

CITY OF TAMARAC
ELECTED AND APPOINTED OFFICERS
AND NON-REPRESENTED EMPLOYEES
RETIREMENT PLAN

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 Minimum Required Contribution	I-1
Table I-B Sensitivity Analysis	I-2
Table I-C Gain and Loss Analysis	I-3
Table I-D Present Value of Future Benefits	I-4
Table I-E Present Value of Accrued Benefits	I-5
Table I-F Present Value of Vested Benefits	I-6
Table I-G Entry Age Normal Accrued Liability	I-7
Table I-H Entry Age Normal Cost	I-8
Table I-I Unfunded Liability Bases	I-9
 <u>Assets</u>	
Table II-A Actuarial Value of Assets	II-1
Table II-B Market Value of Assets	II-2
Table II-C Investment Return	II-3
Table II-D Asset Reconciliation	II-4
Table II-E Historical Trust Fund Detail	II-5
Table II-F Other Reconciliations	II-6
 <u>Data</u>	
Table III-A Summary of Participant Data	III-1
Table III-B Data Reconciliation	III-2
Table III-C Active Participant Data	III-3
Table III-D Active Age-Service Distribution	III-4
Table III-E Active Age-Service-Salary Table	III-5
Table III-F Inactive Participant Data	III-6
Table III-G Projected Benefit Payments	III-7
 <u>Methods & Assumptions</u>	
Table IV-A Summary of Actuarial Methods and Assumptions	IV-1
Table IV-B Changes in Actuarial Methods and Assumptions	IV-3
 <u>Plan Provisions</u>	
Table V-A Summary of Plan Provisions	V-1
Table V-B Summary of Plan Amendments	V-5



December 28, 2015

Introduction

This report presents the results of the October 1, 2015 actuarial valuation of the City of Tamarac Elected and Appointed Officers and Non-Represented Employees Retirement Plan. 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 minimum required contribution 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 29.58% of covered payroll, which represents a decrease of 0.84% of payroll from the prior valuation.

Table I-C provides a breakdown of the sources of change in the contribution rate. Significantly, the rate increased by 1.88% of payroll due to investment losses and decreased by 2.72% of payroll due to demographic experience. Although the market value of assets lost 0.25% during the 2014/15 plan year, the actuarial value of assets is based on



the market value adjusted to reflect a five-year phase-in of the net investment earnings that occur after September 30, 2013. On this basis, the actuarial value of assets earned 1.49% 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 amortization payment towards the unfunded liability, where the amortization period is no longer than 30 years and where both amounts are adjusted as necessary for administrative expenses and 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 29.58% multiplied by the total pensionable earnings for the 2015/16 fiscal year for the active employees who are covered by the plan.

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 \$51,196,803. As illustrated in Table I-A, current assets are sufficient to cover \$31,971,088 of this amount, the employer's 2015/16 expected contribution will cover \$1,985,747 of this amount, and future employee contributions are expected to cover \$4,176,636 of this amount, leaving \$13,063,332 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.

Amortization of the Unfunded Liability

This plan uses the entry age normal cost method to develop an unfunded liability each year. The unfunded liability is then amortized or "paid off" over a period of time. The period over which the unfunded liability is amortized is often referred to as the "funding period" of the plan. Under Chapter 112 the maximum allowable funding period is 30 years and this is the funding period that is used for new components of the unfunded liability. In addition, the annual payment towards the outstanding balance of the unfunded liability is calculated as a level dollar amount. Table I-I shows the various components of the unfunded liability and the respective funding period for each component.

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 \$874,126, which reflects the advance employer contribution of \$981,881 as of October 1, 2014 minus \$107,755 that was used to cover the shortfall between the City's cash contribution and the minimum required contribution for the 2014/15 plan year 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 minimum required contribution for the 2015/16 plan year to 28.60% of payroll.

Contents of the Report

Tables I-D through I-H 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. Specifically, Table II-A shows the development of the actuarial value of assets, which is based on a five-year phase-in of the net investment earnings that occur after September 30, 2013 in order to provide a more stable and predictable contribution rate for the employer. 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.

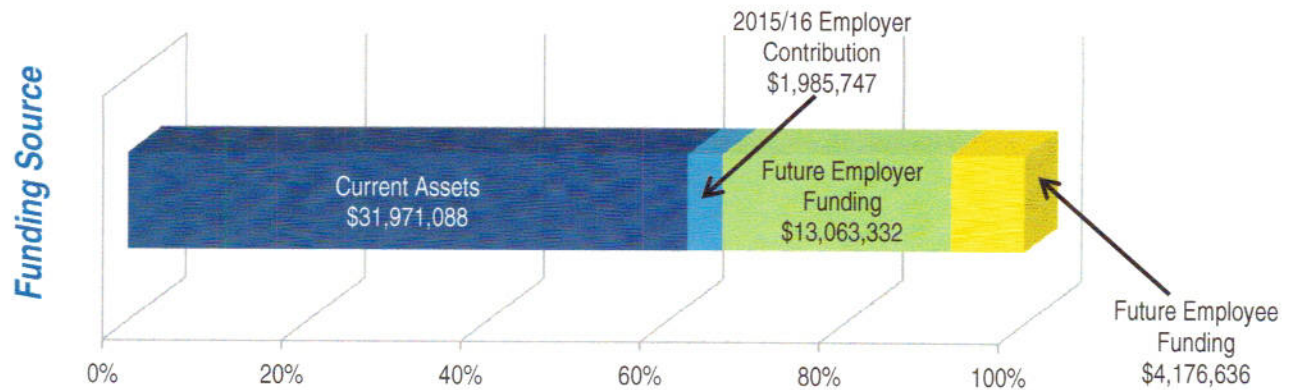
Enrolled Actuary No. 14-04927

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

Entry Age Normal Cost	\$1,944,536
Unfunded Liability Amortization Payment	\$665,481
Expense Allowance	\$46,988
Expected Employee Contribution	(\$671,258)
	<hr/>
	\$1,985,747
Adjustment to Reflect Beginning-of-Year Employer Contribution	\$0
Preliminary Employer Contribution for the 2015/16 Plan Year	<hr/>
	\$1,985,747
Expected Payroll for the 2015/16 Plan Year	÷ \$6,712,583

Minimum Required Contribution Rate **29.58%**

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

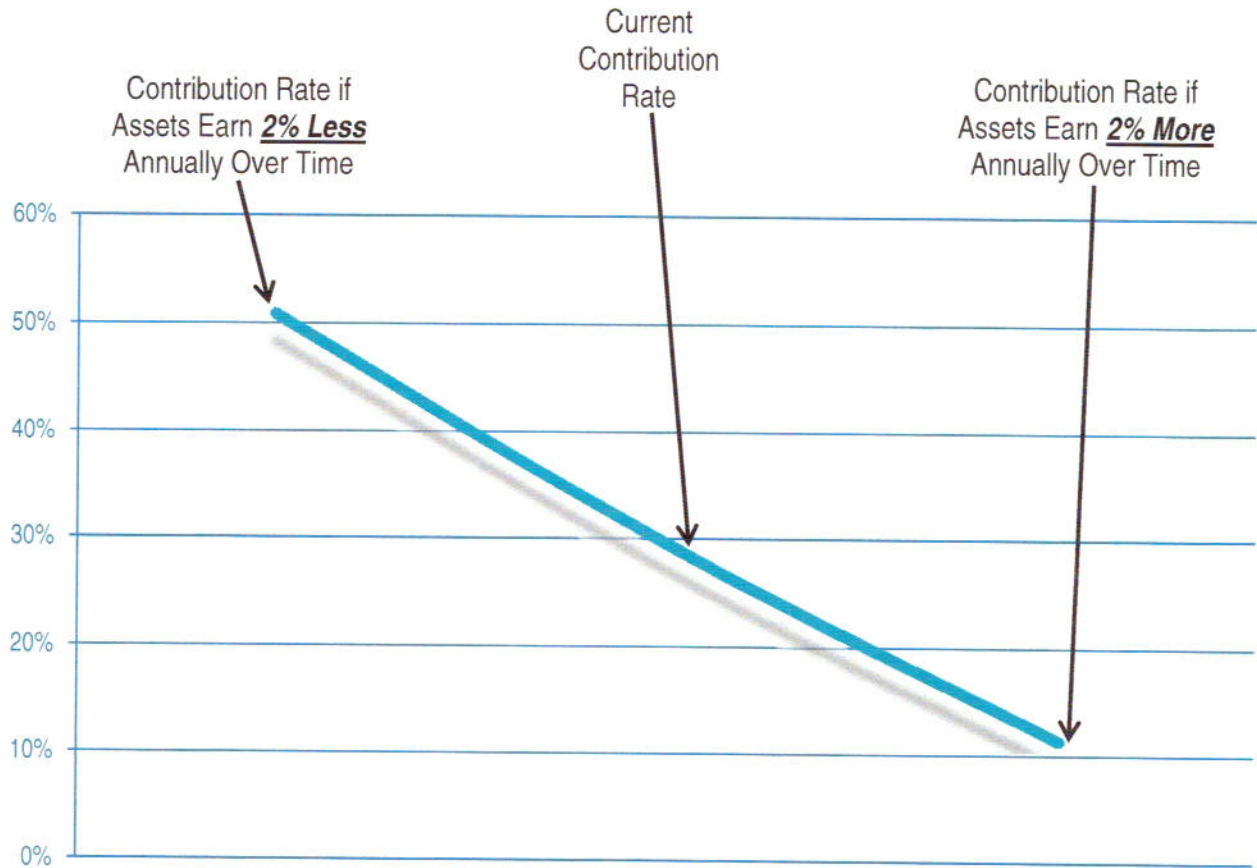
Additional Disclosures

Present Value of Future Compensation	\$41,766,401
Present Value of Future Employer Contributions	\$15,049,079
Present Value of Future Employee Contributions	\$4,176,636



Sensitivity Analysis

Table I-B



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



Gain and Loss Analysis

Table I-C

Source of Change in the Contribution Rate

Previous minimum required contribution rate	30.42%
Increase (decrease) due to investment gains and losses	1.88%
Increase (decrease) due to demographic experience	-2.72%
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 minimum required contribution rate	<u>29.58%</u>

Source of Change in the Unfunded Liability

Previous unfunded liability	\$7,954,237
Increase due to employer normal cost for the prior year	\$1,459,729
Increase due to interest on normal cost and unfunded liability	\$658,978
Decrease due to employer contributions	(\$2,237,695)
Decrease due to interest on employer contributions	(\$156,639)
Expected unfunded liability	<u>\$7,678,610</u>
Increase (decrease) due to plan experience	(\$415,771)
Increase (decrease) due to plan amendments	\$0
Increase (decrease) due to actuarial assumption changes	\$0
Increase (decrease) due to actuarial method changes	\$0
Current unfunded liability	<u>\$7,262,839</u>



Present Value of Future Benefits

Table I-D

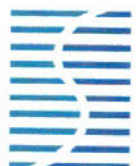
	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$35,144,301	\$35,144,301	\$35,144,301
Termination benefits	\$0	\$0	\$0
Disability benefits	\$1,209,370	\$1,209,370	\$1,209,370
Death benefits	\$396,799	\$396,799	\$396,799
Refund of employee contributions	\$793	\$793	\$793
Sub-total	\$36,751,263	\$36,751,263	\$36,751,263
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,839,536	\$1,839,536	\$1,839,536
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,839,536	\$1,839,536	\$1,839,536
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$11,785,624	\$11,785,624	\$11,785,624
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$528,015	\$528,015	\$528,015
DROP participants	\$0	\$0	\$0
Sub-total	\$12,313,639	\$12,313,639	\$12,313,639
<u>Grand Total</u>	<u>\$50,904,438</u>	<u>\$50,904,438</u>	<u>\$50,904,438</u>
Present Value of Future Payroll	\$41,766,401	\$41,766,401	\$41,766,401
Present Value of Future Employee Contribs.	\$4,176,636	\$4,176,636	\$4,176,636
Present Value of Future Employer Contribs.	\$15,049,079	\$15,049,079	\$15,049,079



Present Value of Accrued Benefits

Table I-E

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$19,289,489	\$19,289,489	\$19,289,489
Termination benefits	\$0	\$0	\$0
Disability benefits	\$536,675	\$536,675	\$536,675
Death benefits	\$261,067	\$261,067	\$261,067
Refund of employee contributions	\$66,537	\$66,537	\$66,537
Sub-total	\$20,153,768	\$20,153,768	\$20,153,768
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,839,536	\$1,839,536	\$1,839,536
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,839,536	\$1,839,536	\$1,839,536
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$11,785,624	\$11,785,624	\$11,785,624
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$528,015	\$528,015	\$528,015
DROP participants	\$0	\$0	\$0
Sub-total	\$12,313,639	\$12,313,639	\$12,313,639
<u>Grand Total</u>	<u>\$34,306,943</u>	<u>\$34,306,943</u>	<u>\$34,306,943</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	\$18,215,012	\$18,215,012	\$18,215,012
Termination benefits	\$0	\$0	\$0
Disability benefits	\$536,675	\$536,675	\$536,675
Death benefits	\$168,097	\$168,097	\$168,097
Refund of employee contributions	\$78,618	\$78,618	\$78,618
Sub-total	\$18,998,402	\$18,998,402	\$18,998,402
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,839,536	\$1,839,536	\$1,839,536
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,839,536	\$1,839,536	\$1,839,536
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$11,785,624	\$11,785,624	\$11,785,624
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$528,015	\$528,015	\$528,015
DROP participants	\$0	\$0	\$0
Sub-total	\$12,313,639	\$12,313,639	\$12,313,639
<u>Grand Total</u>	<u>\$33,151,577</u>	<u>\$33,151,577</u>	<u>\$33,151,577</u>



Entry Age Normal Accrued Liability

Table I-G

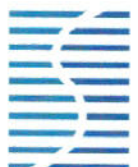
	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$24,140,329	\$24,140,329	\$24,140,329
Termination benefits	\$0	\$0	\$0
Disability benefits	\$696,500	\$696,500	\$696,500
Death benefits	\$243,580	\$243,580	\$243,580
Refund of employee contributions	\$343	\$343	\$343
Sub-total	\$25,080,752	\$25,080,752	\$25,080,752
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,839,536	\$1,839,536	\$1,839,536
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,839,536	\$1,839,536	\$1,839,536
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$11,785,624	\$11,785,624	\$11,785,624
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$528,015	\$528,015	\$528,015
DROP participants	\$0	\$0	\$0
Sub-total	\$12,313,639	\$12,313,639	\$12,313,639
<u>Grand Total</u>	<u>\$39,233,927</u>	<u>\$39,233,927</u>	<u>\$39,233,927</u>
less Actuarial Value of Assets	(\$31,971,088)	(\$31,971,088)	(\$31,971,088)
<u>Unfunded Accrued Liability</u>	<u>\$7,262,839</u>	<u>\$7,262,839</u>	<u>\$7,262,839</u>



Entry Age Normal Cost

Table I-H

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$1,838,612	\$1,838,612	\$1,838,612
Termination benefits	\$0	\$0	\$0
Disability benefits	\$81,783	\$81,783	\$81,783
Death benefits	\$23,864	\$23,864	\$23,864
Refund of employee contributions	\$277	\$277	\$277
Sub-total	\$1,944,536	\$1,944,536	\$1,944,536
<u>Deferred Vested Participants</u>			
Retirement benefits	\$0	\$0	\$0
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$0	\$0	\$0
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<u>Grand Total</u>	<u>\$1,944,536</u>	<u>\$1,944,536</u>	<u>\$1,944,536</u>



Unfunded Liability Bases

Table I-I

<u>Description</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>	<u>Amortization Payment</u>	<u>Years Rem.</u>
	Total	\$7,262,839	\$665,481	
		↓	↓	
Initial Unfunded Liability	\$8,427,025	\$8,154,347	\$719,358	20
2005/06 Experience Gain	(\$537,954)	(\$517,241)	(\$44,613)	21
2006/07 Experience Loss	\$713,345	\$679,795	\$57,437	22
10/1/2008 Method Change	(\$996,242)	(\$938,811)	(\$77,837)	23
2007/08 Experience Loss	\$1,540,614	\$1,451,801	\$120,369	23
2008/09 Experience Loss	\$915,268	\$851,122	\$69,354	24
2009/10 Experience Loss	\$2,556,391	\$2,341,389	\$187,772	25
2010/11 Experience Loss	\$105,907	\$95,370	\$7,537	26
1/1/2012 Amendment	(\$11)	(\$7)	(\$1)	26
2011/12 Experience Loss	\$118,781	\$108,243	\$8,439	27
10/1/2013 Method Change	(\$4,498,116)	(\$4,097,884)	(\$315,544)	28
2012/13 Experience Gain	(\$1,567,817)	(\$1,428,317)	(\$109,983)	28
2013/14 Experience Loss	\$898,369	\$881,246	\$67,081	29
10/1/2014 Assumption Change	\$99,452	\$97,557	\$7,426	29
2014/15 Experience Gain	(\$415,771)	(\$415,771)	(\$31,314)	30



Actuarial Value of Assets

Table II-A

	<u>Net Investment Gain (Loss)</u>		<u>Unrecognized Gain (Loss)</u>
For the 2011/12 plan year	N/A	x 20%	N/A
For the 2012/13 plan year	N/A	x 40%	N/A
For the 2013/14 plan year	\$2,518,348	x 60%	\$1,511,009
For the 2014/15 plan year	(\$42,219)	x 80%	(\$33,775)
			<u>\$1,477,234</u>

Market Value of Assets as of October 1, 2015 \$34,322,448

Minus advance employer contributions (\$874,126)

Adjustment for unrecognized gain or loss as shown above,
but restricted to an amount that keeps the actuarial value
of assets within an 80%-120% corridor of the market value (\$1,477,234)

Actuarial Value of Assets as of October 1, 2015 \$31,971,088

<u>Historical Actuarial Value of Assets</u>	
October 1, 2006	\$6,051,404
October 1, 2007	\$8,287,371
October 1, 2008	\$9,628,373
October 1, 2009	\$11,195,853
October 1, 2010	\$13,583,013
October 1, 2011	\$15,665,465
October 1, 2012	\$18,675,782
October 1, 2013	\$27,153,986
October 1, 2014	\$29,484,473
October 1, 2015	\$31,971,088

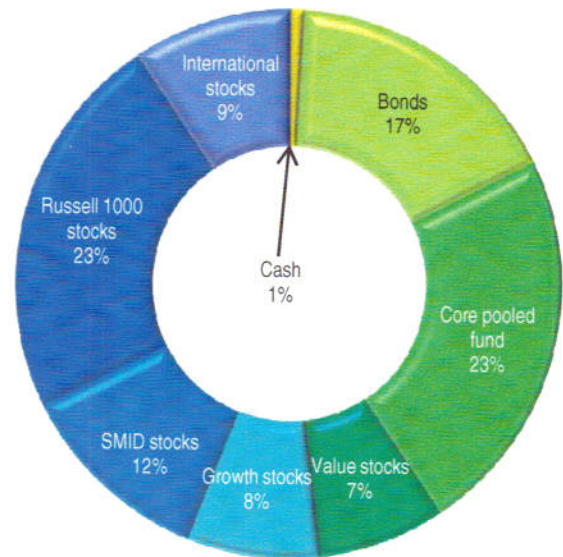


Market Value of Assets

Table II-B

As of October 1, 2015**Market Value of Assets** **\$34,322,448**

Cash	\$274,801
Bonds	\$5,768,136
Core pooled fund	\$7,896,852
Value stocks	\$2,575,061
Growth stocks	\$2,712,397
SMID stocks	\$4,017,094
Russell 1000 stocks	\$7,862,518
International stocks	\$3,227,409
Accounts payable	(\$11,820)

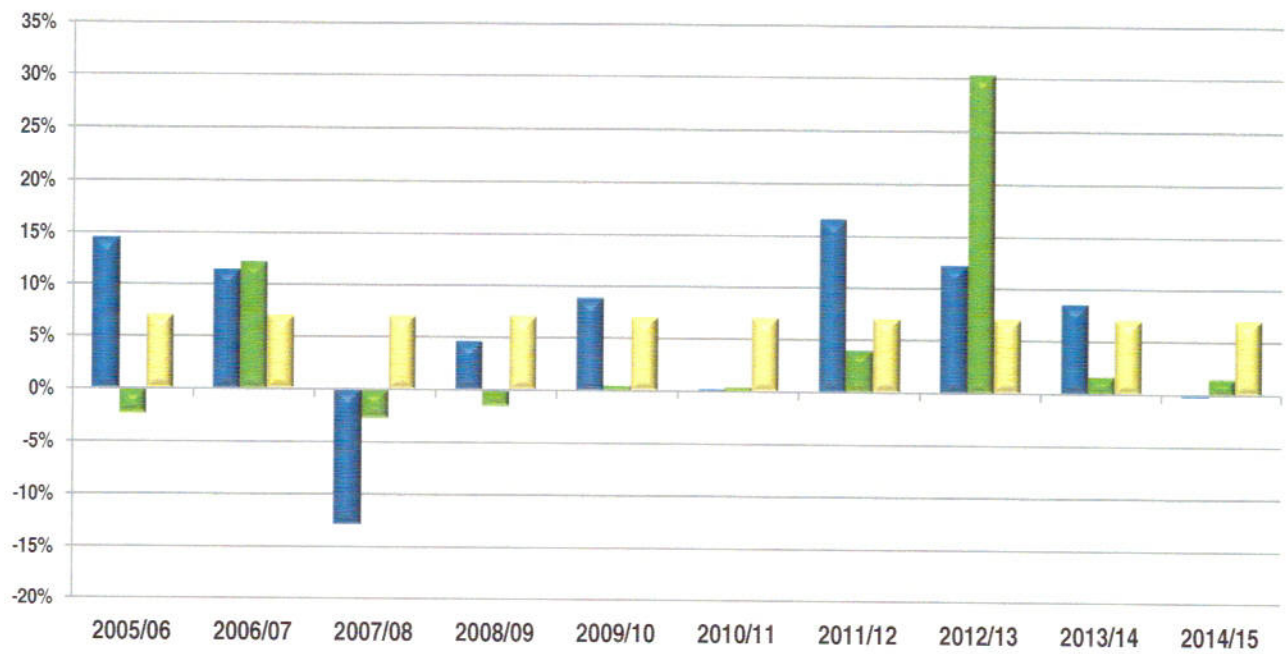
**Historical Market Value of Assets**

October 1, 2006	\$6,333,670
October 1, 2007	\$8,855,344
October 1, 2008	\$9,273,617
October 1, 2009	\$11,803,150
October 1, 2010	\$15,284,596
October 1, 2011	\$17,339,652
October 1, 2012	\$22,741,134
October 1, 2013	\$28,135,867
October 1, 2014	\$32,481,032
October 1, 2015	\$34,322,448



Investment Return

Table II-C

*Annual Investment Returns*

■ Market Value Return
 ■ Actuarial Value Return
 ■ Assumed Return

Plan	Market Value	Actuarial Value	Assumed
<u>Year</u>	<u>Return</u>	<u>Return</u>	<u>Return</u>
2005/06	14.51%	-2.33%	7.00%
2006/07	11.46%	12.18%	7.00%
2007/08	-12.86%	-2.74%	7.00%
2008/09	4.60%	-1.47%	7.00%
2009/10	8.85%	0.49%	7.00%
2010/11	0.23%	0.44%	7.00%
2011/12	16.56%	4.01%	7.00%
2012/13	12.24%	30.23%	7.00%
2013/14	8.53%	1.65%	7.00%
2014/15	-0.25%	1.49%	7.00%
10yr. Avg.	6.04%	4.00%	7.00%



Asset Reconciliation

Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of October 1, 2014	\$32,481,032	\$29,484,473
<i>Increases Due To:</i>		
Employer Contributions	\$2,129,940	\$2,129,940
Employee Contributions	\$735,600	\$735,600
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$2,865,540</u>	<u>\$2,865,540</u>
Interest and Dividends	\$6	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	<u>(\$42,219)</u>	
Total Investment Income	<u>(\$42,213)</u>	\$454,435
Other Income	\$0	
Total Income	<u>\$2,823,327</u>	<u>\$3,319,975</u>
<i>Decreases Due To:</i>		
Monthly Benefit Payments	(\$884,571)	(\$884,571)
Refund of Employee Contributions	(\$23,481)	(\$23,481)
Total Benefit Payments	<u>(\$908,052)</u>	<u>(\$908,052)</u>
Investment Expenses	(\$40,796)	
Administrative Expenses	(\$33,063)	(\$33,063)
Advance Employer Contribution		\$107,755
Total Expenses	<u>(\$981,911)</u>	<u>(\$833,360)</u>
As of October 1, 2015	<u><u>\$34,322,448</u></u>	<u><u>\$31,971,088</u></u>



Historical Trust Fund Detail

Table II-E

Income

Plan Year	Employer Contribs.	Employee Contribs.	Service Purchase Contribs.	Interest / Dividends	Realized Gains / Losses	Unrealized Gains / Losses	Other Income
2005/06	\$1,419,583	\$874,651	\$3,658,388	\$0	\$0	\$428,539	\$0
2006/07	\$1,182,130	\$720,283	\$0	\$0	\$0	\$823,354	\$0
2007/08	\$1,364,737	\$537,676	\$0	\$0	\$0	-\$1,245,321	\$0
2008/09	\$1,697,115	\$578,043	\$0	\$0	\$0	\$473,819	\$0
2009/10	\$1,986,045	\$626,059	\$0	\$1,684	\$0	\$1,166,924	\$1,508
2010/11	\$1,958,981	\$685,143	\$0	\$157	\$0	\$64,610	\$0
2011/12	\$2,211,719	\$713,434	\$130,210	\$57	\$0	\$3,103,964	\$0
2012/13	\$2,278,870	\$883,964	\$0	\$13	\$0	\$2,970,636	\$0
2013/14	\$2,129,940	\$630,346	\$0	\$8	\$0	\$2,518,348	\$0
2014/15	\$2,129,940	\$735,600	\$0	\$6	\$0	-\$42,219	\$0

Expenses

Plan Year	Monthly Benefit Payments	Contrib. Refunds	Admin. Expenses	Invest. Expenses	Other Actuarial Adjustments Advance Employer Contribs.
2005/06	\$21,624	\$2,086	\$23,781	\$0	-\$217,734
2006/07	\$32,458	\$122,528	\$49,107	\$0	\$285,707
2007/08	\$78,815	\$100,553	\$59,451	\$0	\$73,513
2008/09	\$166,204	\$8,879	\$44,361	\$0	\$333,949
2009/10	\$244,728	\$0	\$33,955	\$22,091	\$6,446
2010/11	\$560,250	\$22,114	\$44,108	\$27,363	\$0
2011/12	\$555,067	\$139,141	\$25,348	\$38,346	\$0
2012/13	\$640,550	\$33,641	\$28,287	\$36,272	\$0
2013/14	\$758,768	\$104,695	\$31,033	\$38,981	\$0
2014/15	\$884,571	\$23,481	\$33,063	\$40,796	-\$107,755

Note: Prior to October 1, 2009, information was not available to separate the investment expenses from the investment income nor was information available to separate the investment income by source. Monthly benefit payments include contribution refunds for the 2009/10 plan year.

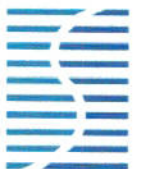


Other Reconciliations

Table II-F

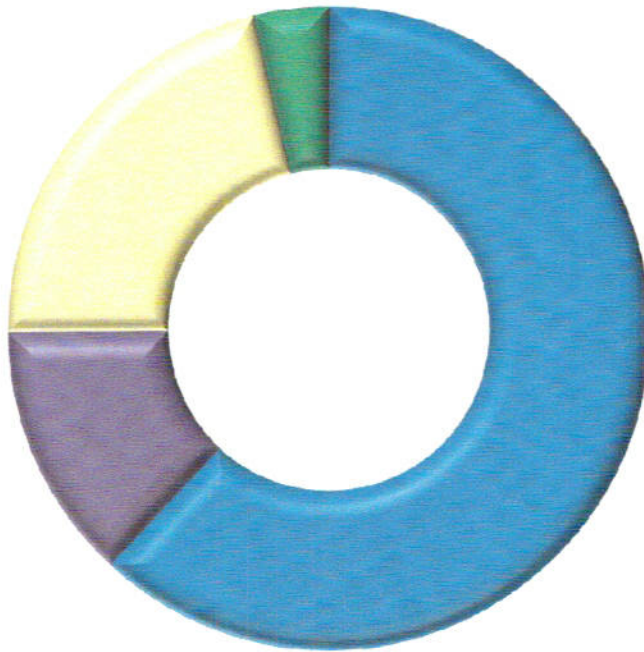
Advance Employer Contribution

Advance Employer Contribution as of October 1, 2014	\$981,881
Additional Employer Contribution	\$2,129,940
Minimum Required Contribution	(\$2,237,695)
Net Increase in Advance Employer Contribution	(\$107,755)
Advance Employer Contribution as of October 1, 2015	<u>\$874,126</u>



Summary of Participant Data

Table III-A

As of October 1, 2015Actively Employed Participants

Active Participants	81
DROP Participants	0

Inactive Participants

Deferred Vested Participants	17
Due a Refund of Contributions	0
Deferred Beneficiaries	0

Participants Receiving a Benefit

Service Retirements	28
Disability Retirements	0
Beneficiaries Receiving	5

Total Participants 131Number of Participants Included in Prior Valuations

	<i>Active</i>	<i>DROP</i>	<i>Inactive</i>	<i>Retired</i>	<i>Total</i>
October 1, 2006	80	0	6	2	88
October 1, 2007	78	0	9	4	91
October 1, 2008	81	0	13	5	99
October 1, 2009	79	0	15	8	102
October 1, 2010	75	0	17	14	106
October 1, 2011	73	0	15	18	106
October 1, 2012	81	0	14	21	116
October 1, 2013	77	0	17	24	118
October 1, 2014	81	0	18	26	125
October 1, 2015	81	0	17	33	131



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, 2014</u>	81	0	18	0	0	22	0	4	125
<u>Change in Status</u>									
Re-employed	1		(1)						
Terminated	(3)		3						
Retired	(5)		(2)			7			
<u>Participation Ended</u>									
Transferred Out									
Cashed Out			(1)						(1)
Died						(1)			(1)
<u>Participation Began</u>									
Newly Hired	6								6
Transferred In	1								1
New Beneficiary								1	1
<u>Other Adjustment</u>									
<u>October 1, 2015</u>	81	0	17	0	0	28	0	5	131

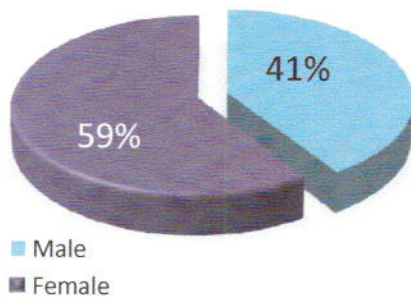


Active Participant Data

Table III-C

As of October 1, 2015

Gender Mix



Average Age	50.2 years
Average Service	11.1 years
Total Annualized Compensation for the Prior Year	\$6,392,939
Total Expected Compensation for the Current Year	\$6,712,583
Average Increase in Compensation for the Prior Year	0.73%
Expected Increase in Compensation for the Current Year	5.00%
Accumulated Contributions for Active Employees	\$6,921,621



Actual vs. Expected Salary Increases

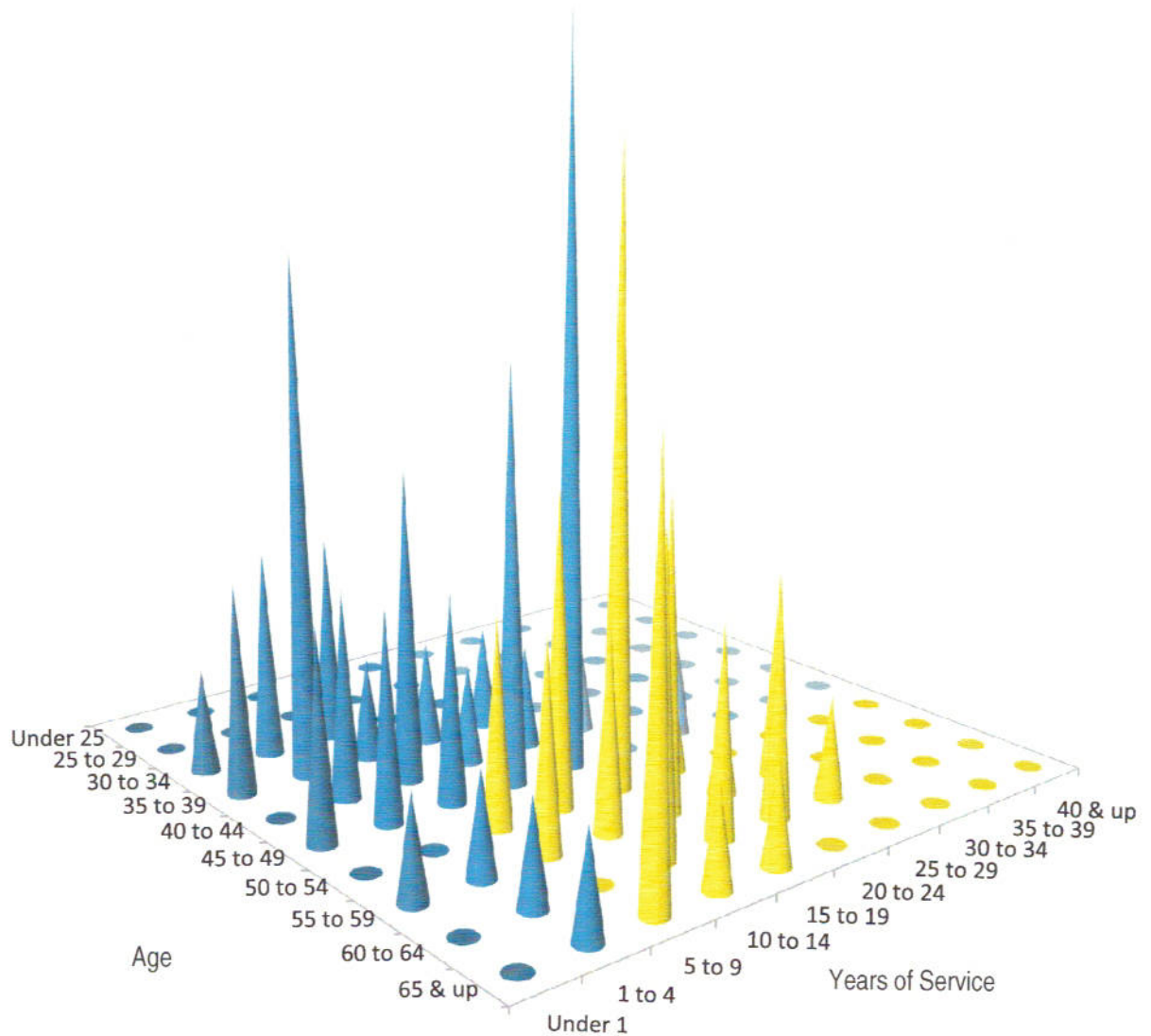
Active Participant Statistics From Prior Valuations

	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
October 1, 2006	48.3	7.8	\$58,721	5.00%	N/A
October 1, 2007	47.7	8.3	\$65,578	5.00%	10.16%
October 1, 2008	47.7	8.6	\$65,587	5.00%	4.99%
October 1, 2009	48.8	8.8	\$70,828	5.00%	5.21%
October 1, 2010	48.1	8.7	\$77,000	5.00%	8.88%
October 1, 2011	48.6	9.6	\$77,029	5.00%	1.38%
October 1, 2012	49.8	10.3	\$77,535	5.00%	2.75%
October 1, 2013	50.0	11.0	\$77,861	5.00%	2.56%
October 1, 2014	50.1	10.8	\$78,255	5.00%	3.15%
October 1, 2015	50.2	11.1	\$78,925	5.00%	0.73%



Active Age-Service Distribution

Table III-D



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



Active Age-Service-Salary Table

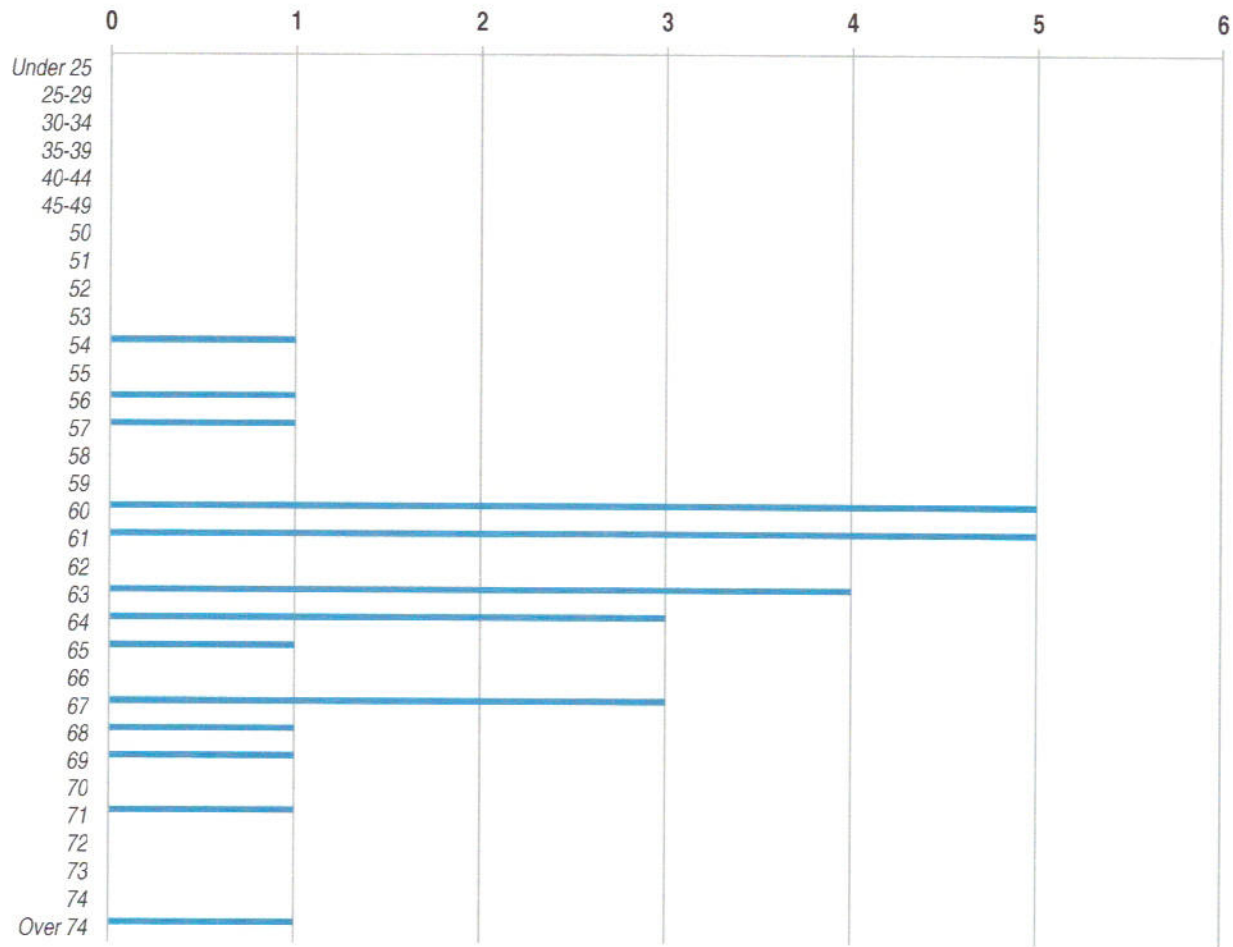
Table III-E

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	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
30 to 34	1	2	2	0	0	0	0	0	0	0	5
Avg.Pay	51,795	45,712	81,541	0	0	0	0	0	0	0	61,260
35 to 39	2	5	1	1	1	0	0	0	0	0	10
Avg.Pay	79,041	50,947	51,997	54,356	68,058	0	0	0	0	0	58,723
40 to 44	0	2	3	1	1	1	0	0	0	0	8
Avg.Pay	0	49,570	83,985	82,068	68,318	83,195	0	0	0	0	73,085
45 to 49	2	2	2	4	7	0	1	0	0	0	18
Avg.Pay	59,979	100,649	78,051	108,462	80,501	0	65,201	0	0	0	85,551
50 to 54	0	0	2	3	6	1	0	0	0	0	12
Avg.Pay	0	0	105,482	74,895	59,367	149,674	0	0	0	0	78,460
55 to 59	1	1	2	2	3	1	2	0	0	0	12
Avg.Pay	44,735	62,564	112,377	103,451	69,049	56,701	95,465	0	0	0	82,811
60 to 64	0	1	0	3	2	2	1	0	0	0	9
Avg.Pay	0	81,385	0	111,755	161,783	72,816	89,049	0	0	0	108,322
65 & up	0	1	4	1	1	0	0	0	0	0	7
Avg.Pay	0	39,378	62,846	119,367	54,536	0	0	0	0	0	66,381
Total	6	14	16	15	21	5	4	0	0	0	81
Avg.Pay	62,428	59,280	81,890	97,099	78,159	87,040	86,295	0	0	0	78,925



Inactive Participant Data

Table III-F

*Age at Retirement*

- Service Retirements
- Disability Retirements
- DROP Participants

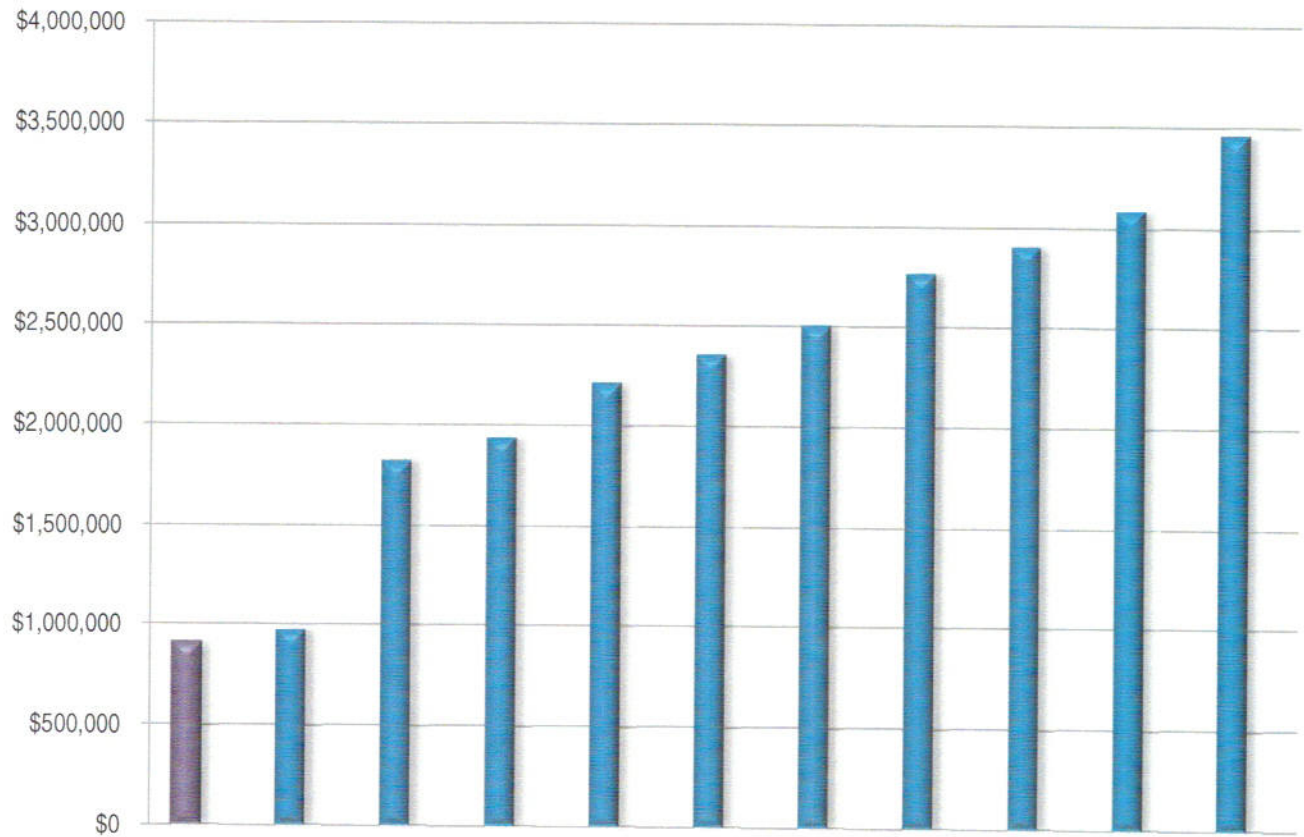
Average Monthly Benefit

Service Retirements	\$2,740.13
Disability Retirements	Not applicable
Beneficiaries Receiving	\$1,060.36
DROP Participants	Not applicable
Deferred Vested Participants	\$1,009.77
Deferred Beneficiaries	Not applicable



Projected Benefit Payments

Table III-G

Actual

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

\$908,052

Projected

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

\$974,181

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

\$1,823,577

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

\$1,938,382

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

\$2,208,627

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

\$2,352,841

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

\$2,502,507

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

\$2,767,302

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

\$2,904,455

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

\$3,085,603

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

\$3,457,363



Summary of Actuarial Methods and Assumptions

Table IV-A

1. **Actuarial Cost Method**

Individual entry age normal cost method. Under this actuarial cost method, a level funding cost is developed with respect to each benefit for each participant. The level funding cost for each benefit applies to the period beginning when the participant's service commences and ends when the participant is assumed to cease active participation due to each respective decrement. The actuarial accrued liability is equal to the accumulated level funding cost to the valuation date for all participants. The normal cost is equal to the level funding cost for the year immediately following the valuation date for all active participants.

2. **Amortization Method**

The unfunded liability is amortized as a level dollar amount over a period of up to 30 years.

3. **Asset Method**

The actuarial value of assets is equal to the market value of assets, adjusted to reflect a five-year phase-in of the net investment appreciation (both realized and unrealized) that occurs after September 30, 2013.

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

7.00% per annum

5. **Salary Increases**

Plan compensation is assumed to increase at the rate of 5.00% per annum, unless actual plan compensation is known for a prior plan year.

6. **Decrement**

- Pre-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.
- 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.



Summary of Actuarial Methods and Assumptions

Table IV-A

(continued)

- Disability: Male disability rates set forth in the Wyatt 1985 Disability Study (Class 1)
- Termination: None assumed
- Retirement: 5% of eligible participants are assumed to retire at each early retirement age and 100% of eligible participants are assumed to retire on their normal retirement age.

No decrements have been assumed to occur during the first year following the valuation date.

7. **Form of Payment**

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

8. **Marriage Assumption**

100% of participants are assumed to be married, with male spouses assumed to be three years older than female spouses.

9. **Expenses**

Administrative expenses are assumed to be 1.00% of covered payroll. In addition, the interest rate set forth in item 4. 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 completion of the previous valuation.



Summary of Plan Provisions

Table V-A

1. Monthly Accrued Benefit

For elected officials:

6 $\frac{2}{3}$ % of Average Final Compensation for each completed year of Credited Service, with a pro-rata benefit accrual for a partial year and with the benefit limited to 80% of Average Final Compensation

For City manager and City attorney:

4.00% of Average Final Compensation multiplied by Credited Service, with the benefit limited to 80% of Average Final Compensation

For all other participants:

3.00% of Average Final Compensation multiplied by Credited Service, with the benefit limited to 80% of Average Final Compensation

2. Normal Retirement Age and Benefit

- **Age**

Age 60 with at least five years of Credited Service;
Age 57 with at least 20 years of Credited Service; or
Age 55 with at least 25 years of Credited Service

- **Amount**

Monthly Accrued Benefit

- **Form of Payment**

Actuarially equivalent single life annuity (optional);
10-year certain and life annuity (normal form of payment);
Actuarially equivalent joint and contingent annuity (optional);
Actuarially equivalent joint and contingent annuity with “pop-up” feature (optional); or
Actuarially equivalent annuity plus a partial lump sum payment, with the partial lump sum payment equal to up to three years of monthly benefit payments with simple interest calculated at the rate of 4% per year and a refund of the participant’s contributions during the same period

(Note: All forms of payment guarantee at least the return of the participant’s Accumulated Contributions.)



Summary of Plan Provisions

Table V-A

(continued)

3. Early Retirement Age and Benefit

- **Age**
Age 50 with at least five years of Credited Service
- **Amount**
Monthly Accrued Benefit (payable at Normal Retirement Age); or
Monthly Accrued Benefit reduced by 5% for each year by which the participant's Early Retirement Age precedes age 60 (payable at Early Retirement Age)
- **Form of Payment**
Same as for Normal Retirement

4. Disability Eligibility and Benefit

- **Eligibility**
All participants are eligible.
- **Condition**
The participant must be totally and permanently disabled such that he is unable to perform his duties as a City employee.
- **Amount**
Monthly Accrued Benefit
- **Form of Payment**
Same as for Normal Retirement

5. Deferred Vested Benefit

- **Age**
Any age with at least one year of Credited Service
- **Amount**
Monthly Accrued Benefit multiplied by the Vested Percentage (payable at Normal Retirement Age); or
Monthly Accrued Benefit multiplied by the Vested Percentage and reduced by 5% for each year by which the participant's Early Retirement Age precedes age 60 (payable at Early Retirement Age)
- **Form of Payment**
Same as for Normal Retirement



Summary of Plan Provisions

Table V-A

(continued)

6. Pre-Retirement Death Benefits

- **Fully or Partially Vested Participant**

Upon the death prior to retirement of a fully or partially vested participant, the participant's beneficiary receives an immediate Pre-Retirement Survivor Annuity equal to one-half of a 50% joint and contingent annuity based on the participant's Monthly Accrued Benefit calculated without regard to any reduction for early retirement. The Pre-Retirement Survivor Annuity guarantees at least the return of the participant's Accumulated Contributions.

- **Non-Vested Participant**

In the case of the death of a non-vested participant prior to retirement, his beneficiary will receive the participant's Accumulated Contributions.

7. Vested Percentage

Each participant earns a 20% vested interest in his Monthly Accrued Benefit for each whole year of Credited Service up to five years of Credited Service

8. Average Final Compensation

Average compensation for the highest five consecutive years of service prior to the determination; compensation includes total cash remuneration paid for services rendered to the City, but excludes: (i) bonuses, (ii) employer contributions to any health, dental, disability, or related insurance program, (iii) medical, child care, and other non-taxable reimbursements, (iv) employer contributions to a deferred compensation program under Internal Revenue Code (IRC) section 457, (v) cash payments of unused accumulated leave payable upon employment termination, and (vi) any overtime pay in excess of 300 hours per year after June 30, 2011.

9. Credited Service

The uninterrupted service, expressed in years and completed months, from the participant's date of hire until his date of termination, retirement, or death. For purposes of determining the Monthly Accrued Benefit, Credited Service earned prior to the effective date of the plan is not included for participants other than elected officials unless the participant purchases such credit by paying into the plan 50% of the full actuarial cost thereof. In addition, participants may purchase up to four years of credit for other prior governmental or military service by paying into the plan the full actuarial cost thereof, provided that no other pension benefit is granted for such service by any other governmental employer.



Summary of Plan Provisions

Table V-A

(continued)

10. Participation Requirement

All managerial and non-bargaining employees, as well as charter officers and elected commissioners, of the City of Tamarac, Florida, may voluntarily participate in the plan. Subject to certain exceptions, those individuals who are hired on or after October 1, 2005 are required to participate in the plan.

11. Accumulated Contributions

The participant's Contributions accumulated with 2.50% simple interest per annum *(Prior to January 1, 2012, the participant's Contributions were accumulated with 4.00% simple interest per annum.)*

12. Participant Contributions

10% of compensation per year; participant Contributions are deemed to be "picked-up" by the City pursuant to Internal Revenue Code (IRC) §414(h)(2).

13. Actuarial Equivalence

Based on 7.00% interest per annum and the unisex mortality rates set forth in the 1994 Group Annuity Reserving Table, projected to 2002 by Scale AA

14. Automatic Cost-of-Living Adjustment

Effective each January 1, retirement, disability, and deferred vested benefits are automatically increased by 2% compounded annually after the participant has been receiving payments for at least five years.

15. Plan Effective Date

October 1, 2005



Summary of Plan Amendments

Table V-B

No significant plan changes have been adopted since the completion of the previous valuation.

