

CITY OF PALM COAST
VOLUNTEER FIREFIGHTERS' RETIREMENT TRUST FUND

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2013

CONTRIBUTIONS APPLICABLE TO THE PLAN/
FISCAL YEAR ENDED SEPTEMBER 30, 2015

May 2, 2014

Mr. Chris Quinn
City of Palm Coast
160 Cypress Point Parkway, Suite B-106
Palm Coast, FL 32164-8436

Re: City of Palm Coast Volunteer Firefighters' Retirement Trust Fund

Dear Mr. Quinn:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Palm Coast Volunteer Firefighters' Retirement Trust Fund. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapters 112, and 175, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the City of Palm Coast and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The undersigned is familiar with the immediate and long-term aspects of pension valuations, and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Palm Coast, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the City of Palm Coast Volunteer Firefighters'

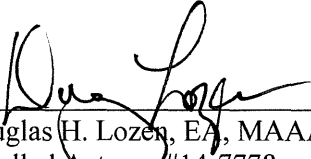
Retirement Trust Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact me at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By:



Douglas H. Lozen, EA, MAAA
Enrolled Actuary #14-7778

DHL/lke

Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Palm Coast Volunteer Firefighters' Retirement Trust Fund, performed as of October 1, 2013, has been completed, and the results are presented in this Report. The results of this valuation are applicable to the plan/fiscal year ended September 30, 2015.

The contribution requirements, compared with those set forth in October 1, 2012 actuarial valuation report, are as follows:

Valuation Date Applicable Plan/Fiscal Yr. End	10/1/2012 <u>9/30/2014</u>	10/1/2013 <u>9/30/2015</u>
Total Required Contribution	\$130,671	\$127,816
Member Contributions (Est.)	0	0
City and State Required Contribution	130,671	127,816
State Contribution *	144,308	144,308
Balance from City**	0	0

* "Frozen" per traditional interpretation of Chapter 99-1 of the Florida Statutes.

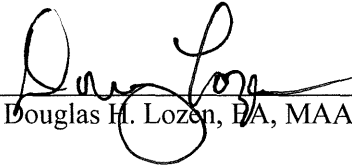
** Additionally, the City must contribute amount equal to the applicable Normal Cost (adjusted for interest), less the applicable State Contribution. The Total Required Contribution shown above reflects this statutory funding requirement (Chapter 112.66(13)).

Experience during the last year was more favorable than expected relative to the Plan's actuarial assumptions. The primary source of gain included higher than anticipated investment return. There was an 8.7% investment return (Actuarial Asset basis), exceeding the 7.65% assumption.

The balance of this Report presents additional details of the actuarial valuation and the general operation of the Fund. The undersigned would be pleased to meet with the Board of Trustees in order to discuss the Report and any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.

By: 
Douglas H. Lozen, EA, MAAA

By: 
Christine M. O'Neal, ASA, EA, MAAA

Plan Changes Since Prior Valuation

There have been no Plan changes since the prior valuation.

Actuarial Assumption/Method Changes Since Prior Valuation

In conjunction with this valuation, Plan liabilities are now developed utilizing the ProVal software platform developed by WinTech in Greenwich, Ct. While the attribution methods for the Normal Cost and Actuarial Accrued Liabilities differ between the two platforms, the funding requirements have remained stable for this transition.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2013</u>	<u>10/1/2012</u>
A. Participant Data		
Number Included		
Actives	45	42
Service Retirees	20	17
Beneficiaries	0	0
Terminated Vested	1	0
Disability Retirees	0	0
Total	<u>66</u>	<u>59</u>
Total Annual Payroll	\$0	\$0
Payroll Under Assumed Ret. Age	0	0
Annual Rate of Payments to:		
Service Retirees	110,810	89,296
Beneficiaries	0	0
Terminated Vested	3,900	0
Disability Retirees	0	0
B. Assets		
Actuarial Value	3,097,640	2,623,239
Market Value	3,330,062	2,769,856
C. Liabilities		
Present Value of Benefits		
Active Members		
Retirement Benefits	751,934	773,469
Disability Benefits	21,087	21,077
Death Benefits	8,456	23,422
Vested Benefits	172,299	83,530
Refund of Contributions	0	0
Service Retirees	882,761	748,836
Beneficiaries	0	0
Terminated Vested	2,788	0
Disability Retirees	0	0
Excess State Monies Reserve	1,268,077	1,047,814
Total	<u>3,107,402</u>	<u>2,698,148</u>

	<u>10/1/2013</u>	<u>10/1/2012</u>
C. Liabilities - (Continued)		
Present Value of Future Salaries	0	0
Present Value of Future Member Cont.	0	0
Normal Cost (Entry Age Normal)		
Retirement	91,576	99,485
Disability	2,835	3,114
Death	999	2,527
Vesting	19,249	12,094
Refunds	0	0
Total Normal Cost	<u>114,659</u>	<u>117,220</u>
Present Value of Future Normal Costs	541,430	526,822
Accrued Liability (Entry Age Normal)		
Retirement	327,431	343,650
Disability	7,683	4,921
Death	3,247	12,499
Vesting	73,985	13,606
Refunds	0	0
Inactives	885,549	748,836
Excess State Monies Reserve	1,268,077	1,047,814
Total Actuarial Accrued Liability	<u>2,565,972</u>	<u>2,171,326</u>
Unfunded Actuarial Accrued Liability	(531,668)	(451,913)
D. Actuarial Present Value of Accrued Benefits		
Vested Accrued Benefits		
Inactives	885,549	748,836
Actives	108,149	211,778
Member Contributions	0	0
Total	<u>993,698</u>	<u>960,614</u>
Non-vested Accrued Benefits	<u>167,899</u>	<u>208,013</u>
Total Present Value Accrued Benefits	1,161,597	1,168,627
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
New Accrued Benefits	10,809	
Benefits Paid	(103,288)	
Interest	85,449	
Other	0	
Total:	<u>(7,030)</u>	

Valuation Date	10/1/2013	10/1/2012
Applicable to Fiscal Year Ending	<u>9/30/2015</u>	<u>9/30/2014</u>

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll	\$127,816	\$130,671
Administrative Expenses (with int.) % of Total Annual Payroll	28,571	18,769
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 30 years (as of 10/1/2013) % of Total Annual Payroll	(47,863)	(40,334)
Total Required Contribution % of Total Annual Payroll	108,524	109,106
Expected Member Contributions % of Total Annual Payroll	0	0
Expected City & State Contrib. % of Total Annual Payroll	108,524	109,106

F. Past Contributions

Plan Years Ending:	<u>9/30/2013</u>
Total Required Contribution	\$120,718
City and State Requirement	120,718
Actual Contributions Made:	
Members	0
City	0
State	144,308
Total	<u>144,308</u>

G. Net Actuarial Gain (Loss)	94,527
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* "Frozen" per traditional interpretation of Chapter 99-1, Florida Statutes.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2013	(\$531,668)
2014	(526,120)
2015	(520,146)
2020	(482,688)
2025	(428,537)
2035	(237,078)
2043	0

I. (i) 3 Year Comparison of Investment Return on Actuarial Value

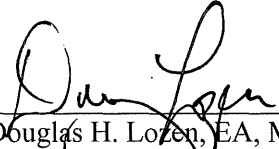
		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2013	8.7%	7.65%
Year Ended	9/30/2012	6.0%	8.0%
Year Ended	9/30/2011	2.6%	8.0%

(ii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2013	\$0
	10/1/2003	0
(b) Total Increase		0.0%
(c) Number of Years		10.00
(d) Average Annual Rate		0.0%

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation 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, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, 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 increase in plan costs or required contribution rates have been taken into account in the valuation.

 5/5/14
Douglas H. Lozen, EA, MAAA
Enrolled Actuary #14-7778

Please let us know when the report is approved by the Board and unless otherwise directed we will provide copies of the report to the following offices to comply with Chapter 112 Florida Statutes:

Mr. Keith Brinkman
Bureau of Local
Retirement Systems
Post Office Box 9000
Tallahassee, FL 32315-9000

Ms. Sarah Carr
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
Post Office Box 3010
Tallahassee, FL 32315-3010

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2012	(\$451,913)
(2)	Sponsor Normal Cost Applicable for the year	117,220
(3)	Expected Administrative Expense for the year	16,837
(4)	Interest on (1), (2) and (3)	(24,960)
(5)	Sponsor Contributions to the System during the year ending September 30, 2013	144,308
(6)	Interest on (5)	30
(7)	Expected Unfunded Accrued Liability as of October 1, 2013 (1)+(2)+(3)+(4)-(5)-(6)	(487,154)
(8)	New UAAL due to Actuarial (Gain)/Loss	(94,527)
(9)	New UAAL due to Change in Valuation Software	50,013
(10)	Unfunded Accrued Liability as of October 1, 2013	(\$531,668)

	Date Established	Years Remaining	10/1/2013 Amount	Amortization Amount
method change	10/1/2005	22	592,428	52,465
actuarial gain	10/1/2006	23	(229,166)	(19,946)
actuarial gain	10/1/2007	24	(469,278)	(40,202)
benefit change	10/1/2007	24	2,594	222
actuarial gain	10/1/2008	25	(149,478)	(12,621)
method change	10/1/2008	25	(98,902)	(8,351)
actuarial loss	10/1/2009	26	74,839	6,236
actuarial loss	10/1/2010	27	9,473	780
assumption	10/1/2010	27	12,196	1,004
benefit change	10/1/2010	27	(158,394)	(13,038)
actuarial gain	10/1/2011	28	(16,512)	(1,344)
actuarial gain	10/1/2012	29	(88,381)	(7,120)
assumption	10/1/2012	29	31,427	2,532
actuarial gain	10/1/2013	30	(94,527)	(7,544)
software change	10/1/2013	30	<u>50,013</u>	<u>3,991</u>
			(\$531,668)	(\$42,936)

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1)	Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2012	(\$451,913)
(2)	Expected UAAL as of October 1, 2013	(487,154)
(3)	Summary of Actuarial (Gain)/Loss, by component:	
	Investment Return (Actuarial Asset Basis)	(29,055)
	Active Decrements	2,093
	Inactive Mortality	6,113
	Other	<u>(73,678)</u>
	Increase in UAAL due to (Gain)/Loss	(94,527)
(4)	Transition to ProVal Software	50,013
(5)	Actual UAAL as of October 1, 2013	(\$531,668)

ACTUARIAL ASSUMPTIONS AND METHODS

<u>Mortality Rates</u>	RP-2000 Table with no projection – Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. (Disabled lives set forward 5 years).
<u>Termination Rates</u>	See Tables below (1304B).
<u>Disability Rates</u>	See Tables below (1201), 75% of disablements are assumed to be service related.
<u>Retirement Age</u>	The earlier of attainment of age 55 with 10 years of credited service, age 52 with 25 years of credited service, or age 62 with 5 years of credited service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year.
<u>Interest Rate</u>	7.65% per year, compounded annually, net of investment-related expenses.
<u>Early Retirement</u>	Commencing with attainment of Early Retirement Status (age 50 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
<u>Payroll Growth</u>	None
<u>Administrative Expenses</u>	\$25,630

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>
20	14.4%	0.03%
30	12.5	0.04
40	7.7	0.07
50	3.5	0.18

Funding Method

Entry Age Normal Actuarial Cost
Method An interest load of 1.5 years has been applied for the determination of Sponsor funding requirement.

Asset Valuation Method

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

VALUATION NOTES

Total Annual Payroll not applicable.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current Members, Retirees, Beneficiaries, Disability Retirees and Vested Terminations.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded.

Unfunded Actuarial Accrued Liability (UAAL) is a liability which arises when a pension plan is initially established or improved and such establishment or improvement is applicable to all years of past service. Under the Entry Age Normal Actuarial Cost Method, there is also a new UAAL created each year equal to the actuarial gain or loss for that year.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

Individual Entry Age Normal Actuarial Cost Method (Level Percent of Compensation) is the method used to determine required contributions under the Plan. The use of this method involves the systematic funding of the Normal Cost (described above) and the Unfunded Accrued (Past Service) Liability. The actuarial accrued liability for active participants is the difference between the present value of future benefits and the present value of future Normal Costs. The actuarial accrued liability for inactive participants is the present value of future benefits.

HISTORY OF PREMIUM TAX REFUNDS

Received During <u>Fiscal Year</u>	<u>Amount</u>	Increase from <u>Previous Year</u>
2003	14,328.55	_____ %
2004	62,129.98	333.6%
2005	96,546.34	55.4%
2006	128,816.42	33.4%
2007	242,231.00	88.0%
2008	380,757.00	57.2%
2009	499,181.00	31.1%
2010	339,246.90	-32.0%
2011	359,373.51	5.9%
2012	377,962.48	5.2%
2013	364,571.49	-3.5%

EXCESS STATE MONIES RESERVE

Regular Distribution

Special Distribution

Actual State <u>Contribution *</u>	Applicable <u>"Frozen" Amount**</u>	Excess State Monies Reserve <u>Contribution</u>	Actual State <u>Contribution *</u>	Applicable <u>"Frozen" Amount**</u>	Excess State Monies Reserve <u>Contribution</u>
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* Prior to the adoption of Ordinance 2005-08, which was adopted February 15, 2005, the Plan was considered "Chapter," and therefore the City was able to use all State Monies to offset their costs. Beginning with the fiscal year ending September 30, 2006, Excess State Monies received over the initial "Frozen" amount of \$112,408, must be used for additional benefits. The \$112,408 represents the annual cost of the initial benefit improvement when going "Local Law".

2006	91,837.01	91,837.01	0.00	36,979.41	20,570.99	16,408.42
2007	187,121.72	91,837.01	95,284.71	55,109.02	20,570.99	34,538.03
2008	221,390.42	91,837.01	129,553.41	159,367.06	20,570.99	138,796.07
2009	212,319.07	123,737.01	88,582.06	286,862.12	20,570.99	266,291.13
2010	227,276.54	123,737.01	103,539.53	111,970.36	20,570.99	91,399.37
2011	243,058.45	123,737.01	119,321.44	116,315.06	20,570.99	95,744.07
2012	244,954.57	123,737.01	121,217.56	133,007.91	20,570.99	112,436.92
2013	236,585.58	123,737.01	112,848.57	127,985.91	20,570.99	107,414.92
		Total:	770,347.28		Total:	863,028.93

Accumulated Regular Excess	770,347.28
Accumulated Special Excess	<u>863,028.93</u>

Total Accumulated Excesses	1,633,376.21
Excess Reserve Utilized for Ordinance 2009-04	(146,231.00)
Excess Reserve Utilized for Ordinance 2011-18	(219,068.00)

Equals current Excess State Monies Reserve	1,268,077.21
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**Frozen per traditional interpretation of Chapter 99-1 of the Florida Statutes.

BALANCE SHEET
September 30, 2013

ASSETS

MARKET VALUE

Cash and Cash Equivalents:

State Board of Administration

14,202.46

Cash/Checking/Savings

43,518.75

Total Cash and Equivalents

57,721.21

Investments:

Mutual Funds:

Fixed Income

1,286,391.40

Equity

1,985,949.61

Total Investments

3,272,341.01

TOTAL ASSETS

3,330,062.22

LIABILITIES AND NET ASSETS

Total Liabilities

0.00

Net Assets

3,330,062.22

TOTAL LIABILITIES AND NET ASSETS

3,330,062.22

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
September 30, 2013
Market Value Basis

REVENUES

Contributions:		
State	364,571.49	
Total Contributions		364,571.49
Total Earnings and Investment Gains		331,573.32

EXPENDITURES

Expenses:		
Investment Related ¹	7,020.83	
Administrative	25,630.43	
Total Expenses		32,651.26
Distributions to Members:		
Benefit Payments	103,287.54	
Total Distributions		103,287.54
Change in Net Assets for the Year		560,206.01
Net Assets Beginning of the Year		2,769,856.21
Net Assets End of the Year		3,330,062.22

¹Investment Related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION

September 30, 2013

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return*
09/30/2010	7.32%
09/30/2011	1.11%
09/30/2012	15.71%
09/30/2013	11.24%

Annualized Rate of Return for prior four (4) years: 8.71%

(A) 10/01/2012 Actuarial Assets: \$2,623,239.46

(I) Net Investment Income:

1. Earnings and Investment Gains	331,573.32	
2. Change in Actuarial Value	(85,805.66)	
3. Investment Related Expenses	(7,020.83)	
Total		238,746.83

(B) 10/01/2013 Actuarial Assets: \$3,097,639.81

Actuarial Asset Rate of Return = $2I/(A+B-I)$: 8.71%

10/01/2013 Limited Actuarial Assets: \$3,097,639.81

*Market Value Basis, net of investment related expenses.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

September 30, 2013
Actuarial Asset Basis

REVENUES

Contributions:		
State	364,571.49	
Total Contributions		364,571.49
Earnings and Investment Gains	331,573.32	
Change in Actuarial Value	(85,805.66)	
Total Earnings and Investment Gains		245,767.66

EXPENDITURES

Expenses:		
Investment Related ¹	7,020.83	
Administrative	25,630.43	
Total Expenses		32,651.26
Distributions to Members:		
Benefit Payments	103,287.54	
Total Distributions		103,287.54
Change in Net Assets for the Year		474,400.35
Net Assets Beginning of the Year		2,623,239.46
Net Assets End of the Year ²		3,097,639.81

¹Investment Related expenses include investment advisory, custodial and performance monitoring fees.

²Net Assets may be limited for actuarial consideration.

STATISTICAL DATA

	<u>10/1/2010</u>	<u>10/1/2011</u>	<u>10/1/2012</u>	<u>10/1/2013</u>
<u>Active Members</u>				
Average Current Age	42.2	43.3	41.2	37.6
Average Past Service	2.2	2.7	2.6	1.7
Number	44	40	42	45

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19	0	0	0	0	0	0	0	0	0	0	0	0
20 - 24	7	2	2	1	0	0	0	0	0	0	0	12
25 - 29	3	0	0	1	0	1	0	0	0	0	0	5
30 - 34	4	0	0	1	2	0	0	0	0	0	0	7
35 - 39	2	0	0	0	1	1	0	0	0	0	0	4
40 - 44	1	0	0	1	0	1	0	0	0	0	0	3
45 - 49	1	0	0	0	1	0	0	0	0	0	0	2
50 - 54	4	0	0	0	0	0	0	0	0	0	0	4
55 - 59	0	1	0	2	0	1	0	0	0	0	0	4
60 - 64	0	0	0	2	0	1	0	0	0	0	0	3
65+	0	1	0	0	0	0	0	0	0	0	0	1
Total	22	4	2	8	4	5	0	0	0	0	0	45

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2012	42
b. Terminations	
i. Vested (partial or full) with deferred benefits	1
ii. Non-vested or full lump sum distribution received	3
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	3
f. Voluntary withdrawal	0
g. Continuing participants	35
h. New entrants	10
i. Total active life participants in valuation	45

2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving <u>Benefits</u>	Receiving Death <u>Benefits</u>	Receiving Disability <u>Benefits</u>	Vested <u>Deferred</u>	<u>Total</u>
a. Number prior valuation	17	0	0	0	17
b. In	3	0	0	1	4
c. Out	0	0	0	0	0
d. Number current valuation	20	0	0	1	21

SUMMARY OF PLAN PROVISIONS
(Through Ordinance No. 2011-18)

<u>Credited Service</u>	Total years and fractional parts of years of service with the City as Firefighter. Credited Service is based on "Length of Service Award Pension Program – Qualification Criteria."
<u>Salary</u>	Basic compensation plus all tax deferred, tax sheltered, or tax exempt items of income.
<u>Average Final Compensation</u>	Average of Salary paid during the 5 highest years during the 10 years preceding termination.
<u>Normal Retirement</u>	
Date	Earlier of age 62 with the completion of 5 years of Credited Service, age 55 with the completion of 10 years of Credited Service, or age 52 with the completion of 25 years of Credited Service.
Benefit Amount	\$65.00 <u>times</u> Credited Service.
Form of Benefit	10 Year Certain and Life thereafter (options available).
<u>Early Retirement</u>	
Date	Age 50 & 10 years of Credited Service.
Benefit Amount	Accrued benefit, reduced 3% per year, from age 55 or age 62.
<u>Disability</u>	
Eligibility	
Service Incurred	Covered from Date of Employment.
Non-Service Incurred	10 years of Credited Service.
Exclusions	Disability resulting from use of drugs, illegal participation in riots, service in military, etc.
Benefit	Benefit accrued to date of disability but not less than 42% of Average Final Compensation (Service Incurred), or 25% of Average Final Compensation (Non-Service Incurred).

Duration	Payable for life (with 120 payments guaranteed) or until recovery (as determined by the Board).
<u>Death</u>	
Not Vested	Refund of Member contributions.
Vested	Accrued benefit paid to Beneficiary for ten years, beginning at the Member's Normal Retirement Date (unreduced) or Early Retirement Date (reduced).
Post-Retirement	According to option selected, if any.
<u>Vesting (Termination)</u>	
Less than 5 years of Credited Service	Refund of Member Contributions, if any.
5 years or more	Accrued benefit payable at the Member's election, on his otherwise Early or Normal Retirement Date or Refund of Member Contributions, if any.
<u>Contributions</u>	
Employee	5.0% of Salary
Premium Tax	1.85% tax on premiums for fire insurance policies.
City	Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over 30 years.
<u>Board of Trustees</u>	<ul style="list-style-type: none"> a. Two appointees of City Council; b. Two Firefighters elected by the members of the department; and c. Fifth member elected by the other four and appointed by Council (as a ministerial duty).

DISCLOSURE INFORMATION PER STATEMENT NO. 27 OF THE
GOVERNMENTAL ACCOUNTING STANDARDS BOARD

ANNUAL PENSION COSTS AND RELATED INFORMATION

Contribution rates as of 9/30/2013

City and State	120,718
Plan Members	N/A - unpaid volunteers

Annual pension cost (City and State)	120,718
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Contributions made (City and State)	144,308
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Actuarial valuation date	10/1/2011
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Actuarial cost method	Entry Age Normal
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Amortization method	Level Dollar
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Remaining amortization period	30 years
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Asset valuation method	4 Year Smooth
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Actuarial assumptions:

Investment rate of return	8.0%	(as of 10/1/2011)
Post Retirement COLA	0.0%	

THREE YEAR TREND INFORMATION

<u>Year</u> <u>Ending</u>	<u>Annual</u> <u>Pension</u> <u>Cost</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
9/30/2013	120,718	100%	0
9/30/2012	133,967	100%	0
9/30/2011	89,877	100%	0

DISCLOSURE INFORMATION PER STATEMENT NO. 25 OF THE
GOVERNMENTAL ACCOUNTING STANDARDS BOARD

The schedule provided below has been prepared in accordance with the requirements
of paragraph 37 of Statement No. 25 of the Governmental Accounting Standards Board.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
10/1/2013	3,097,640	2,565,972	(531,668)	120.72%	0	N/A
10/1/2012	2,623,239	2,171,326	(451,913)	120.81%	0	N/A
10/1/2011	2,196,474	1,841,699	(354,775)	119.26%	0	N/A
10/1/2010	1,859,732	1,665,793	(193,939)	111.64%	0	N/A
10/1/2009	1,503,874	1,352,993	(150,882)	111.15%	0	N/A

The schedule provided below has been prepared in accordance with the requirements
of paragraph 38 of Statement No. 25 of the Governmental Accounting Standards Board.

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER AND OTHER CONTRIBUTING ENTITIES

Year Ended September 30	Annual Required Contribution	City Contribution	State Contribution	Percentage Contributed
2013	120,718	0	144,308 *	119.54%
2012	133,967	0	144,308 *	107.72%
2011	89,877	0	144,308 *	160.56%
2010	98,481	0	144,308 *	146.53%
2009	108,698	0	144,308 *	132.76%

*"Frozen" per traditional interpretation of Chapter 99-1 of the Florida Statutes.