Plan**		
	1	Number Included in Last Valuation	29
	2	Additions from Active Members	2
	3	Non-Vested Termination	0
	4	Payments Commenced	0
	4	Vested Employment Terminations	(1)
	5	DROP Retirements	(3)
	6	Number Included in This Valuation	27
C.	**Terminated Vested Members**		
	1	Number Included in Last Valuation	5
	2	Additions from Active Members	7
	3	Lump Sum Payments and Refunds	(4)
	4	Payments Commenced	0
	5	Number Included in This Valuation	8
D.	**DROP Members**		
	1	Number Included in Last Valuation	3
	2	Additions from Active Members	6
	3	Retirement Payments Commenced	(1)
	4	Number Included in This Valuation	8
E.	**Service Retirees, Disability Retirees and Beneficiaries**		
	1	Number Included in Last Valuation	88
	2	Additions from Active Members	1
	3	Additions from DROP	1
	4	Additions from Terminated Vested	0
	5	Deaths Resulting in No Further Payments	(3)
	6	Number Included in This Valuation	87

Section V

Summary of Retirement Plan Provisions

CITY OF LAUDERHILL GENERAL EMPLOYEES RETIREMENT SYSTEM
SUMMARY OF PLAN PROVISIONS EFFECTIVE OCTOBER 1, 2017
INCLUDING ORDINANCE NO. 150-03-107

A. Ordinances

Plan established under the Code of Ordinances for the City of Lauderhill, Florida, Chapter 2, Article II, Division 3, Part 2, and was most recently amended under Ordinance No. 150-03-107 passed and adopted on April 13, 2015. The Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes (F.S.) and the Internal Revenue Code.

B. Effective Date

July 1, 1977

C. Plan Year

October 1 through September 30.

D. Type of Plan

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

E. Eligibility Requirements

All full-time employees that are not police officers. Effective October 1, 2002, Management and Confidential Employees are covered in a separate plan.

Tier I members are members hired before December 10, 2012.

Tier II members are members hired from December 11, 2012 to January 12, 2015.

Tier III members are members hired after January 12, 2015

F. Continuous Service

Service is measured as the total number of years and completed months of continuous service from the date of employment to the date of termination or retirement. No service is credited for any periods of employment for which the member received a refund of Employee Contributions.

G. Earnings

Basic compensation paid by the City excluding overtime, bonuses, and any other non-regular payments.

H. Average Monthly Earnings (AME)

The average of Earnings during the highest 5 consecutive years of the last 10 prior to termination or retirement.

I. Normal Retirement

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

(1) age 62 with 7 years of Continuous Service, or
(2) 20 years of Continuous Service regardless of age.

Tier II and Tier III: A participant may retire on the first day of the month coincident with or next following the earlier of:

(1) age 60 with 15 years of Continuous Service, or
(2) age 65 with 10 year of Continuous Service, or
(3) 25 years of Continuous Service regardless of age.

Benefit: Tier I: 3.0% of AME multiplied by years of Continuous Service.

Tier II: 2.5% of AME multiplied by years of Continuous Service.

Tier III: 2.25% of AME multiplied by years of Continuous Service.

For members who transferred to the Management Plan, service will be calculated as of the date of transfer and the AME will be calculated as of the date of termination. Additionally, for members who transferred to the Management Plan after October 1, 2002 and before October 1, 2006, the benefit multiplier will be 3.0% for all years of Continuous Service in the General Plan.

Minimum: $25 multiplied by years of Continuous Service, up to a maximum of $250 per month at 10 years of Continuous Service.

Normal Form of Benefit: Single Life Annuity; other options are available.

COLA: There are currently no automatic COLA's; although the City has adopted ad hoc COLA increases in the past (refer to Section V, Cost of Living Increases).

J. Early Retirement

Eligibility: A member may elect to retire earlier than the Normal Retirement Eligibility upon the attainment of age 55 with 15 years of Continuous Service.

Benefit: The Normal Retirement Benefit is actuarially reduced (1/15th-1/30th method) for each month by which the Early Retirement date precedes the Normal Retirement date.

Normal Form of Benefit: Single Life Annuity; other options are available.

COLA: There are currently no automatic COLA's; although the City has adopted ad hoc COLA increases in the past (refer to Section V, Cost of Living Increases).

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 direct result of illness or injury while in the performance of duties for the City is eligible for a disability benefit.

Benefit: The greater of the accrued Normal Retirement Benefit or 20% of the monthly rate of Earnings on the date of disability. Total disability benefits including social security and worker's compensation are subject to a cap of 100% of the rate of Earnings.

Note: Continuous Service during disability shall be credited for retirement benefit purposes

Normal Form of Benefit: Payable until the earlier of death or recovery from disability.

COLA: There are currently no automatic COLA's; although the City has adopted ad hoc COLA increases in the past (refer to Section V, Cost of Living Increases).

M. Non-Service Connected Disability

Eligibility: Any member with 2 or more years of Continuous Service who becomes totally and permanently disabled from an illness or injury not related to the performance of duties for the City is eligible for a disability benefit.

Benefit: The greater of the accrued Normal Retirement Benefit or 20% of the monthly rate of Earnings on the date of disability. Total disability benefits including social security and worker's compensation are subject to a cap of 100% of the rate of Earnings.

Note: Continuous Service during disability shall be credited for retirement benefit purposes

Normal Form of Benefit: Payable until the earlier of death or recovery from disability.

COLA: There are currently no automatic COLA's; although the City has adopted ad hoc COLA increases in the past (refer to Section V, Cost of Living Increases).

N. Death in the Line of Duty

Eligibility: Any member who dies as a direct result of an occurrence arising in the performance of duties for the City is eligible for survivor benefits.

Benefit: 20% of the member's monthly rate of Earnings on the date of death payable to the spouse. If there is no spouse, the benefit is divided equally among any surviving children.

Normal Form of Benefit: Benefit is paid until death or remarriage of the spouse or until age 18 for any surviving children.

COLA: There are currently no automatic COLA's; although the City has adopted ad hoc COLA increases in the past (refer to Section V, Cost of Living Increases).

O. Other Pre-Retirement Death

Eligibility: Any member who is eligible for Early or Normal Retirement who dies while actively working prior to actual retirement is eligible for survivor benefits.

Benefit: If the member has a spouse, the benefit is paid as if the member had elected a 50% joint and survivor benefit with the spouse as beneficiary.

If there is no spouse, the benefit is paid as if the member had elected a 10 year certain and life benefit to be split equally between any surviving children.

Normal Form of Benefit: Spouse's benefit is paid until the latest of death or remarriage; upon death or remarriage the benefit continues until the youngest child reaches the age of 18.

When there is no spouse at the time of death, any surviving children's benefits are paid until the latest of 10 years or the date the youngest child reaches the age of 18.

COLA: There are currently no automatic COLA's; although the City has adopted ad hoc COLA increases in the past (refer to Section V, Cost of Living Increases).

P. Post Retirement Death

Benefit determined by the form of benefit elected upon retirement.

Q. Optional Forms

Each member entitled to a Retirement benefit may elect, in lieu of the Normal Form of benefit, a 10 Year Certain and Life option, or a 50%, 75% or 100% Joint and Last Survivor option.

R. Vested Termination

Eligibility: A participant has earned a non-forfeitable right to Plan benefits after the completion of the requisite years of Continuous Service if accumulated contributions are left in the fund. Members in Tier I are vested after 7 years of service. Members in Tiers II and III are vested after 10 years of service.

Benefit: The participant's accrued Normal Retirement Benefit as of the date of termination. Benefit begins at the member's Normal Retirement date.

Normal Form of Benefit: Single Life Annuity; other options are available.

COLA: There are currently no automatic COLA's; although the City has adopted ad hoc COLA increases in the past (refer to Section V, Cost of Living Increases).

S. Refunds

Eligibility: All members terminating employment with less than 7 years of Continuous Service will receive a refund of their own accumulated Member Contributions with interest. Vested members (those with 7 or more years of Continuous Service) may elect a refund in lieu of the vested benefits otherwise due.

Benefit: Refund of the Member's Contributions with interest. The current annual rate of interest is 3.0%.

T. Member Contributions

10.0% of Earnings effective 10/1/07.

Employer "pick-up" of Member Contributions was effective 1/13/92.

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

There are currently no automatic COLA's; although the City has adopted ad hoc COLA increases in the past (refer to Section V, Cost of Living Increases), as provided below.

An ad hoc 9.25% increase was granted to retirees and beneficiaries receiving payments as of 10/1/91, with smaller increases applicable to those whose benefits started after 7/1/88.

An ad hoc 3.00% increase was granted to retirees and beneficiaries receiving payments as of 11/25/02.

W. 13th Check

None.

X. Deferred Retirement Option Plan

Eligibility:	Plan members in Tier I are eligible for the DROP on the first day of the month coincident with or next following Normal Retirement with at least 20 years of Continuous Service. Plan members in Tier II and III are not eligible for the DROP.
	Members who meet eligibility must submit a written election to participate in the DROP.
Benefit:	The member's Continuous Service and AME are frozen upon entry into the DROP.
	The monthly retirement benefit as described under Normal Retirement is calculated based upon the frozen Continuous Service and AME. The maximum DROP period is 60 months.

Interest
Credited: The member's DROP account is credited or debited at a rate equal to the actual net rate of investment return realized by the Plan.

Form of
Benefit: Upon exit from the DROP, the DROP account is payable as a lump sum payout, installment payments, a direct rollover to an IRA or other qualified plan, or a combination of these payment options.

COLA: There are currently no automatic COLA's; although the City has adopted ad hoc COLA increases in the past (refer to Section V, Cost of Living Increases).

Y. Other Ancillary Benefits

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

For employees who transfer from the General Employees' Pension Plan to the Managerial Employees' Pension Plan, the benefit payable from the General Employees' Pension Plan reflects years of service as of the date of transfer and average final compensation as of the date the employee terminates service with the City (rather than as of the date of transfer). In addition, the Normal Retirement Date to be used for benefit payment purposes is the date in the Managerial Employees' Pension Plan rather than the one in the General Employees' Pension Plan.

Z. Changes from Previous Valuation

None.