

CITY OF INDIAN HARBOUR BEACH
POLICE OFFICERS' SUPPLEMENTAL PENSION PLAN

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2015

DETERMINES THE CONTRIBUTION
FOR THE 2015/16 FISCAL YEAR



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April 14, 2016

Introduction

This report presents the results of the October 1, 2015 actuarial valuation for the City of Indian Harbour Beach Police Officers' Supplemental Pension 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 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 2.39% of covered payroll, which represents a decrease of 0.17% of payroll from the prior valuation.

The normal cost rate is 2.29%, which is 0.17% lower 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 0.11% of payroll due to investment losses and decreased by 0.28% of payroll due to demographic experience. The market value of assets earned 7.88% during the 2013/14 plan year and lost 1.17% 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 2.39% multiplied by the total pensionable earnings for the 2015/16 fiscal year for the active employees who are covered by the plan. Also, if an actuarial valuation is not prepared as of October 1, 2016, then the 2.39% contribution rate should also be applied to the covered payroll for the 2016/17 plan year 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 \$292,086. As illustrated in Table I-A, current assets are sufficient to cover \$125,496 of this amount and the employer's 2015/16 expected contribution will cover \$19,808 of this amount, leaving \$146,782 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 \$47,885 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 1.63% of payroll and would reduce the minimum required contribution for the 2015/16 plan year to 1.70% 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.

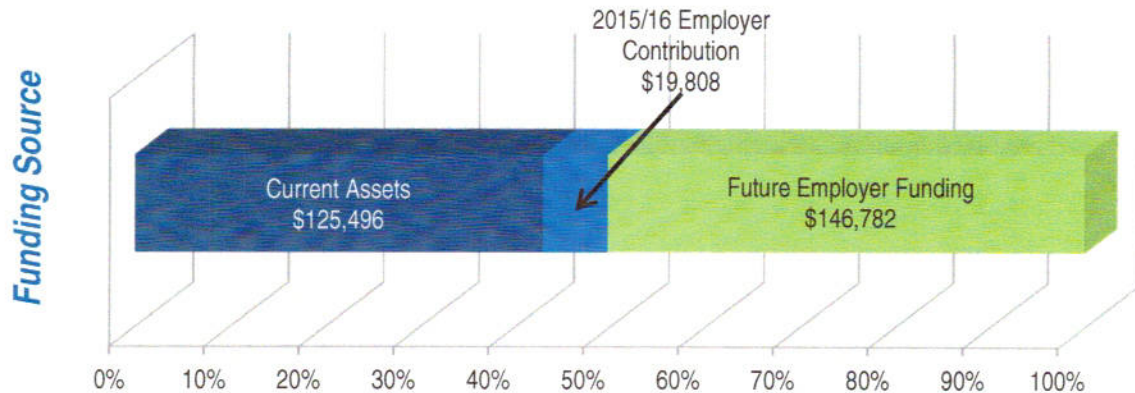
Enrolled Actuary No. 14-04927

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	\$292,086
Present Value of Future Administrative Expenses	\$0
Actuarial Value of Assets	(\$125,496)
Present Value of Future Employee Contributions	\$0
Present Value of Future Normal Costs	\$166,590
Present Value of Future Payroll	÷ \$7,284,293
Normal Cost Rate	= 2.287%
Expected Payroll	x \$830,401
Normal Cost	\$18,991
Adjustment to Reflect Quarterly Employer Contributions	\$817
Preliminary Employer Contribution for the 2015/16 Plan Year	\$19,808
Expected Payroll for the 2015/16 Plan Year	÷ \$830,401

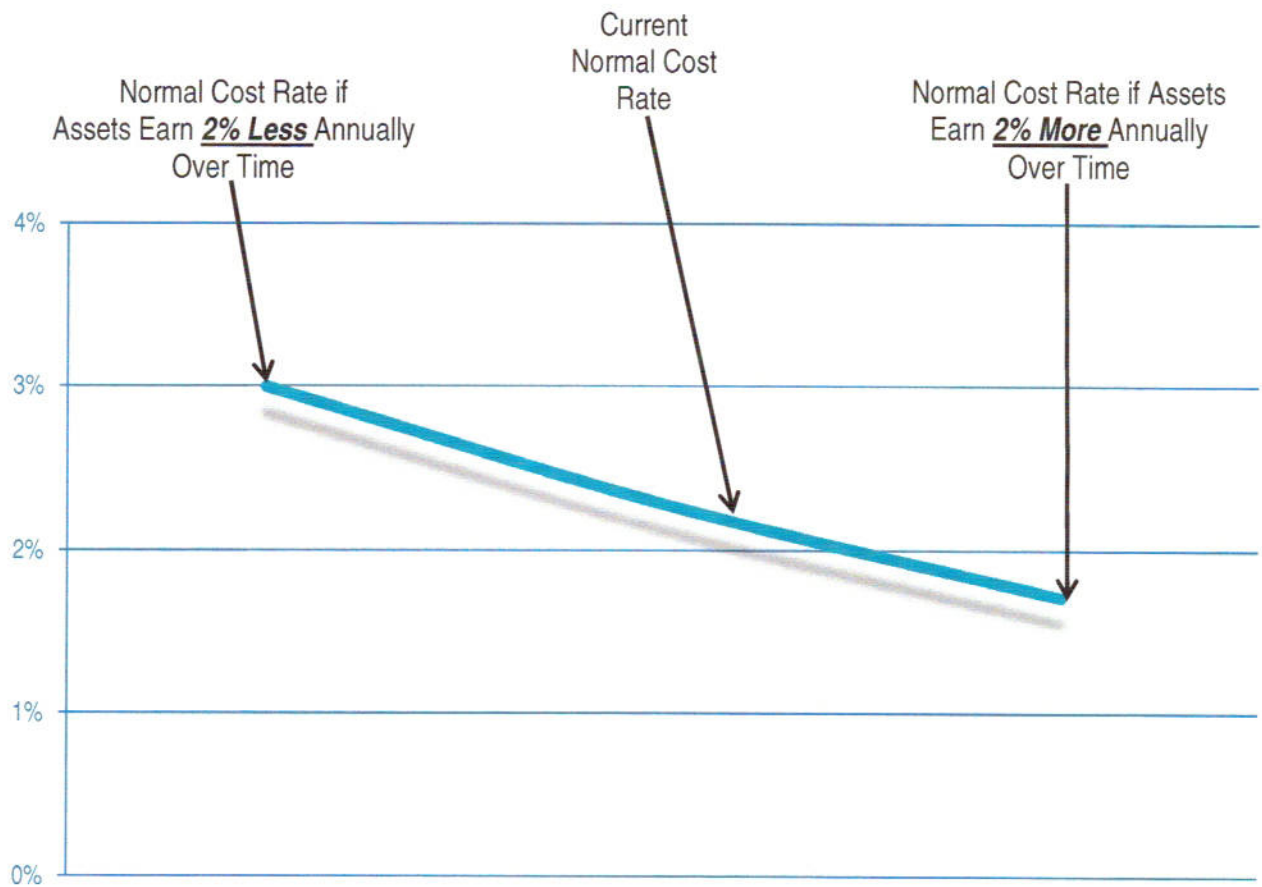
Minimum Required Contribution Rate **2.39%**

(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	2.46%
Increase (decrease) due to investment gains and losses	0.11%
Increase (decrease) due to demographic experience	-0.28%
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>2.29%</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	\$131,138	\$131,138	\$131,138
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$131,138	\$131,138	\$131,138
<u>Deferred Vested Participants</u>			
Retirement benefits	\$21,245	\$21,245	\$21,245
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$21,245	\$21,245	\$21,245
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$139,703	\$139,703	\$139,703
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$139,703	\$139,703	\$139,703
<u>Grand Total</u>	<u>\$292,086</u>	<u>\$292,086</u>	<u>\$292,086</u>
Present Value of Future Payroll	\$7,284,293	\$7,284,293	\$7,284,293
Present Value of Future Employee Contribs.	\$0	\$0	\$0
Present Value of Future Employer Contribs.	\$166,590	\$166,590	\$166,590



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>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$80,923	\$80,923	\$80,923
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$80,923	\$80,923	\$80,923
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$21,245	\$21,245	\$21,245
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$21,245	\$21,245	\$21,245
<i><u>Due a Refund of Contributions</u></i>	\$0	\$0	\$0
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$139,703	\$139,703	\$139,703
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$139,703	\$139,703	\$139,703
<i><u>Grand Total</u></i>	<u>\$241,871</u>	<u>\$241,871</u>	<u>\$241,871</u>



Present Value of Vested Benefits

Table I-F

	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	\$80,923	\$80,923	\$80,923
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$80,923	\$80,923	\$80,923
<u>Deferred Vested Participants</u>			
Retirement benefits	\$21,245	\$21,245	\$21,245
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$21,245	\$21,245	\$21,245
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$139,703	\$139,703	\$139,703
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$139,703	\$139,703	\$139,703
<u>Grand Total</u>	<u>\$241,871</u>	<u>\$241,871</u>	<u>\$241,871</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	\$87,085	\$87,085	\$87,085
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$87,085	\$87,085	\$87,085
<u>Deferred Vested Participants</u>			
Retirement benefits	\$21,245	\$21,245	\$21,245
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$21,245	\$21,245	\$21,245
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$139,703	\$139,703	\$139,703
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$139,703	\$139,703	\$139,703
<u>Grand Total</u>	<u>\$248,033</u>	<u>\$248,033</u>	<u>\$248,033</u>



Actuarial Value of Assets

Table II-A

Market Value of Assets as of October 1, 2015	\$173,381
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Minus advance employer contributions	(\$47,885)
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Actuarial Value of Assets as of October 1, 2015	<u>\$125,496</u>
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Historical Actuarial Value of Assets

October 1, 2006	N/A
October 1, 2007	N/A
October 1, 2008	N/A
October 1, 2009	\$0
October 1, 2010	\$29,138
October 1, 2011	\$42,127
October 1, 2012	\$67,500
October 1, 2013	\$96,065
October 1, 2014	\$115,439
October 1, 2015	\$125,496

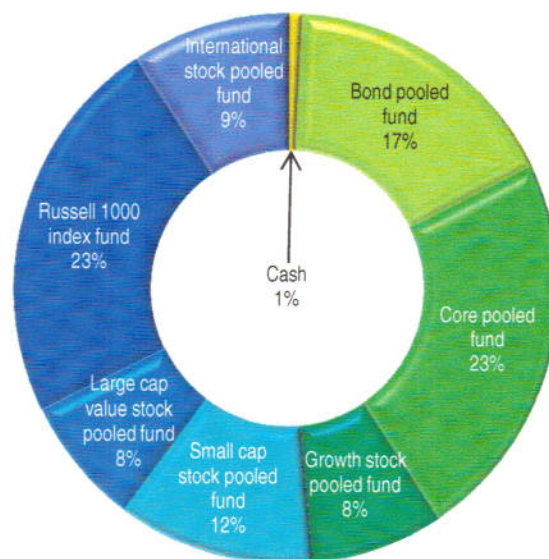


Market Value of Assets

Table II-B

As of October 1, 2015

Market Value of Assets	<u>\$173,381</u>
Cash	\$1,387
Bond pooled fund	\$29,128
Core pooled fund	\$39,878
Growth stock pooled fund	\$13,697
Small cap stock pooled fund	\$20,285
Large cap value stock pooled fund	\$13,004
Russell 1000 index fund	\$39,704
International stock pooled fund	\$16,298

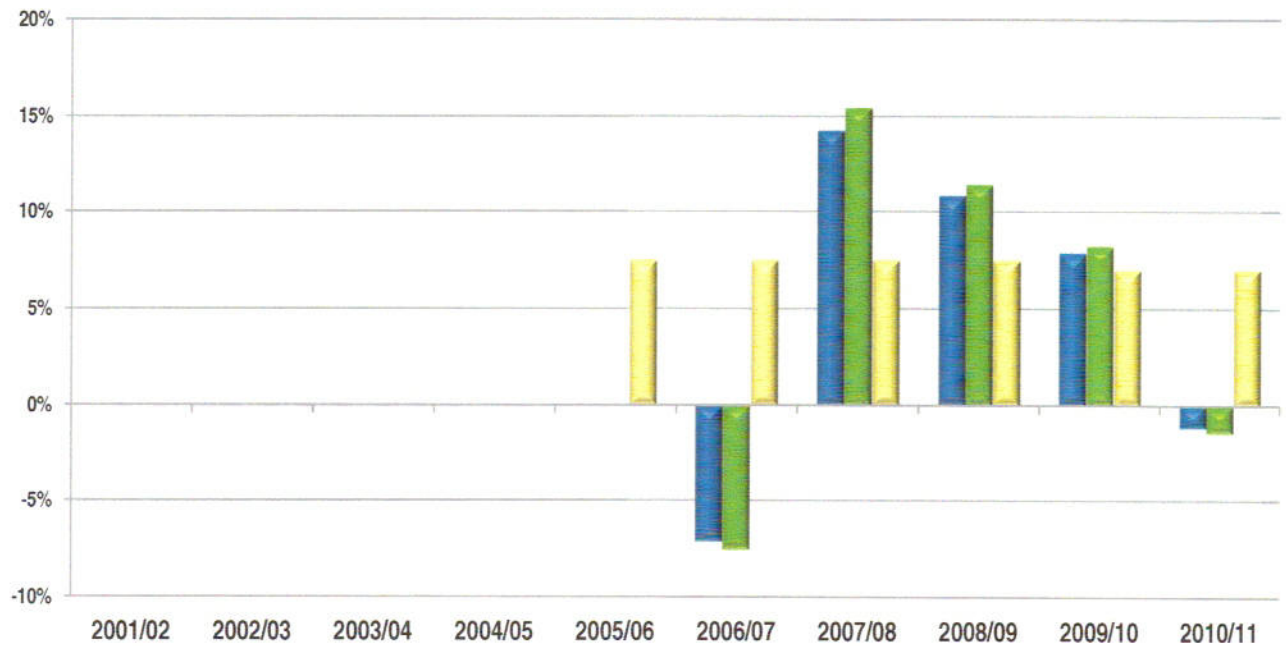
**Historical Market Value of Assets**

October 1, 2006	N/A
October 1, 2007	N/A
October 1, 2008	N/A
October 1, 2009	\$0
October 1, 2010	\$29,138
October 1, 2011	\$46,386
October 1, 2012	\$71,633
October 1, 2013	\$100,198
October 1, 2014	\$120,128
October 1, 2015	\$173,381



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	N/A	N/A	N/A
2006/07	N/A	N/A	N/A
2007/08	N/A	N/A	N/A
2008/09	N/A	N/A	N/A
2009/10	0.00%	0.00%	7.50%
2010/11	-7.12%	-7.53%	7.50%
2011/12	14.27%	15.45%	7.50%
2012/13	10.85%	11.43%	7.50%
2013/14	7.88%	8.23%	7.00%
2014/15	-1.17%	-1.43%	7.00%
6yr. Avg.	3.85%	4.05%	7.33%



Asset Reconciliation

Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of October 1, 2013	\$100,198	\$96,065
<i>Increases Due To:</i>		
Employer Contributions	\$94,752	\$94,752
Employee Contributions	\$0	\$0
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$94,752</u>	<u>\$94,752</u>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	\$6,625	
Total Investment Income	<u>\$6,625</u>	\$6,625
Other Income	\$0	
Total Income	<u>\$101,377</u>	<u>\$101,377</u>
<i>Decreases Due To:</i>		
Annual Benefit Payments	(\$20,690)	(\$20,690)
Refund of Employee Contributions	\$0	\$0
Total Benefit Payments	<u>(\$20,690)</u>	<u>(\$20,690)</u>
Investment Expenses	\$0	
Administrative Expenses	(\$7,504)	(\$7,504)
Advance Employer Contribution		(\$43,752)
Total Expenses	<u>(\$28,194)</u>	<u>(\$71,946)</u>
As of October 1, 2015	<u>\$173,381</u>	<u>\$125,496</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	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2006/07	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2007/08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2008/09	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2009/10	\$36,398	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2010/11	\$40,367	\$0	\$0	\$0	\$0	\$0	-\$2,787	\$0
2011/12	\$27,298	\$0	\$0	\$0	\$0	\$0	\$7,860	\$0
2012/13	\$28,747	\$0	\$0	\$0	\$0	\$0	\$8,839	\$0
2013/14	\$26,298	\$0	\$0	\$0	\$0	\$0	\$8,356	\$0
2014/15	\$68,454	\$0	\$0	\$0	\$0	\$0	-\$1,731	\$0

Expenses

Plan Year	Annual Benefit Payments	Contrib. Refunds	Admin. Expenses	Invest. Expenses	Other Actuarial Adjustments DROP Credits	Advance Employer Contribs.
2005/06	N/A	N/A	N/A	N/A	N/A	N/A
2006/07	N/A	N/A	N/A	N/A	N/A	N/A
2007/08	N/A	N/A	N/A	N/A	N/A	N/A
2008/09	N/A	N/A	N/A	N/A	N/A	N/A
2009/10	\$7,260	\$0	\$0	\$0	\$0	\$0
2010/11	\$20,299	\$0	\$33	\$0	\$0	\$4,259
2011/12	\$6,360	\$0	\$3,551	\$0	\$0	-\$126
2012/13	\$7,875	\$0	\$1,146	\$0	\$0	\$0
2013/14	\$8,460	\$0	\$6,264	\$0	\$0	\$556
2014/15	\$12,230	\$0	\$1,240	\$0	\$0	\$43,196

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

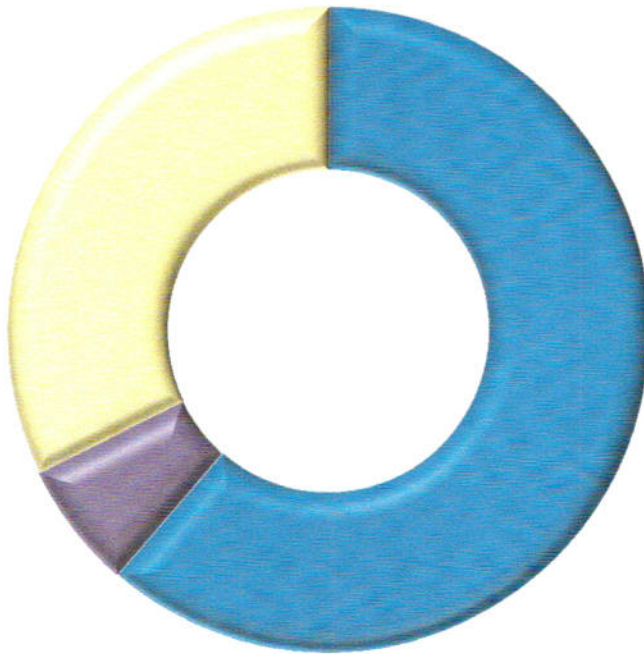
Advance Employer Contribution

Advance Employer Contribution as of October 1, 2013	\$4,133
Additional Employer Contribution	\$26,298
Minimum Required Contribution	(\$25,742)
Net Increase in Advance Employer Contribution	\$556
Advance Employer Contribution as of October 1, 2014	<u>\$4,689</u>
Additional Employer Contribution	\$68,454
Minimum Required Contribution	(\$25,258)
Net Increase in Advance Employer Contribution	\$43,196
Advance Employer Contribution as of October 1, 2015	<u>\$47,885</u>



Summary of Participant Data

Table III-A

As of October 1, 2015Actively Employed Participants

Active Participants	19
DROP Participants	0

Inactive Participants

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

Participants Receiving a Benefit

Service Retirements	10
Disability Retirements	0
Beneficiaries Receiving	0

Total Participants 31Number of Participants Included in Prior Valuations

	Active	DROP	Inactive	Retired	Total
October 1, 2006	N/A	N/A	N/A	N/A	N/A
October 1, 2007	N/A	N/A	N/A	N/A	N/A
October 1, 2008	N/A	N/A	N/A	N/A	N/A
October 1, 2009	19	0	1	6	26
October 1, 2010	N/A	N/A	N/A	N/A	N/A
October 1, 2011	19	0	1	5	25
October 1, 2012	N/A	N/A	N/A	N/A	N/A
October 1, 2013	19	0	2	7	28
October 1, 2014	N/A	N/A	N/A	N/A	N/A
October 1, 2015	19	0	2	10	31



Data Reconciliation

Table III-B

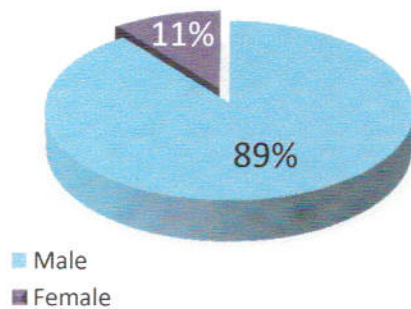
	<u>Active</u>	<u>DROP</u>	<u>Deferred Vested</u>	<u>Due a Refund</u>	<u>Def. Benef.</u>	<u>Service Retiree</u>	<u>Disabled Retiree</u>	<u>Benef. Rec'v.</u>	<u>Total</u>
<u>October 1, 2013</u>	19	0	2	0	0	7	0	0	28
<u>Change in Status</u>									
Re-employed									
Terminated	(2)								(2)
Retired	(3)					3			
<u>Participation Ended</u>									
Transferred Out									
Cashed Out									
Died									
<u>Participation Began</u>									
Newly Hired	5								5
Transferred In									
New Beneficiary									
<u>Other Adjustment</u>									
<u>October 1, 2015</u>	19	0	2	0	0	10	0	0	31



Active Participant Data

Table III-C

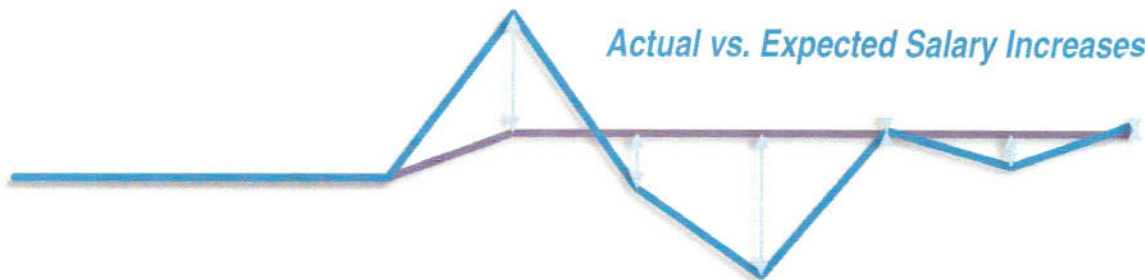
Gender Mix



As of October 1, 2015

Average Age	40.9 years
Average Service	7.6 years
Total Annualized Compensation for the Prior Year	\$969,234
Total Expected Compensation for the Current Year	\$830,401
Average Increase in Compensation for the Prior Year	4.90%
Expected Increase in Compensation for the Current Year	4.00%

Actual vs. Expected Salary Increases



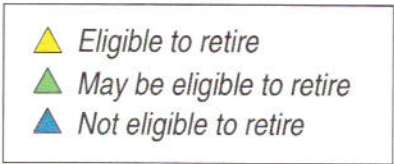
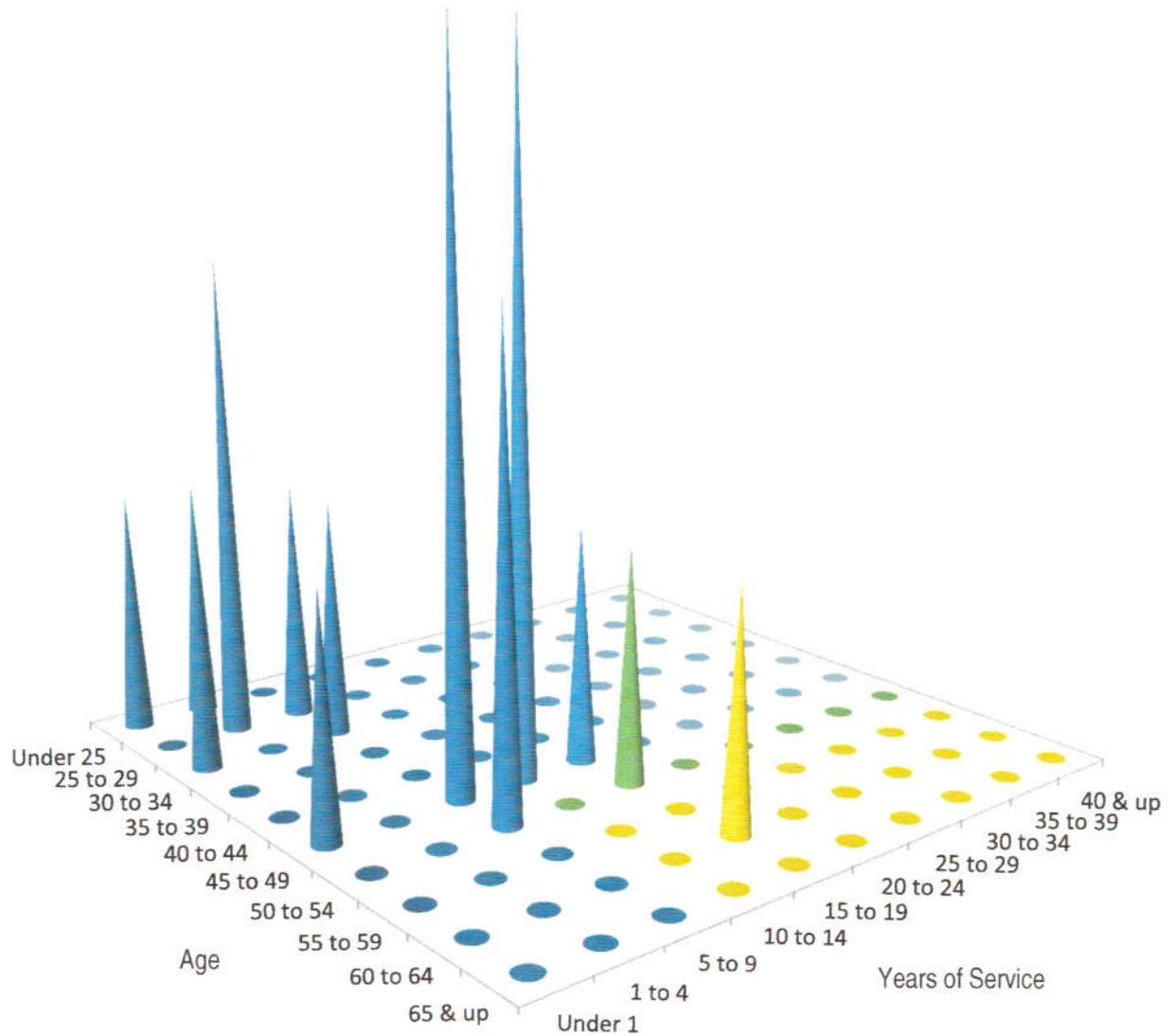
Active Participant Statistics From Prior Valuations

	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
October 1, 2006	N/A	N/A	N/A	N/A	N/A
October 1, 2007	N/A	N/A	N/A	N/A	N/A
October 1, 2008	N/A	N/A	N/A	N/A	N/A
October 1, 2009	43.1	8.3	\$52,411	N/A	N/A
October 1, 2010	N/A	N/A	N/A	4.00%	14.43%
October 1, 2011	44.4	10.3	\$59,203	4.00%	-0.93%
October 1, 2012	N/A	N/A	N/A	4.00%	-8.75%
October 1, 2013	42.3	9.2	\$50,453	4.00%	4.27%
October 1, 2014	N/A	N/A	N/A	4.00%	1.06%
October 1, 2015	40.9	7.6	\$51,012	4.00%	4.90%



Active Age-Service Distribution

Table III-D



Active Age-Service-Salary Table

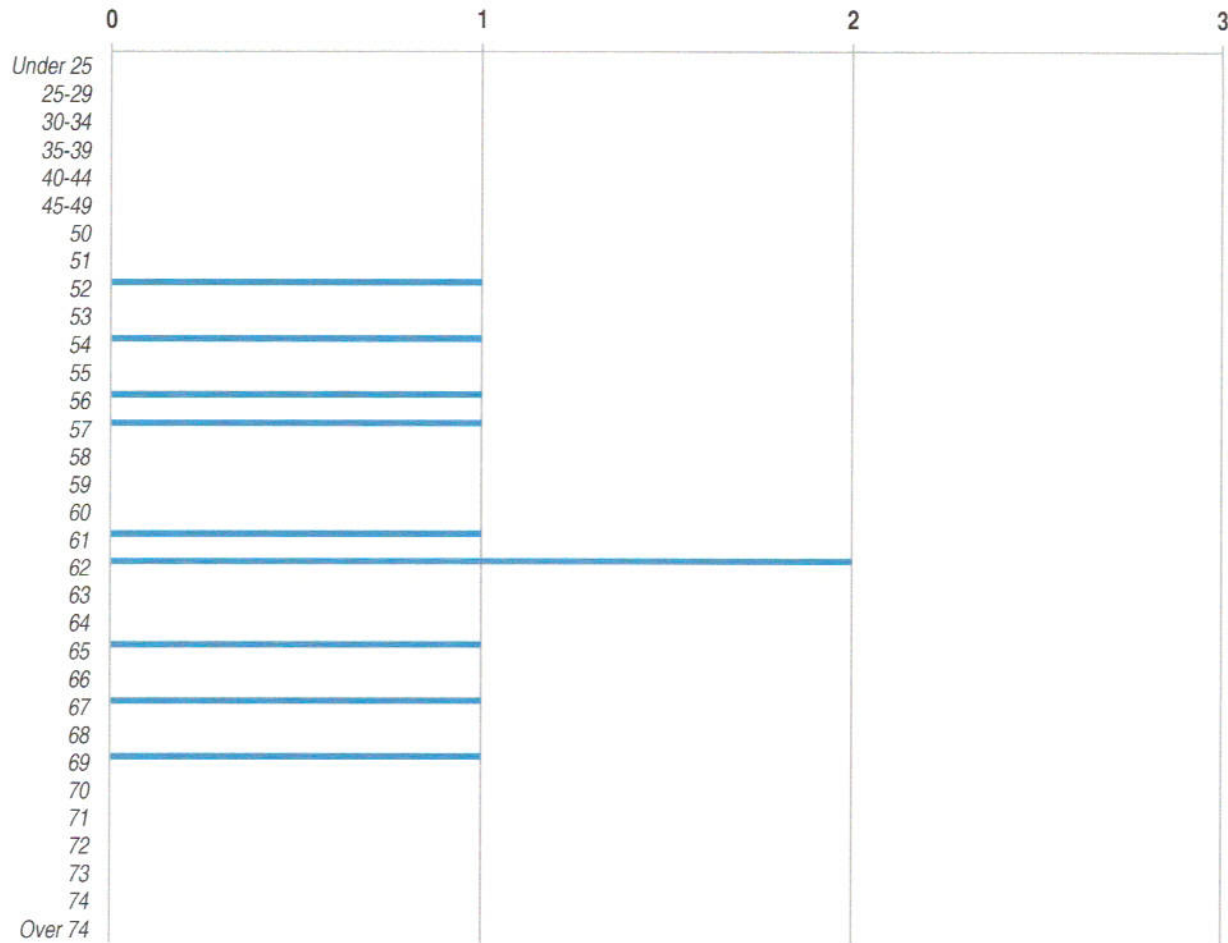
Table III-E

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	1	0	0	0	0	0	0	0	0	2
Avg. Pay	34,083	39,696	0	0	0	0	0	0	0	0	36,890
25 to 29	0	2	1	0	0	0	0	0	0	0	3
Avg. Pay	0	39,597	46,913	0	0	0	0	0	0	0	42,035
30 to 34	1	0	1	0	0	0	0	0	0	0	2
Avg. Pay	34,437	0	47,959	0	0	0	0	0	0	0	41,198
35 to 39	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0
40 to 44	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0
45 to 49	1	0	3	3	1	0	0	0	0	0	8
Avg. Pay	85,415	0	49,473	55,936	58,199	0	0	0	0	0	57,480
50 to 54	0	0	2	0	1	0	0	0	0	0	3
Avg. Pay	0	0	53,519	0	59,243	0	0	0	0	0	55,427
55 to 59	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0
60 to 64	0	0	0	0	1	0	0	0	0	0	1
Avg. Pay	0	0	0	0	60,831	0	0	0	0	0	60,831
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	3	7	3	3	0	0	0	0	0	19
Avg. Pay	51,312	39,630	50,047	55,936	59,424	0	0	0	0	0	51,012



Inactive Participant Data

Table III-F

*Current Age*

- Service Retirements
- Disability Retirements
- DROP Participants

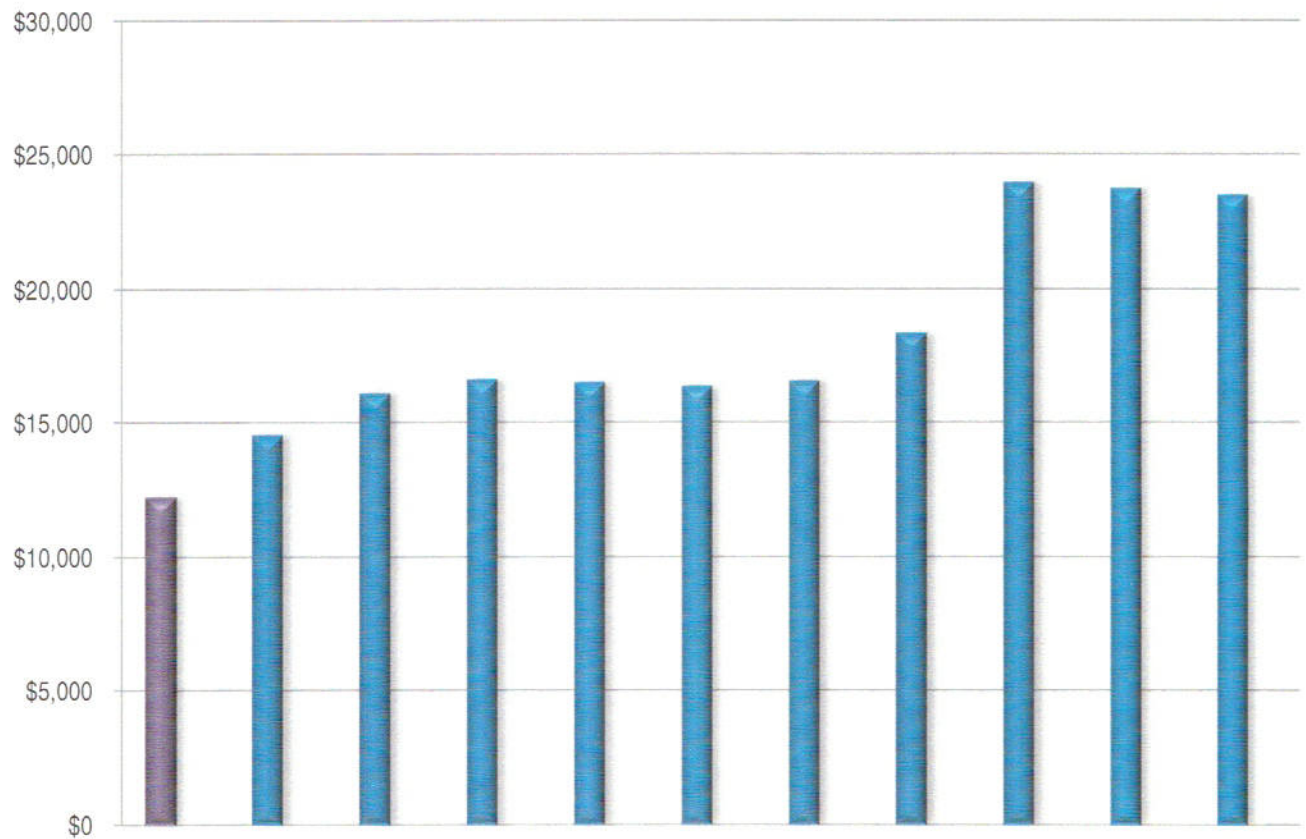
Average Annual Benefit

Service Retirements	\$1,218.00
Disability Retirements	Not applicable
Beneficiaries Receiving	Not applicable
DROP Participants	Not applicable
Deferred Vested Participants	\$1,030.00
Deferred Beneficiaries	Not applicable



Projected Benefit Payments

Table III-G



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

\$12,230

Projected

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

\$14,535

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

\$16,117

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

\$16,640

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

\$16,519

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

\$16,386

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

\$16,578

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

\$18,390

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

\$23,954

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

\$23,735

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

\$23,500



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**

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 age 52.

6. **Expenses**

No explicit administrative expenses are assumed. 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 completion of the previous valuation.



Summary of Plan Provisions

Table V-A

1. **Accrued Benefit**

\$60.00 multiplied by Credited Service

(Note: The deferred vested participant is entitled to receive an additional \$500.00 annual benefit.)

2. **Normal Retirement Age and Benefit**

- **Age**

Age 52

- **Amount**

Accrued Benefit payable annually as of each January 1

- **Form of Payment**

Single life annuity

3. **Early Retirement Age and Benefit**

- * **Age**

Age 50 with at least 10 years of service

- * **Amount**

Accrued Benefit payable annually as of each January 1

- * **Form of Payment**

Single life annuity

4. **Participation Requirement**

All police officers of the City of Indian Harbour Beach, Florida automatically become a participant in the plan on their date of hire.



Summary of Plan Amendments

Table V-B

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

