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City of Margate Employees Benefit Trust Fund

Actuarial Valuation as of June 1, 2015



June 16, 2016

REPORT TO DETERMINE MINIMUM FUNDING REQUIREMENTS
FOR THE FISCAL YEAR
ENDING MAY 31, 2016



June 16, 2016

Board of Trustees
City of Margate Employees Benefit Trust Fund
Margate, Florida

RE: Actuarial Valuation as of June 1, 2015

Dear Board Members:

We are pleased to present the actuarial valuation as of June 1, 2015 for the City of Margate Employees Benefit Trust Fund (the Plan). This report provides a review of the current funded status of the Plan, establishes the minimum funding requirements for the fiscal year ending May 31, 2016. No analysis of experience since the last valuation has been performed since the last valuation was as of June 1, 2007 and a significant change was made such that there are no new entrants to the plan effective October 1, 2010. In addition to providing the summary and derivation of actuarial findings, this report describes the data, assumptions, and methods used to create these results.

We understand that this valuation is not governed by Part VII, Chapter 112, Florida Statutes. Please notify us as soon as possible if this is not the case.

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.

We look forward to the presentation of these results to you in person and we are always available to answer any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Chad M. Little".

Chad M. Little, ASA, EA
Partner, Consulting Actuary
Enrollment Number 14-6619

A handwritten signature in black ink, appearing to read "Paula C. Freiman".

Paula C. Freiman, ASA, EA
Partner, Consulting Actuary
Enrollment Number 14-5796

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Section

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Board Summary

Summary of Principal Valuation Results

This report presents the results of the June 1, 2015 actuarial valuation of the City of Margate Employees Benefit Trust Fund in comparison to the results of the June 1, 2007 actuarial valuation, which we understand was the last valuation performed for the Fund.

Minimum Funding Requirements

Fiscal Year Ending May 31,	2009	2016
Total Minimum Required Contribution		
As a Dollar Amount	\$228,251	\$72,377
As a Percent of Pay	0.83%	N/A
Total Expected Contribution		
As a Dollar Amount	\$274,175	For Discussion
As a Percent of Pay	1.00%	

Funded Status

Year Beginning June 1,	2007	2015
Unfunded Liability		
Accrued Liability	\$3,325,742	N/A
Actuarial Value of Assets	<u>1,578,623</u>	N/A
Unfunded Accrued Liability	1,747,119	N/A
Funded Percentage	47%	N/A
Present Value of Benefits (PVB)	\$3,970,708	\$4,487,694
Market Value of Assets	<u>1,670,935</u>	<u>4,110,692</u>
Present Value of Benefits - Market Value of Assets	\$2,299,773	\$377,002
Funded Percentage on PVB Basis	42%	92%

Key Assumptions

Valuation Date June 1,	2007	2015
Net Assumed Rate of Investment Return:	7.00%	7.00%
Inflation:	3.00%	3.00%
Mortality:		
Base Table	RP-2000 Combined	RP-2000 Combined
Mortality Improvements - Fully Generational	Scale AA	Scale BB
Projection Year	2001	2000
Funding Method:	Entry Age	Aggregate

Summary of Significant Events

Determination of the funded status of the Plan and minimum funding requirements are based on participant data, asset information, Plan provisions, actuarial methods and assumptions. Any significant events associated with these items are discussed in the following.

Most notably, we understand the last actuarial valuation was performed June 1, 2007. We recommend valuations be performed at least once every two years.

Participant Data

We received census data as of June 1, 2015. For members that were in the census data as of June 1, 2007 we used the date of birth provided for the June 1, 2007 valuation. We received only the year of birth for members who were not in the June 1, 2007 valuation and have assumed all were born January 1 of the year provided. There were five retirees with future commencement dates and we assumed that they are due benefits immediately effective June 1, 2015. Any members in DROP are assumed to retire immediately. Since no payroll information was supplied, there are no results provided on a percent of payroll basis.

There is a significant reduction in the number of participants in this June 1, 2015 valuation from that performed as of June 1, 2007 as the plan was closed to future new entrants effective October 1, 2010.

Assets

In the June 1, 2007 valuation, 96% of the portfolio was invested in stocks with a 15.4% net return achieved in the 12 month period ending May 31, 2007.

In this June 1, 2015 valuation, 86% of the portfolio was invested in stocks with a 7.1% net return achieved in the 12 month period ending May 31, 2015.

We have continued to assume a net investment return at 7.0% but recommend that the investment monitor provide information on the long-term expected net return that may be achieved.

Plan Provisions

Although the Plan document provided for review did not mention this, we understand that anyone hired after October 1, 2010 is not eligible for benefits under the Plan. We also understand that there are no member contributions and that the City has made annual contributions of 1% of total payroll (including employees not eligible for benefits).

Methods

In the June 1, 2007 valuation we computed the contribution payable for the fiscal year ending May 31, 2009. This June 1, 2015 valuation computes the contribution payable for the fiscal year ending May 31, 2016.

In the June 1, 2007 valuation a method was used to smooth asset gains and losses over a five year period. In the current valuation no asset smoothing method was employed.

Assumptions

We recommend the Board of Trustees obtain input from the investment monitor regarding the net assumed long-term rate of return on Plan investments to assure the 7.0% net assumed return is reasonable.

Any assumption regarding salary increases used in the prior valuation are not employed in the current valuation as no payroll information was provided and this is a level dollar benefit plan.

The mortality table was revised from the RP-2000 Combined Mortality Table with mortality improvements on a fully generational basis from 2001 using Scale AA to RP-2000 Combined Mortality Table with mortality improvements on a fully generational basis from 2000 using Scale BB.

Section 2 Results Derivation

In this section, the assets and liabilities of the Plan are shown in detail. Assets and liabilities are then compared to determine the funded status and minimum funding requirements. Finally, analysis is performed to explain movement in results from the prior valuation.

While asset information is based on the fair market value of assets, along with any techniques used to smooth out market fluctuations, liabilities are determined through a combination of the benefit provisions, participant census data which contains information for the members who will receive those benefits, and the methods and assumptions used with regard to how benefits will be paid to members. A summary of participant data, an outline of the benefit provisions, and a description of the methods and assumptions used in this valuation are described in Section 3.

Financial Information

Over the life of the Plan, the majority of assets are typically generated from investment return. In this section, we describe how the assets of the Plan are invested, show how the actuarial value of assets is derived, and review the investment results since the prior valuation.

Investment Allocation

Year Ending	May 31, 2007		May 31, 2015	
Cash	63,859	4%	163,132	4%
Stocks	1,607,076	96%	3,514,150	86%
ETFs & CEFs	0	0%	82,135	2%
Mutual Funds	0	0%	168,021	4%
Alternate Investments	<u>0</u>	<u>0%</u>	<u>183,254</u>	<u>4%</u>
Total Assets	1,670,935	100%	4,110,692	100%

Reconciliation of Market Value of Assets

Year Ending May 31,	2007	2015
1. Value as of Beginning of Year	\$1,300,742	\$3,708,018
2. Contributions	\$283,438	\$324,971
3. Investment Income		
a. Realized Gains (Losses)	\$94,270	\$183,718
b. Unrealized Gains (Losses)	117,745	44,004
c. Interest and Dividends	25,370	72,119
d. Investment Expenses	<u>(25,406)</u>	<u>(30,006)</u>
e. Net Investment Income	\$211,979	\$269,835
4. Deductions		
a. Benefit Payments	\$(117,371)	\$(183,760)
b. Administrative Expenses	<u>(7,853)</u>	<u>(8,372)</u>
c. Total Deductions	\$(125,224)	\$(192,132)
5. Value as of End of Year	\$1,670,935	\$4,110,692
6. Net Return on Investments	15.4%	7.1%

Development of Actuarial Value of Assets

1. Market Value of Assets of June 1, 2007 \$ 1,670,935

2. Phase-In of Gains or (Losses) for Previous Five Years

Year Ending	Gain or (Loss)	Percentage Recognized	Unrecognize d Gain (Loss)
05/31/2007	115,390	20%	\$ 92,312
	0	40%	0
	0	60%	0
	0	80%	0
		Total	\$ 92,312

3. Preliminary Actuarial Value = (1) - (2) \$ 1,578,623

4. Corridor Around Market Value

a		
. Minimum Actuarial Value of Assets = 80% x Market Value of Assets	\$	1,336,748
b Maximum Actuarial Value of Assets = 120% x Market Value of Assets	\$	2,005,122
c Corridor Adjustment	\$	0

5. Actuarial Value of Assets of June 1, 2007 \$ 1,578,623

Above we show the derivation of the Actuarial Value of Assets as of June 1, 2007.

The Actuarial Value of Assets as of June 1, 2015 was set equal to the Market Value of Assets.

Present Value of Benefits

Year Beginning June 1,	2007	2015
1. Active Members		
a. Retirement Benefits	\$2,387,187	\$2,329,855
b. Deferred Benefits	0	0
c. Survivor Benefits	0	0
d. Disability Retirement	<u>0</u>	<u>0</u>
e. Total for Active Members	\$2,387,187	\$2,329,855
2. DROP Members With Deferred Payments	\$380,382	\$0
3. Members in Payment Status	\$1,203,139	\$2,157,839
4. Present Value of Benefits	\$3,970,708	\$4,487,694

Accrued Liability

Year Beginning June 1,	2007
1. Active Members	
a. Retirement Benefits	\$1,742,221
b. Deferred Benefits	0
c. Survivor Benefits	0
d. Disability Retirement	<u>0</u>
e. Total for Active Members	\$1,742,221
2. DROP Members With Deferred Payments	380,382
3. Members in Payment Status	<u>1,203,139</u>
4. Accrued Liability	\$3,325,742

Note: The valuation as of June 1, 2007 used the Entry Age Normal Percent of Pay funding method. The funding method has been revised to the Aggregate method as of June 1, 2015. There is no Accrued Liability under the Aggregate funding method.

Normal Cost

Year Beginning June 1,		2007
1.	Active Members	
a.	Retirement Benefits	\$83,779
b.	Deferred Benefits	0
c.	Survivor Benefits	0
d.	Disability Retirement	0
e.	Preliminary Normal Cost	83,779
f.	Administrative Expenses	<u>7,853</u>
g.	Total Normal Cost	\$91,632
h.	Normal Cost as a % of Pay	0.34%
2.	Valuation Payroll	26,618,969

Note: The valuation as of June 1, 2007 used the Entry Age Normal Percent of Pay funding method. The funding method has been revised to the Aggregate method as of June 1, 2015. The Normal Cost is determined on the table deriving the Minimum Required Contribution under the Aggregate method as of June 1, 2015.

Minimum Funding Requirement Calculations June 1, 2007

Valuation for Year Beginning June 1,	2007
1. Normal Cost	\$91,632
2. Amortization of Unfunded Actuarial Liability	<u>122,477</u>
3. Total Minimum Required Contribution BOY	
a. As a Dollar Amount	\$214,109
b. As a Percent of Pay	0.80%
4. Total Minimum Required Contribution	
Projected to Beginning of Following Year	
a. As a Dollar Amount	220,532
b. As a Percent of Pay	0.80%
5. Total Minimum Required Contribution	
Including Interest for Periodic Payments	
a. As a Dollar Amount	228,251
b. As a Percent of Pay	0.83%
6. Valuation Payroll	
a. As of Valuation Date	26,618,969
b. Projected to Next Year	27,417,538

Minimum Funding Requirement Calculations June 1, 2015

Valuation for Year Beginning June 1, Contribution for Year Ending May 31,	2015 2016
1. Present Value of Benefits	
a. Active Members	\$2,329,855
b. Retired Members	<u>2,157,839</u>
c. Total	\$4,487,694
2. Market Value of Assets	\$4,110,692
3. Present Value of Benefits - Market Value of Assets	\$377,002
4. Present Value of Future Working Life	1,476
5. Number of Active Members Included in Present Value of Future Working Life	241
6. Minimum Required Contribution for Year Ending May 31, 2016	
a. Normal Cost = 3. / (4. / 5.)	\$61,557
b. Administrative Expense	8,372
c. Interest Assuming Periodic Contributions	<u>2,448</u>
d. Total	\$72,377

Section
3

Supplementary Information

Summary of Participant Data

Member Statistics

Year Beginning June 1,	2007	2015
<u>Active Participants</u>		
Number	513	271
Average Age	43.93	47.76
Average Credited Service	9.06	15.33
Percent Male	71%	76%
Average Pay	51,889	N/A
Valuation Payroll	26,618,969	N/A
<u>Members in DROP*</u>		
Number	30	0
Average Age	61.03	0.00
Percent Male	70%	0%
Average Annual Benefit	1,416	0
<u>Service Retirements</u>		
Number	75	136
Average Age	63.96	67.00
Percent Male	81%	74%
Average Annual Benefit	1,450	1,472

*Any members in DROP are assumed to retire immediately for conservatism and are included in the Service Retirement counts.

Outline of Plan Provisions

Effective Date: July 1, 2000.

Plan Year: From January 1 through December 31.

Covered Person: Eligible Employee who meets Benefit Eligibility Requirements.

Eligible Employee: Persons employed full-time or part-time by the City of Margate on or after July 1, 2000 for whom Contributions have been made to the Fund. Effective October 1, 2010 the plan is closed to new entrants.

Benefit Eligibility Requirements: An Eligible Employee may become entitled to a Benefit on or after the first day of the month following Retirement, provided the Eligible Employee files a Benefit Application, has continuous or continuing health insurance coverage, and timely submits proof thereof annually on an Affidavit of Continued Eligibility form.

Members must have at least 10 Years of Service to be eligible for a Benefit.

Members who become disability retirees under FRS are not eligible for a Benefit.

Termination of Eligibility: Eligibility for a Benefit will terminate on the date the person ceases to be eligible, on the date the person dies, upon termination of the Fund.

Retired or Retirement: Receipt of retirement benefits from the Florida Retirement System (FRS) after the first day of any month following the date an Eligible Employee attains one of the following statuses (as defined in the FRS):

- a. Regular, Senior Management and Elected Officers' Class:
 - (i) Age 62 and at least six years creditable service; or
 - (ii) At least 30 years creditable service (which may include a maximum of 4 years military service credit, as long as such credit is not claimed under any other system), regardless of age.
- b. Special Risk Class:
 - (i) Age 55 and at least six years of creditable service; or
 - (ii) At least 25 years of creditable service, regardless of age; or
 - (iii) Age 52 and at least 25 years of creditable service (which may include a maximum of 4 years of military service credit, as long as such credit is not claimed under any other system).

Years of Service: Cumulative full-time years of employment with the City of Margate, including employment during participation in the DROP where required Contributions have been made to the

Fund from July 1, 2000. Two years of permanent part-time employment count as one year of full-time employment.

Contributions: Any and all Contributions are non-refundable. If a person makes Contributions to the Fund and does not meet Benefit Eligibility Requirements, all Contributions made to the fund are forfeited. We understand members do not contribute to the fund.

Benefit: A monthly amount of \$50 plus \$3.40 per Year of Service up to 25 years, but not more than 100% of the premium cost for health insurance including Medicare. Benefits are payable annually in January.

Upon meeting Benefit Eligibility Requirements, the Fund will calculate the monthly amount payable from the first of the month following Retirement until December 31 of the year of Retirement. This amount is payable with the first annual payment.

Benefits begin January 1, 2002 with no retroactive payments for the period from July 1, 2000 through December 31, 2001.

Survivor Benefit: A one-time lump sum payment is due immediately upon death to the beneficiary of any Covered Person who has been receiving a Benefit. If no beneficiary is named or if the named beneficiary pre-deceases the Covered Person, no Survivor Benefit is payable.

The Survivor Benefit is equal to the monthly Benefit x 12. This Survivor Benefit will have deducted the remaining prepaid monthly amounts for each month following the date of death.

Description of Assumptions and Methods

Net Assumed Rate of Investment Return: 7.0%, net of investment expenses.

Mortality: In the June 1, 2007 valuation, mortality was assumed under the RP-2000 Combined Mortality table with fully generational mortality improvements from 2001 using Scale AA. For this June 1, 2015 valuation, mortality is assumed under the RP-2000 Combined Mortality table with fully generational mortality improvements from 2000 using Scale BB.

Retirement: Rates of retirement are based on the assumptions for Members first eligible for retirement as used in the valuation of the Florida Retirement System as of July 1, 2007. Linear interpolation was used between the rates shown in the following:

Regular Class Retirement Rates						
Age	Male			Female		
	0-9	10-29	>=30*	0-9	10-29	>=30
<=44	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
45	0.00%	6.90%	100.00%	0.00%	6.30%	100.00%
50	0.00%	19.90%	100.00%	0.00%	14.30%	100.00%
55	0.00%	19.50%	100.00%	0.00%	16.30%	100.00%
60	0.00%	26.40%	100.00%	0.00%	26.30%	100.00%
>=65	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%

Members in the Regular Class who are part-time are assumed to retire at a rate of 100% at 20 years of service.

Elected Officer Retirement Rates		
Age	Male	Female
<=44	0.0%	0.0%
45	0.0%	3.5%
50	2.0%	3.5%
55	3.5%	4.5%
60	5.1%	6.5%
65	14.9%	12.4%
>=80	100.0%	100.0%

Senior Management Class Retirement Rates						
Age	Male			Female		
	0-9	10-29	>=30	0	10	>=30
<=44	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
45	0.0%	5.0%	100.0%	0.0%	3.5%	100.0%
50	0.0%	16.0%	100.0%	0.0%	10.5%	100.0%
55	0.0%	14.5%	100.0%	0.0%	11.5%	100.0%
60	0.0%	20.1%	100.0%	0.0%	20.4%	100.0%
65	0.0%	26.3%	100.0%	0.0%	20.1%	100.0%
>=70	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%

Special Risk Class Retirement Rates

Age	Male			Female		
	0-9	10-24	>=25	0.0%	1000.0%	>=25
<=39	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
40	0.0%	2.5%	100.0%	0.0%	2.5%	100.0%
45	0.0%	2.5%	100.0%	0.0%	2.5%	100.0%
50	0.0%	7.5%	100.0%	0.0%	7.0%	100.0%
55	0.0%	7.8%	100.0%	0.0%	7.8%	100.0%
60	0.0%	6.6%	100.0%	0.0%	6.1%	100.0%
>=65	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%

Termination: Rates of termination are based on the assumptions used in the valuation of the Florida Retirement System as of July 1, 2007. Linear interpolation was used between the rates shown in the following:

Regular Class Rates of Termination

Age	Male Rates										
	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20	32.8%	31.8%	25.2%	18.4%	15.8%	13.3%	12.4%	11.7%	11.0%	10.5%	10.9%
25	27.2%	23.2%	19.1%	14.6%	12.7%	11.0%	9.4%	8.8%	7.7%	6.6%	6.9%
30	25.8%	19.2%	15.5%	13.2%	11.8%	10.0%	8.6%	7.5%	6.4%	5.8%	5.2%
35	25.8%	17.9%	14.2%	12.6%	10.9%	9.7%	8.3%	7.2%	6.2%	5.6%	4.7%
40	24.4%	15.8%	12.0%	10.7%	9.0%	8.4%	7.5%	6.6%	5.8%	5.5%	3.3%
45	24.4%	15.7%	11.6%	10.3%	8.8%	7.7%	7.2%	6.3%	5.7%	5.4%	3.0%
50	23.4%	15.2%	10.7%	9.4%	7.9%	6.9%	6.1%	5.6%	5.1%	4.8%	3.3%
55	27.4%	18.4%	14.1%	12.4%	9.9%	8.9%	6.4%	5.5%	4.9%	5.0%	5.0%
60	27.4%	18.4%	14.1%	12.3%	9.7%	8.8%	6.3%	5.4%	4.8%	4.9%	5.9%
>=65	27.4%	18.4%	14.1%	12.3%	9.7%	8.8%	6.3%	5.4%	4.8%	4.9%	4.1%

Age	Female Rates										
	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20	31.9%	28.6%	23.3%	18.3%	15.4%	15.3%	12.4%	11.9%	11.6%	11.3%	11.6%
25	28.0%	22.0%	18.0%	14.7%	12.9%	12.2%	10.5%	9.7%	8.6%	7.9%	5.3%
30	26.7%	18.8%	15.3%	13.2%	11.3%	10.7%	9.5%	8.5%	7.9%	7.2%	5.4%
35	26.7%	17.7%	14.2%	12.6%	10.9%	10.2%	9.2%	8.2%	7.5%	6.9%	4.6%
40	25.7%	15.5%	12.1%	10.6%	9.1%	8.0%	7.2%	6.6%	6.0%	5.5%	3.3%
45	25.7%	15.4%	11.9%	10.3%	8.8%	7.7%	7.0%	6.4%	5.8%	5.3%	3.0%
50	24.4%	14.8%	11.5%	9.2%	8.4%	7.0%	6.5%	5.8%	5.5%	5.1%	3.2%
55	27.8%	17.6%	13.7%	11.3%	9.7%	8.3%	7.0%	6.3%	6.0%	5.6%	5.4%
60	27.8%	17.6%	13.7%	11.2%	9.6%	8.2%	6.9%	6.2%	5.9%	5.4%	7.2%
>=65	27.8%	17.6%	13.7%	11.2%	9.6%	8.2%	6.9%	6.2%	5.9%	5.4%	4.1%

Elected Officer Class Termination Rates

Age	Male				Female			
	0-7	8	9	>=10	0-7	8	9	>=10
<=19	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20	8.2%	13.8%	4.8%	5.7%	0.0%	15.0%	3.2%	5.3%
25	8.2%	13.8%	4.8%	5.7%	0.0%	15.0%	3.2%	5.3%
30	8.2%	13.8%	4.8%	5.7%	0.0%	15.0%	3.2%	5.3%
35	8.2%	13.8%	4.8%	5.7%	0.0%	15.0%	3.2%	5.3%
40	8.2%	13.8%	4.8%	5.7%	0.0%	15.0%	3.2%	5.3%
45	8.2%	13.8%	4.8%	5.7%	0.0%	15.0%	3.2%	5.3%
50	8.2%	13.6%	4.6%	5.6%	0.0%	14.9%	3.1%	5.1%
55	8.2%	13.4%	4.4%	5.3%	0.0%	14.6%	2.8%	4.9%
60	8.2%	13.3%	4.3%	5.2%	0.0%	14.5%	2.7%	4.8%
>=65	8.2%	11.5%	2.5%	3.5%	0.0%	12.8%	1.0%	3.0%

Senior Management Class Rates of Termination

Male Rates											
Age	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20	24.3%	27.9%	24.9%	19.5%	15.5%	9.1%	8.2%	7.5%	6.8%	5.5%	4.8%
25	24.3%	23.3%	21.4%	18.5%	14.9%	8.8%	7.9%	7.3%	6.8%	5.5%	4.8%
30	24.3%	20.7%	19.3%	17.7%	14.5%	8.4%	7.5%	6.9%	6.5%	5.3%	4.1%
35	24.3%	19.4%	18.0%	17.1%	13.6%	8.0%	7.2%	6.6%	6.3%	5.1%	3.6%
40	24.3%	18.9%	17.2%	16.7%	12.9%	7.8%	6.9%	6.3%	6.1%	4.9%	3.2%
45	24.3%	18.8%	16.9%	16.4%	12.6%	7.1%	6.7%	6.1%	5.9%	4.8%	2.9%
50	24.3%	18.8%	16.8%	16.2%	12.4%	6.9%	6.5%	5.9%	5.8%	4.6%	3.0%
55	24.3%	18.8%	16.8%	16.0%	12.3%	6.7%	6.3%	5.8%	5.7%	4.5%	3.6%
60	24.3%	18.8%	16.8%	16.0%	12.2%	6.7%	6.3%	5.7%	5.6%	4.4%	4.4%
>=65	24.3%	18.8%	16.8%	16.0%	12.2%	6.6%	6.2%	5.7%	5.6%	4.4%	2.6%

Female Rates											
Age	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20	24.3%	25.8%	22.8%	17.3%	12.2%	10.1%	8.8%	8.2%	7.5%	6.3%	4.8%
25	24.3%	21.7%	20.0%	16.4%	11.7%	9.4%	8.5%	8.1%	7.4%	6.3%	4.9%
30	24.3%	19.6%	18.3%	15.7%	11.2%	8.8%	8.1%	7.7%	7.0%	5.8%	3.9%
35	24.3%	18.5%	17.3%	15.2%	10.8%	8.2%	7.8%	7.3%	6.6%	5.5%	3.2%
40	24.3%	18.1%	16.7%	14.7%	10.5%	7.8%	7.5%	7.1%	6.4%	5.2%	2.7%
45	24.3%	18.0%	16.5%	14.5%	10.3%	7.5%	7.3%	6.9%	6.1%	4.9%	2.4%
50	24.3%	18.0%	16.4%	14.3%	10.1%	7.3%	7.1%	6.7%	5.9%	4.7%	2.5%
55	24.3%	18.0%	16.4%	14.2%	10.0%	7.2%	6.9%	6.6%	5.8%	4.5%	3.3%
60	24.3%	18.0%	16.4%	14.1%	9.9%	7.1%	6.8%	6.5%	5.7%	4.3%	5.1%
>=65	24.3%	18.0%	16.4%	14.1%	9.8%	7.1%	6.8%	6.5%	5.6%	4.3%	1.9%

Special Risk Class Rates of Termination

Male Rates											
Age	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20	19.4%	12.9%	10.7%	9.2%	7.9%	6.0%	5.5%	4.5%	3.9%	3.8%	2.9%
25	18.7%	12.3%	10.1%	8.6%	7.4%	6.0%	5.5%	4.5%	3.9%	3.8%	2.9%
30	18.7%	11.8%	9.7%	8.2%	7.1%	6.0%	5.5%	4.5%	3.9%	3.8%	2.7%
35	18.7%	11.5%	9.3%	7.9%	6.8%	6.0%	5.3%	4.5%	3.9%	3.8%	2.4%
40	18.7%	11.2%	9.1%	7.4%	6.7%	6.0%	5.0%	4.5%	3.9%	3.8%	2.3%
45	18.7%	11.1%	8.9%	7.3%	6.5%	6.0%	5.0%	4.5%	3.9%	3.8%	2.4%
50	18.7%	11.0%	8.8%	7.2%	6.5%	6.0%	5.0%	4.5%	3.9%	3.8%	2.7%
55	18.7%	11.0%	8.8%	7.2%	6.5%	6.0%	5.0%	4.5%	3.9%	3.8%	6.2%
60	18.7%	11.0%	8.8%	7.2%	6.5%	6.0%	5.0%	4.5%	3.9%	3.8%	6.2%
>=65	18.7%	11.0%	8.8%	7.2%	6.5%	6.0%	5.0%	4.5%	3.9%	3.8%	6.2%

Female Rates											
Age	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20	21.3%	15.5%	12.3%	10.3%	9.7%	6.9%	6.6%	5.5%	4.7%	4.8%	2.4%
25	21.3%	14.2%	11.7%	9.8%	9.2%	6.9%	6.6%	5.5%	4.7%	4.8%	2.4%
30	21.3%	13.2%	11.2%	9.3%	8.7%	6.9%	6.6%	5.5%	4.7%	4.7%	2.1%
35	21.3%	12.6%	10.9%	9.0%	8.4%	6.9%	6.6%	5.5%	4.6%	4.7%	1.8%
40	21.3%	12.2%	10.7%	8.7%	8.0%	6.9%	6.6%	5.5%	4.6%	4.7%	3.1%
45	21.3%	12.0%	10.5%	8.5%	7.8%	6.9%	6.6%	5.5%	4.6%	4.6%	3.1%
50	21.3%	11.9%	10.4%	8.4%	7.7%	6.9%	6.6%	5.5%	4.5%	4.6%	2.0%
55	21.3%	11.9%	10.4%	8.4%	7.7%	6.9%	6.6%	5.5%	4.5%	4.5%	5.0%
60	21.3%	11.9%	10.4%	8.4%	7.7%	6.9%	6.6%	5.5%	4.5%	4.5%	5.0%
>=65	21.3%	11.9%	10.4%	8.4%	7.7%	6.9%	6.6%	5.5%	4.5%	4.5%	5.0%

Disability: Rates of disability are based on the sum of line-of-duty and non-duty disability assumptions used in the valuation of the Florida Retirement System as of July 1, 2007. Linear interpolation was used between the rates shown in the following:

Rates of Disability						
Age	Regular		EO and Senior Mgmt		Special Risk	
	Male	Female	Male	Female	Male	Female
<=19	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
20	0.004%	0.001%	0.005%	0.003%	0.049%	0.044%
25	0.034%	0.011%	0.005%	0.003%	0.049%	0.044%
30	0.064%	0.028%	0.029%	0.019%	0.060%	0.062%
35	0.083%	0.056%	0.041%	0.034%	0.084%	0.112%
40	0.120%	0.085%	0.062%	0.053%	0.138%	0.186%
45	0.217%	0.181%	0.127%	0.105%	0.227%	0.365%
50	0.357%	0.307%	0.215%	0.190%	0.430%	0.471%
55	0.592%	0.513%	0.372%	0.331%	0.661%	0.722%
60	0.782%	0.648%	0.554%	0.408%	0.929%	0.882%
>=65	0.338%	0.194%	0.236%	0.133%	0.929%	0.523%

Salary Increases: There are no salary increase assumptions used in this June 1, 2015 actuarial valuation of the Plan.

In the June 1, 2007 actuarial valuation, along with the below salary increase assumptions due to merit and longevity used in the valuation of the Florida Retirement System as of July 1, 2007, salary was assumed to increase 3.0% due to inflation. Total payroll was assumed to increase each year by 3.0%. Linear interpolation was used between the rates shown in the following:

Regular Class Salary Increase Due to Merit and Longevity											
Age	Male Merit and Longevity										
	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	3.00%
25	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	3.00%
30	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	3.00%
35	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	3.00%
40	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	2.50%
45	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	2.00%
50	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	1.50%
55	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	0.50%
60	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	0.50%
>=65	4.25%	4.25%	3.75%	3.75%	3.50%	3.50%	3.50%	3.00%	3.00%	3.00%	0.50%
Age	Female Merit and Longevity										
	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	3.00%
25	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	3.00%
30	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	3.00%
35	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	3.00%
40	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	2.50%
45	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	2.00%
50	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	1.00%
55	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	0.00%
60	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	0.00%
>=65	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	0.00%

Elected Officer Class Unisex Salary Increase Due to Merit and Longevity											
Age	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
25	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
30	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
35	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
40	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
45	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.25%
50	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.00%
55	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	0.00%
60	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	0.00%
>=65	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	0.00%

Senior Management Class Salary Increase Due to Merit and Longevity											
Age	Male Merit and Longevity										
	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%
25	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%
30	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%
35	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%
40	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	2.50%
45	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	2.00%
50	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	1.50%
55	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	1.50%
60	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	1.50%
>=65	5.50%	5.50%	5.00%	4.75%	4.50%	4.00%	3.00%	3.00%	3.00%	3.00%	1.50%
Age	Female Merit and Longevity										
	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	3.50%
25	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	3.50%
30	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	3.50%
35	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	3.50%
40	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	2.50%
45	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	2.25%
50	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	1.50%
55	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	0.50%
60	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	0.50%
>=65	5.75%	5.75%	5.75%	5.75%	5.75%	5.00%	4.00%	3.50%	3.50%	3.50%	0.50%

Special Risk Class Salary Increase Due to Merit and Longevity											
Age	Male Merit and Longevity										
	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	2.50%
25	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	2.50%
30	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	2.50%
35	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	2.50%
40	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	2.50%
45	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	2.00%
50	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	1.00%
55	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	0.50%
60	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	0.50%
>=65	5.00%	5.00%	4.00%	3.75%	3.75%	3.75%	3.50%	3.25%	3.25%	3.25%	0.50%
Age	Female Merit and Longevity										
	0	1	2	3	4	5	6	7	8	9	>=10
<=19	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	2.50%
25	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	2.50%
30	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	2.50%
35	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	2.50%
40	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	2.00%
45	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	1.50%
50	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	1.25%
55	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	0.75%
60	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	0.75%
>=65	6.50%	5.50%	4.00%	3.50%	3.50%	3.50%	3.50%	3.25%	3.00%	3.00%	0.75%

Salaries for part time individuals have were not included.

Inflation: 3.0% (note this assumption is not explicitly used in the valuation computations as of June 1, 2015)

Marital Assumption: 80% of Members are assumed married. Husbands are assumed to be 3 years older than wives.

Administrative Expenses: Prior year's actual expenses added to Normal Cost.

Funding Method: The June 1, 2007 valuation used the Entry Age Normal (percent of pay) funding method. This June 1, 2015 valuation uses the Aggregate funding method on a level dollar basis.

Glossary of Actuarial Terms

Present Value of Benefits (PVB): The present value, as of the valuation date, of all benefits that will become payable by the Plan for the current group of members in the census.

Normal Cost (NC): The value of the portion of the total benefit for active members which accrues in the year following the valuation date.

Accrued Liability (AL): This is the portion of the PVB attributable to the past at the valuation date. For active members, AL is the annual NC accumulated from date of entry to the valuation date for each member. For retired and terminated members, the PVB and the AL are equal. The AL is the estimated liability owed by the pension fund at the valuation date.

Unfunded Accrued Liability (UAL): Any excess of the Accrued Liability over the fund assets. A negative UAL indicates fund assets are greater than the Accrued Liability, otherwise known as a surplus.

Actuarial Value of Assets: The value of assets used in the actuarial valuation of the Plan which is compared to the AL to determine the UAL and minimum funding requirements. A method may be used to smooth out short term volatility in the fair market value of assets.