ACTUARIAL VALUATION REPORT

Retirement Income Plan for General Employees of City of Pembroke Pines

4-27083

Plan year beginning 10/01/2015 and ending 09/30/2016

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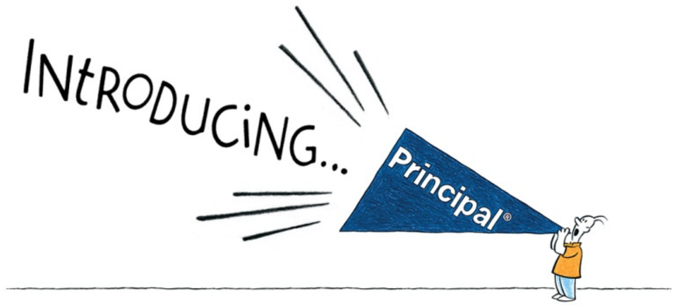
This report is for the defined benefit retirement plan named on the report cover and may only be provided to other parties in its entirety. Employee data and other information you provide, along with benefits described in your plan document are used for the basis of this report. This report includes your Actuarial Determined Contribution. Amounts in this report are not meant for your financial statements or to terminate your plan. Upon request, we will prepare other reports for these purposes.



New Report Features

This year we've enhanced your actuarial valuation report. These changes are designed to make it easier to find important information quickly and to provide new information for planning and reference.

Finding Information Faster

- Using the pdf of this report, you can quickly find key topics from the Table of Contents. Just click on the topic to jump to that page in the report.
- There are also additional links throughout the report to jump you to additional information.

New Information Included

- Understanding Your Plan's Funded Status
- Benefit Cash Flows
- Liabilities and assets measured at a Risk-Free interest rate
- Historical Results

Other changes

Government Accounting Standards Board Statement 68 (GASB Statement 68) replaced GASB Statement 27. Since GASB has separated accounting measures used for financial reporting from funding measures used to determine pension contributions, we are no longer:

- Including GASB Statement 27 information in your valuation report
- Using the term ARC in this report. The cost assigned to a given year is now referred to as the Actuarially Determined Contribution (ADC).

Finding Your Report Later

You can also find this report on your plan's Principal website on www.principal.com. Three years of reports will be saved for you there. To grant additional people (including your auditors) access to your site, work with your client service associate.

Summary of Results

Current Year Plan Costs

The following is a synopsis of your plan costs for the current year, including the Actuarially Determined Contribution (ADC). For a complete schedule of the cash due and received by the plan, see the Contribution Schedule.

The Actuarially Determined Contribution for this plan year is $566,798

- We have not received any employer contributions yet for the current plan year.
- See Funding Calculations for details.
- Contributing less than this amount will increase your next year Actuarially Determined Contribution.

Factors Impacting Current Year Costs

While completing this valuation, we reviewed the actuarial assumptions. The assumption changes we made are disclosed in the Assumptions and Methods section of this report.

Your Actuarially Determined Contribution decreased from $758,577 in 2014 to $566,798 for 2015.

You can compare your contributions to the Actuarially Determined Contributions for the prior year in the Historical Results section at the back of this report.

Your Pension Actuarial Analyst is Gary R Peffer
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Understanding Your Plan's Funded Status

While it is important to know the actuarially determined contribution level, it is also important to understand your plan's funded status. The funded status determines contribution levels and can help you make informed decisions about plan funding, investment policies and benefit changes.

Measures of Plan Funded Status

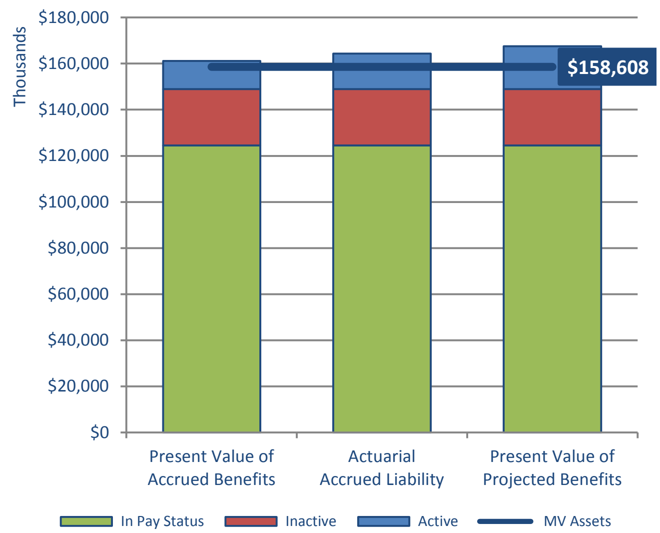
The table below compares the plan's 10/01/2015 market value of assets (the solid line) to 10/01/2015 plan liabilities measured using the assumptions we have made about future events. The liabilities assume:

- No one will enter the plan after the valuation date.
- Your asset allocation will remain the same with a return of 7.50% each year into the future.
- Plan participants will retire, die, terminate, and become disabled based on our assumptions.
- Annual pay per person will increase based on the salary increase assumption.

Three liability measures are shown:

1. **Present Value of Accrued Benefits -** benefits already earned through the valuation date.
2. **Actuarial Accrued Liability (AAL) -** represents the targeted asset level under your plan's cost method.
3. **Present Value of Projected Benefits -** all benefits expected to be earned through assumed retirement date.

Compare your plan's assets to each of the three liability measures to determine the funded status.



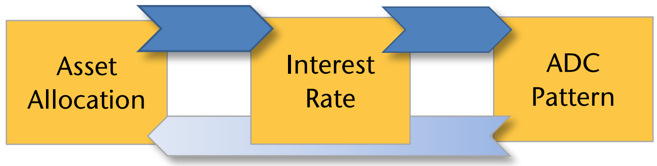
Considerations

These funded status measurements should be evaluated when making decisions about your plan. The goal of the plan's cost method is to accumulate assets equal to the AAL. As long as your AAL is fully funded, you will only need to contribute the plan's Normal Cost each year. Otherwise, you'll also need to contribute amortization payments toward funding this liability.

Understanding how your assets compare to your Present Value of Accrued Benefits is important. At a minimum you want to have enough assets in the plan to cover the present value of the benefits accrued to date.

Funding in excess of the Present Value of Projected Benefits may not be the best use of your organization's funds. However, having excess assets may provide funding and plan design flexibility.

Asset Allocation, Interest Rates and Actuarially Determined Contributions (ADC)



Three key factors are linked in the determination of the pattern and level of the ADC for your plan: your asset allocation, the assumed funding interest rate and the pattern of your ADC. This section discusses how these three factors are related, illustrates the impact of interest rates on measures of benefit liability, and provides information to consider as you review your funding and asset allocation decisions.

The liability measures shown on the previous page and used to calculate your Actuarially Determined Contribution (ADC) reflect assumptions about future investment returns based on your asset allocation. However, future investment returns are not guaranteed, and will fluctuate. To make informed decisions about funding policy, benefit design, and asset allocations, you need to understand the effect of the liability interest rate assumption.

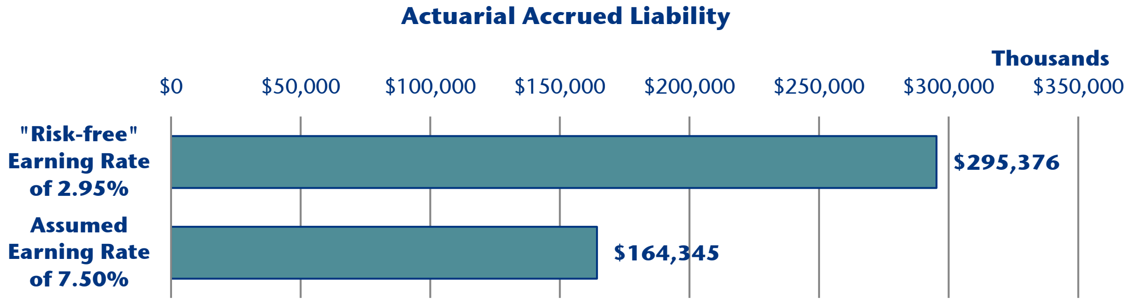
The only sources of funding for your benefits are your cash contributions and asset earnings. The present value of benefits (liability measure) is less than the benefits payable because it is reduced for assumed future asset earnings. When asset earnings fall below expectations, additional cash will be needed to allow payment of all your benefits. Your cost method is used to budget the expected total cost of your plan, and determines the ADC for each plan year.

Asset Allocations and Interest Rates

To help understand how the level of ADC can change over time, a best practice is to evaluate the benefit liability ignoring the plan's asset allocation. A recommended approach is to use a conservative "risk-free" interest rate such as U.S. Treasury instruments.

	Diversified Asset Allocation	"Risk free" Return
Expected future returns	interest rate based on your plan's asset allocation	conservative interest rates such as U.S. Treasury instruments (not based on your plan's investment allocation)
Means	**Lower ADC today** and potentially **higher ADC later** if returns fall below that assumed	**Higher ADC today** and potentially **lower ADC later** if greater returns are earned

The chart below shows your plan's Actuarial Accrued Liability used in the ADC calculation compared to the liability determined using a "risk-free" interest rate. This chart indicates how much impact asset earnings can have on the cash required to fund benefits over the life of the plan.



As you can see above, higher expected returns generate a lower benefit liability. The additional assumed returns between Funding Basis (7.50%) and Risk-Free Basis (2.95%) are referred to as "risk premium". The $131,031,358 difference in the two liability amounts is the assumed risk premium to be earned over the life of the plan.

The Risk-Free Results section later in this report shows additional liability comparisons.

Asset Allocation and ADC

The interest return assumption we use to measure benefit liabilities for funding is **based on your asset allocation**. As a result, your asset allocation choices impact your ADC:

- More volatile asset classes may reduce the current ADC for your plan, but will cause both future ADC and funded status to fluctuate more. There is the potential for severe declines in funded status and increases in ADC when markets perform poorly.
- More conservative asset classes may result in a higher ADC, but provide a more stable basis for planning and budgeting.

The more volatile the value of your asset classes, the greater the range of the potential ADC. You can evaluate the potential impact of alternative asset allocations - and how you could balance your long-term cost and the volatility of your annual ADC - through forecasting studies.

Benefit Changes and Risk-Free Interest Rates

A decision to change plan benefits can have long-term funding implications. Plan sponsors should be cautious about spending what appears to be excess assets in a given plan year on benefit increases. Working with your actuary to request a plan design study can help with your decision.

Recognizing the volatility of the ADC (discussed in the paragraph above), you will want to include the value of the proposed benefit change on a more conservative rate (ex. a risk-free rate) and/or a forecast of long-term funding levels. Discussing the study with your plan actuary can help you decide what, if any, benefit changes you can afford over the long term.

Forecasting: A Best Practice

Industry experts agree that it is a prudent best practice to review the long-term trends of your plan. We provide historical information at the back of this report. But that is like driving using just your rear view mirror: you only see part of the picture.

Short-Term

Neither this year's ADC nor funded status is a good estimate of future amounts because they are volatile from year to year. These measures depend on your plan's assets and benefit liability:

- Plan Asset Values increase or decrease with market returns on investments, contributions made, benefit payments and expenses. Using an asset smoothing method also affects the upcoming year asset values.
- Benefit Liability is impacted by benefit payments, salary experience, census or demographic changes, and assumption changes.

If you need to budget for next year or explore the potential volatility of results over the next few years, consider requesting a short-term forecast.

Long-Term

A 10- or 20-year forecast of your plan's ADC and funded status under both expected and adverse economic scenarios is an excellent planning tool and can be a good investment.

- Comparing the results from your current asset allocation to alternative investment options can provide valuable insights to guide asset allocations. Comparing different funding policies can help evaluate whether your policy will meet your goals and fit in your budget.
- Stress-testing based on economic conditions can help you assess plan risk, and to set funding and investment policies.
- Projecting salary experience, census or demographic changes, and the benefits offered can help identify long-term trends.

If you want to explore the potential volatility of results over an extended time period, consider requesting a long-term forecast.

Keep Us Informed

Please make us aware of any upcoming plan design or significant participant group changes (such as layoffs, increases in staff, or large retirements). Knowing about possible changes gives us the chance to advise you whether further analysis of the cost impact should be considered.

Contribution Schedule

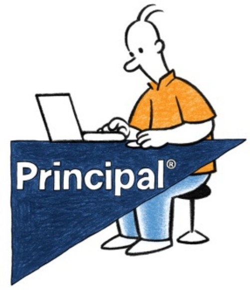
The table below shows the contributions received and payments that are due to meet the Actuarially Determined Contribution (ADC) for this year. You can fund more than this schedule.

- The total cash contributions made for the 2014 plan year is $9,174,902.
- So far, cash contributions of $ 625,000 have been received for the current plan year.
- Employee contributions of $251,306 have been received for the 2014 plan year.

Paid or Date Due	For Plan Year Beginning in		
	2014	2015	2016
12/11/2014	$1,668,725.50		
03/04/2015	$1,668,725.50		
06/08/2015	$1,668,725.50		
09/02/2015	$1,668,725.50		
11/19/2015	$2,500,000.00		
09/30/2016		$566,798	
09/30/2017			To be determined

Contributions: Received | Due for Current Year | Due for Next Year

The remaining balance of your ADC for the current year has been adjusted to reflect contributions already received and interest on those contributions.



Funding Calculations

Actuarially Determined Contribution as of 10/1/2016

The actuarially determined contribution (ADC) includes two primary components. First, the Normal Cost is the cost attributed to the current year, due to the continued accrual of plan benefits for active employees, and plan expenses.

The second main component is an amortization of any unfunded accumulated past costs (Unfunded Actuarial Accrued Liability).

The sum of these two components is then increased for interest to the end of the plan year.

Employer Normal Cost	$2,792,276
Plus valuation interest	209,421
Minus 15 year amortization of credit balance	2,265,022
Minus valuation interest to the end of the year on credit balance	169,877
Actuarially Determined Contribution (ADC)	**$566,798**

The Actuarially Determined Contribution is in addition to employee contributions.

Normal Cost -$2,707,856
Normal Cost with interest - $2,917,715
Prior Credit Balance - $13,929,769
Contributions - $9,174,902
Prior Credit Balance and Contributions with interest - $24,410,853
Credit Balance - $21,493,138 ($24,410,853 - $2,917,715)

Development of Total Normal Cost for fiscal year ending 09/30/2016

Normal cost is the portion of cost assigned to each year based on the cost method and assumptions shown in this report. The normal cost may be shared by the employer and the employees based on plan provisions.

Normal cost	$382,331
Plus estimated expenses	49,000
Total Normal Cost	**$431,331**
Plus amortization charges	3,855,394
Minus amortization credits	1,569,301
Employer Normal Cost	**$2,717,424**

Development of Total Normal Cost for fiscal year ending 09/30/2017

Normal cost is the portion of cost assigned to each year based on the cost method and assumptions shown in this report. The normal cost may be shared by the employer and the employees based on plan provisions.

Total normal cost for fiscal year ending 09/30/2015	$2,717,424
Plus adjustment for salary increase (4.08%)	110,871
Plus adjustment for interest (7.50%)	212,122
Total Normal Cost for 09/30/2016 FYE	**$3,040,417**
Minus employee normal cost (7.25% of compensation - $3,422,635)	248,141
Employer Normal Cost	**$2,792,276**

Actuarial Accrued Liability

The Actuarial Accrued Liability (AAL) is the targeted asset level for the plan and is used in the calculation of the Unfunded Actuarial Accrued Liability on the following page. The AAL below is the amount after any assumption or plan changes.

Active participants	$15,421,306
Inactive participants	24,458,885
Participants and beneficiaries in pay status	124,464,855
Actuarial Accrued Liability	**$164,345,046**

Unfunded Actuarial Accrued Liability

Each year the Unfunded Actuarial Accrued Liability (UAAL) is calculated and equals the Actuarial Accrued Liability less the Actuarial Value of Assets. An experience gain or loss occurs when actual plan experience differs from what was assumed. The gain or loss is calculated separately and amortized as a charge (for a loss) or a credit (for a gain). The UAAL is then adjusted for amendments, assumption changes, or method changes and a liability base is created.

Expected Unfunded Actuarial Accrued Liability		
10/01/2014 Unfunded Actuarial Accrued Liability (UAAL)	$871,760	
10/01/2014 Employer Normal Cost	2,707,856	
Interest on the above items	277,420	
Total Expected UAAL without Contributions		**$3,857,036**
Employer contributions	$9,174,902	
Interest on employer contributions	226,625	
Total Contributions with interest		**$9,401,527**
Expected 10/01/2015 Unfunded Actuarial Accrued Liability (Total Expected UAAL less Contributions with interest)		**$(5,544,491)**

Actual Unfunded Actuarial Accrued Liability (before any changes)		
Actuarial Accrued Liability	$156,651,224	
Less Actuarial Value of Assets	166,921,684	
Preliminary 10/01/2015 Unfunded Actuarial Accrued Liability		**$(10,270,460)**

Experience (Gain) or Loss		
Actual Unfunded Actuarial Accrued Liability	$(10,270,460)	
Less Expected Unfunded Actuarial Accrued Liability	(5,544,491)	
(Gain)Loss		**$(4,725,969)**
2014 amortization balance	$1,788,071	
Interest on amortization balances	138,576	
Additional (Gain)/Loss from (excess) shortage of contributions		**$1,926,647**
Total experience (gain) or loss		**$(2,799,322)**

Final Unfunded Actuarial Accrued Liability (after any changes)		
Actuarial Accrued Liability after assumption	$164,345,046	
Less Actuarial Value of Assets	166,921,684	
10/01/2015 Unfunded Actuarial Accrued Liability after changes		**$(2,576,638)**

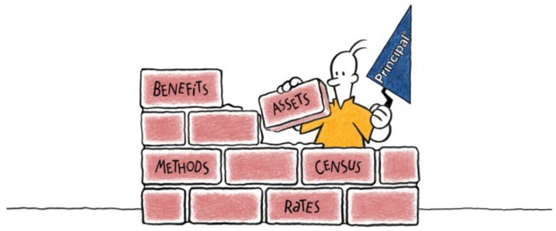
Change in Unfunded Actuarial Accrued Liability Due to:	(Gain)/Loss
Change in assumptions	$7,693,822

Schedule of Amortization Bases

Your cost method allocates a portion of plan funding to be amortized in equal annual installments, rather than to be paid through future normal costs. The following amortization periods will be applied consistently to any amortization bases created 10/01/2012 and later.

- Initial Unfunded Actuarial Accrued Liability: 15 years
- Experience gains/losses: 15 years.
- Amendments: 15 years
- Assumption changes: 15years

Date Created	Reason	Initial Balance	Remaining Period (Years)	Outstanding Balance	Annual Amortization
10/01/2015	Assumption	7,693,822	15	7,693,822	810,802
10/01/2015	Experience (gain)/loss	(2,799,322)	15	(2,799,322)	(295,002)
10/01/2014	Experience (Gain)/Loss	(3,974,549)	14	(3,825,296)	(419,172)
10/01/2013	Experience (Gain)/Loss	(8,101,837)	13	(7,469,775)	(855,127)
10/01/2012	CMET	28,822,233	12	25,317,071	3,044,592
			Total	**18,916,500**	**2,286,093**



Data and Assumptions

Plan Assets

We measure your plan's assets at the beginning of each plan year. Plan assets reflect all contributions made for prior plan years. Contributions you may have already made for the 2015 plan year are not included.

Both market value and actuarial value for the 2015 plan year are shown below.

Market Value of Assets

Investments held by the Principal Financial Group	$156,107,927
2014 contributions received on or after 10/01/2015	2,500,000
Total Market Value of Assets	**$158,607,927**

Actuarial Value of Assets

Your plan's actuarial value of assets is a smoothed value instead of the market value. Using a smoothing method allows you to soften the volatility of assets from year to year. The Actuarial Value of Assets is used to calculate your ADC.

The actuarial value of assets held by Principal Financial Group is determined on a combined basis. See the following page for the development of this value.

Investments held by the Principal Financial Group	$164,421,684
2014 contributions received on or after 10/01/2015	2,500,000
Total Actuarial Value of Assets	**$166,921,684**

Calculation of Actuarial Value

To determine the actuarial value of investments held by the Principal Financial Group we have adjusted the market value by:

- Subtracting any remaining deferred appreciation in excess of expected investment earnings.
- Adding any remaining deferred appreciation short of expected investment earnings (shortfall).

Of the total excess appreciation or shortfall for any one plan year, 25% is allocated to the current plan year and each of the next three plan years.

a)	Market value of assets as of 2014	$160,770,276
b)	Contributions/transfers	9,426,208
c)	Benefit payments	(9,814,146)
d)	Expenses	(48,274)
e)	Expected 7.75% interest on (a, b, c, and d)	12,289,491
f)	Expected value of assets as of 10/01/2015 (a+b+c+d+e)	$172,623,555
g)	Market value as of 10/01/2015	$158,607,927
h)	Current year excess appreciation/(shortfall) (g-f)	(14,015,628)
i)	Adjustment to market value (sum of deferred amounts – see below)	(8,313,757)
j)	Actuarial value of assets (g-i)	**$166,921,684**

Allocation of Deferred Appreciation

	Plan Year			
Allocation Year	**2012**	**2013**	**2014**	**2015**
2012	$3,168,623			
2013	3,168,622	$1,115,905		
2014	3,168,622	1,115,904	$541,031	
2015	3,168,622	1,115,904	541,030	$(3,503,907)
2016		1,115,904	541,030	(3,503,907)
2017			541,030	(3,503,907)
2018				(3,503,907)
Total	12,674,489	$4,463,617	$2,164,121	$(14,015,628)
Deferred	$0	$1,115,904	$1,082,060	$(10,511,721)

Adjustment to market value (sum of deferred amounts) **$(8,313,757)**

Census Characteristics

	10/01/2014	10/01/2015	Change
Number of Covered Participants			
Actives	43	39	-4
Terminated Vested	285	272	-13
Disabled	3	3	+0
Retirees	375	381	+6
Total	706	695	-11
Average Age			
Actives	49.1	49.5	+0.4
Terminated Vested	47.5	48.1	+0.6
Disabled	52.7	53.7	+1.0
Retirees	66.7	66.9	+0.2
All	57.8	58.5	+0.7
Reported Annual Payroll			
Actives	$3,163,848	$3,280,160	+3.7%
Average Pay Per Active	73,578	84,107	+14.3%
Average Years of Service			
Actives	11.3	12.4	+9.7%
Monthly Projected Retirement Benefits			
Actives	$223,028	$232,656	+4.3%
Terminated Vested	284,976	266,170	-6.6%
Disabled	2,734	2,734	+0.0%
Retirees	778,091	806,586	+3.7%

The monthly projected retirement benefit for actives was calculated at Normal Retirement Age (current age if later) with projected service and projected salaries.

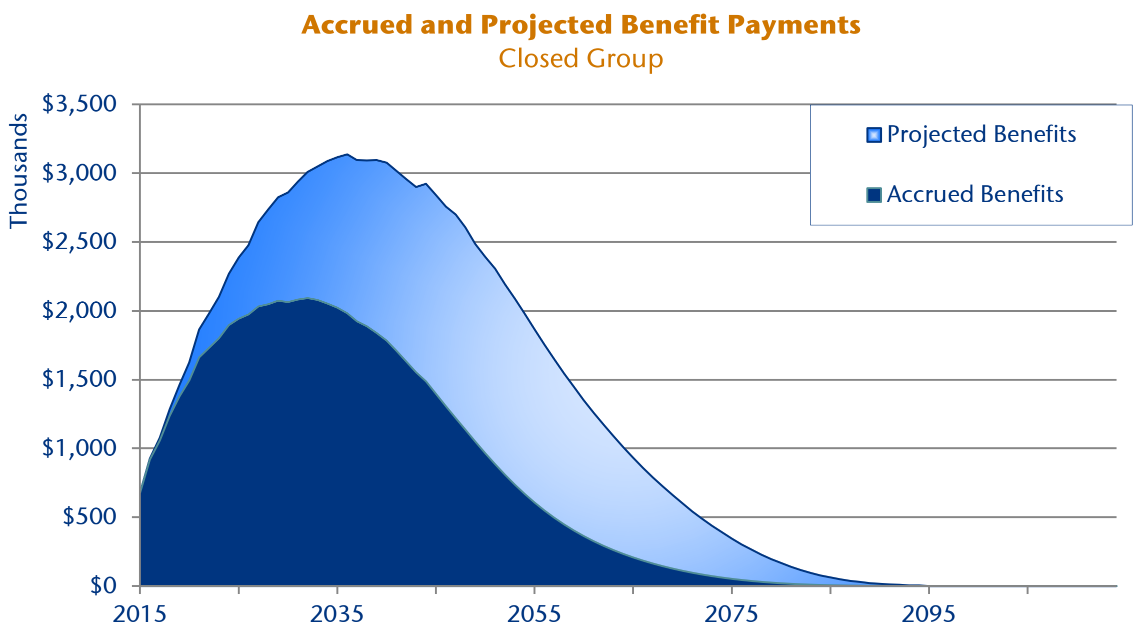
Benefit Cash Flows

Benefit cash flows are the benefit payments expected to be paid from your plan assets. We provide cash flows to help you calculate and understand your plan obligations and the future liquidity needs of the plan.

You can compare your cash flows to the 10/01/2015 market value of assets, $158,607,927, to evaluate your asset liquidity needs, and whether cash contributions in excess of the Actuarially Determined Contribution may be needed in the short term.

Benefit cash flows can be based on either the current plan participants ("closed group") or a group that assumes future new entrants ("open group"). The benefit payments could be based on the accrued benefits or the projected plan benefits (reflecting future service and salary increases).

In this report, we are showing you the benefit cash flows for a closed group. The graph below shows the total benefits expected to be paid for current participants (closed group). The split between benefits already accrued and those to be earned in the future is indicated on the graph. The top line represents the total projected benefits expected to be paid in each plan year.



The table on the next page provides the details of this graph, showing the accrued and projected benefits expected to be paid, by plan year. All benefit cash flows shown on these two pages are based on the demographic assumptions (retirement and withdrawal rates, mortality, salary growth, and form of benefit) as outlined in the Assumptions and Methods, but do not reflect an interest discount.

Benefit Cash Flow Detail

Year	Accrued Benefit Cash Flow	Projected Benefits Cash Flow
2015	676,268	676,268
2016	919,038	925,703
2017	1,056,392	1,077,999
2018	1,235,756	1,284,699
2019	1,377,961	1,464,150
2020	1,494,932	1,624,589
2021	1,661,930	1,863,899
2022	1,730,892	1,980,560
2023	1,800,560	2,101,043
2024	1,895,682	2,269,051
2025	1,942,301	2,387,296
2026	1,973,706	2,477,468
2027	2,031,647	2,644,015
2028	2,047,724	2,738,218
2029	2,073,547	2,825,335
2030	2,063,325	2,861,661
2031	2,081,727	2,939,448
2032	2,092,549	3,009,092
2033	2,078,833	3,048,835
2034	2,052,434	3,087,816
2035	2,022,761	3,116,931
2036	1,982,711	3,136,931
2037	1,923,267	3,096,680
2038	1,887,392	3,092,407
2039	1,838,047	3,094,891
2040	1,783,579	3,077,815
2041	1,709,140	3,017,398
2042	1,630,808	2,957,082
2043	1,552,257	2,900,153
2044	1,486,739	2,924,546
2045	1,396,962	2,841,505
2046	1,307,400	2,757,897
2047	1,220,410	2,699,590

Year	Accrued Benefit Cash Flow	Projected Benefits Cash Flow
2048	1,134,931	2,606,170
2049	1,048,809	2,485,784
2050	965,126	2,393,535
2051	885,339	2,307,586
2052	808,632	2,191,946
2053	736,522	2,088,360
2054	669,244	1,980,938
2055	606,690	1,866,229
2056	548,929	1,754,572
2057	495,898	1,647,730
2058	447,323	1,544,459
2059	402,920	1,445,304
2060	362,384	1,350,389
2061	325,412	1,259,359
2062	291,723	1,172,133
2063	261,029	1,088,630
2064	233,073	1,008,802
2065	207,628	932,589
2066	184,446	859,802
2067	163,313	790,263
2068	144,056	723,875
2069	126,550	660,619
2070	110,669	600,432
2071	96,309	543,335
2072	83,365	489,300
2073	71,737	438,296
2074	61,318	390,314
2075	52,020	345,370
2076	43,777	303,538
2077	36,523	264,858
2078	30,181	229,244
2079	24,673	196,598
2080	19,941	166,973

Year	Accrued Benefit Cash Flow	Projected Benefits Cash Flow
2081	15,922	140,369
2082	12,553	116,740
2083	9,764	95,981
2084	7,489	77,963
2085	5,660	62,491
2086	4,212	49,388
2087	3,082	38,438
2088	2,217	29,437
2089	1,568	22,161
2090	1,089	16,376
2091	743	11,862
2092	497	8,411
2093	326	5,827
2094	209	3,936
2095	131	2,589
2096	80	1,656
2097	48	1,029
2098	28	620
2099	16	362
2100	9	204
2101	5	111
2102	2	58
2103	1	30
2104	0	15
2105	0	7
2106	0	4
2107	0	2
2108	0	1
2109	0	0
2110	0	0
2111	0	0
2112	0	0
2113	0	0

Plan Provisions

This report reflects the maximum benefit limits under Internal Revenue Code (IRC) Section 415 and maximum compensation limits under IRC Section 401 in effect on the first day of each plan year.

The following is a summary of plan provisions and does not alter the intent or meanings of the provisions contained in the contract or plan document.

Plan Eligibility	
Class	Any general or utility employee whose customary employment with the employer is at least 30 hours per week or an elected official subject to the provisions of Chapter 112.048 of the Florida Statutes. Bargaining - no employee hired on and after 02/01/2010 will become an active participant and no inactive participant or former participant will again become an active participant. Non-collective bargaining - no employee hired on and after 10/01/2014 will become an active participant and no inactive participant or former participant will again become an active participant.

Normal Retirement Benefit	
Age	The later of attained age 55 or ten years vesting service.
Form	Monthly annuity payable for life with payments guaranteed to be at least equal to the participant's accumulation on the normal retirement date (optional forms may be elected in advance of retirement).
Amount (Accrued Benefit)	2.85% of average compensation multiplied by accrual service. Maximum benefit is 80% of average compensation (28.07 years). Benefit is frozen effective 07/01/2010 for those covered under the bargaining agreement.

Early Retirement Benefit	
Age	Attained age 50.
Service	Completed 5 years of service.
Form	Same as Normal Retirement Benefit
Amount	Accrued Benefit on Early Retirement Date reduced by 6 2/3% for each year that the Early Retirement Date precedes Normal Retirement Date.

Late Retirement Benefit	
Age	No maximum age
Form	Same as Normal Retirement Benefit.
Amount	Greater of Accrued Benefit on Late Retirement Date or Accrued Benefit on Normal Retirement Date increased to recognize that annuity commences subsequent to normal retirement.

Termination Benefit	
Vesting Percentage	Subsequent to five years of service, 50%, plus 10% for each year of service thereafter, up to 100%. However, vesting shall be 100% on or subsequent to the earliest of normal retirement date, date when first eligible to early retire or the date of total and permanent disability.
Form	Same as Normal Retirement Benefit with income deferred until Normal Retirement Date.
Amount	Equal to the sum of (a) The amount of retirement annuity which could be purchased on his normal retirement date by his participant's required contribution account. (b) Vesting percentage times the excess of the pension benefit as of the date of termination over (a) above. At any time on or after termination, the participant may elect to receive his participant's required contribution account in cash in lieu of any and all retirement benefits that could be provided by his participant's required contribution account.

Disability Benefit	
Eligibility	An active participant who becomes totally and permanently disabled prior to his retirement date. Ten years of vesting service is required for a non-service related disability benefit to be payable.
Form	Monthly income payable until normal retirement, death, or recovery and a deferred annuity payable at the Normal Retirement Date.
Amount	For a service related disability, the greater of his accrued benefit on date of disability or 40% of his current monthly compensation on such date. For a non-service related disability, the accrued benefit on date of disability.

Contributions	
Salary Reduction Contribution	Tax deductible contributions made by the employer on behalf of the employee. This is 7.25% of monthly earnings that have been deducted from the employees pay. Effective 07/01/2010, 0% of monthly earnings will be deducted for those covered under the bargaining agreement.

Death Benefit	
Greater of A or B below.	
A. Single Sum Death Benefit	
Form	Single sum.
Amount	Participant's accumulation on date of death.
B. Pre-Retirement Death Benefit	
Age	Attained age 50.
Service	Five years of service.
Form	Monthly annuity payable to spouse.
Amount	If death occurs between Early Retirement Date and Normal Retirement Date, the benefit is an annuity to the spouse for an amount no less than would have been received had the participant elected a joint and 50% survivorship benefit option and early retired the day before death.

Deferred Retirement Option Plan	
Eligibility	An active participant first becomes eligible to elect the DROP on the first day of the month on or after reaching normal retirement date.
Election	An election to participant in the DROP shall constitute an irrevocable election to resign from service not later than sixty (60) months of reaching the start of the DROP eligibility period. An election to participate must be made within the first five years of eligibility. The period of participation in the DROP cannot exceed a period ending sixty months from first becoming eligible for the DROP or when the participant ceases to be an employee.
Form	Same as normal retirement benefit. While the employee is in the DROP the pension benefit payments will be credited to a separate account that will earn a return based on investments chosen by the employee.
Amount	Accrued benefit on retirement date. No additional accrual service will accumulate after entry into the DROP. Any changes in pension benefits shall not apply to participants in the DROP. Once the DROP period expires or the participant ceases to be an employee,

	any subsequent pension benefit payments will be paid to the employee. The accumulation in the DROP account will be paid to the employee based on his payment option once the participant ceases to be an employee.

Optional Forms of Benefit	
	• A monthly income to the employee for life. No benefits are payable at death. • A monthly income to the employee for life, with a 5, 10, or 15 year period where payments continue to the beneficiary. • A monthly income to the employee for life. If the employee dies before the amount paid equals the employee account on the retirement date, payments continue to the beneficiary until the totals equal that amount. • A monthly income to the employee for life, with a 50%, 66 2/3%, 75%, or100% of the monthly benefit paid to the surviving spouse.

Cost of Living Adjustment	
Amount	Annual 2% cost of living adjustment effective 10/01/2003 to active participants and DROP participants on and after 10/01/2003 and to participants who started receiving retirement or disability benefits on or after 10/01/2001. Effective 10/01/2004 the cost of living adjustment was increased to 3.0%. Effective 02/01/2010 the cost of living adjustment is decreased to 2% for any plan participant who attains normal retirement date or becomes a participant in the DROP after 02/01/2010. Effective 07/01/2010 the cost of living adjustment shall not apply for those who are covered under the bargaining agreement and have not reached normal retirement date by 07/01/2010.

Early Retirement Window	
	Available to any participant who is employed with the city of Pembroke in the position of Assistant City Manager, Director Community Services, Assistant Director Community Services, Administrative Services Director, has attained age 50, has 14 years of vesting service, and elected an early retirement date between September 3, and September 12, 2008. The retirement benefit will not be reduced for the application of the early retirement reduction factors. In addition, for the Assistant City Manager position, the retirement benefit will be calculated as if the participant was employed until Normal Retirement Date.

Definitions	
Average Compensation	The monthly average of total pay received for the two years out of all compensation years prior to retirement date which gives the highest average.
Participant's Required Contribution Account	Participant's contributions, accumulated to the date of determination with interest of 5% compounded annually, plus salary reduction contributions not previously paid out or applied.
Accrual Service	An employee's current and all prior periods of continuous service expressed in whole years and fractional parts of a year.

Assumptions and Methods

The following assumptions and methods are used in this year's valuation report. The rationale for each non-prescribed economic assumption is also included. Some assumptions rely on the **Principal RAS Long-Term Capital Market Assumptions (CMA) 2014**. These assumptions are developed focusing on forward-looking market indicators and valuation models, as well as utilizing the analysis of historical data and trends, the outlook and forecasts from credible economic studies, and investment expert opinions. See Long-Term Capital Market Assumptions 2014 for additional information.

Assumptions and Method Changes Since Last Year

Assumption Changes

We recently did a comprehensive review of the economic and demographic assumptions used in the valuation. As a result, we changed the following assumptions for your plan:

- The mortality table has been changed from IRS Prescribed Mortality-Generational to PFG Recommended Mortality with 10 year convergence.
- The interest rates before and during benefit payment period have decreased from 7.75% to 7.50%. This rate is used in the calculation of the plan's benefit liability.
- The assumed asset return for the current year has decreased from 7.75% to 7.50%. This rate is used in the calculation of the actuarial value of plan assets.

Net Effect of Assumption Changes

The net effect of the assumption changes is to increase the Actuarially Determined Contribution.

Method Changes

No methods affecting the comparability of results were changed since the last valuation report was completed.

Assumptions Selected by Actuary

Liability Interest	During Benefit Payment Period 7.50% Before Benefit Payment Period 7.50% The interest rate is developed as a long-term expected geometric return on plan assets. Arithmetic expected return is calculated as the weighted average of broad asset classes' arithmetic returns of the plan's target asset allocation, and then converted to the geometric under lognormal distribution assumption. For details, see Long-Term Capital Market Assumptions link.

<table>
<tr><td>Asset Return</td><td>7.50% for the current plan year.
The Asset Return is developed as a weighted average rate based on the target asset allocation of the plan and the long-term capital market assumptions. The calculated return is on an arithmetic mean basis. For details, see the See Long-Term Capital Market Assumptions link.
See Liability Interest rate for how this rate was determined.</td></tr>
<tr><td>Interest Rate for Employee Accumulations</td><td>5.00%</td></tr>
<tr><td>Retirement Cost of Living Adjustment</td><td>3.00% & 2.00% per year depending on location.</td></tr>
<tr><td>Expected Expense</td><td>The expected expense included in Normal Cost is an estimate based on prior year expenses paid from plan assets.
This is the best estimate available of upcoming year's expenses.</td></tr>
<tr><td>Retirement</td><td>Active and inactive participants are assumed to retire at Normal Retirement Age as defined in Plan Provisions.
This assumption is based on the results of recent experience analysis and anticipated future experience.</td></tr>
<tr><td>Upcoming Salary Increases</td><td>The preceding year’s salary is increased using the S-5 Table from The Actuary’s Pension Handbook, increased by 2.50% at each age. This table provides a rate of increase that declines as participants age.
<table><tr><th>Age</th><th>Upcoming Increase</th></tr><tr><td>25</td><td>6.68%</td></tr><tr><td>40</td><td>5.22%</td></tr><tr><td>55</td><td>4.38%</td></tr></table>
Expected salary increase is composed of salary inflation, a real wage growth and a merit increase.</td></tr>
</table>

Mortality

Rates: Total Mortality rates from RP-2006 (baseline table from SOA RP-2014 study based on experience data for private pension plans).

Mortality Improvement (MI): RPEC_2014_v2011 model with following assumptions:

- Convergence period of 10-years
- Long-term mortality improvement is the sex-distinct and the age-based assumption calibrated to the annual improvement averages, for the period 2010-2088 published in the Social Security Administration (SSA) Trustees Report 2014.

Long-Term Mortality Improvement Rates (averages 2010-2088 in SSA Trustees 2014 Report)		
Age Group	Male	Female
15-49	0.89%	0.91%
50-64	1.09%	1.11%
65-84	0.92%	0.83%
85+	0.59%	0.53%
65+	0.77%	0.68%
Total	0.84%	0.77%

During Benefit Payment Period

Above table with generational MI scale, Annuitant, male and female.

Before Benefit Payment Period

Above table with generational MI scale, Non-annuitant, male and female.

See Mortality rationale for additional information.

Disability

1987 Commissioner's Group Disability Table, six month elimination period, male and female.

We rely on a publicly published table due to the limited size of the plan. The 1987 CGDT was recommended by the Society of Actuaries for pension valuation purposes.

Withdrawal

2003 Society of Actuaries Small Plan Age Table, multiplied by 0.75.

We rely on a publicly published table due to the limited size of the plan. The SOA Small Plan Age Table is the most recent withdrawal experience table published by the Society of Actuaries. A multiplier of 0.75 is applied to this table to reflect the results of the most recent experience analysis and anticipated future experience.

Marriage

75% married; husbands are 3 years older than wives.

This assumption is based on the results of recent experience analysis and anticipated future experience. This assumption does not have material impact on the results of this report and has been selected based on our best estimate of active workforce.

Form of Benefit	Participants are assumed to receive their benefits on the normal form at the assumed retirement age.
Methods Selected by Plan Sponsor	
Actuarial Value of Plan Assets	The market value of the Principal Financial Group accounts is adjusted by spreading the expected value minus the actual value over four years. Contributions received in the current plan year but applied to the prior plan year are added to the actuarial value of the Principal Financial Group accounts.
Actuarial Cost Method	Entry Age
Methods Selected by Actuary	
Retirees	Assets and liabilities for current and future retirees are included.
Vested Benefits	A benefit is included in vested benefits when the participant will meet age and service eligibility requirements at the valuation date. The benefit is multiplied by the participant's vesting percentage applicable to each benefit on the valuation date. The following ancillary benefits are always treated as nonvested: disability benefits payable to retirement age unless in pay status, and pre-retirement death benefits in excess of the Survivor Annuity Death Benefit except as noted in the Plan Provisions.

Actuary Statement

This report was prepared at the request of the sponsor of the plan named on the cover of this report. It provides information needed for plan funding. It is not to be used for plan termination estimates, accounting information, or other purposes. If these or other measures of liabilities are needed, please contact me.

In preparing this report, I have relied on:

- reports of participants, salary, and service provided by the plan sponsor as of the last day of the 2014 plan year.
- information for any retirees, beneficiaries, and alternate payees being paid by Principal Life Insurance Co as of the last day of the 2014 plan year, as reported by Principal Life Insurance Company.
- benefit, contribution, and expense transaction information for the preceding plan year, and the market value of assets reported as of the last day of the 2014 plan year by Principal Financial Group and the plan sponsor.
- plan documents on file with Principal Life Insurance Company, including changes as noted on the Summary of Plan Provisions page of this report.

Appropriate tests of reasonableness and accuracy have been made and reviewed. The information provided is adequate to support the results in this report.

I confirm that as the actuary for this pension plan. I am completely independent of the plan sponsor and any of its officers or key personnel. Neither I nor anyone closely associated with me has any relationship known to me which would impair my independence.

In my opinion, each assumption and method chosen by the actuary is reasonable (taking into account the experience of the plan and reasonable expectations). Each material economic assumption is consistent with other economic assumptions selected by the actuary for this measurement period. Note that several different assumptions may be reasonable for a given measurement, and different actuaries will apply different professional judgment and may choose different reasonable assumptions. Demographic assumptions are not expected to produce significant cumulative actuarial gains or losses over the measurement period, and the combined effect of the assumptions is reasonable.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. To the best of my knowledge, this report is complete and accurate, and complies with all relevant pension actuarial standards and legal requirements.

David A Stocklas

02/05/2016

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Consulting Actuary

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Present Value of Accrued Plan Benefits

The current year present value of vested and nonvested accrued benefits are based on the assumptions and methods shown earlier in this report. (The salary scale, if any, is not included in the calculation of accrued benefits). All retiree liability is included below except for purchased annuities. These amounts below should not be used for other purposes such as estimating plan termination sufficiency.

The prior year present value of vested and nonvested accrued benefits are based on the assumptions shown in that year's valuation report.

	10/01/2015	10/01/2014
Present Value of Vested Benefits		
Participants in pay status	$124,464,855	$116,130,710
Inactive participants	24,458,885	24,443,228
Active participants	11,813,331	10,663,273
Total	$160,737,071	$151,237,211
Present Value of Nonvested Benefits		
Participants in pay status	$0	$0
Inactive participants (not in pay status)	0	0
Active participants	440,938	431,153
Total	$440,938	$431,153
Total Present Value of Accumulated Plan Benefits	$161,178,009	$151,668,364

Value of Future Service and Compensation	6,339,056	5,957,177
Total Present Value of Projected Plan Benefits	167,517,065	157,625,541

Change in Present Value of Accrued Plan Benefits	
Present Value of Accumulated Plan Benefits as of 10/01/2014	$151,668,364
Increase (decrease) during the year due to:	
Increase for interest due to decrease in the discount period	11,381,096
Benefits paid	(9,814,147)
Benefits accumulated and plan experience	389,703
Change in assumptions	7,552,993
Present Value of Accumulated Plan Benefits as of 10/01/2015	$161,178,009

The following changes have had these effects, on an annual basis, as of the valuation date:

	Normal Cost	Unfunded Actuarial Accrued Liability	Present Value of Accrued Benefits
Assumptions	$37,713	$7,693,822	$7,552,993

Risk-Free Results

In the *Asset Allocation, Interest Rates and Actuarially Determined Contributions (ADC)* section, we explained the difference between long term and risk-free returns. The table below shows your plan's liabilities and assets on both the funding and risk-free interest rate basis.

- The difference in the liability amounts on a Funding Basis versus a Risk-Free Basis represents the additional assumed returns to be earned over the life of the plan; this is also referred to as the "risk premium".
- The assets in the funding basis column reflect the asset method used to determine your plan's ADC; the assets in the risk-free basis column are on a mark-to-market basis consistent with the risk-free liabilities.
- The Unfunded Actuarial Accrued Liability and Normal Cost on the Funding Basis are used to calculate your ADC. Those same measures on a Risk-Free Basis show you more conservative results; if the plan's investment returns fall short of the Funding Basis interest rate, additional contributions will likely be needed.

	Actuarially Determined Contribution	Risk-Free Cost
Interest Rate	7.50%	2.95%[1]
Standard Deviation	9.90%	
Normal Cost [2]	$382,331	$1,698,364
Actuarial Accrued Liability	$164,345,046	$295,376,404
Market Value of Assets		$158,607,927
Actuarial Value of Assets	$166,921,684	
Unfunded Actuarial Accrued Liability	$(2,576,638)	$136,768,477
Present Value of Accrued Benefits	$161,178,009	$289,451,300

[1] The 30-year Treasury rate at 09/30/2015 was chosen as the risk-free interest rate. To isolate the impact of the interest rate, all other assumptions are the same. See the Assumptions and Methods for other assumptions.

[2] The Normal Cost does not include any expense estimate or a reduction for estimated employee contributions.

Standard deviation is one way to measure the potential volatility risk in the current asset portfolio. For example, a standard deviation close to 0% would represent a portfolio with minimal volatility risk. For this plan, about two-thirds of your actual annual returns are likely to fall within a range of -2.40% to 17.40% (7.50% -/+ 9.90%).

Historical Results

Plan Cost & Funded Status Measures	2014	2015
Funded Status of Accrued Benefits		
Present Value of Accrued Benefits (PVAB)	$151,668,364	$161,178,009
Market Value of Assets (MVA)	160,770,276	158,607,927
Under (Over)Funded PVAB	**$(9,101,912)**	**$2,570,082**
Accrued Benefit Funded Percentage	**106%**	**98%**
Funded Status of Actuarial Accrued Liability		
Actuarial Accrued Liability (AAL)	$154,618,516	$164,345,046
Actuarial Value of Assets	153,746,756	166,921,684
Unfunded Actuarial Accrued Liability	**$871,760**	**$(2,576,638)**
Funded Percentage	**99%**	**102%**
Normal Cost		
Employer Normal Cost (NC)	$2,191,395	$2,792,276
Total NC as % of projected current year compensation	**68.35%**	**81.58%**
Actuarially Determined Contribution (ADC)		
Employer Normal Cost	$2,191,395	$2,792,276
Valuation Interest	169,833	209,421
15 year amortization of credit balance	1,487,379	2,265,022
Valuation interest on credit balance	115,272	169,877
Expected Employer ADC	**$758,577**	**$566,798**
Actual Contributions		
Actual Employer contributions	$9,174,902	--
Percentage of Employer's ADC paid	**1,209%**	**--**
Liability Interest Rate	7.75%	7.50%
Projected current year compensation	$3,206,370	$3,422,635

	2014	2015
Census at Beginning of Year		
Number of active participants	43	39
Number of terminated vested participants	285	272
Number of disabled participants	3	3
Number of retirees	375	381
Total Participants	706	695
Prior Year Reported Payroll	$3,163,848	$3,280,160
Plan Maturity Measures		
Non-active employees as a percentage of total	94%	94%
In pay status PV Accrued Benefits as a percentage of total	77%	77%
Relative Size of Plan		
Market Value of Assets (beginning of year)	$160,770,276	$158,607,927
as a percent of Prior Year reported payroll	5,081%	4,835%
Actuarial Accrued Liability (AAL)	$154,618,516	$164,345,046
as a percent of Prior Year reported payroll	4,887%	5,010%
Prior Year Benefits Paid	$10,021,946	$9,814,147
as a percent of Prior Year reported payroll	317%	299%
Achievement of Economic Assumptions		
Expected rate of return	7.75%	7.50%
Actual market value rate of return	-1.10%	--
Average expected salary increase	4.71%	0.00%
Average actual salary increase	16.44%	--
Liability Interest Rate	7.75%	7.50%

Florida Disclosures

This section provides information as required by Part VII of Chapter 112, and by Chapter 60T-1 of the Florida Statutes. To the best of our knowledge, we have reflected in our calculations and assumptions, any event or trend which would materially increase plan costs.

This section also provides the information used to determine the Actuarially Determined Contribution (ADC). Please see Summary of Results of this valuation report for additional information.

Comparative Summary of Principal Valuation Results

	Actuarial Valuation Prepared as of	
Participant data	**10/01/2015**	**10/01/2014**
Active members	39	43
Total annual payroll	$3,280,160	$3,163,848
Retired members and beneficiaries	381	375
Total annualized benefit	$9,679,036	$9,337,104
Disabled members receiving benefit	3	3
Total annualized benefit	$32,806	$38,768
Terminated vested members	272	285
Total annualized benefit	$3,194,043	$3,413,740

Reconciliation of lives	**Active**	**Inactive**	**Retired**
Total last valuation	43	288	375
New lives	0	1	0
Voluntary discontinuances	0	0	0
Vested terminations	-1	1	0
Non-vested terminations	0	0	0
Retirements	-3	-12	15
Deaths	0	-1	-11
Other:	0	-2	2
Total this Valuation	39	275	381

Please refer to the Schedule of Active Participant Data and Census Characteristics for demographic information such as the number of participants by age group, years of service, current year compensation, and projected normal retirement benefits. Please refer to Benefit Cash Flows for a projection of emerging liabilities/cash flow needs.

Total annual payroll Includes participants assumed to retire immediately who are not included in payroll used to calculate normal cost. Neither column includes the salary increase that is used to calculate normal cost.

Assets

Since these funds are commingled with other funds in the general and separate accounts of the Principal Financial Group, it is not possible to identify specific investments as being made for a particular customer. Refer to the reconciliation of assets in this section.

	Actuarial Valuation Prepared as of	
	10/01/2015	**10/01/2014**
Market Value of Assets		
Participants Fund[1]	$0	$0
Long-term Equity Investments	87,330,483	87,147,420
Short-term Investments	0	0
Real Estate	9,351,881	8,218,609
Bonds/Fixed Income	59,425,563	55,604,247
Other:	2,500,000	9,800,000
Total	$158,607,927	$160,770,276
Actuarial Value of Assets[2]		
Participants Fund[1]		
Long-term Equity Investments		
Short-term Investments		
Real Estate		
Bonds/Fixed Income		
Other		
Total	$166,921,684	$153,746,756

[1] The participant's fund under the FPI contract is included in total assets. These assets amounts do not include deposits received after the plan year-end.

[2] The actuarial value of assets used in determining annual funding requirements are determined as stated in the Assumption and Methods section report.

Three-year comparison of investment return.

The actual percentage was calculated using the Form 5500 Schedule MB investment return method.

Plan Year Beginning	Actual Return on Actuarial Basis	Assumed Return
10/01/2014	10.08%	8.90%
10/01/2013	10.86%	11.13%
10/01/2012	6.40%	19.31%

Returns have been calculated including contribution receivables.

Liabilities

	Actuarial Valuation Prepared as of		
	10/01/2015 After Assumption Change	**10/01/2015** Before Assumption Change	**10/01/2014**
Present value of all future expected benefit payments:			
Active Members			
Retirement benefits	$15,255,474	$14,544,621	$13,785,537
Vesting benefits	2,651,793	2,499,088	2,593,818
Disability benefits	615,860	588,619	594,644
Death benefits	70,198	68,642	77,604
Return of contribution	0	0	0
Accumulated Leave	0	0	0
Total	$18,593,325	$17,700,970	$17,051,603
Terminated vested members	$24,073,127	$23,144,688	$24,060,968
Retired members and beneficiaries			
Retired (other than disabled) and beneficiaries	$124,464,855	$118,379,273	$116,130,710
Disabled members	385,758	378,067	382,260
Total	$124,850,613	$118,757,340	$116,512,970
Total present value of all future benefit payments	$167,517,065	$159,602,998	$157,625,541
Liabilities due and unpaid:			
Initial Actuarial Accrued Liability	N/A	N/A	N/A
Unfunded Actuarial Accrued Liability (UAAL)	N/A	N/A	N/A

A list of liability bases is shown in Schedule of Amortization Bases.

Actuarial Present Value of Accrued Benefits

Statement of actuarial value of all accrued benefits

	Actuarial Valuation Prepared as of		
	10/01/2015 After Assumption Change	10/01/2015 Before Assumption Change	10/01/2014
Vested Accrued Benefits			
Inactive members and beneficiaries	$148,923,740	$141,902,028	$140,573,938
Active members (includes non-forfeitable accumulated member contributions in the amount of $1,015,894)	11,813,331	11,299,272	10,663,273
Total value of all vested accrued benefits	$160,737,071	$153,201,300	$151,237,211
Non-vested accrued benefits	$440,938	$423,716	$431,153
Total actuarial present value of all accrued benefits	$161,178,009	$153,625,016	$151,668,364

These values are based on the actuarial assumptions shown in the Assumptions and Methods section this report, except that the calculation of accrued benefits does not include a salary scale, (if any).

A statement of changes in total actuarial present value of all accrued benefits is shown in the Present Value of Accrued Benefits section of this report.

Statement of actuarial value of all accrued benefits	**10/01/2015 Volatility Assumption**
Vested Accrued Benefits	
Inactive members and beneficiaries	$186,304,077
Active members	16,149,690
Total value of all vested accrued benefits	$202,453,767
Non-vested accrued benefits	613,853
Total actuarial present value of all accrued benefits	$203,067,620

The volatility interest rate used is 5.50% which is 2.00% lower than the valuation interest rate as directed in the new Florida Statutes. All other assumptions are as shown in the Assumptions and Methods section of this report.

Pension Cost

	Actuarial Valuation Prepared as of	
	10/01/2015	**10/01/2014**
Normal Cost:		
Base Normal Cost	$2,143,395	$2,588,131
Administrative expenses	48,000	44,000
Total Normal Cost	2,191,395	2,632,131
Payment to amortize unfunded liability(ies)	0	0
Expected plan sponsor contribution (including normal cost, amortization payment and interest, as applicable)	$758,577	$2,707,856
As % of payroll	23.66%	83.69%
Amount to be contributed by members	232,462	$234,578
As % of payroll	7.25%	7.25%

For the current plan year:
Interest is based on 7.75%. A Credit Balance in the Minimum Funding Standard Account has been recognized in the amortization.

For the prior plan year:
Interest is based on 7.75%. A Credit Balance in the Minimum Funding Standard Account has been recognized in the amortization.

	10/01/2015 Volatility Assumption
Normal Cost:	
Base Normal Cost	$642,562
Administrative expenses	48,000
Amortizations	5,405,741
Total Normal Cost	6,096,303
Adjusted Normal Cost	$6,709,871
Expected plan sponsor contribution (including normal cost, amortization payment and interest, as applicable)	$7,888,320
As % of payroll (full payroll)	246.02%
Amount to be contributed by members	$232,462
As % of payroll	7.25%

Total normal cost and expected plan sponsor contributions reflecting adjustment for salary and interest.

The volatility interest rate used is 5.50% which is 2.00% lower than the valuation interest rate as directed in the new Florida Statutes. All other assumptions are as shown in the Assumptions and Methods section of this report.

	Plan Year Beginning	
	10/01/2014	10/01/2013
Past Contributions		
Required plan sponsor contribution	$2,707,856	$3,829,070
Required member contributions	234,578	235,627
Actual contributions made by		
Plan sponsor	9,174,902	16,474,902
Members	251,306	235,112
Other:		
Net Actuarial gain(loss) (if applicable)	N/A	N/A

Other Disclosures

	Actuarial Valuation Prepared as of	
	10/01/2015	**10/01/2014**
Present values of active members:		
Future salaries		
at attained age	$17,980,519	$16,721,400
at entry age	14,008,365	13,559,647
Future contributions		
at attained age	1,198,371	1,168,010
at entry age	979,635	947,157
Present value of future contributions from other sources	N/A	N/A
Present value of future expected benefit payments for active members at entry age	$2,619,699	$2,450,477

The numerical development of total normal cost for the current plan year is shown in the Development of Normal Cost section of this report.

Three year comparison of actual and assumed salary increases.

Plan Year Beginning	Actual Increases	Assumed Increases
10/01/2014	16.44%	4.71%
10/01/2013	3.78%	4.67%
10/01/2012	6.14%	4.73%

Other Disclosures (Continued)

Changes in costs during the year due to a change in assumptions, cost method, benefits, or other, as specified. See the Present Value of Accrued Plans Benefits section of this report.

Cost of $1.00/month Benefit on Normal Form

Retirement Age	Valuation Assumptions[1]		Contract Purchase Rates[2]		Current Purchase Rates[3]	
	Male	Female	Male	Female	Male	Female
55	$169.14	$175.64	$238.22	$256.75	$215.91	$247.08
60	156.26	163.11	218.66	238.32	188.50	221.23
62	150.42	157.44	210.52	230.60	177.24	210.54

[1] Assumes 2.0% COLA.
[2] Rates guaranteed by the contract.
[3] Non-guaranteed rates in effect 10/01/2015. These rates may change daily.

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For Additional Information

If you have any questions about the material covered in this report, please contact your Pension Actuarial Analyst, Gary R Peffer, by:

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