Gabriel Roeder Smith & Company
Consultants & Actuaries

CITY OF CLEARWATER EMPLOYEES' PENSION PLAN
ACTUARIAL VALUATION REPORT AS OF JANUARY 1, 2015

ANNUAL EMPLOYER CONTRIBUTION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2016

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March 26, 2015

Board of Trustees
City of Clearwater Employees' Pension Plan
Clearwater, Florida

Dear Board Members:

The results of the January 1, 2015 Annual Actuarial Valuation of the City of Clearwater Employees' Pension Plan are presented in this report.

This report was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board.

The purpose of the valuation is to measure the System's funding progress, to determine the employer contribution rate for the fiscal year ending September 30, 2016, and to determine the actuarial information for Governmental Accounting Standards Board (GASB) Statement No. 27.

This report should not be relied on for any purpose other than the purpose described above.

The findings in this report are based on data or other information through December 31, 2014. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such measurements.

The valuation was based upon information furnished by the City concerning Retirement Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the City.

This report was prepared using certain assumptions prescribed by the Board as described in Section B.

The undersigned actuaries are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

This actuarial valuation and/or cost determination was prepared and completed 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. In my opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices. 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 increase in plan costs or required contribution rates have been taken into account in the valuation.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

Peter N. Strong

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SECTION A

DISCUSSION OF VALUATION RESULTS

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

The required employer contribution developed in this year's valuation is compared below to last year's results:

	For FYE 9/30/2016 Based on 1/1/2015 Valuation	For FYE 9/30/2015 Based on 1/1/2014 Valuation	Increase (Decrease)
Required Employer/State Contribution	$ 8,767,703	$ 10,803,098	$ (2,035,395)
As % of Covered Payroll	11.68 %	14.55 %	(2.87) %
Estimated State Contribution	12,000	12,000	0
As % of Covered Payroll	0.02 %	0.02 %	0.00 %
Required Employer Contribution	8,755,703	10,791,098	(2,035,395)
As % of Covered Payroll	11.66 %	14.53 %	(2.87) %
Credit Balance	10,381,518	5,390,884	4,990,634

The contribution has been adjusted for interest on the basis that payments are made uniformly during the first two quarters of the City's fiscal year. The required employer contribution has been computed under the assumption that the amount to be received from the State on behalf of police officers and firefighters in 2015 and 2016 will be $12,000. If the actual payment from the State falls below this amount, then the City must increase its contribution by the difference.

The actual Employer and State contributions during the year ending December 31, 2014 were $15,404,370 and $12,000, respectively, for a total of $15,416,370, compared to the required contribution of $10,803,098. The excess contribution of $4,613,272 was used to increase the credit balance.

The minimum required City contribution is 7% of covered payroll.

Revisions in Benefits

There have been no revisions in benefits since the last valuation.

Revisions in Actuarial Assumptions or Methods

Effective January 1, 2015, the funding method was changed from the Frozen Entry Age method to the Entry Age Normal method. Future actuarial experience gains and losses will be amortized over 15 years and changes in methods or assumptions will be amortized over 25 years. Future plan changes will be amortized over the expected average remaining future working years of the employees affected by the change. As a result of this change, the unfunded actuarial liability (UAL) and the sum of the outstanding amortization bases became negative while the sum of the amortization payments remained positive. As stated in the Plan's Funding Policy, when this occurs, the amortization bases are to be combined and offset, in accordance with the methodology described for combining and offsetting amortization bases under Internal Revenue Code Section 412(b). In the aggregate, these funding method changes caused the required employer contribution to increase by 3.65% of covered payroll.

As a result of the funding method change and the negative UAL, the sum of the UAL amortization payments this year is $(432,182). Under Chapter 112.66 of the Florida Statutes, the annual payment to amortize the UAL may not reduce the contribution required to fund the Normal Cost. Therefore, the UAL amortization payment was set equal to $0 in the determination of the required employer contribution for the fiscal year ending September 30, 2016.

Actuarial Experience

There was a net actuarial experience gain of $34,213,347 during the year, which means that actual experience was more favorable than expected. The gain is primarily due to recognized investment return (on the smoothed actuarial value of assets) above the assumed rate of 7.0%. The investment return was 7.99% based on the market value of assets and 11.04% based on the actuarial value of assets. In addition to the investment gains, there were additional experience gains due to lower than expected salary increases (3.38% actual versus 4.04% expected), and fewer than expected retirements (45 actual versus

51 expected). The actuarial experience gain caused the required employer contribution to decrease by 6.43% of covered payroll, prior to the change in funding method.

Analysis of Change in Employer Contribution

The components of change in the required City contribution are as follows:

Contribution Rate Last Year	14.53	%
Change in Benefits	0.00	
Change in Assumptions and Methods	3.65	
Amortization Payment on UAAL	(0.09)	
Experience Gain/Loss	(6.43)	
Change in Administrative Expenses	0.00	
Change in State Revenue	0.00	
Contribution Rate This Year	11.66	

Funded Ratio

One measure of the Plan's funding progress is the ratio of the actuarial value of assets to the actuarial accrued liability. Including the credit balance in the actuarial value of assets, the funded ratio is 101.89% this year compared to 97.05% last year under the Entry Age Normal Method. Not including the credit balance in the actuarial value of assets, the funded ratio is 100.63% this year. The funded ratio was 93.95% (versus 93.2% last year) based on the Frozen Entry Age Method.

Variability of Future Contribution Rates

The Actuarial Cost Method used to determine the contribution rate is intended to produce contribution rates which are generally level as a percent of payroll. Even so, when experience differs from the assumptions, as it often does, the employer's contribution rate can vary significantly from year-to-year.

Over time, if the year-to-year gains and losses offset each other, the contribution rate would be expected to return to the current level, but this does not always happen.

The Market Value of Assets exceeds the Actuarial Value of Assets by $57,156,829 as of the valuation date (see Section C). This difference will be phased in over the next few years in the absence of offsetting losses. In turn, the UAL amortization credit is expected to increase. However, due to

Chapter 112.66 of the Florida Statutes, the annual UAL amortization payment used to determine the required employer contribution would remain at $0. If there are no experience losses and the return on the market value of assets is 7.0% in 2015 (net of investment expenses) as assumed, it is projected that the City contribution requirement as of January 1, 2016 for the fiscal year ending September 30, 2017 will remain in the range of approximately 11%-12% of covered payroll.

Relationship to Market Value

If Market Value had been the basis for the valuation, the City contribution rate would have remained unchanged at 11.66% of covered payroll (since the annual payment to amortize the UAL would remain at $0 due to Chapter 112.66 of the Florida Statutes), and the funded ratio (excluding the credit balance) would have been 107.6%.

Conclusion

The remainder of this Report includes detailed actuarial valuation results, financial information, miscellaneous information and statistics, and a summary of plan provisions.

SECTION B

VALUATION RESULTS

PARTICIPANT DATA		
	January 1, 2015	January 1, 2014
ACTIVE MEMBERS		
Number	1,482	1,478
Covered Annual Payroll	$ 75,078,542	$ 74,254,159
Average Annual Payroll	$ 50,660	$ 50,240
Average Age	44.7	44.9
Average Past Service	11.3	11.4
Average Age at Hire	33.4	33.5
RETIREES & BENEFICIARIES		
Number	990	950
Annual Benefits	$ 34,727,568	$ 32,465,115
Average Annual Benefit	$ 35,078	$ 34,174
Average Age	65.8	65.4
DISABILITY RETIREES		
Number	135	134
Annual Benefits	$ 3,642,626	$ 3,513,703
Average Annual Benefit	$ 26,982	$ 26,222
Average Age	63.2	62.8
TERMINATED VESTED MEMBERS		
Number	69	60
Annual Benefits	$ 1,287,474	$ 1,195,914
Average Annual Benefit	$ 18,659	$ 19,932
Average Age	51.7	50.2

ANNUAL REQUIRED CONTRIBUTION (ARC)			
A. Valuation Date	January 1, 2015 *After* *Method Change*	January 1, 2015 *Before* *Method Change*	January 1, 2014
B. ARC to Be Paid During Fiscal Year Ending	9/30/2016	9/30/2016	9/30/2015
C. Assumed Date of Employer Contrib.	Evenly during first two quarters of fiscal year	Evenly during first two quarters of fiscal year	Evenly during first two quarters of fiscal year
D. Annual Payment to Amortize Unfunded Actuarial Liability	$ 0 *	$ 5,464,590	$ 5,470,314
E. Employer Normal Cost	8,194,115	164,890	4,626,039
F. ARC if Paid on the Valuation Date: D+E	8,194,115	5,629,480	10,096,353
G. ARC Adjusted for Frequency of Payments	8,767,703	6,023,544	10,803,098
H. ARC as % of Covered Payroll	11.68 %	8.02 %	14.55 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	0.00 %	0.00 %	0.00 %
J. Covered Payroll for Contribution Year	75,078,542	75,078,542	74,254,159
K. ARC for Contribution Year: H x J	8,767,703	6,023,544	10,803,098
L. Estimate of State Revenue in Contribution Year	12,000	12,000	12,000
M. Required Employer Contribution (REC) in Contribution Year	8,755,703	6,011,544	10,791,098
N. REC as % of Covered Payroll in Contribution Year: M ÷ J	11.66 %	8.01 %	14.53 %
O. Credit Balance	10,381,518	10,381,518	5,390,884

** The annual payment to amortize the UAL is $(432,182); however, under Chapter 112.66 of the Florida Statutes, the annual payment to amortize the UAL may not reduce the contribution required to fund the Normal Cost.*

ACTUARIAL VALUE OF BENEFITS AND ASSETS

A. Valuation Date	January 1, 2015 *After Method Change*	January 1, 2015 *Before Method Change*	January 1, 2014
B. Actuarial Present Value of All Projected Benefits for			
1. Active Members			
a. Service Retirement Benefits	$ 342,575,863	$ 342,575,863	$ 345,222,416
b. Vesting Benefits	35,447,512	35,447,512	35,888,993
c. Disability Benefits	14,668,239	14,668,239	15,029,852
d. Preretirement Death Benefits	5,717,753	5,717,753	5,801,993
e. Return of Member Contributions	2,375,571	2,375,571	2,348,704
f. Total	400,784,938	400,784,938	404,291,958
2. Inactive Members			
a. Service Retirees & Beneficiaries	468,689,797	468,689,797	441,024,025
b. Disability Retirees	48,987,429	48,987,429	47,629,618
c. Terminated Vested Members	15,467,289	15,467,289	14,311,837
d. Total	533,144,515	533,144,515	502,965,480
3. Total for All Members	933,929,453	933,929,453	907,257,438
C. Actuarial Accrued (Past Service) Liability per GASB No. 25 (FEA Method)	N/A	893,971,136	828,489,285
D. Actuarial Accrued Liability under EAN Method	824,274,144	824,274,144	795,927,127
E. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	782,286,584	782,286,584	755,555,771
F. Plan Assets			
1. Market Value	897,025,140	897,025,140	846,966,929
2. Actuarial Value	839,868,311	839,868,311	772,411,068
3. Actuarial Value Excluding Credit Balance	829,486,793	N/A	N/A
G. Actuarial Present Value of Projected Covered Payroll	569,273,667	569,273,667	566,718,213
H. Actuarial Present Value of Projected Member Contributions	50,430,672	50,430,672	50,212,634
I. Accumulated Value of Active Member Contributions	58,657,980	58,657,980	57,394,630
J. Unfunded Actuarial Accrued Liability (UAAL) Based on EAN Method = D. - F.3.	(5,212,649)	N/A	N/A
K. Funded Ratio Based on FEA Method = F.2. / C.	N/A	93.95%	93.23%
L. Funded Ratio Based on EAN Method = F.2. / D.	101.89%	101.89%	97.05%
M. Funded Ratio Based on EAN Method Excluding Credit Balance = F.3. / D.	100.63%	N/A	N/A

CALCULATION OF EMPLOYER NORMAL COST
ENRTRY AGE NORMAL METHOD

A. Valuation Date	January 1, 2015
	After Method Change
B. Normal Cost for	
1. Service Retirement Benefits	$ 10,301,632
2. Vesting	1,994,171
3. Disability Benefits	1,395,826
4. Death Benefits	228,103
5. Refund of Contributions	652,925
6. Total for Future Benefits	14,572,657
7. Assumed Amount for Administrative Expenses	179,906
8. Total Normal Cost	14,752,563
C. Expected Member Contributions	6,558,448
D. Employer Normal Cost: B8 - C	8,194,115
E. Employer Normal Cost as % of Covered Payroll	10.91%

CALCULATION OF EMPLOYER NORMAL COST

FROZEN ENTRY AGE METHOD

A. Valuation Date	January 1, 2015 *Before Method Change*	January 1, 2014
B. Actuarial Present Value of Projected Benefits	$ 933,929,453	$ 907,257,438
C. Credit Balance	10,381,518	5,390,884
D. Actuarial Value of Assets	839,868,311	772,411,068
E. Unfunded Actuarial Accrued Liability	54,102,825	56,078,217
F. Actuarial Present Value of Projected Member Contributions	50,430,672	50,212,634
G. Actuarial Present Value of Projected Employer Normal Costs: B+C-D-E-F	(90,837)	33,946,403
H. Actuarial Present Value of Projected Covered Payroll	569,273,667	566,718,213
I. Employer Normal Cost Rate: G/H	(0.02) %	5.99 %
J. Covered Annual Payroll	75,078,542	74,254,159
K. Employer Normal Cost: I x J	(15,016)	4,447,824
L. Assumed Amount of Expenses % of Covered Payroll	179,906 0.24 %	178,215 0.24 %
M. Total Employer Normal Cost: K + L	164,890	4,626,039
N. Employer Normal Cost as % of Covered Payroll	0.22 %	6.23 %

Reconcilation of Credit Balance	
Credit Balance at Beginning of Year	$ 5,390,884
Required Employer Contribution	- 10,791,098
Employer Contribution Made	+ 15,404,370
Interest on Credit Balance	+ 377,362
Credit Balance at End of Year	10,381,518

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

A. Derivation of the Current UAAL	
1. Last Year's UAAL	$ 56,078,217
2. Employer Normal Cost for Contribution Year	4,626,039
3. Last Year's Contributions	10,803,098 *
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	4,249,298
b. 3 from dates paid	47,631
c. a - b	4,201,667
5. This Year's UAAL Prior to Revision: 1 + 2 - 3 + 4c	54,102,825
6. Change in UAAL Due to Plan Amendment	0
7. Change in UAAL Due to Changes in Actuarial Assumptions and Methods	(59,315,474)
8. This Year's Revised UAAL: 5 + 6 + 7	(5,212,649)

** Excludes the portion of the actual contribution above the required contribution that was used to increase the credit balance.*

B. UAAL Amortization Period and Payments -- Before Fresh Start*

Original UAAL			Current UAAL		
Date Established	**Source**	**Amount**	**Years Remaining**	**Amount**	**Payment**
1/1/1987	Supplemental FIL	$ 1,519,142	2	$ 212,917	$ 110,059
1/1/1988	Supplemental FIL	1,673,738	3	343,295	122,255
1/1/1989	Supplemental FIL	2,177,772	4	579,578	159,914
1/1/1994	Method Change	3,724,296	9	1,927,655	276,513
1/1/1996	Plan Amendment	15,063,842	11	8,988,069	1,120,207
1/1/2000	Plan Amendment	52,921,724	15	38,407,816	3,941,095
1/1/2002	Assumption Changes	(30,846,502)	17	(24,002,682)	(2,297,644)
1/1/2007	Assumption Changes	(14,695,526)	22	(12,899,890)	(1,089,929)
1/1/2013	Plan Amendment	(24,560,965)	28	(23,977,904)	(1,846,342)
1/1/2013	Assumption Changes	66,092,975	28	64,523,971	4,968,462
1/1/2015	Method Change	(59,315,474)	25	(59,315,474)	(4,756,908)
		13,755,022		(5,212,649)	707,682

C. UAAL Amortization Period and Payments -- After Fresh Start*

Original UAAL			Current UAAL		
Date Established	**Source**	**Amount**	**Years Remaining**	**Amount**	**Payment**
1/1/2015	Fresh Start	$ (5,212,649)	23	$ (5,212,649)	$ (432,182)
		(5,212,649)		(5,212,649)	(432,182)

** As stated in the Plan's Funding Policy, amortization bases are combined and offset, in accordance with the methodology described for combining and offsetting amortization bases under Internal Revenue Code Section 412(b), if the sum of the outstanding bases is positive while the sum of the amortization payments is negative, or vice versa.*

D. Amortization Schedule

The UAAL is being liquidated as a level dollar amount over the number of years remaining in the amortization period. The expected amortization schedule is as follows:

Amortization Schedule	
Year	**Expected UAAL**
2015	$ (5,212,649)
2016	(5,115,102)
2017	(5,010,724)
2018	(4,899,040)
2019	(4,779,538)
2020	(4,651,671)
2025	(3,864,868)
2030	(2,761,336)
2035	(1,213,575)
2038	-

ACTUARIAL GAINS AND LOSSES

The assumptions used to anticipate mortality, employment turnover, investment income, expenses, salary increases, and other factors have been based on long range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the period involved. If significant long term experience reveals consistent deviation from what has been expected and that deviation is expected to continue, the assumptions should be modified. The net actuarial gain (loss) for the past year is computed as follows:

A.	Employer Normal Cost as a Percentage of Covered Payroll	
	1. Last Valuation	5.99 %
	2. Current Valuation	(0.02)
	3. Difference: 1 - 2	6.01
B.	Actuarial Present Value of Projected Covered Payroll	$ 569,273,667
C.	Net Actuarial Gain (Loss): A3 x B	34,213,347
D.	Gain (Loss) due to Investments	31,235,710
E.	Gain (Loss) due to other sources	2,977,637

Gains (losses) in previous years have been as follows:

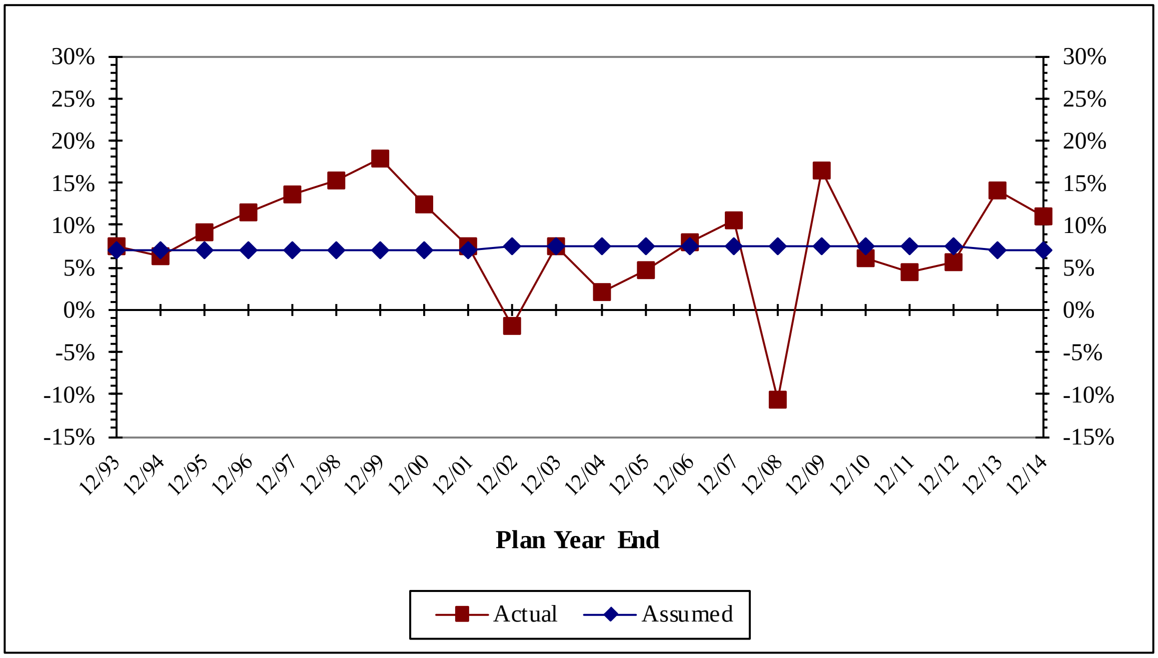
Year Ending 12/31	Gain (Loss)	Change in NC Rate
2009	$32,358,262	(4.89) %
2010	2,311,412	(0.37)
2011	(13,721,771)	2.28
2012	(7,015,253)	1.15
2013	62,452,347	(11.02)
2014	34,213,347	(6.01)

The fund earnings and salary increase assumptions have considerable impact on the cost of the Plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings and salary increase rates compared to the assumed rates for the last few years:

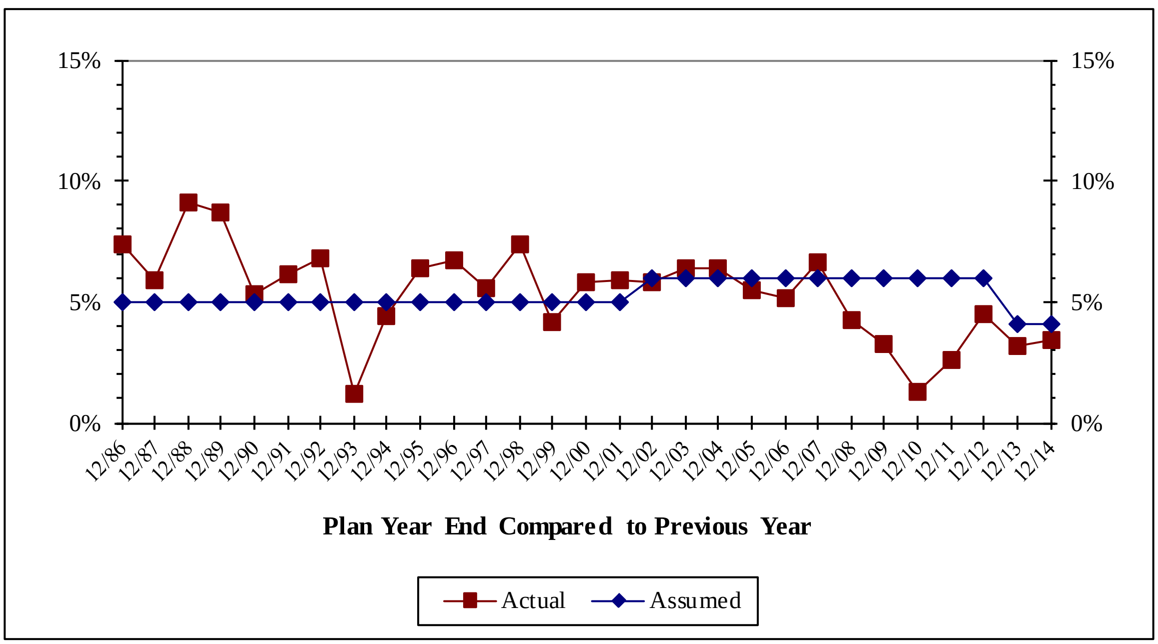
Year Ending	Investment Return		Salary Increases	
	Actual	**Assumed**	**Actual**	**Assumed**
12/31/1986	N/A	7.00 %	7.40 %	5.00 %
12/31/1987	N/A	7.00	5.90	5.00
12/31/1988	N/A	7.00	9.10	5.00
12/31/1989	N/A	7.00	8.70	5.00
12/31/1990	N/A	7.00	5.30	5.00
12/31/1991	N/A	7.00	6.10	5.00
12/31/1992	N/A	7.00	6.80	5.00
12/31/1993	7.42 %	7.00	1.20	5.00
12/31/1994	6.28	7.00	4.40	5.00
12/31/1995	9.14	7.00	6.40	5.00
12/31/1996	11.54	7.00	6.70	5.00
12/31/1997	13.74	7.00	5.60	5.00
12/31/1998	15.28	7.00	7.40	5.00
12/31/1999	17.96	7.00	4.20	5.00
12/31/2000	12.42	7.00	5.80	5.00
12/31/2001	7.40	7.00	5.90	5.00
12/31/2002	(1.85)	7.50	5.80	6.00
12/31/2003	7.45	7.50	6.40	6.00
12/31/2004	2.18	7.50	6.38	6.00
12/31/2005	4.58	7.50	5.49	6.00
12/31/2006	7.87	7.50	5.15	6.00
12/31/2007	10.68	7.50	6.62	6.00
12/31/2008	(10.61)	7.50	4.25	6.00
12/31/2009	16.53	7.50	3.29	6.00
12/31/2010	5.98	7.50	1.27	6.00
12/31/2011	4.46	7.50	2.56	6.00
12/31/2012	5.50	7.50	4.48	6.00
12/31/2013	14.04	7.00	3.16	4.07
12/31/2014	11.04	7.00	3.38	4.04
Averages	7.95 %	---	5.33 %	---

The actual investment return rates shown above are based on the actuarial value of assets. The actual salary increase rates shown above are the increases received by those active members who were included in the actuarial valuations both at the beginning and the end of each year.

History of Investment Return Based on Actuarial Value of Assets



History of Salary Increases



Actual (A) Compared to Expected (E) Decrements Among Active Employees

Year Ended	Number Added During Year A	Number Added During Year E	Service Retirement A	Service Retirement E	Disability Retirement A	Disability Retirement E	Death A	Death E	Terminations Vested A	Terminations Other A	Terminations Totals A	Terminations Totals E	Active Members End of Year
12/31/2009	49	110	54	57	0	6	0	2	10	46	56	93	**1,567**
12/31/2010	78	137	68	51	2	6	3	2	15	49	64	85	**1,508**
12/31/2011	84	124	43	49	6	6	0	2	11	64	75	84	**1,468**
12/31/2012	119	113	51	52	3	6	1	2	18	40	58	81	**1,474**
12/31/2013	102	98	27	42	2	3	4	2	11	54	65	79	**1,478**
12/31/2014	135	131	45	51	5	3	2	2	21	58	79	78	**1,482**
12/31/2015				52		3		2				82	
6 Yr Totals *	567	713	288	302	18	30	10	12	86	311	397	500	

* Totals are through current Plan Year only.

Actual (A) Compared to Expected (E) Deaths Among Retirees and Beneficiaries

Year Ended	Actual During Year Number	Actual During Year Annual Pensions	Expected During Year Number	Expected During Year Annual Pensions
12/31/2009	12	$ 142,606	16	$ 313,189
12/31/2010	12	139,508	18	363,242
12/31/2011	13	220,877	19	416,467
12/31/2012	12	232,755	20	466,010
12/31/2013	20	401,192	20	480,787
12/31/2014	16	275,728	21	510,892
12/31/2015			22	558,306

RECENT HISTORY OF VALUATION RESULTS

Valuation Date	Number of Active Members	Number of Inactive Members	Covered Annual Payroll	Actuarial Value of Assets	Actuarial Accrued Liability (Entry Age)	Unfunded Actuarial Liability (Entry Age)*	Funded Ratio	Employer Normal Cost* Amount	Employer Normal Cost* % of Payroll
1/1/07	1,692	819	$ 79,385,090	$ 559,830,590	N/A	N/A	N/A	$ 9,192,407	11.58 %
1/1/08	1,641	878	80,371,617	610,979,087	N/A	N/A	N/A	6,920,400	8.61
1/1/09	1,628	903	82,104,837	536,834,473	N/A	N/A	N/A	20,005,238	24.37
1/1/10	1,567	955	80,443,199	618,444,906	$ 647,167,565	$ 28,722,659	95.6 %	15,879,628	19.74
1/1/11	1,508	1,024	76,505,599	646,956,800	672,786,812	25,830,012	96.2	15,461,725	20.21
1/1/12	1,468	1,072	74,765,020	664,087,199	702,438,432	38,351,233	94.5	17,064,100	22.82
1/1/13	1,474	1,127	74,422,344	688,731,221	774,749,811	86,018,590	88.9	12,845,501	17.26
1/1/14	1,478	1,144	74,254,159	772,411,068	795,927,127	23,516,059	97.0	4,626,039	6.23
1/1/15	1,482	1,194	75,078,542	829,486,793	824,274,144	(5,212,649)	100.6	8,194,115	10.91

** Starting with the January 1, 2015 valuation, the Employer Normal Cost is calculated under the Entry Age Normal Method and the Credit Balance is excluded from the Actuarial Value of Assets.*

Results before January 1, 2010 are from the January 1, 2009 Report prepared by PricewaterhouseCoopers.

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS

Valuation	End of Year To Which Valuation Applies	Required Contributions						Actual Contributions		
		Employer & State		Estimated State		Net Employer				
		Amount	% of Payroll	Amount	% of Payroll	Amount	% of Payroll	Employer	State	Total
1/1/07	9/30/08	$ 12,532,399	15.79 %	$ 12,000	0.02 %	$ 12,520,399	15.77 %	$ 12,520,399	$ 12,000	$ 12,532,399
1/1/08	9/30/09	10,086,978	12.55	12,000	0.01	10,074,978	12.54	10,074,978	12,000	10,086,978
1/1/09	9/30/10	23,960,586	29.18	12,000	0.01	23,948,586	29.17	23,948,586	12,000	23,960,586
1/1/10	9/30/11	19,373,992	24.08	12,000	0.01	19,361,992	24.07	19,361,992	12,000	19,373,992
1/1/11	9/30/12	18,898,567	24.70	12,000	0.01	18,886,567	24.69	18,886,567	12,000	18,898,567
1/1/12	9/30/13	20,925,720	27.99	12,000	0.02	20,913,720	27.97	20,913,720	12,000	20,925,720
1/1/13	9/30/14	19,608,078	26.35	12,000	0.02	19,596,078	26.33	19,596,078	12,000	19,608,078
1/1/14	9/30/15	10,803,098	14.55	12,000	0.02	10,791,098	14.53	10,791,098	12,000	10,803,098
1/1/15	9/30/16	8,767,703	11.68	12,000	0.02	8,755,703	11.66	---	---	---

Results before January 1, 2010 are from the January 1, 2009 Report prepared by PricewaterhouseCoopers.

ACTUARIAL ASSUMPTIONS AND COST METHOD

Valuation Methods

Actuarial Cost Method - Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an **Individual Entry-Age Actuarial Cost Method** having the following characteristics:

(i) the annual normal cost for each individual active member, payable from the date of employment to the date of retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement;

(ii) each annual normal cost is a constant percentage of the member's year by year projected covered pay.

Actuarial gains/(losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

Financing of Unfunded Actuarial Accrued Liabilities - Unfunded Actuarial Accrued Liabilities (full funding credit if assets exceed liabilities) were amortized by level (principal & interest combined) dollar amount contributions over a reasonable period of future years.

Actuarial Value of Assets - The Actuarial Value of Assets phase in the difference between the expected and actual return on market value of assets at the rate of 20% per year. The Actuarial Value of Assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

Valuation Assumptions

The actuarial assumptions used in the valuation are shown in this Section.

Economic Assumptions

The investment return rate assumed in the valuations is 7.00% per year, compounded annually (net rate after investment expenses).

The **Wage Inflation Rate** assumed in this valuation was 2.50% per year. The Wage Inflation Rate is defined to be the portion of total pay increases for an individual that are due to macro economic forces including productivity, price inflation, and labor market conditions. The wage inflation rate does not include pay changes related to individual merit and seniority effects.

The assumed **real rate of return** over wage inflation is defined to be the portion of total investment return that is more than the assumed wage inflation rate. Considering other economic assumptions, the 7.00% investment return rate translates to an assumed real rate of return over wage inflation of 4.50%.

The rate of salary increase used for individual members can be seen in the tables below. Part of the assumption is for merit and/or seniority increase, and 2.50% recognizes wage inflation, including price inflation, productivity increases, and other macroeconomic forces. This assumption is used to project a member's current salary to the salaries upon which benefits will be based.

% Increase in Salary - Hazardous Duty

Years of Service	Merit and Seniority	Base (Inflation)	Total Increase
1	5.40%	2.50%	7.90%
2	5.20%	2.50%	7.70%
3	4.50%	2.50%	7.00%
4	2.75%	2.50%	5.25%
5 - 14	1.75%	2.50%	4.25%
15 and Higher	1.00%	2.50%	3.50%

% Increase in Salary - Non-Hazardous Duty

Years of Service	Merit and Seniority	Base (Inflation)	Total Increase
1	5.40%	2.50%	7.90%
2	3.25%	2.50%	5.75%
3	2.50%	2.50%	5.00%
4	2.00%	2.50%	4.50%
5 - 9	1.50%	2.50%	4.00%
10 and Higher	1.00%	2.50%	3.50%

Demographic Assumptions

The mortality table was the fully generational RP-2000 Combined Healthy Participant Mortality Table for males and females. Mortality improvements are projected to all future years from the year 2000 using Scale BB.

This assumption is used to measure the probabilities of each benefit payment being made after retirement. For active members, the probabilities of dying before retirement were based upon the same mortality table as members dying after retirement. All deaths before retirement are assumed to be non-service connected.

Sample Attained	Probability of Dying Next Year		Future Life Expectancy (years)	
Ages (in 2015)	Men	Women	Men	Women
50	0.20 %	0.16 %	35.47	37.90
55	0.35	0.25	30.34	32.75
60	0.61	0.43	25.40	27.73
65	1.06	0.81	20.73	22.97
70	1.77	1.40	16.42	18.57
75	3.02	2.35	12.54	14.60
80	5.13	3.83	9.21	11.10

The rates of retirement used to measure the probability of eligible members retiring under normal and early retirement eligibility during the next year were as follows:

Hazardous Duty Retirement

Years of Service	Age	Probability of Retirement
10 - 19	50 - 59	10 %
	60 - 64	50
	65 & Over	100
20 & Over	Under 45	20
	45 - 49	15
	50 - 54	25
	55 - 59	35
	60 - 64	50
	65 & Over	100

Non-Hazardous Duty Retirement

Years of Service	Age	Probability of Retirement
10 - 19	65 - 69	45 %
	70 - 74	50
	75 & Over	100
20 - 29	55 - 59	20
	60 - 64	25
	65 - 69	45
	70 & Over	100
30 & Over	Under 65	40
	65 - 69	50
	70 & Over	100

Rates of separation from active membership were as shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members remaining in employment.

Hazardous Duty Withdrawal - Males and Females

Years of Service	Age	% of Active Members Separating Within Next Year
Under 1	All Ages	12.8 %
1	All Ages	5.7
2	All Ages	4.8
3 & Over	Under 30	4.0
	30 - 49	1.0
	50 & Over	0.0

Non-Hazardous Duty Withdrawal - Males

Years of Service	Age	% of Active Members Separating Within Next Year
Under 1	Under 30	25.0 %
	30 - 34	20.0
	35 - 49	15.0
	50 - 59	10.0
	60 & Over	5.0
1	Under 60	15.0
	60 & Over	10.0
2	Under 45	10.0
	45 & Over	5.0
3	Under 25	15.0
	25 - 34	12.5
	35 & Over	5.0
4	Under 30	15.0
	30 - 44	10.0
	45 & Over	5.0
5 & Over	Under 30	12.5
	30 - 34	7.0
	35 - 39	6.0
	40 - 44	5.0
	45 - 49	3.5
	50 - 54	4.0
	55 - 59	5.0
	60 & Over	7.5

Non-Hazardous Duty Withdrawal - Females

Years of Service	Age	% of Active Members Separating Within Next Year
Under 1	Under 25	35.0 %
	25 - 34	30.0
	35 - 39	25.0
	40 - 49	20.0
	50 - 59	15.0
	60 & Over	5.0
1	Under 30	25.0
	30 - 59	15.0
	60 & Over	10.0
2	Under 45	15.0
	45 - 59	7.5
	60 & Over	6.5
3	Under 30	20.0
	30 - 59	10.0
	60 & Over	5.0
4	Under 30	15.0
	30 - 34	12.5
	35 - 44	10.0
	45 & Over	5.0
5 & Over	Under 30	7.5
	30 - 39	6.5
	40 - 44	5.0
	45 & Over	4.0

Rates of disability among active members (100% of disabilities are assumed to be service-connected).

Hazardous Duty Disability

Sample Ages	% of Active Members Becoming Disabled Within Next Year: Males	Females
20	0.25 %	0.375%
25	0.25	0.375
30	0.25	0.375
35	0.30	0.450
40	0.40	0.600
45	0.50	0.750
50	0.55	0.825
55	0.60	0.900
60	0.75	1.125
65	1.00	1.500
70	1.75	2.625

Non-Hazardous Duty Disability

Sample Ages	% of Active Members Becoming Disabled Within Next Year: Males	Females
20	0.05 %	0.05%
25	0.05	0.05
30	0.05	0.05
35	0.06	0.06
40	0.07	0.07
45	0.09	0.09
50	0.12	0.12
55	0.17	0.17
60	0.27	0.27
65	0.42	0.42
70	0.67	0.67

Miscellaneous and Technical Assumptions

Administrative & Investment Expenses	The investment return assumption is intended to be the net return after investment expenses. Annual administrative expenses are assumed to be equal to the administrative expenses of the previous year. Assumed administrative expenses are added to the Normal Cost.
Benefit Service	Exact fractional service is used to determine the amount of benefit payable.
Cost of Living Increases	The adjustment is 1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. There is a five-year delay in the COLA for non-grandfathered non-hazardous duty members for benefits accrued after January 1, 2013. There is no COLA for non-grandfathered hazardous duty members for benefits accrued after January 1, 2013.
Decrement Operation	Disability and mortality decrements operate during retirement eligibility.
Decrement Timing	Decrements of all types are assumed to occur at the beginning of the year.
Eligibility Testing	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
Forfeitures	For vested separations from service, it is assumed that 0% of members separating will withdraw their contributions and forfeit an employer financed benefit. It was further assumed that the liability at termination is the greater of the vested deferred benefit (if any) or the member's accumulated contributions.
Incidence of Contributions	Employer contributions are assumed to be made in equal installments during the first two quarters of the fiscal year. Member contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.
Marriage Assumption	85% of males and 85% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be five years older than female spouses for active member valuation purposes.

Normal Form of Benefit	The normal form of benefit is a life annuity for non-grandfathered non-hazardous duty members. For all other members, the normal form of benefit is a life annuity that includes a survivor benefit where after the participant's death, 100% is payable to the spouse for five years, after which the benefit is reduced to 50%.
Pay Increase Timing	End of fiscal year. This is equivalent to assuming that reported pays represent the annual rate of pay on the valuation date. The pay used for the valuation is equal to the greater of the actual pay for the plan year increased by the salary scale assumption rate (which varies by years of service) and the annual rate of pay on the valuation date.
Service Credit Accruals	It is assumed that members accrue one year of service credit per year.

GLOSSARY

Actuarial Accrued Liability (AAL)	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
Actuarial Assumptions	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members; and other items.
Actuarial Cost Method	A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.
Actuarial Equivalent	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
Actuarial Present Value (APV)	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made.
Actuarial Present Value of Future Benefits (APVFB)	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits, and inactive, nonretired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
Actuarial Valuation	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of the Funded Ratio and the Annual Required Contribution (ARC).
Actuarial Value of Assets	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially required contribution (ARC).

Amortization Method	A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the rate at which total covered payroll of all active members is assumed to increase.
Amortization Payment	That portion of the plan contribution or ARC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
Amortization Period	The period used in calculating the Amortization Payment.
Annual Required Contribution (ARC)	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation. The ARC consists of the Employer Normal Cost and Amortization Payment.
Closed Amortization Period	A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.
Employer Normal Cost	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
Equivalent Single Amortization Period	For plans that do not establish separate amortization bases (separate components of the UAAL), this is the same as the Amortization Period. For plans that do establish separate amortization bases, this is the period over which the UAAL would be amortized if all amortization bases were combined upon the current UAAL payment.
Experience Gain/Loss	A measure of the difference between the normal cost rate from last year and the normal cost rate from this year.
Funded Ratio	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
GASB	Governmental Accounting Standards Board.
GASB No. 27 and GASB No. 67	These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 27 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.

Normal Cost	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
Open Amortization Period	An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. In other words, if the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never completely disappear, but will become smaller each year, either as a dollar amount or in relation to covered payroll.
Unfunded Actuarial Accrued Liability	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
Valuation Date	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

SECTION C

PENSION FUND INFORMATION

Statement of Plan Assets at Market Value

Item	December 31 2014	December 31 2013
A. Cash and Cash Equivalents (Operating Cash)	$ -	$ -
B. Receivables		
1. Member Contributions	$ -	$ -
2. Employer Contributions	8,100,300	9,952,096
3. Investment Income and Other Receivables	2,512,142	2,292,919
4. Total Receivables	$ 10,612,442	$ 12,245,015
C. Investments		
1. Short-Term Investments	$ 11,566,747	$ 9,676,179
2. Domestic Equities	450,794,323	460,060,234
3. International Equities	110,222,671	117,012,468
4. Commodities	-	-
5. Domestic Fixed Income	266,691,996	211,304,582
6. International Fixed Income	-	-
7. Real Estate	48,080,996	37,586,593
8. Private Equity	-	-
9. Total Investments	$ 887,356,733	$ 835,640,056
D. Liabilities		
1. Benefits Payable	$ -	$ -
2. Accrued Expenses and Other Payables	(944,035)	(918,142)
3. Total Liabilities	$ (944,035)	$ (918,142)
E. Total Market Value of Assets Available for Benefits	$ 897,025,140	$ 846,966,929
F. Allocation of Investments		
1. Short-Term Investments	1.30%	1.16%
2. Domestic Equities	50.80%	55.05%
3. International Equities	12.42%	14.00%
4. Commodities	0.00%	0.00%
5. Domestic Fixed Income	30.06%	25.29%
6. International Fixed Income	0.00%	0.00%
7. Real Estate	5.42%	4.50%
8. Private Equity	0.00%	0.00%
9. Total Investments	100.00%	100.00%

Reconciliation of Plan Assets

Item	December 31	
	2014	2013
A. Market Value of Assets at Beginning of Year	$ 846,966,929	$ 735,778,899
B. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions	$ 7,095,129	$ 6,262,146
b. Employer Contributions	15,404,370	18,199,028
c. State Contributions	12,000	12,000
d. Total	$ 22,511,499	$ 24,473,174
2. Investment Income		
a. Interest, Dividends, and Other Income	$ 16,733,940	$ 15,416,386
b. Net Realized Gains/(Losses)	54,622,256	40,982,231
c. Net Unrealized Gains/(Losses)	499,182	71,698,485
d. Investment Expenses	(4,898,709)	(4,773,288)
e. Net Investment Income	$ 66,956,669	$ 123,323,814
3. Benefits and Refunds		
a. Refunds	$ (1,393,782)	$ (1,029,146)
b. Regular Monthly Benefits	(37,836,269)	(35,401,597)
c. Partial Lump-Sum Benefits Paid	-	-
d. Total	$ (39,230,051)	$ (36,430,743)
4. Administrative and Miscellaneous Expenses	$ (179,906)	$ (178,215)
5. Transfers	$ -	$ -
C. Market Value of Assets at End of Year	$ 897,025,140	$ 846,966,929

Development of Actuarial Value of Assets

Valuation Date - December 31	2013	2014	2015	2016	2017	2018
A. Actuarial Value of Assets Beginning of Year	$ 688,731,221	$ 772,411,068				
B. Market Value End of Year	846,966,929	897,025,140				
C. Market Value Beginning of Year	735,778,899	846,966,929				
D. Non-Investment/Administrative Net Cash Flow	(12,135,784)	(16,898,458)				
E. Investment Income						
E1. Actual Market Total: B-C-D	123,323,814	66,956,669				
E2. Assumed Rate of Return	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
E3. Assumed Amount of Return	50,628,682	58,338,901				
E4. Amount Subject to Phase-In: E1–E3	72,695,132	8,617,768				
F. Phase-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	14,539,026	1,723,554				
F2. First Prior Year	8,472,595	14,539,026	1,723,554			
F3. Second Prior Year	(10,299,653)	8,472,595	14,539,026	1,723,554		
F4. Third Prior Year	11,581,278	(10,299,653)	8,472,595	14,539,026	1,723,554	
F5. Fourth Prior Year	20,893,703	11,581,278	(10,299,653)	8,472,595	14,539,026	1,723,552
F6. Total Phase-Ins	45,186,949	26,016,800	14,435,522	24,735,175	16,262,580	1,723,552
G. Actuarial Value of Assets End of Year						
G1. Preliminary Actuarial Value of Assets	$ 772,411,068	$ 839,868,311				
G2. Upper Corridor Limit: 120%*B	$1,016,360,315	$1,076,430,168				
G3. Lower Corridor Limit: 80%*B	$ 677,573,543	$ 717,620,112				
G4. Funding Value End of Year	$ 772,411,068	$ 839,868,311				
G5. Credit Balance	N/A	$ 10,381,518				
G6. Final Actuarial Value of Assets	$ 772,411,068	$ 829,486,793				
H. Recognized Investment Earnings	$ 95,815,631	$ 84,355,701				
I. Difference between Market & Actuarial Value	$ 74,555,861	$ 57,156,829				
J. Actuarial Rate of Return	14.04%	11.04%				
K. Market Value Rate of Return	16.90%	7.99%				
L. Ratio of Actuarial Value of Assets to Market Value	91.20%	93.63%				

* Before investment expenses

The Actuarial Value of Assets recognizes assumed investment return (line E3) fully each year. Differences between actual and assumed investment income (Line E4) are phased-in over a closed 5-year period. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than the assumed rate, Actuarial Value of Assets will tend to be greater than Market Value. If assumed rates are exactly realized for 5 consecutive years, Actuarial Value of Assets will become equal to Market Value.

Investment Rate of Return

Plan Year Ending December 31	**Market***	**Actuarial***
1986	13.21 %	N/A
1987	10.78	N/A
1988	9.12	N/A
1989	20.84	N/A
1990	6.21	N/A
1991	28.52	N/A
1992	6.49	N/A
1993	9.29	7.42 %
1994	0.89	6.28
1995	23.36	9.14
1996	14.80	11.54
1997	17.49	13.74
1998	16.74	15.28
1999	18.61	17.96
2000	(3.43)	12.42
2001	(5.16)	7.40
2002	(8.83)	(1.85)
2003	20.08	7.45
2004	9.73	2.18
2005	6.67	4.58
2006	11.80	7.87
2007	7.29	10.68
2008	(27.01)	(10.61)
2009	30.93	16.53
2010	17.50	5.98
2011	(0.32)	4.46
2012	13.92	5.50
2013	16.90	14.04
2014	7.99	11.04
Average returns:		
Last five years:	10.99 %	8.14 %
Last ten years:	7.49 %	6.76 %
All years:	9.48 %	7.95 %

**Before investment expenses prior to 2013.*

The above rates are based on the retirement system's financial information reported to the actuary. They may differ from figures that the investment consultant reports, in part because of differences in the handling of administrative and investment expenses, and in part because of differences in the handling of cash flows.

SECTION D

FINANCIAL ACCOUNTING INFORMATION

FASB NO. 35 INFORMATION

	January 1, 2015	January 1, 2014
A. Valuation Date	January 1, 2015	January 1, 2014
B. Actuarial Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Members Currently Receiving Payments	$ 517,677,226	$ 488,653,643
b. Terminated Vested Members	15,467,289	14,311,837
c. Other Members	232,124,866	234,953,244
d. Total	765,269,381	737,918,724
2. Non-Vested Benefits	17,017,203	17,637,047
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	782,286,584	755,555,771
4. Accumulated Contributions of Active Members	58,657,980	57,394,630
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits		
1. Total Value at Beginning of Year	755,555,771	729,923,831
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendment	0	0
b. Change in Actuarial Assumptions	0	0
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	65,960,864	62,062,683
d. Benefits Paid	(39,230,051)	(36,430,743)
e. Net Increase	26,730,813	25,631,940
3. Total Value at End of Period	782,286,584	755,555,771
D. Market Value of Assets	897,025,140	846,966,929
E. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods		

REQUIRED SUPPLEMENTARY INFORMATION
GASB Statement No. 27

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation:

Valuation Date	January 1, 2015
Contribution Rates	
Employer (and State)	11.68%
Plan members	Hazardous: 10.00% (8.00% if grandfathered) Non-Hazardous: 8.00%
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level dollar, closed
Remaining Amortization Period	23 years
Asset Valuation Method	Phase-in of 20% of difference between actual and expected return on market value of assets.
Actuarial Assumptions	
Investment rate of return	7.00% (net of investment expenses)
Projected salary increases	3.50% - 7.90% based on service
Includes inflation and other general increases at	2.50%
Cost of Living adjustments	1.50% each year on April 1 (For benefits accrued after January 1, 2013: five-year delay for non-grandfathered non-hazardous duty members, and no COLA for non-grandfathered hazardous duty members)

SECTION E

MISCELLANEOUS INFORMATION

RECONCILIATION OF MEMBERSHIP DATA	From 1/1/2014 To 1/1/2015	From 1/1/2013 To 1/1/2014
A. Active Members		
1. Number Included in Last Valuation	1,478	1,474
2. New Members Included in Current Valuation	134	102
3. Non-Vested Employment Terminations	(58)	(54)
4. Vested Employment Terminations	(21)	(11)
5. Service Retirements	(45)	(27)
6. Disability Retirements	(5)	(2)
7. Deaths	(2)	(4)
8. Data Corrections/Rehired Members	1	0
9. Number Included in This Valuation	1,482	1,478
B. Terminated Vested Members		
1. Number Included in Last Valuation	60	64
2. Additions from Active Members	21	11
3. Lump Sum Payments/Refund of Contributions	(5)	(4)
4. Payments Commenced	(7)	(11)
5. Deaths	0	0
6. Conversion from Disability/Rehired Members	0	0
7. Data Corrections	0	0
8. Number Included in This Valuation	69	60
C. Service Retirees, Disability Retirees and Beneficiaries		
1. Number Included in Last Valuation	1,084	1,063
2. Additions from Active Members	50	29
3. Additions from Terminated Vested Members	7	11
4. Deaths Resulting in No Further Payments	(16)	(20)
5. Deaths Resulting in New Survivor Benefits	2	1
6. End of Certain Period - No Further Payments	(2)	0
7. Data Correction/Waiver of Benefits	0	0
8. Number Included in This Valuation	1,125	1,084

ACTIVE PARTICIPANT DISTRIBUTION

ALL ACTIVE MEMBERS

	Years of Service to Valuation Date												
Age Group	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35+	**Totals**
15-19 NO.	2	0	0	0	0	0	0	0	0	0	0	0	2
TOT PAY	47,026	0	0	0	0	0	0	0	0	0	0	0	47,026
AVG PAY	23,513	0	0	0	0	0	0	0	0	0	0	0	23,513
20-24 NO.	23	13	1	1	1	0	0	0	0	0	0	0	39
TOT PAY	728,891	368,532	32,017	36,748	37,120	0	0	0	0	0	0	0	1,203,308
AVG PAY	31,691	28,349	32,017	36,748	37,120	0	0	0	0	0	0	0	30,854
25-29 NO.	29	22	16	15	5	33	2	0	0	0	0	0	122
TOT PAY	984,523	847,075	578,789	568,149	198,055	1,471,804	79,321	0	0	0	0	0	4,727,716
AVG PAY	33,949	38,503	36,174	37,877	39,611	44,600	39,660	0	0	0	0	0	38,752
30-34 NO.	24	18	11	11	4	70	23	0	0	0	0	0	161
TOT PAY	772,972	775,956	444,804	520,132	142,127	3,553,695	1,206,777	0	0	0	0	0	7,416,463
AVG PAY	32,207	43,109	40,437	47,285	35,532	50,767	52,469	0	0	0	0	0	46,065
35-39 NO.	16	12	7	10	5	54	43	16	0	0	0	0	163
TOT PAY	567,340	534,474	265,011	367,966	206,671	3,199,642	2,466,559	1,121,686	0	0	0	0	8,729,349
AVG PAY	35,459	44,540	37,859	36,797	41,334	59,253	57,362	70,105	0	0	0	0	53,554
40-44 NO.	9	6	9	7	9	57	63	54	11	0	0	0	225
TOT PAY	285,446	239,659	350,492	303,774	399,835	2,669,412	3,888,574	3,832,596	805,163	0	0	0	12,774,951
AVG PAY	31,716	39,943	38,944	43,396	44,426	46,832	61,723	70,974	73,197	0	0	0	56,778
45-49 NO.	12	4	9	5	4	32	57	65	37	6	0	0	231
TOT PAY	407,128	177,746	374,979	219,176	140,064	1,478,955	3,203,490	4,191,323	2,711,846	435,966	0	0	13,340,673
AVG PAY	33,927	44,436	41,664	43,835	35,016	46,217	56,202	64,482	73,293	72,661	0	0	57,752
50-54 NO.	16	5	7	6	4	29	43	41	32	32	4	0	219
TOT PAY	564,475	208,185	224,196	270,930	128,487	1,246,611	1,914,135	2,266,614	2,187,930	2,047,041	260,275	0	11,318,879
AVG PAY	35,280	41,637	32,028	45,155	32,122	42,987	44,515	55,283	68,373	63,970	65,069	0	51,684
55-59 NO.	3	5	5	5	3	30	30	41	25	21	6	0	174
TOT PAY	100,277	156,102	165,752	182,375	109,101	1,355,390	1,226,906	1,996,809	1,408,327	1,269,350	389,205	0	8,359,594
AVG PAY	33,426	31,220	33,150	36,475	36,367	45,180	40,897	48,703	56,333	60,445	64,868	0	48,044
60-64 NO.	2	3	4	3	2	17	19	24	17	12	4	1	108
TOT PAY	59,818	105,056	106,287	153,148	98,816	800,473	771,727	1,248,602	925,894	760,416	292,910	41,491	5,364,638
AVG PAY	29,909	35,019	26,572	51,049	49,408	47,087	40,617	52,025	54,464	63,368	73,228	41,491	49,673
65+ NO.	0	0	1	1	1	8	10	4	6	6	1	0	38
TOT PAY	0	0	35,922	24,937	45,619	369,739	422,588	182,611	348,114	305,577	60,838	0	1,795,945
AVG PAY	0	0	35,922	24,937	45,619	46,217	42,259	45,653	58,019	50,930	60,838	0	47,262
TOT NO.	136	88	70	64	38	330	290	245	128	77	15	1	1,482
TOT AMT	4,517,896	3,412,785	2,578,249	2,647,335	1,505,895	16,145,721	15,180,077	14,840,241	8,387,274	4,818,350	1,003,228	41,491	75,078,542
AVG AMT	33,220	38,782	36,832	41,365	39,629	48,926	52,345	60,572	65,526	62,576	66,882	41,491	50,660

ACTIVE PARTICIPANT DISTRIBUTION

HAZARDOUS DUTY MEMBERS

	Years of Service to Valuation Date												
Age Group	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35+	**Totals**
15-19 NO.	0	0	0	0	0	0	0	0	0	0	0	0	0
TOT PAY	0	0	0	0	0	0	0	0	0	0	0	0	0
AVG PAY	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24 NO.	7	0	0	0	0	0	0	0	0	0	0	0	7
TOT PAY	311,537	0	0	0	0	0	0	0	0	0	0	0	311,537
AVG PAY	44,505	0	0	0	0	0	0	0	0	0	0	0	44,505
25-29 NO.	8	7	2	3	1	12	0	0	0	0	0	0	33
TOT PAY	363,845	382,643	119,873	187,695	57,813	762,760	0	0	0	0	0	0	1,874,629
AVG PAY	45,481	54,663	59,937	62,565	57,813	63,563	0	0	0	0	0	0	56,807
30-34 NO.	6	7	4	5	0	32	8	0	0	0	0	0	62
TOT PAY	265,329	404,603	236,489	321,577	0	2,211,863	641,383	0	0	0	0	0	4,081,244
AVG PAY	44,222	57,800	59,122	64,315	0	69,121	80,173	0	0	0	0	0	65,827
35-39 NO.	3	5	1	1	0	33	22	11	0	0	0	0	76
TOT PAY	126,333	292,169	64,110	65,747	0	2,209,238	1,616,897	933,940	0	0	0	0	5,308,434
AVG PAY	42,111	58,434	64,110	65,747	0	66,947	73,495	84,904	0	0	0	0	69,848
40-44 NO.	0	1	0	1	2	17	35	34	6	0	0	0	96
TOT PAY	0	61,031	0	58,778	117,527	1,163,664	2,725,430	2,900,446	559,122	0	0	0	7,585,998
AVG PAY	0	61,031	0	58,778	58,764	68,451	77,869	85,307	93,187	0	0	0	79,021
45-49 NO.	2	0	1	1	0	7	23	30	21	1	0	0	86
TOT PAY	105,825	0	74,306	57,292	0	515,996	1,749,379	2,560,621	1,922,461	92,304	0	0	7,078,184
AVG PAY	52,913	0	74,306	57,292	0	73,714	76,060	85,354	91,546	92,304	0	0	82,304
50-54 NO.	2	0	0	1	0	3	6	5	14	7	1	0	39
TOT PAY	137,970	0	0	86,936	0	266,988	416,923	465,910	1,202,251	636,473	115,098	0	3,328,549
AVG PAY	68,985	0	0	86,936	0	88,996	69,487	93,182	85,875	90,925	115,098	0	85,347
55-59 NO.	0	0	0	0	0	5	0	2	1	2	3	0	13
TOT PAY	0	0	0	0	0	453,793	0	154,635	92,123	207,657	253,168	0	1,161,376
AVG PAY	0	0	0	0	0	90,759	0	77,318	92,123	103,829	84,389	0	89,337
60-64 NO.	0	0	0	0	0	3	1	1	0	0	1	0	6
TOT PAY	0	0	0	0	0	225,562	75,777	77,264	0	0	119,661	0	498,264
AVG PAY	0	0	0	0	0	75,187	75,777	77,264	0	0	119,661	0	83,044
65+ NO.	0	0	0	0	0	1	0	0	0	0	0	0	1
TOT PAY	0	0	0	0	0	126,925	0	0	0	0	0	0	126,925
AVG PAY	0	0	0	0	0	126,925	0	0	0	0	0	0	126,925
TOT NO.	28	20	8	12	3	113	95	83	42	10	5	0	419
TOT AMT	1,310,839	1,140,446	494,778	778,025	175,340	7,936,789	7,225,789	7,092,816	3,775,957	936,434	487,927	0	31,355,140
AVG AMT	46,816	57,022	61,847	64,835	58,447	70,237	76,061	85,456	89,904	93,643	97,585	0	74,833

ACTIVE PARTICIPANT DISTRIBUTION

NON-HAZARDOUS DUTY MEMBERS

	Years of Service to Valuation Date												
Age Group	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35+	**Totals**
15-19 NO.	2	0	0	0	0	0	0	0	0	0	0	0	2
TOT PAY	47,026	0	0	0	0	0	0	0	0	0	0	0	47,026
AVG PAY	23,513	0	0	0	0	0	0	0	0	0	0	0	23,513
20-24 NO.	16	13	1	1	1	0	0	0	0	0	0	0	32
TOT PAY	417,354	368,532	32,017	36,748	37,120	0	0	0	0	0	0	0	891,771
AVG PAY	26,085	28,349	32,017	36,748	37,120	0	0	0	0	0	0	0	27,868
25-29 NO.	21	15	14	12	4	21	2	0	0	0	0	0	89
TOT PAY	620,678	464,432	458,916	380,454	140,242	709,044	79,321	0	0	0	0	0	2,853,087
AVG PAY	29,556	30,962	32,780	31,705	35,061	33,764	39,661	0	0	0	0	0	32,057
30-34 NO.	18	11	7	6	4	38	15	0	0	0	0	0	99
TOT PAY	507,643	371,353	208,315	198,555	142,127	1,341,832	565,394	0	0	0	0	0	3,335,219
AVG PAY	28,202	33,759	29,759	33,093	35,532	35,311	37,693	0	0	0	0	0	33,689
35-39 NO.	13	7	6	9	5	21	21	5	0	0	0	0	87
TOT PAY	441,007	242,305	200,901	302,219	206,671	990,404	849,662	187,746	0	0	0	0	3,420,915
AVG PAY	33,924	34,615	33,484	33,580	41,334	47,162	40,460	37,549	0	0	0	0	39,321
40-44 NO.	9	5	9	6	7	40	28	20	5	0	0	0	129
TOT PAY	285,446	178,628	350,492	244,996	282,308	1,505,748	1,163,144	932,150	246,041	0	0	0	5,188,953
AVG PAY	31,716	35,726	38,944	40,833	40,330	37,644	41,541	46,608	49,208	0	0	0	40,224
45-49 NO.	10	4	8	4	4	25	34	35	16	5	0	0	145
TOT PAY	301,303	177,746	300,673	161,884	140,064	962,959	1,454,111	1,630,702	789,385	343,662	0	0	6,262,489
AVG PAY	30,130	44,437	37,584	40,471	35,016	38,518	42,768	46,591	49,337	68,732	0	0	43,190
50-54 NO.	14	5	7	5	4	26	37	36	18	25	3	0	180
TOT PAY	426,505	208,185	224,196	183,994	128,487	979,623	1,497,212	1,800,704	985,679	1,410,568	145,177	0	7,990,330
AVG PAY	30,465	41,637	32,028	36,799	32,122	37,678	40,465	50,020	54,760	56,423	48,392	0	44,391
55-59 NO.	3	5	5	5	3	25	30	39	24	19	3	0	161
TOT PAY	100,277	156,102	165,752	182,375	109,101	901,597	1,226,906	1,842,174	1,316,204	1,061,693	136,037	0	7,198,218
AVG PAY	33,426	31,220	33,150	36,475	36,367	36,064	40,897	47,235	54,842	55,879	45,346	0	44,709
60-64 NO.	2	3	4	3	2	14	18	23	17	12	3	1	102
TOT PAY	59,818	105,056	106,287	153,148	98,816	574,911	695,950	1,171,338	925,894	760,416	173,249	41,491	4,866,374
AVG PAY	29,909	35,019	26,572	51,049	49,408	41,065	38,664	50,928	54,464	63,368	57,750	41,491	47,710
65+ NO.	0	0	1	1	1	7	10	4	6	6	1	0	37
TOT PAY	0	0	35,922	24,937	45,619	242,814	422,588	182,611	348,114	305,577	60,838	0	1,669,020
AVG PAY	0	0	35,922	24,937	45,619	34,688	42,259	45,653	58,019	50,930	60,838	0	45,109
TOT NO.	108	68	62	52	35	217	195	162	86	67	10	1	1,063
TOT AMT	3,207,057	2,272,339	2,083,471	1,869,310	1,330,555	8,208,932	7,954,288	7,747,425	4,611,317	3,881,916	515,301	41,491	43,723,402
AVG AMT	29,695	33,417	33,604	35,948	38,016	37,829	40,791	47,824	53,620	57,939	51,530	41,491	41,132

INACTIVE PARTICIPANT DISTRIBUTION

	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
Age Group	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	7	83,257
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	-	1	39,954	-	-	1	32,634
35-39	4	57,251	-	-	-	-	-	-
40-44	9	144,523	5	222,695	2	46,367	1	49,427
45-49	12	287,494	4	142,570	21	974,746	6	102,512
50-54	25	498,901	16	586,982	62	2,934,878	2	47,380
55-59	8	126,917	23	575,597	147	6,229,913	13	286,710
60-64	11	172,388	29	763,159	201	8,389,890	13	281,770
65-69	-	-	26	648,884	218	7,807,570	17	392,674
70-74	-	-	13	244,481	94	3,112,481	17	350,945
75-79	-	-	10	259,986	55	1,679,118	20	299,893
80-84	-	-	6	128,688	33	859,107	16	206,407
85-89	-	-	2	29,630	11	218,729	16	187,818
90-94	-	-	-	-	10	120,860	3	17,042
95-99	-	-	-	-	1	4,501	3	10,939
100 & Over	-	-	-	-	-	-	-	-
Total	69	1,287,474	135	3,642,626	855	32,378,160	135	2,349,408
Average Age		52		63		65		69

SECTION F

SUMMARY OF PLAN PROVISIONS

SUMMARY OF PLAN PROVISIONS

A. Ordinances

The Plan was established under the Code of Ordinances for the City of Clearwater, Florida, Chapter 2, Article V, Division 3 and was most recently amended under Ordinance No. 8333-12 passed and adopted on July 19, 2012 and enacted by public referendum in November 2012. The Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes (F.S.) and the Internal Revenue Code.

B. Effective Date

Restated Plan Effective Date: January 1, 2013 (previous restated Plan Effective Date was January 1, 1996).

C. Plan Year

January 1 through December 31.

D. Type of Plan

Qualified, governmental defined benefit retirement plan; for GASB purposes it is a single employer plan.

E. Eligibility Requirements

All full-time permanent employees of the City are required to participate and become participants on their date of hire.

F. Grandfathered Members

Members who are eligible for normal retirement as of January 1, 2013 are grandfathered in the plan provisions in effect before Ordinance No. 8333-12.

G. Credited Service

Credited Service is measured as the total number of years and fractional parts of years from the date of employment to the date of termination or retirement. No service is credited for any periods of employment for which a participant received a refund of their contributions.

H. Compensation

The total compensation for services rendered to the City reportable on the participant's W-2 form, plus all tax deferred, tax sheltered or tax exempt items of income derived from elective employee payroll deductions or salary reductions, but excluding any lump sum payments of unused vacation and sick leave, pay for off-duty employment, and clothing, car or meal allowances.

Effective January 1, 2013: For non-grandfathered hazardous duty members, the amount of overtime included in Compensation is limited to 300 hours per year; For non-grandfathered non-hazardous duty members, Compensation excludes overtime and additional pay above the base rate of pay.

I. Average Monthly Compensation (AMC)

One-twelfth of the average of Compensation during the highest 5 years out of the last 10 years preceding termination or retirement.

J. Normal Retirement

Eligibility: For Non-Hazardous Duty Employment

A participant hired before January 1, 2013 may retire on the first day of the month coincident with or next following the earliest of:

(1) age 55 with 20 years of Credited Service, or
(2) 30 years of Credited Service regardless of age, or
(3) age 65 with 10 years of Credited Service.

A participant hired on or after January 1, 2013 may retire on the first day of the month coincident with or next following the earliest of:

(1) age 60 with 25 years of Credited Service, or
(2) age 65 with 10 years of Credited Service

For Hazardous Duty Employment-Police Officers and Firefighters

A participant may retire on the first day of the month coincident with or next following the earlier of:

(1) age 55 with 10 years of Credited Service, or
(2) 20 years of Credited Service regardless of age.

Benefit: 2.75% of AMC multiplied by years of Credited Service.

For Non-Hazardous Duty participants hired on or after January 1, 2013, 2.00% of AMC multiplied by years of Credited Service.

Normal Form of Benefit: For Non-Hazardous Duty Employment (Non-Grandfathered)

A monthly annuity is paid for the life of the participant.

For Hazardous Duty Employment-Police Officers and Firefighters (and Grandfathered Non-Hazardous Duty Employment)

A monthly annuity is paid for the life of the participant. After the participant's death, 100% of the Normal Retirement Benefit shall be paid as a survivor annuity to the spouse for 5 years. After 5 years, such survivor annuity is reduced to 50% of the original amount. The survivor annuity ceases upon death or remarriage of the spouse. 120 monthly payments are guaranteed for police officers and firefighters. Optional forms of benefits are available.

COLA: <u>For Non-Hazardous Duty Employment</u>

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is a five-year delay (after the retirement date) until this COLA is applied to benefits accrued after January 1, 2013.

<u>For Hazardous Duty Employment-Police Officers and Firefighters</u>

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is no COLA for benefits accrued after January 1, 2013.

K. Early Retirement

Eligibility: Police Officers and Firefighters may elect to retire earlier than the Normal Retirement Eligibility upon the attainment of age 50 with 10 years of Credited Service.

Benefit: The Normal Retirement Benefit is reduced by 3.0% for each year by which the Early Retirement date precedes age 55.

Normal Form of Benefit: A monthly annuity is paid for the life of the participant. After the participant's death, 100% of the Normal Retirement Benefit shall be paid as a survivor annuity to the spouse for 5 years. After 5 years, such survivor annuity is reduced to 50% of the original amount. The survivor annuity ceases upon death or remarriage of the spouse. 120 monthly payments are guaranteed for police officers and firefighters. Optional forms of benefits are available.

COLA: 1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is no COLA for benefits accrued after January 1, 2013.

L. Delayed Retirement

Same as Normal Retirement taking into account Compensation earned and service credited until the date of actual retirement.

M. Service Connected Disability

Eligibility: Any participant who becomes totally and permanently disabled due to an illness or injury contracted in the line of duty and is deemed to be unable to perform useful and efficient service to the City is immediately eligible for a disability benefit.

Benefit: <u>For Non-Hazardous Duty Employment</u>

Participant's accrued Normal Retirement Benefit taking into account Compensation earned and service credited until the date of disability. Benefit is guaranteed to be no less than 42% of the participant's AMC (66 2/3% of the participant's AMC if grandfathered). Disability benefits, when combined with Worker's Compensation benefits, cannot exceed and will be limited to 100% of the participant's AMC on the date of disability.

For Hazardous Duty Employment-Police Officers and Firefighters

Participant's accrued Normal Retirement Benefit taking into account Compensation earned and service credited until the date of disability. Benefit is guaranteed to be no less than 66 2/3% of the participant's AMC. Disability benefits, when combined with Worker's Compensation benefits, cannot exceed and will be limited to 100% of the participant's AMC on the date of disability.

Normal Form of Benefit: For Non-Hazardous Duty Employment (Non-Grandfathered)

A monthly annuity is paid for the life of the participant.

For Hazardous Duty Employment-Police Officers and Firefighters (and Grandfathered Non-Hazardous Duty Employment)

A monthly annuity is paid for the life of the participant. After the participant's death, 100% of the Normal Retirement Benefit shall be paid as a survivor annuity to the spouse for 5 years. After 5 years, such survivor annuity is reduced to 50% of the original amount. The survivor annuity ceases upon death or remarriage of the spouse. 120 monthly payments are guaranteed for police officers and firefighters. Optional forms of benefits are available.

COLA: For Non-Hazardous Duty Employment

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is a five-year delay (after the retirement date) until this COLA is applied to benefits accrued after January 1, 2013.

For Hazardous Duty Employment-Police Officers and Firefighters

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is no COLA for benefits accrued after January 1, 2013.

N. Non-Service Connected Disability

Eligibility: Any participant who has 10 or more years of Credited Service and becomes totally and permanently disabled and is deemed to be unable to perform useful and efficient service to the City is immediately eligible for a disability benefit.

Benefit: Participant's accrued Normal Retirement Benefit taking into account Compensation earned and service credited until the date of disability. Disability benefits, when combined with Worker's Compensation benefits, cannot exceed and will be limited to 100% of the participant's AMC on the date of disability.

Normal Form of Benefit: For Non-Hazardous Duty Employment (Non-Grandfathered)

A monthly annuity is paid for the life of the participant.

For Hazardous Duty Employment-Police Officers and Firefighters (and Grandfathered Non-Hazardous Duty Employment)

A monthly annuity is paid for the life of the participant. After the participant's death, 100% of the Normal Retirement Benefit shall be paid as a survivor annuity to the spouse for 5 years. After 5 years, such survivor annuity is reduced to 50% of the original amount. The survivor annuity ceases upon death or remarriage of the spouse. 120 monthly payments are guaranteed for police officers and firefighters. Optional forms of benefits are available.

COLA: For Non-Hazardous Duty Employment

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is a five-year delay (after the retirement date) until this COLA is applied to benefits accrued after January 1, 2013.

For Hazardous Duty Employment-Police Officers and Firefighters

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is no COLA for benefits accrued after January 1, 2013.

O. Death in the Line of Duty

Eligibility: Any participant whose employment is terminated by reason of death in the line of duty is eligible for survivor benefits.

Benefit: Beneficiary will be paid the participant's accrued benefit based upon Credited Service and AMC as of the date of death. Benefit is guaranteed to be no less than 66 2/3% of the participant's AMC.

Normal Form of Benefit: 100% of the participant's accrued benefit shall be paid as a survivor annuity to the spouse for 5 years. After 5 years, such survivor annuity is reduced to 50% of the original amount. The survivor annuity ceases upon death or remarriage of the spouse. 120 monthly payments are guaranteed for police officers and firefighters.

COLA: For Non-Hazardous Duty Employment

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is a five-year delay (after the retirement date) until this COLA is applied to benefits accrued after January 1, 2013.

For Hazardous Duty Employment-Police Officers and Firefighters

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is no COLA for benefits accrued after January 1, 2013.

In lieu of the benefits described above, the participant's beneficiary can elect to receive a refund of participant's accumulated contributions with interest.

P. Other Pre-Retirement Death

Eligibility: Any participant who dies with 10 or more years of Credited Service is eligible for survivor benefits.

Benefit: Beneficiary will be paid the participant's accrued benefit based upon Credited Service and AMC as of the date of death.

Normal Form of Benefit: 100% of the participant's accrued benefit shall be paid as a survivor annuity to the spouse for 5 years. After 5 years, such survivor annuity is reduced to 50% of the original amount. The survivor annuity ceases upon death or remarriage of the spouse. 120 monthly payments are guaranteed for police officers and firefighters.

COLA: For Non-Hazardous Duty Employment

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is a five-year delay (after the retirement date) until this COLA is applied to benefits accrued after January 1, 2013.

For Hazardous Duty Employment-Police Officers and Firefighters

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is no COLA for benefits accrued after January 1, 2013.

In lieu of the benefits described above, a participant's beneficiary can elect to receive a refund of the participant's accumulated contributions with interest. Accumulated contributions, plus interest, will be refunded for all participants with less than 10 years of Credited Service.

Q. Post Retirement Death

Benefit determined by the form of benefit elected upon retirement.

R. Optional Forms

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are a Single Life Annuity, a 10 Year Certain and Life Annuity, or the 50%, 66 2/3% (for police officers and firefighters), 75% or 100% Joint and Survivor options. Members may also elect a partial lump sum equal to 10%, 20%, or 30% of the value of the normal retirement benefit with the remaining monthly retirement benefit reduced accordingly.

S. Vested Termination

Eligibility: A participant has earned a non-forfeitable right to Plan benefits after the completion of 10 years of Credited Service provided employee contributions are not refunded.

Vesting is determined in accordance with the following table.

Years of Credited Service	% of Normal Retirement Benefits
Less Than 10	0%
10 or more	100%

Benefit: The participant's accrued Normal Retirement Benefit as of the date of termination. Benefit begins on the member's Normal Retirement date. Alternatively, police officers and firefighters may elect to receive an actuarially reduced Early Retirement Benefit any time after age 50.

Normal Form of Benefit: For Non-Hazardous Duty Employment (Non-Grandfathered)

A monthly annuity is paid for the life of the participant.

For Hazardous Duty Employment-Police Officers and Firefighters (and Grandfathered Non-Hazardous Duty Employment)

A monthly annuity is paid for the life of the participant. After the participant's death, 100% of the Normal Retirement Benefit shall be paid as a survivor annuity to the spouse for 5 years. After 5 years, such survivor annuity is reduced to 50% of the original amount. The survivor annuity ceases upon death or remarriage of the spouse. 120 monthly payments are guaranteed for police officers and firefighters. Optional forms of benefits are available.

COLA: For Non-Hazardous Duty Employment

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is a five-year delay (after the retirement date) until this COLA is applied to benefits accrued after January 1, 2013.

For Hazardous Duty Employment-Police Officers and Firefighters

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is no COLA for benefits accrued after January 1, 2013.

Plan participants with less than 10 years of Credited Service will receive a refund of their own accumulated contributions with interest.

T. Refunds

Eligibility: All participants terminating employment with less than 10 years of Credited Service are eligible. Optionally, vested members (those with 10 or more years of credited service) may elect a refund in lieu of the vested benefits otherwise due.

Benefit: Refund of the member's contributions with 5% simple interest paid in a single lump sum.

U. Member Contributions

8% of Compensation for Non-Hazardous Duty participants.
10% of Compensation for Hazardous Duty participants (8% of Compensation if grandfathered).

V. Employer Contributions

Each plan year, the Employer must contribute a minimum of 7% of the Compensation of all employees participating in the plan, plus any additional amount determined by the actuary needed to fund the plan properly according to State laws.

W. Cost of Living Increases

For Non-Hazardous Duty Employment

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is a five-year delay (after the retirement date) until this COLA is applied to benefits accrued after January 1, 2013.

For Hazardous Duty Employment-Police Officers and Firefighters

1.5% annually commencing on each April 1 for all retirees and beneficiaries who have received at least 6 monthly benefit payments. For non-grandfathered members (not eligible for normal retirement on January 1, 2013), there is no COLA for benefits accrued after January 1, 2013.

X. 13th Check

Not Applicable

Y. Deferred Retirement Option Plan

Not Applicable

Z. Other Ancillary Benefits

There are no ancillary retirement type benefits not required by statutes but which might be deemed a City of Clearwater Employees' Pension Plan liability if continued beyond the availability of funding by the current funding source.

AA. Changes from Previous Valuation

There have been no changes from the previous valuation.