

RETIREMENT PLAN FOR THE POLICE OFFICERS
OF THE CITY OF GREEN COVE SPRINGS

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2015

DETERMINES THE CONTRIBUTION
FOR THE 2015/16 FISCAL YEAR



	<u>Page</u>
Discussion	1
 <u>Funding Results</u>	
Table I-A	I-1
Table I-B	I-2
Table I-C	I-3
Table I-D	I-4
Table I-E	I-5
Table I-F	I-6
Table I-G	I-7
 <u>Assets</u>	
Table II-A	II-1
Table II-B	II-2
Table II-C	II-3
Table II-D	II-4
Table II-E	II-5
Table II-F	II-6
Table II-G	II-7
Table II-H	II-8
 <u>Data</u>	
Table III-A	III-1
Table III-B	III-2
Table III-C	III-3
Table III-D	III-4
Table III-E	III-5
Table III-F	III-6
Table III-G	III-7
 <u>Methods & Assumptions</u>	
Table IV-A	IV-1
Table IV-B	IV-3
 <u>Plan Provisions</u>	
Table V-A	V-1
Table V-B	V-5



March 2, 2016

Introduction

This report presents the results of the October 1, 2015 actuarial valuation for the Retirement Plan for the Police Officers of the City of Green Cove Springs. The report is based on the participant data and asset information provided by the pension plan administrator and, except for a cursory review for reasonableness including a comparison to the data provided for the previous valuation, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of October 1, 2015 and to determine the minimum required contribution under Chapter 112, Florida Statutes, for the 2015/16 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the normal cost rate.

Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2015/16 plan year. The minimum required contribution rate is 27.25% of covered payroll, which represents an increase of 2.14% of payroll from the prior valuation.

The normal cost rate is 26.28%, which is 2.07% greater than the normal cost rate that was developed in the prior valuation. Table I-C provides a breakdown of the sources of change in the normal cost rate. Significantly, the rate increased by 2.48% of payroll due to investment losses and decreased by 0.41% due to demographic experience. The market value of assets earned 8.38% during the 2013/14 plan year and lost 0.14% during the 2014/15 plan year, whereas a 7.00% annual investment return was required to maintain a stable contribution rate.



Chapter 112, Florida Statutes, sets forth the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the City must contribute an amount equal to the annual normal cost of the plan plus an adjustment as necessary to reflect interest on any delayed payment of the contribution beyond the valuation date. On this basis, the City's 2015/16 minimum required contribution will be equal to 27.25% multiplied by the total pensionable earnings for the 2015/16 fiscal year for the active employees who are covered by the plan and reduced by the portion of the Chapter 175/185 contribution that is allowed to be recognized during the 2015/16 plan year. Furthermore, if an actuarial valuation is not prepared as of October 1, 2016, then the 27.25% contribution rate should also be applied to the covered payroll for the 2016/17 fiscal year and offset by the allowable Chapter 175/185 contribution in order to determine the minimum required contribution for that year.

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$5,909,869. As illustrated in Table I-A, current assets are sufficient to cover \$3,489,529 of this amount, the employer's 2015/16 expected contribution will cover \$216,919 of this amount, and future employee contributions are expected to cover \$88,737 of this amount, leaving \$2,114,684 to be covered by future employer funding beyond the 2015/16 fiscal year. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

Advance Employer Contribution

The City has made contributions to the plan in excess of the minimum amount that was required to be contributed pursuant to Chapter 112. In this report, the excess contributions are referred to as an "advance employer contribution." As of October 1, 2015, the advance employer contribution is \$5,703, which reflects the actual employer contributions in excess of the minimum required contribution for the 2013/14 and 2014/15 plan years as shown in Table II-F.

The City may apply all or any portion of the advance employer contribution towards the minimum required contribution for the 2015/16 plan year or for any later plan year. The minimum required contribution for that plan year will be reduced dollar-for-dollar by the amount of the advance employer contribution that is applied in this manner.

Alternatively, at any time, the City may apply all or any portion of the advance employer contribution as an extra contribution in excess of the minimum required contribution. In this case, the immediate application of the entire balance of the advance employer contribution as of October 1, 2015 would reduce the normal cost rate to 26.21% of payroll and would reduce the minimum required contribution for the 2015/16 plan year to 27.18% of payroll.

Contents of the Report

Tables I-D through I-G provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of



participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of October 1, 2015, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

Certification

This actuarial valuation was prepared by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate and, in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material change in plan costs or required contribution rates have been taken into account in the valuation.

For the firm,



Charles T. Carr
Consulting Actuary
Southern Actuarial Services Company, Inc.

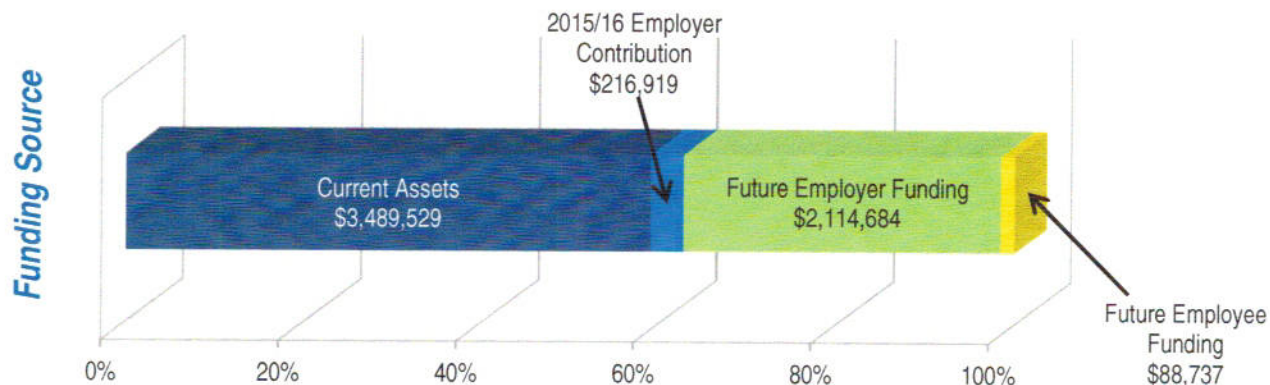
Enrolled Actuary No. 14-04927

The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



Minimum Required Contribution

Table I-A



For the 2015/16 Plan Year

Present Value of Future Benefits	\$5,821,133
Present Value of Future Administrative Expenses	\$88,736
Actuarial Value of Assets	(\$3,489,529)
Present Value of Future Employee Contributions	(\$88,737)
Present Value of Future Normal Costs	\$2,331,603
Present Value of Future Payroll	÷ \$8,873,563
Normal Cost Rate	= 26.2758%
Expected Payroll	x \$795,991
Normal Cost	\$209,153
Adjustment to Reflect Monthly Employer Contributions	\$7,766
Preliminary Employer Contribution for the 2015/16 Plan Year	\$216,919
Expected Payroll for the 2015/16 Plan Year	÷ \$795,991

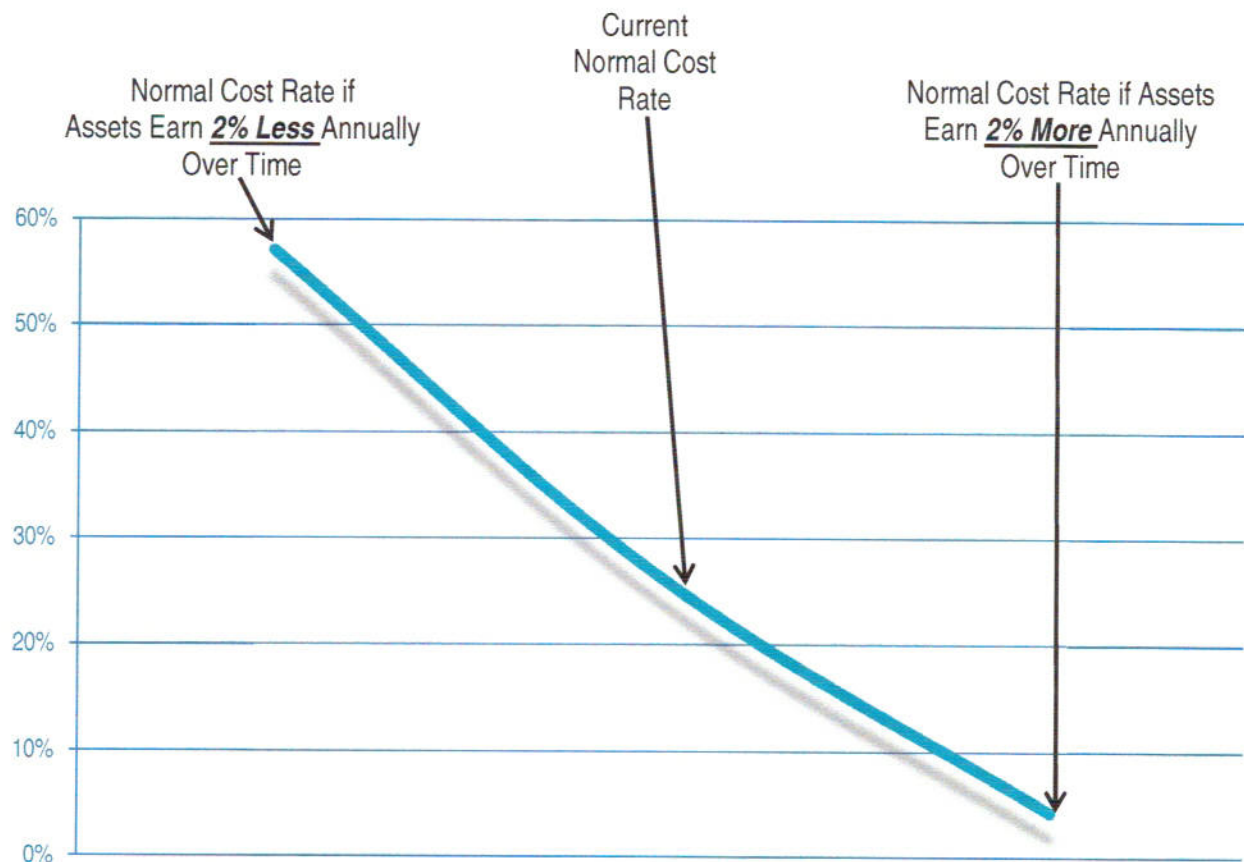
Minimum Required Contribution Rate **27.25%**

(The actual contribution should be based on the minimum required contribution rate multiplied by the actual payroll for the year.)



Sensitivity Analysis

Table I-B



The line above illustrates the sensitivity of the normal cost rate to changes in the long-term investment return.



Gain and Loss Analysis

Table I-C

Previous normal cost rate	24.21%
Increase (decrease) due to investment gains and losses	2.48%
Increase (decrease) due to demographic experience	-0.41%
Increase (decrease) due to plan amendments	0.00%
Increase (decrease) due to actuarial assumption changes	0.00%
Increase (decrease) due to actuarial method changes	0.00%
Current normal cost rate	<u>26.28%</u>



Present Value of Future Benefits

Table I-D

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$5,471,909	\$5,471,909	\$5,471,909
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$5,471,909	\$5,471,909	\$5,471,909
<u>Deferred Vested Participants</u>			
Retirement benefits	\$99,784	\$99,784	\$99,784
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$99,784	\$99,784	\$99,784
<u>Due a Refund of Contributions</u>	\$4,058	\$4,058	\$4,058
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$245,382	\$245,382	\$245,382
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$245,382	\$245,382	\$245,382
<u>Grand Total</u>	<u>\$5,821,133</u>	<u>\$5,821,133</u>	<u>\$5,821,133</u>
Present Value of Future Payroll	\$8,873,563	\$8,873,563	\$8,873,563
Present Value of Future Employee Contribs.	\$88,737	\$88,737	\$88,737
Present Value of Future Employer Contribs.	\$2,331,603	\$2,331,603	\$2,331,603



Present Value of Accrued Benefits

Table I-E

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$1,781,637	\$1,781,637	\$1,781,637
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,781,637	\$1,781,637	\$1,781,637
<u>Deferred Vested Participants</u>			
Retirement benefits	\$99,784	\$99,784	\$99,784
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$99,784	\$99,784	\$99,784
<u>Due a Refund of Contributions</u>	\$4,058	\$4,058	\$4,058
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$245,382	\$245,382	\$245,382
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$245,382	\$245,382	\$245,382
<u>Grand Total</u>	<u>\$2,130,861</u>	<u>\$2,130,861</u>	<u>\$2,130,861</u>



Present Value of Vested Benefits

Table I-F

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$1,753,491	\$1,753,491	\$1,753,491
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,753,491	\$1,753,491	\$1,753,491
<u>Deferred Vested Participants</u>			
Retirement benefits	\$99,784	\$99,784	\$99,784
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$99,784	\$99,784	\$99,784
<u>Due a Refund of Contributions</u>	\$4,058	\$4,058	\$4,058
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$245,382	\$245,382	\$245,382
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$245,382	\$245,382	\$245,382
<u>Grand Total</u>	<u>\$2,102,715</u>	<u>\$2,102,715</u>	<u>\$2,102,715</u>



Entry Age Normal Accrued Liability

Table I-G

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$2,950,923	\$2,950,923	\$2,950,923
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$2,950,923	\$2,950,923	\$2,950,923
<u>Deferred Vested Participants</u>			
Retirement benefits	\$99,784	\$99,784	\$99,784
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$99,784	\$99,784	\$99,784
<u>Due a Refund of Contributions</u>	\$4,058	\$4,058	\$4,058
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$245,382	\$245,382	\$245,382
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$245,382	\$245,382	\$245,382
<u>Grand Total</u>	<u>\$3,300,147</u>	<u>\$3,300,147</u>	<u>\$3,300,147</u>



Actuarial Value of Assets

Table II-A

Market Value of Assets as of October 1, 2015	\$3,495,232
Minus DROP account balances	\$0
Minus advance employer contributions	(\$5,703)
Minus excess Chapter 175/185 contributions	\$0
Actuarial Value of Assets as of October 1, 2015	<u>\$3,489,529</u>

Historical Actuarial Value of Assets

October 1, 2006	\$653,389
October 1, 2007	\$1,029,753
October 1, 2008	\$1,067,770
October 1, 2009	\$1,287,400
October 1, 2010	\$1,648,285
October 1, 2011	\$1,863,280
October 1, 2012	\$2,401,711
October 1, 2013	\$2,916,857
October 1, 2014	\$3,317,987
October 1, 2015	\$3,489,529

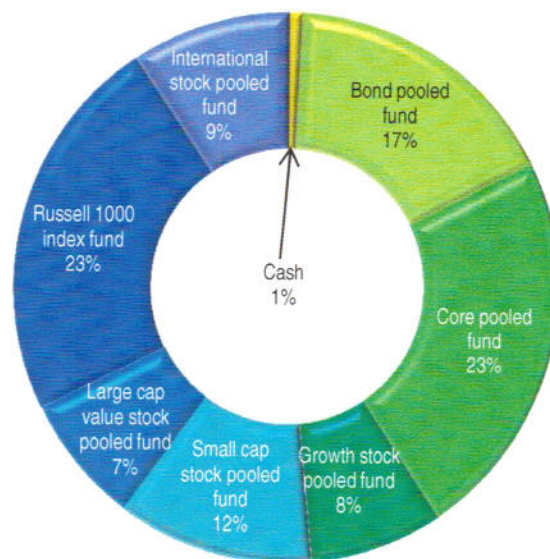


Market Value of Assets

Table II-B

As of October 1, 2015

Market Value of Assets	<u>\$3,495,232</u>
Cash	\$27,960
Bond pooled fund	\$587,149
Core pooled fund	\$803,835
Growth stock pooled fund	\$276,100
Small cap stock pooled fund	\$408,908
Large cap value stock pooled fund	\$262,120
Russell 1000 index fund	\$800,341
International stock pooled fund	\$328,524
Employee contribution receivable	\$295

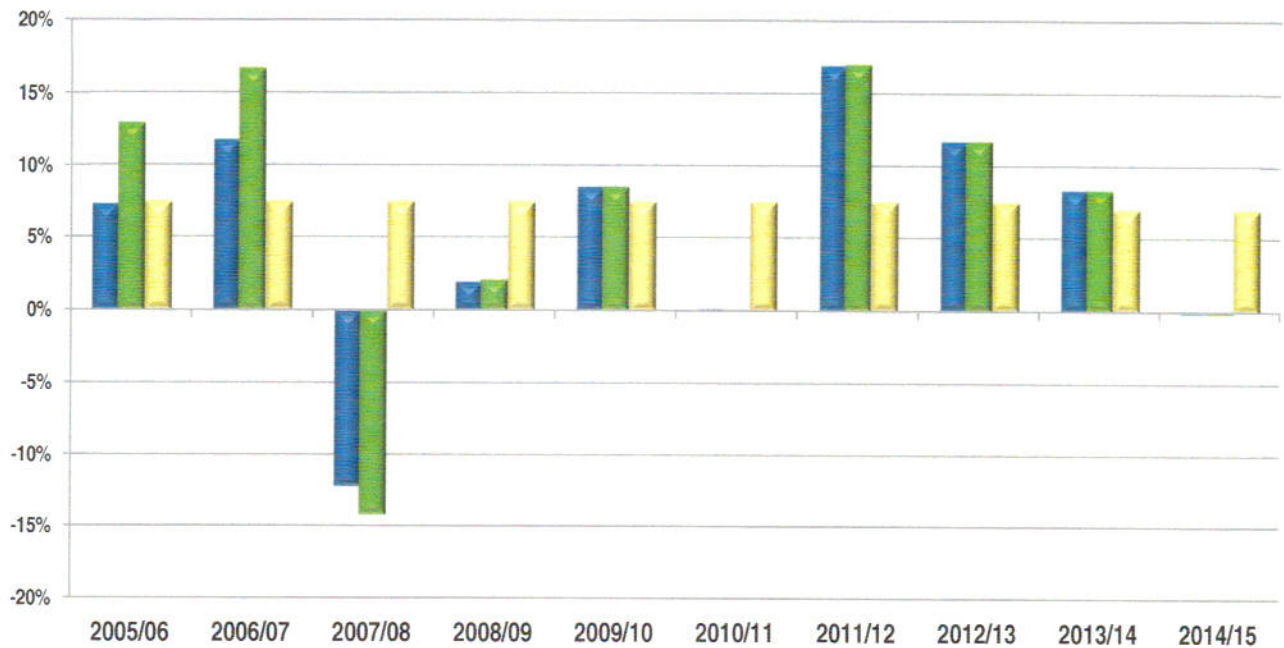
**Historical Market Value of Assets**

October 1, 2006	\$1,056,094
October 1, 2007	\$1,271,223
October 1, 2008	\$1,193,271
October 1, 2009	\$1,287,400
October 1, 2010	\$1,648,285
October 1, 2011	\$1,882,340
October 1, 2012	\$2,402,876
October 1, 2013	\$2,916,857
October 1, 2014	\$3,323,112
October 1, 2015	\$3,495,232



Investment Return

Table II-C

*Annual Investment Returns*

■ Market Value Return
■ Actuarial Value Return
■ Assumed Return

Plan Year	Market Value Return	Actuarial Value Return	Assumed Return
2005/06	7.32%	12.97%	7.50%
2006/07	11.81%	16.71%	7.50%
2007/08	-12.21%	-14.19%	7.50%
2008/09	1.98%	2.09%	7.50%
2009/10	8.53%	8.53%	7.50%
2010/11	0.10%	0.10%	7.50%
2011/12	16.90%	16.99%	7.50%
2012/13	11.75%	11.80%	7.50%
2013/14	8.38%	8.39%	7.00%
2014/15	-0.14%	-0.14%	7.00%
10yr. Avg.	5.14%	5.91%	7.40%



Asset Reconciliation

Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of October 1, 2013	\$2,916,857	\$2,916,857
<i>Increases Due To:</i>		
Employer Contributions	\$250,159	\$250,159
Chapter 175/185 Contributions	\$147,181	\$147,181
Employee Contributions	\$15,597	\$15,597
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$412,937</u>	<u>\$412,937</u>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	\$246,284	
Total Investment Income	<u>\$246,284</u>	\$241,159
Other Income	\$0	
Total Income	<u>\$659,221</u>	<u>\$654,096</u>
<i>Decreases Due To:</i>		
Monthly Benefit Payments	(\$37,283)	(\$37,283)
Refund of Employee Contributions	(\$3,814)	(\$3,814)
DROP Credits		\$0
Total Benefit Payments	<u>(\$41,097)</u>	<u>(\$41,097)</u>
Investment Expenses	\$0	
Administrative Expenses	(\$39,749)	(\$39,749)
Advance Employer Contribution		(\$578)
Excess Chapter 175/185 Contribution		\$0
Total Expenses	<u>(\$80,846)</u>	<u>(\$81,424)</u>
As of October 1, 2015	<u>\$3,495,232</u>	<u>\$3,489,529</u>



Historical Trust Fund Detail

Table II-E

Income

Plan Year	Employer Contribs.	Chapter Contribs.	Employee Contribs.	Service Purchase Contribs.	Interest / Dividends	Realized Gains / Losses	Unrealized Gains / Losses	Other Income
2005/06	\$0	\$81,317	\$5,379	\$0	\$0	\$0	\$69,265	\$0
2006/07	\$0	\$83,776	\$6,224	\$0	\$0	\$0	\$129,762	\$0
2007/08	\$0	\$81,317	\$6,691	\$0	\$0	\$0	-\$160,236	\$0
2008/09	\$0	\$79,450	\$6,884	\$0	\$0	\$0	\$24,315	\$0
2009/10	\$173,851	\$75,381	\$6,890	\$0	\$0	\$0	\$120,113	\$0
2010/11	\$165,854	\$71,899	\$6,923	\$0	\$0	\$0	\$1,829	\$0
2011/12	\$130,334	\$70,453	\$7,107	\$0	\$0	\$0	\$333,897	\$0
2012/13	\$164,021	\$66,408	\$7,527	\$0	\$0	\$0	\$295,219	\$0
2013/14	\$120,009	\$73,366	\$7,497	\$0	\$0	\$0	\$251,005	\$0
2014/15	\$130,150	\$73,815	\$8,100	\$0	\$0	\$0	-\$4,721	\$0

Expenses

Plan Year	Monthly Benefit Payments	Contrib. Refunds	Admin. Expenses	Invest. Expenses	<u>Other Actuarial Adjustments</u>		
					DROP Credits	Advance Employer Contribs.	Excess Chapter Contribs.
2005/06	\$0	\$0	\$6,760	\$0	\$0	-\$43,961	\$23,770
2006/07	\$0	\$1,413	\$3,220	\$0	\$0	-\$49,408	-\$111,827
2007/08	\$0	\$0	\$5,724	\$0	\$0	-\$115,969	\$0
2008/09	\$9,809	\$0	\$6,711	\$0	\$0	-\$125,501	\$0
2009/10	\$5,195	\$0	\$10,155	\$0	\$0	\$0	\$0
2010/11	\$5,272	\$230	\$6,948	\$0	\$0	\$19,060	\$0
2011/12	\$5,352	\$0	\$15,903	\$0	\$0	-\$17,895	\$0
2012/13	\$7,597	\$0	\$11,597	\$0	\$0	\$0	\$0
2013/14	\$18,503	\$3,814	\$23,305	\$0	\$0	\$5,125	\$0
2014/15	\$18,780	\$0	\$16,444	\$0	\$0	\$578	\$0

Note: Information was not available to separate the investment expenses from the investment income nor was information available to separate the investment income by source.



Other Reconciliations

Table II-F

Advance Employer Contribution

Advance Employer Contribution as of October 1, 2013	\$0
Additional Employer Contribution	\$193,375
Minimum Required Contribution	(\$188,250)
Net Increase in Advance Employer Contribution	\$5,125
Advance Employer Contribution as of October 1, 2014	\$5,125
Additional Employer Contribution	\$203,965
Minimum Required Contribution	(\$203,387)
Net Increase in Advance Employer Contribution	\$578
Advance Employer Contribution as of October 1, 2015	<u>\$5,703</u>

Excess Chapter 175/185 Contribution

Excess Chapter 175/185 Contribution as of October 1, 2013	\$0
Additional Chapter 175/185 Contribution	\$73,366
Allowable Chapter 175/185 Contribution	(\$73,366)
Net Increase in Excess Chapter 175/185 Contribution	\$0
Excess Chapter 175/185 Contribution as of October 1, 2014	\$0
Additional Chapter 175/185 Contribution	\$73,815
Allowable Chapter 175/185 Contribution	(\$73,815)
Net Increase in Excess Chapter 175/185 Contribution	\$0
Excess Chapter 175/185 Contribution as of October 1, 2015	<u>\$0</u>



Allowable Chapter 175/185 Contribution

Table II-G

1997 Base Amounts

Chapter 175 Regular Distribution	\$0
Chapter 175 Supplemental Distribution	\$0
Chapter 185 Distribution	\$34,674

Qualifying Benefit Improvements

Prior Ordinance	\$22,873
Ordinance O-22-2007	\$57,203



Historical Chapter 175/185 Contributions

Table II-H

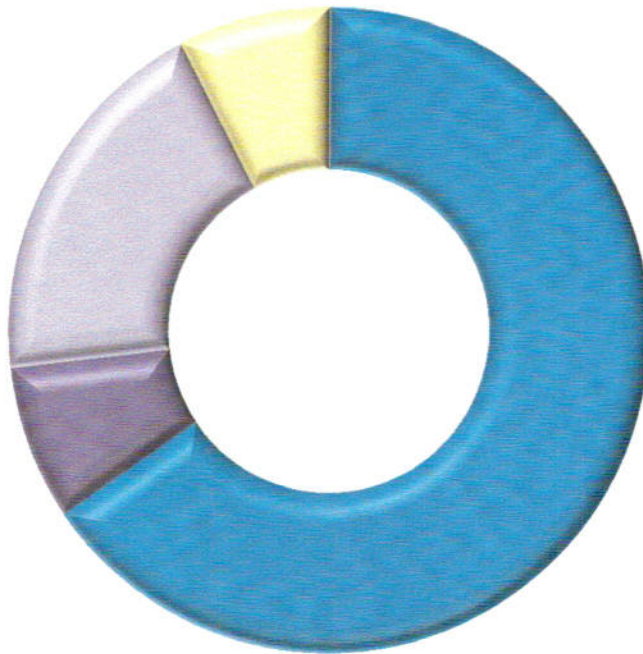
<i>Total Accumulated Excess Chapter 175/185 Contribution</i>				\$0
	<u>Chapter 175 Regular Distribution</u>	<u>Chapter 175 Supplemental Distribution</u>	<u>Chapter 185 Distribution</u>	<u>Allowable Amount</u>
1998 Distribution	\$0	\$0	\$41,503	(\$38,402)
1999 Distribution	\$0	\$0	\$41,605	(\$41,605)
2000 Distribution	\$0	\$0	\$47,931	(\$47,931)
2001 Distribution	\$0	\$0	\$53,832	(\$53,832)
2002 Distribution	\$0	\$0	\$71,142	(\$57,547)
2003 Distribution	\$0	\$0	\$73,504	(\$35,705)
2004 Distribution	\$0	\$0	\$81,317	(\$57,547)
2005 Distribution	\$0	\$0	\$81,317	(\$57,547)
2006 Distribution	\$0	\$0	\$83,776	(\$195,603)
2007 Distribution	\$0	\$0	\$81,317	(\$81,317)
2008 Distribution	\$0	\$0	\$79,450	(\$79,450)
2009 Distribution	\$0	\$0	\$75,381	(\$75,381)
2010 Distribution	\$0	\$0	\$71,899	(\$71,899)
2011 Distribution	\$0	\$0	\$70,453	(\$70,453)
2012 Distribution	\$0	\$0	\$66,408	(\$66,408)
2013 Distribution	\$0	\$0	\$73,366	(\$73,366)
2014 Distribution	\$0	\$0	\$73,815	(\$73,815)
Interest Adjustment				\$9,792



Summary of Participant Data

Table III-A

As of October 1, 2015

Actively Employed Participants

Active Participants	17
DROP Participants	0

Inactive Participants

Deferred Vested Participants	2
Due a Refund of Contributions	5
Deferred Beneficiaries	0

Participants Receiving a Benefit

Service Retirements	2
Disability Retirements	0
Beneficiaries Receiving	0

Total Participants 26Number of Participants Included in Prior Valuations

	<i>Active</i>	<i>DROP</i>	<i>Inactive</i>	<i>Retired</i>	<i>Total</i>
October 1, 2006	N/A	N/A	N/A	N/A	N/A
October 1, 2007	14	0	2	0	16
October 1, 2008	N/A	N/A	N/A	N/A	N/A
October 1, 2009	15	0	2	1	18
October 1, 2010	16	0	2	1	19
October 1, 2011	16	0	4	1	21
October 1, 2012	N/A	N/A	N/A	N/A	N/A
October 1, 2013	16	0	4	2	22
October 1, 2014	N/A	N/A	N/A	N/A	N/A
October 1, 2015	17	0	7	2	26



Data Reconciliation

Table III-B

	<u>Active</u>	<u>DROP</u>	<u>Deferred Vested</u>	<u>Due a Refund</u>	<u>Def. Benef.</u>	<u>Service Retiree</u>	<u>Disabled Retiree</u>	<u>Benef. Rec'v.</u>	<u>Total</u>
<u>October 1, 2013</u>	16	0	1	3	0	2	0	0	22
<u>Change in Status</u>									
Re-employed									
Terminated	(5)		1	4					
Retired									
<u>Participation Ended</u>									
Transferred Out									
Cashed Out				(2)					(2)
Died									
<u>Participation Began</u>									
Newly Hired	6								6
Transferred In									
New Beneficiary									
<u>Other Adjustment</u>									
<u>October 1, 2015</u>	17	0	2	5	0	2	0	0	26

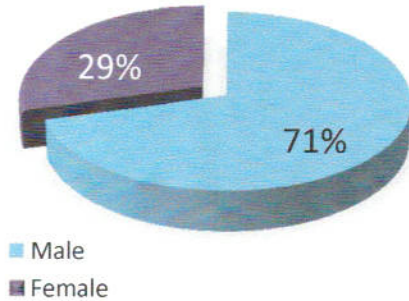


Active Participant Data

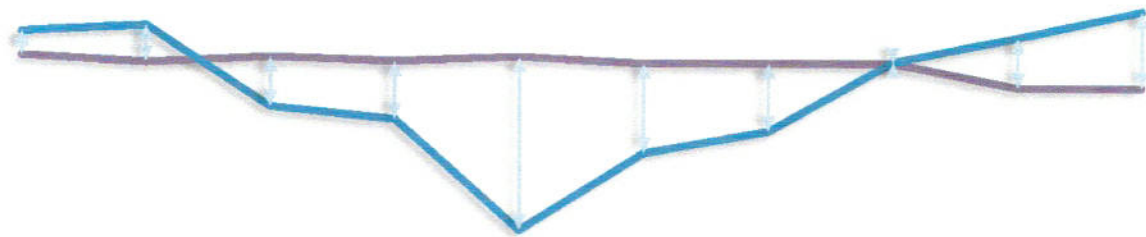
Table III-C

As of October 1, 2015

Gender Mix



Average Age	37.8 years
Average Service	8.5 years
Total Annualized Compensation for the Prior Year	\$814,893
Total Expected Compensation for the Current Year	\$795,991
Average Increase in Compensation for the Prior Year	8.58%
Expected Increase in Compensation for the Current Year	4.00%



Actual vs. Expected Salary Increases

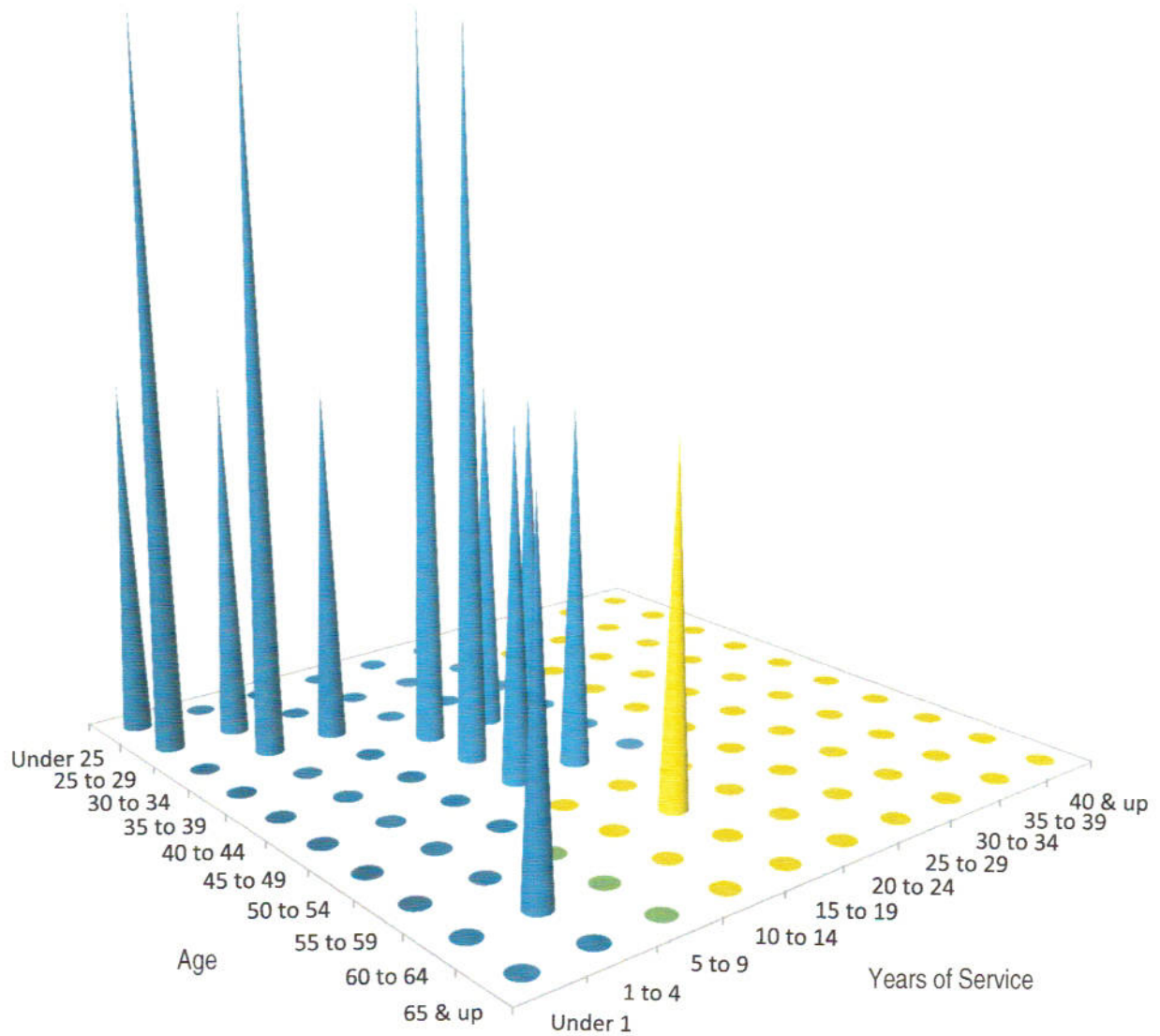
Active Participant Statistics From Prior Valuations

	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
October 1, 2006	N/A	N/A	\$44,044	5.95%	7.38%
October 1, 2007	34.1	4.4	\$43,963	5.53%	7.71%
October 1, 2008	N/A	N/A	\$45,310	5.84%	2.86%
October 1, 2009	35.7	5.7	\$45,893	5.58%	2.10%
October 1, 2010	36.4	6.3	\$43,061	5.84%	-4.43%
October 1, 2011	36.9	6.3	\$41,498	5.44%	0.09%
October 1, 2012	N/A	N/A	N/A	5.46%	1.38%
October 1, 2013	37.4	8.2	\$42,158	5.46%	5.53%
October 1, 2014	N/A	N/A	N/A	4.00%	6.99%
October 1, 2015	37.8	8.5	\$47,935	4.00%	8.58%



Active Age-Service Distribution

Table III-D



- ▲ Eligible to retire
- ▲ May be eligible to retire
- ▲ Not eligible to retire



Active Age-Service-Salary Table

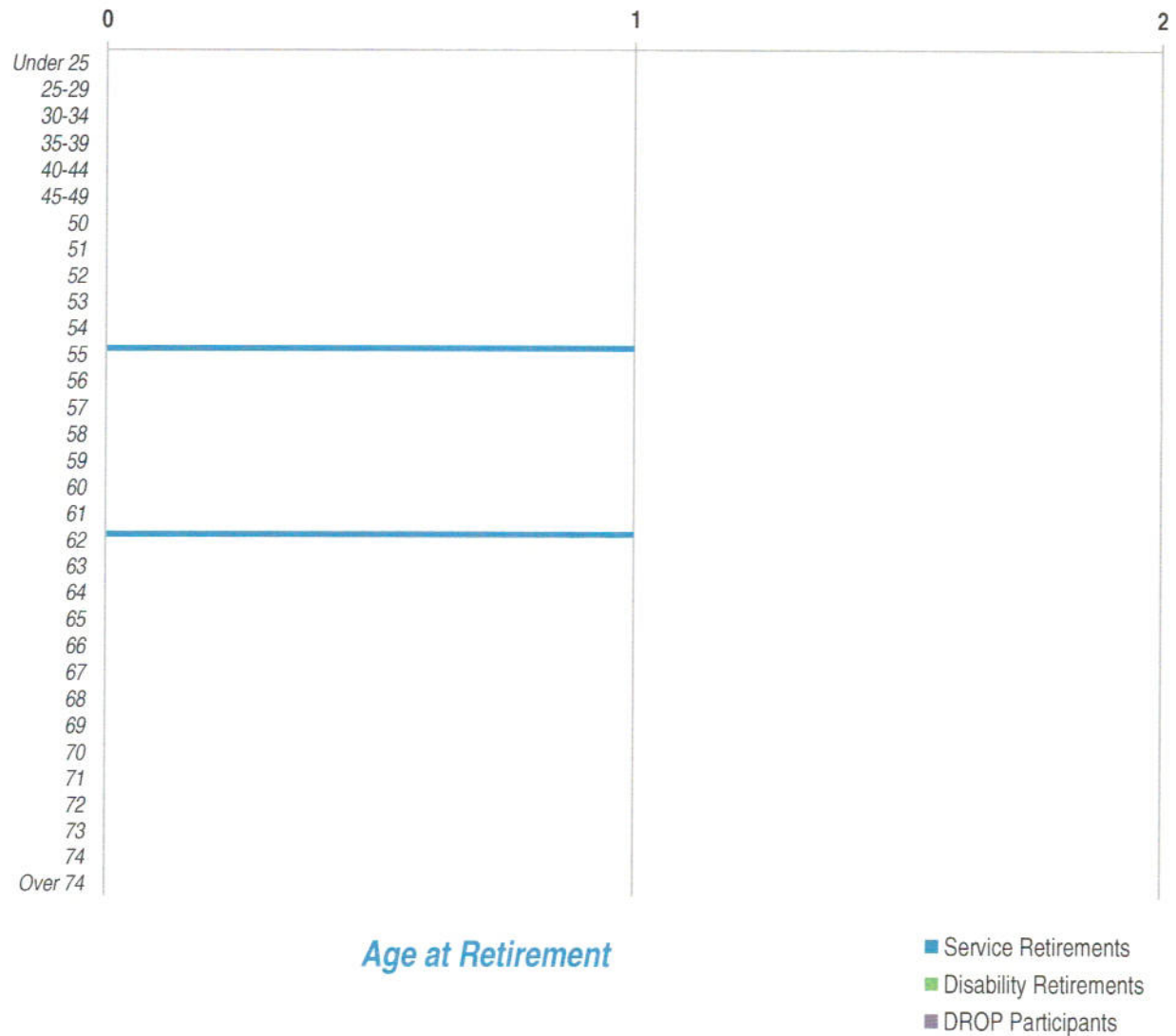
Table III-E

Attained Age	Completed Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	1	0	0	0	0	0	0	0	0	0	1
Avg.Pay	41,932	0	0	0	0	0	0	0	0	0	41,932
25 to 29	2	1	0	0	0	0	0	0	0	0	3
Avg.Pay	29,375	42,280	0	0	0	0	0	0	0	0	33,677
30 to 34	0	2	1	0	0	0	0	0	0	0	3
Avg.Pay	0	43,754	58,892	0	0	0	0	0	0	0	48,800
35 to 39	0	0	0	2	1	0	0	0	0	0	3
Avg.Pay	0	0	0	50,593	69,766	0	0	0	0	0	56,984
40 to 44	0	0	0	2	1	0	0	0	0	0	3
Avg.Pay	0	0	0	51,309	59,653	0	0	0	0	0	54,090
45 to 49	0	0	0	1	1	0	0	0	0	0	2
Avg.Pay	0	0	0	49,069	55,141	0	0	0	0	0	52,105
50 to 54	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
55 to 59	0	0	0	0	1	0	0	0	0	0	1
Avg.Pay	0	0	0	0	49,516	0	0	0	0	0	49,516
60 to 64	0	1	0	0	0	0	0	0	0	0	1
Avg.Pay	0	38,584	0	0	0	0	0	0	0	0	38,584
65 & up	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
Total	3	4	1	5	4	0	0	0	0	0	17
Avg.Pay	33,561	42,093	58,892	50,574	58,519	0	0	0	0	0	47,935



Inactive Participant Data

Table III-F

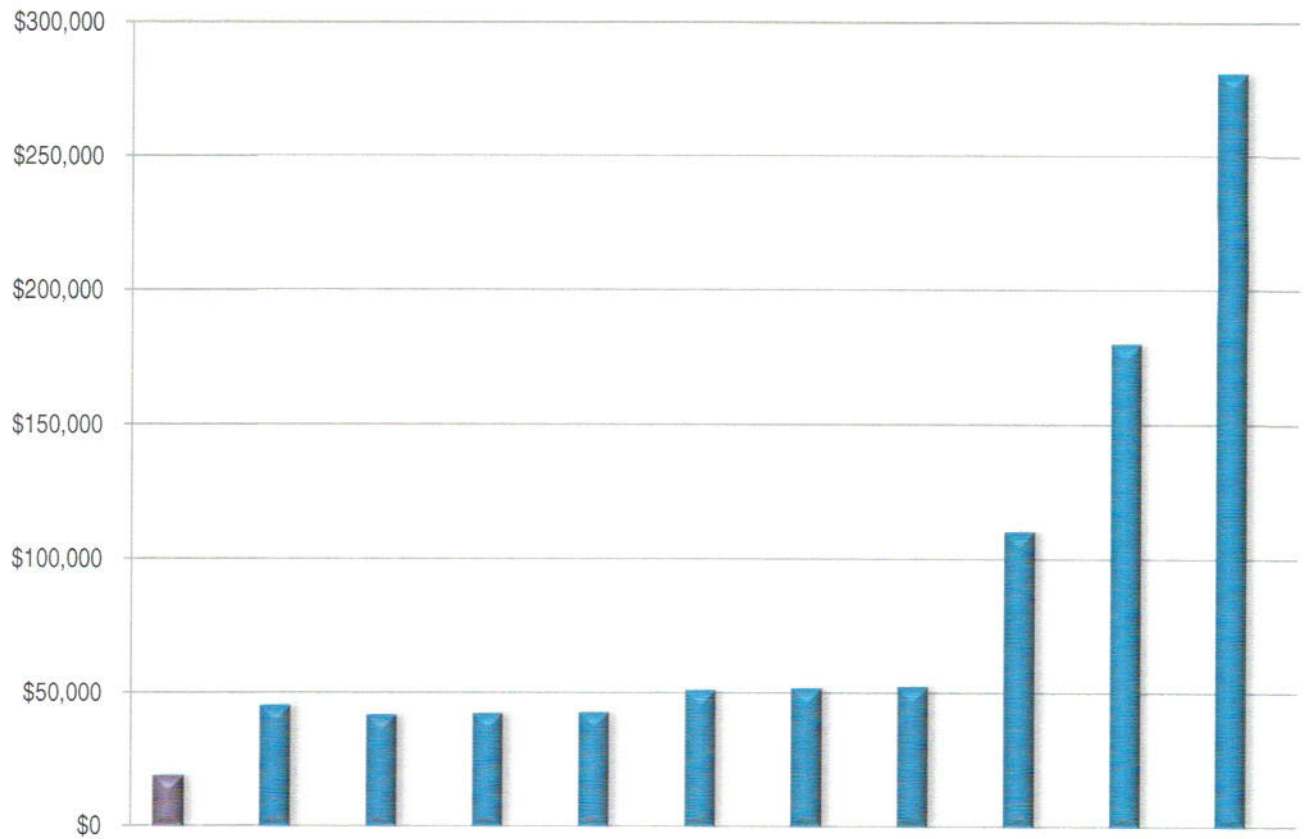
Average Monthly Benefit

Service Retirements	\$794.25
Disability Retirements	Not applicable
Beneficiaries Receiving	Not applicable
DROP Participants	Not applicable
Deferred Vested Participants	\$814.48
Deferred Beneficiaries	Not applicable



Projected Benefit Payments

Table III-G

Actual

For the period October 1, 2014 through September 30, 2015

\$18,780

Projected

For the period October 1, 2015 through September 30, 2016

\$45,399

For the period October 1, 2016 through September 30, 2017

\$41,910

For the period October 1, 2017 through September 30, 2018

\$42,325

For the period October 1, 2018 through September 30, 2019

\$42,830

For the period October 1, 2019 through September 30, 2020

\$51,423

For the period October 1, 2020 through September 30, 2021

\$52,028

For the period October 1, 2021 through September 30, 2022

\$52,621

For the period October 1, 2022 through September 30, 2023

\$110,278

For the period October 1, 2023 through September 30, 2024

\$180,513

For the period October 1, 2024 through September 30, 2025

\$281,093



Summary of Actuarial Methods and Assumptions

Table IV-A

1. **Actuarial Cost Method**

Aggregate cost method. Under this actuarial cost method, a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the expected future payroll for current active participants. The normal cost is equal to the level funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

2. **Asset Method**

The actuarial value of assets is equal to the market value of assets.

3. **Interest (or Discount) Rate**

7.00% per annum

4. **Salary Increases**

Plan compensation is assumed to increase at the rate of 4.00% per annum, unless actual plan compensation is known for a prior plan year.

5. **Decrements**

- Pre-retirement mortality: None is assumed.
- Post-retirement mortality: Sex-distinct rates set forth in the RP-2000 Mortality Table for annuitants, projected to 2015 by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430; future generational improvements in mortality have not been reflected.
- Disability: None is assumed.
- Termination: None is assumed.
- Retirement: Retirement is assumed to occur at the most valuable retirement age.



Summary of Actuarial Methods and Assumptions

Table IV-A

(continued)

6. Form of Payment

Future retirees have been assumed to select the 10-year certain and life annuity.

7. Marriage Assumption

For purposes of determining the liability attributable to the health insurance supplement, all participants are assumed to be married upon their death after retirement, with husbands assumed to be three years older than wives.

8. Expenses

Administrative expenses are assumed to be equal to 1.00% of covered payroll. In addition, the interest rate set forth in item 3. above is assumed to be net of investment expenses and commissions.



Changes in Actuarial Methods and Assumptions

Table IV-B

No assumptions or methods have been changed since the previous valuation was completed.



Summary of Plan Provisions

Table V-A

1. Monthly Accrued Benefit

3% of Average Final Compensation multiplied by Credited Service

2. Normal Retirement Age and Benefit

- **Age**

Age 55 with at least six years of Credited Service; or
Any age with at least 25 years of Credited Service

- **Amount**

Monthly Accrued Benefit

- **Form of Payment**

Actuarially increased single life annuity (optional);
10-year certain and life annuity (normal form of payment);
Actuarially reduced 50% joint and contingent annuity (optional);
Actuarially reduced 66²/₃% joint and contingent annuity (optional);
Actuarially reduced 75% joint and contingent annuity (optional);
Actuarially reduced 100% joint and contingent annuity (optional);
Any other actuarially equivalent form of payment approved by the Board; or
Actuarially equivalent lump sum distribution (automatic if the single sum value of the participant's benefit is less than or equal to \$5,000 or the monthly annuity is less than \$100)

(Note: A participant may change his joint annuitant up to two times after retirement.)

3. Early Retirement Age and Benefit

- **Age**

Age 50 with at least 10 years of Credited Service

- **Amount**

Monthly Accrued Benefit (payable at Normal Retirement Age); or
Monthly Accrued Benefit reduced by 3% for each year by which the participant's Early Retirement Date precedes his Normal Retirement Date (payable at Early Retirement Age)

- **Form of Payment**

Same as for Normal Retirement



Summary of Plan Provisions

Table V-A

(continued)

4. Service Incurred Disability Eligibility and Benefit

- **Eligibility**

The participant is eligible if his disability was incurred during the course of his employment with the City.

- **Condition**

The Board must find that the participant has a physical or mental condition resulting from bodily injury, disease, or a mental disorder which renders him incapable of employment as a police officer.

- **Amount Payable**

A monthly 10-year certain and life annuity equal to the larger of (a) or (b), as follows, but offset as necessary to preclude the total of the participant's worker's compensation, disability benefit, and other City-provided disability compensation from exceeding his Average Monthly Earnings:

- (a) Monthly Accrued Benefit; or
- (b) 65% of Average Final Compensation

5. Non-Service Incurred Disability Eligibility and Benefit

- **Eligibility**

The participant must have earned at least 10 years of Credited Service if his disability was incurred other than during the course of his employment with the City.

- **Condition**

Same as for a Service Incurred Disability Benefit

- **Amount Payable**

A monthly 10-year certain and life annuity equal to the larger of (a) or (b), as follows, but offset as necessary to preclude the total of the participant's worker's compensation, disability benefit, and other City-provided disability compensation from exceeding his Average Monthly Earnings:

- (a) Monthly Accrued Benefit; or
- (b) 25% of Average Final Compensation

6. Delayed Retirement Age and Benefit

- **Age**

After Normal Retirement Age

- **Amount**

Monthly Accrued Benefit

- **Form of Payment**

Same as for Normal Retirement



Summary of Plan Provisions

Table V-A

(continued)

7. **Deferred Vested Benefit**

- **Age**
Any age with at least six years of Credited Service
- **Amount**
Monthly Accrued Benefit (payable at Normal Retirement Age); or
Monthly Accrued Benefit reduced by 3% for each year by which the participant's Early Retirement Date precedes his Normal Retirement Date (payable at Early Retirement Age)
- **Form of Payment**
Same as for Normal Retirement

8. **Pre-Retirement Death Benefit**

In the case of the death of a vested participant prior to retirement, his beneficiary will receive the participant's Monthly Accrued Benefit payable for 10 years beginning on the participant's early or normal retirement date. In the case of the death of a non-vested participant prior to retirement, his beneficiary will receive the participant's Accumulated Contributions in lieu of any other benefits payable from the plan.

9. **Average Final Compensation**

Average of the highest five years of Compensation out of the last 10 years of employment (or career average, if higher).

10. **Compensation**

Compensation means the total cash remuneration; annual compensation in excess of \$200,000 (as indexed) is excluded in accordance with IRC §401(a)(17).

11. **Credited Service**

The elapsed time from the participant's date of hire until his date of termination, retirement, or death.

12. **Participation Requirement**

All police officers of the City of Green Cove Springs, Florida automatically become a participant in the plan on their date of hire.



Summary of Plan Provisions

Table V-A

(continued)

13. Accumulated Contributions

The Employee Contributions accumulated with no interest; if the participant terminates his employment with less than six years of Credited Service, he receives his Accumulated Contributions in lieu of any other benefits payable from the plan.

14. Participant Contribution

1.00% of earnings

15. Automatic Cost-of-Living Adjustment

All monthly benefits include an automatic cost-of-living adjustment (COLA) equal to 1.50% compounded annually. The COLA is effective as of each October 1 after the participant has been retired for at least one year.

16. Health Insurance Supplement

All participants who retire with a normal or disability retirement benefit, as well as spouses who are entitled to receive a monthly benefit, receive a monthly health insurance supplement equal to \$8.00 for each year of service, to a maximum of \$200.00 per month. The supplement is payable for the lifetime of the participant or his spouse.

17. Definition of Actuarially Equivalent

- **Interest Rate**

7.00% per annum

- **Mortality Table**

Mortality table promulgated by the IRS for purposes of calculating lump sum distributions pursuant to IRC section 417(e)(3)

18. Plan Effective Date

January 1, 1996

19. Deferred Retirement Option Plan (DROP)

Those participants who have attained Normal Retirement Age may elect to participate in the DROP for a period of up to five years following their Normal Retirement Age. Interest accrues on the DROP accounts at the rate of 6.50% per annum.



Summary of Plan Amendments

Table V-B

No plan changes have been adopted since the previous valuation was completed.

