

CITY OF HOLLYWOOD GENERAL EMPLOYEES' RETIREMENT SYSTEM
ACTUARIAL VALUATION REPORT AS OF OCTOBER 1, 2013

ANNUAL EMPLOYER CONTRIBUTION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2015



October 30, 2014

Board of Trustees
City of Hollywood General
Employees' Retirement System
Hollywood, Florida

Dear Board Members:

The results of the October 1, 2013 Annual Actuarial Valuation of the City of Hollywood General Employees' Retirement System 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, 2015, and to determine the actuarial information for Governmental Accounting Standards Board (GASB) Statement No. 25 and 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 September 30, 2013. 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 future measurements.

The valuation was based upon information furnished by the Plan Administrator concerning Retirement System 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 Plan Administrator.

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.

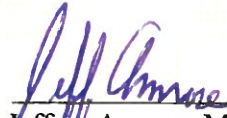
This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement System as of the valuation date. All calculations 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

By



Jeffrey Amrose, MAAA
Enrolled Actuary No. 14-6599

By



Trisha Amrose, MAAA
Enrolled Actuary No. 14-8010

TABLE OF CONTENTS

<u>Section</u>	<u>Title</u>	<u>Page</u>
A	Discussion of Valuation Results	1
B	Valuation Results	
	1. Participant Data	7
	2. Annual Required Contribution (ARC)	8
	3. Allocation of Required Employer Contribution by Employee Group	9
	4. Actuarial Value of Benefits and Assets	10
	5. Calculation of Employer Normal Cost	11
	6. Liquidation of the Unfunded Actuarial Accrued Liability	12
	7. Actuarial Gains and Losses	13
	8. Recent History of Valuation Results	19
	9. Recent History of Required and Actual Contributions	20
	10. Actuarial Assumptions and Cost Method	22
	11. Glossary of Terms	29
C	Pension Fund Information	
	1. Summary of Assets	32
	2. Pension Fund Income and Disbursements	33
	3. Actuarial Value of Assets	34
	4. Reconciliation of DROP Accounts	35
	5. Investment Rate of Return	36
D	Financial Accounting Information	
	1. FASB No. 35	37
	2. GASB No. 25	38
	3. GASB No. 27	40
E	Miscellaneous Information	
	1. Reconciliation of Membership Data	42
	2. Active Participant Scatter	43
	3. Inactive Participant Scatter	44
F	Summary of Plan Provisions	45

SECTION A
DISCUSSION OF VALUATION RESULTS

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

The following is a comparison of required contributions developed in this year's and last year's actuarial valuations.

	For FYE 9/30/2015 Based on 10/1/2013 Valuation	For FYE 9/30/2014 Based on 10/1/2012 Valuation	Increase (Decrease)
Required Employer Contribution	\$ 24,349,336	\$ 20,341,256	\$ 4,008,080
As % of Covered Payroll	84.00 %	67.51 %	16.49 %

Payment of Required Contribution

The required employer contribution listed above is for the fiscal year ending September 30, 2015. The contribution has been adjusted for interest on the basis that contributions are made in equal payments at the end of each biweekly payroll period. If the full contribution for the fiscal year ending September 30, 2015 is paid on October 1, 2014, the required employer contribution is \$23,413,046, or 80.77% of covered payroll.

The actual employer contribution for the fiscal year ending September 30, 2013 was \$17,913,508. The required employer contribution was \$17,913,508 based on an expedited payment schedule.

Revisions in Benefits

Under Ordinance Number 2014-02, adopted March 5, 2014, the following changes in Plan provisions were implemented:

- The plan changes that were applied to general fund members on October 1, 2011 were applied to non-general fund members on March 5, 2014 as follows:
 - Change the definition of pensionable earnings to include base pay and longevity pay only
 - Change the period for determining the average final compensation to five years
 - Change the benefit multiplier for future service from 3% to 2.5% per year
 - For members with less than ten years of service, change the normal retirement date for future accruals to the earliest of age 65 with 7 years of service, age 62 with 25 years of service, or age 60 with 30 years of service

- Eliminate the COLA on future accruals
 - Reflect a seven year vesting requirement
 - Reflect the accrued deferred vested benefit starting at age 55 and future deferred vested benefit starting at age 65
 - Eliminate the DROP for future retirees
 - A hard freeze for the benefit accrued as of March 5, 2014 (i.e. no future pay increases are applied to the accrued benefit)
 - Members eligible for normal retirement would be grandfathered
- The benefit multiplier for general fund employees is increased from 2% to 2.5% for service accrued after September 30, 2011
 - A Planned Retirement Program is established for members who were hired before July 15, 2009. The Planned Retirement Program offers the following features:
 - A member may backdrop for up to five years but not prior to the date when normal retirement eligibility was attained
 - The retirement benefit is calculated based on service and average final compensation at the retroactive Planned Retirement Program date
 - The Planned Retirement Program deposits is credited with interest according to the following schedule:
 - If the Plan's return is negative, the member shares in the losses
 - If the Plan's funded ratio is below 80%, the member receives the first 4%, the Plan receives the next 2%, and the member receives any additional earnings above 6%
 - If the Plan's funded ratio is between 80% and 90%, the member receives the first 4%, the Plan receives the next 1%, and the member receives any additional earnings above 5%
 - If the Plan's funded ratio is above 90%, the member receives the full Plan return
 - Members is immediately eligible to enter the Planned Retirement Program if they are normal retirement eligible as of March 5, 2014
 - The member contribution rate is lowered from 9% to 8% effective with the first full pay period after March 5, 2014
 - A Partial Lump Sum Option (PLOS) is added. Members who are eligible for normal retirement may elect to receive up to 25% of the present value of the benefit as a lump sum with the remainder as a monthly benefit. The lump sum amount is calculated using the Plan's definition of actuarial equivalence.
 - A service buy-back provision is added allowing any city employee who is a contributing member on January 15, 2014 to purchase credited service under the Plan for each period of city employment in a permanent full-time position that was not eligible for membership in a defined benefit retirement plan of the city. The member needs to pay a contribution of 8% of the compensation received during the period of prior employment plus a buy-back fee of 4% of the total contribution amount.

Revisions in Actuarial Assumptions or Methods

The following changes in actuarial assumptions were implemented in connection with the adoption of Ordinance Number 2014-02:

- In order to estimate the impact of the change in definition of pensionable earnings, earnings for non-general fund employees that were provided for the valuation under the current definition were reduced by 5.6%
- The retirement rates for non-general fund members were changed to match those for the general fund members
- The first year retirement rate was increased to 85% (or the current rate if greater than 85%) for all members who met the normal retirement requirement as of March 5, 2014 to account for the expected initial participation in the Planned Retirement program
- The following changes were made to the ongoing retirement rates (see the Actuarial Assumptions and Cost Method section) for members who have more than ten years of service:
 - The rates were decreased by 50% in the early years after satisfying the normal retirement criteria to account for members delaying retirement due to the establishment of a backdrop
 - The rates were increased by 50% in the late years after satisfying the normal retirement criteria to account for members entering the backdrop
- Eligible members are assumed to first elect the Planned Retirement Program once they are five years past their earliest normal retirement date
- Employees who enter the Planned Retirement Program are assumed to elect the following benefit with the greatest value:
 - Value of the normal retirement benefit
 - Value of the one to five year Planned Retirement Program benefit. For example, a five year backdrop is calculated as the accumulated value of the accrued benefit from five years ago plus the present value of this reduced benefit.
- The deposits to the backdrop accounts are credited with an assumed interest rate of 6% per year

The following change in actuarial assumptions was implemented in connection with pre-funding the Supplemental Pension Distribution based on the results of our stochastic analysis (described later in this Section):

- The liability for current and future eligible retirees is increased by 6.2%

Actuarial Experience

There was a net actuarial loss of \$934,513 for the year which means that actual experience was less favorable than anticipated. The loss is due to recognized investment return below the assumed rate of 8.0% and more retirements than expected. The investment return was 14.0% based on market value of assets and 7.2% based on actuarial value of assets. The loss was partially offset by gains due to lower than expected salary increases. The net loss has increased the required employer contribution by 0.27% of covered payroll.

Supplemental Pension Distribution

A Supplemental Pension Distribution of \$4,299,167 was reflected based on a return in excess of 12.5% for the fiscal year ending September 30, 2012. This Supplemental Pension Distribution is being paid off over five years and is reflected in the October 1, 2013 valuation, in both the before changes and after changes results. The Supplemental Pension Distribution for the fiscal year ending September 30, 2012 has increased the required employer contribution by \$1,073,182, or 3.60% of covered payroll.

Starting with the October 1, 2013 Actuarial Valuation, the funding for the Supplemental Pension Distribution has been changed from a post-funding basis to a pre-funding basis. A stochastic analysis was prepared to estimate the probability of the investment return exceeding 12.5% (4.5% more than the current investment return assumption) in a given year which triggers the Supplemental Pension Distribution. Based on the current asset allocation for the fund, the analysis showed that there is approximately a 30% probability that the Supplemental Pension Distribution is triggered in a given year. The liability of the Plan is expected to increase by approximately \$24.5 million after reflecting the probability of the Supplemental Pension Distribution being made. Increasing the liability of current and future eligible retirees by 6.2% produces this increase in liability. This 6.2% increase in liability for eligible retirees is reflected in this Valuation.

Since the investment return for the fiscal year ending September 30, 2013 is above 12.5%, a Supplemental Pension Distribution is payable for the fiscal year ending September 30, 2013. Details regarding the Supplemental Pension Distribution payable for the fiscal year ending September 30, 2013 will be provided under separate cover.

Funded Ratio

The funded ratio this year is 52.7% compared to 56.2% last year. The funded ratio was 56.5% before any changes. The funded ratio decreased by 0.7% as a result of the changes in plan provisions and decreased by 3.1% as a result of pre-funding the Supplemental Pension Distribution. The funded ratio is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability.

Analysis of Change in Employer Contributions

The components of change in the required employer contribution as a percent of payroll are as follows:

Contribution Rate Last Year	67.51 %
Changes in Benefits	4.22
Post-Funding of Supplemental Pension Distribution for FYE 2012	3.60
Pre-Funding of Supplemental Pension Distribution	7.72
Actuarial Experience	0.27
Amortization Payment on UAAL	1.16
Normal Cost Rate	(0.55)
Administrative Expenses	<u>0.07</u>
Contribution Rate This Year	84.00

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 \$15,115,366 as of the valuation date (see Section C). This difference will be gradually recognized over the next several years. In turn, the computed employer contribution rate will decrease by approximately 4.6% of covered payroll over the same period in the absence of offsetting losses.

Relationship to Market Value

If market value of assets had been used in the valuation instead of the smoothed value of assets, the City contribution rate would have been 79.39% and the funded ratio would have been 56.3%. In the absence of other gains and losses, the City contribution rate should decrease to that level over the next several years.

Conclusion

It is important to note that system assets are not sufficient to cover the liabilities for current retirees. As of October 1, 2013, the assets are \$238.5 million and the liability for current retirees is \$319.8 million. Additionally, the funded ratio has dropped from 82.5% in 2000 to the current level of 52.7%. Given the low funded ratio, it is advisable to consider steps to address these issues, such as a shortening of the amortization period. For example the amortization period for new bases could be shortened one year with each valuation, with the goal of reaching a 20 year period. If that approach were being used this year, the new bases would be amortized over 29 years rather than 30 years. The increase in this year's contribution would be approximately \$24,000. Alternatively, if the amortization period were shortened to 26 years for all existing bases, the current year's contribution would increase by about \$190,000.

Strengthening the assumptions would result in higher contributions in the short-term for the City, but can also have a positive effect over time in improving the funding of the plan. We recommend reducing the investment return assumption and updating the mortality table. These changes can be phased over time as well.

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				
	October 1, 2013 <i>After Plan and Assumption Changes¹</i>	October 1, 2013 <i>After Plan Changes</i>	October 1, 2013 <i>Before Changes</i>	October 1, 2012
ACTIVE MEMBERS				
Number	516	516	516	522
Covered Annual Payroll	\$ 28,007,058	\$ 28,007,058	\$ 28,793,584	\$ 29,111,818
Average Annual Payroll	\$ 54,277	\$ 54,277	\$ 55,802	\$ 55,770
Average Age	47.0	47.0	47.0	46.7
Average Past Service	12.0	12.0	12.0	11.8
Average Age at Hire	35.0	35.0	35.0	34.9
ACTIVE TRANSFERS				
Number	20	20	20	22
Covered Annual Payroll	\$ 1,555,498	\$ 1,555,498	\$ 1,555,498	\$ 1,712,187
Average Annual Payroll	\$ 77,775	\$ 77,775	\$ 77,775	\$ 77,827
Average Age	42.1	42.1	42.1	41.3
Average Past Service	2.7	2.7	2.7	3.2
RETIREES, BENEFICIARIES & DROP				
Number	944	944	944	934
Annual Benefits ²	\$ 24,568,735	\$ 24,568,735	\$ 24,568,735	\$ 23,896,167
Average Annual Benefit	\$ 26,026	\$ 26,026	\$ 26,026	\$ 25,585
Average Age	66.4	66.4	66.4	65.8
DISABILITY RETIREES				
Number	50	50	50	51
Annual Benefits ²	\$ 1,258,262	\$ 1,258,262	\$ 1,258,262	\$ 1,267,032
Average Annual Benefit	\$ 25,165	\$ 25,165	\$ 25,165	\$ 24,844
Average Age	62.8	62.8	62.8	62.0
TERMINATED VESTED MEMBERS				
Number	97	97	97	89
Annual Benefits	\$ 1,580,298	\$ 1,580,298	\$ 1,580,298	\$ 1,434,552
Average Annual Benefit	\$ 16,292	\$ 16,292	\$ 16,292	\$ 16,119
Average Age	48.2	48.2	48.2	48.1

¹ 6.2% load on liability for eligible retirees due to pre-funding the Supplemental Pension Distribution

² Does not include any Supplemental Pension Distribution

ANNUAL REQUIRED CONTRIBUTION (ARC)				
A. Valuation Date	October 1, 2013 <i>After Plan and Assumption Changes¹</i>	October 1, 2013 <i>After Plan Changes</i>	October 1, 2013 <i>Before Changes</i>	October 1, 2012
B. ARC to Be Paid During Fiscal Year Ending	9/30/2015	9/30/2015	9/30/2015	9/30/2014
C. Assumed Date of Employer Contribution	Biweekly	Biweekly	Biweekly	Biweekly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 20,297,887	\$ 18,369,113	\$ 17,917,553	\$ 16,706,395
E. Employer Normal Cost	2,324,011	2,173,252	2,033,062	2,191,076
F. ARC if Paid on the Valuation Date: D+E	22,621,898	20,542,365	19,950,615	18,897,471
G. ARC Adjusted for Frequency of Payments	23,526,774	21,364,060	20,748,640	19,653,370
H. ARC as % of Covered Payroll	84.00 %	76.28 %	72.06 %	67.51 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	3.50 %	3.50 %	3.50 %	3.50 %
J. Covered Payroll for Contribution Year	28,987,305	28,987,305	29,801,359	30,130,731
K. ARC for Contribution Year: H x J	24,349,336	22,111,516	21,474,859	20,341,256
L. ARC as % of Covered Payroll in Contribution Year: K ÷ J	84.00 %	76.28 %	72.06 %	67.51 %

¹ 6.2% load on liability for eligible retirees due to pre-funding the Supplemental Pension Distribution

ALLOCATION OF REQUIRED EMPLOYER CONTRIBUTION BY EMPLOYEE GROUP						
Group	Employer Normal Cost (Before Expenses)	% of Total Employer Normal Cost	Active Actuarial Accrued Liability	% of Active Actuarial Accrued Liability	Allocated Required Employer Contribution for FYE 9/30/2015*	
					Percentage	Dollar Amount
Non-General Fund Members	454,098	22.01%	19,920,156	21.97%	21.98%	\$ 5,350,849
Normal Retirement Eligible Non-General Fund Members	357,306	17.32%	6,907,373	7.62%	8.62%	2,097,743
General Fund Members	969,115	46.97%	58,725,440	64.77%	62.93%	15,325,517
Normal Retirement Eligible General Fund Members	282,574	13.70%	5,115,063	5.64%	6.47%	1,575,227
Total	2,063,093	100.00%	90,668,032	100.00%	100.00%	24,349,336

* The Employer Normal Cost is allocated based on each group's percentage of the Employer Normal Cost for benefits and the annual payment to amortize the UAL is allocated based on each group's percentage of the Actuarial Accrued Liability for active members.

ACTUARIAL VALUE OF BENEFITS AND ASSETS

A. Valuation Date	October 1, 2013 <i>After Plan and Assumption Changes</i> ¹	October 1, 2013 <i>After Plan Changes</i>	October 1, 2013 <i>Before Changes</i>	October 1, 2012
B. Actuarial Present Value of All Projected Benefits for				
1. Active Members				
a. Service Retirement Benefits	\$ 102,998,533	\$ 98,167,418	\$ 95,248,493	\$ 95,265,254
b. Vesting Benefits	6,382,108	6,099,290	6,271,893	7,804,752
c. Disability Benefits	11,106,741	10,685,225	11,332,754	11,466,381
d. Preretirement Death Benefits	3,227,872	3,105,971	3,647,026	3,692,364
e. Return of Member Contributions	261,223	261,223	278,929	161,581
f. Total	<u>123,976,477</u>	<u>118,319,127</u>	<u>116,779,095</u>	<u>118,390,332</u>
2. Inactive Members				
a. Service Retirees & Beneficiaries	304,271,696	287,105,123	287,105,123	281,387,215
b. Disability Retirees	15,500,372	14,614,088	14,614,088	14,898,952
c. Terminated Vested Members	<u>13,564,085</u>	<u>12,778,524</u>	<u>12,778,524</u>	<u>11,309,393</u>
d. Total	<u>333,336,153</u>	<u>314,497,735</u>	<u>314,497,735</u>	<u>307,595,560</u>
3. Total for All Members	457,312,630	432,816,862	431,276,830	425,985,892
C. Actuarial Accrued (Past Service) Liability per GASB No. 25	424,004,184	400,553,364	395,063,115	387,472,215
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	425,511,205	402,052,727	387,725,245	381,537,883
E. Plan Assets				
1. Market Value	238,516,584	238,516,584	238,516,584	217,525,372
2. Actuarial Value	223,401,218	223,401,218	223,401,218	217,907,548
F. Unfunded Accrued Liability: C - E2	200,602,966	177,152,146	171,661,897	169,564,667
G. Actuarial Present Value of Projected Covered Payroll	241,285,541	241,285,541	252,472,596	260,175,831
H. Actuarial Present Value of Projected Member Contributions	19,302,843	19,302,843	22,722,533	23,415,825
I. Accumulated Contributions of Active Members	21,816,090	21,816,090	21,816,090	20,862,974

¹ 6.2% load on liability for eligible retirees due to pre-funding the Supplemental Pension Distribution

CALCULATION OF EMPLOYER NORMAL COST

A. Valuation Date	October 1, 2013 <i>After Plan and Assumption Changes</i> ¹	October 1, 2013 <i>After Plan Changes</i>	October 1, 2013 <i>Before Changes</i>	October 1, 2012
B. Normal Cost for				
1. Service Retirement Benefits	\$ 2,896,767	\$ 2,800,162	\$ 2,881,002	\$ 2,874,379
2. Vesting Benefits	549,201	522,314	573,488	773,664
3. Disability Benefits	589,150	570,737	606,769	611,892
4. Preretirement Death Benefits	145,878	141,407	168,072	170,312
5. Return of Member Contributions	<u>122,661</u>	<u>118,278</u>	<u>134,235</u>	<u>135,422</u>
6. Total for Future Benefits	4,303,657	4,152,898	4,363,566	4,565,669
7. Assumed Amount for Administrative Expenses	<u>260,919</u>	<u>260,919</u>	<u>260,919</u>	<u>245,471</u>
8. Total Normal Cost	4,564,576	4,413,817	4,624,485	4,811,140
C. Expected Member Contribution	2,240,565	2,240,565	2,591,423	2,620,064
D. Employer Normal Cost: B8-C	2,324,011	2,173,252	2,033,062	2,191,076
E. Employer Normal Cost as % of Covered Payroll	8.30 %	7.76 %	7.06 %	7.53 %

¹ 6.2% load on liability for eligible retirees due to pre-funding the Supplemental Pension Distribution

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

A. UAAL Amortization Period and Payments					
Original UAAL			Current UAAL		
Date Established	Source	Amount	Years Remaining	Amount	Payment
10/1/08	Combined Base	\$ 120,402,171	15	\$ 117,760,268	\$ 12,738,776
10/1/08	Assumption Change	6,133,233	25	6,890,519	597,681
10/1/09	Experience Loss	21,720,025	26	22,604,705	1,936,200
10/1/10	Experience Loss	5,090,043	27	5,192,895	439,704
10/1/10	Assumption Change	(11,684,981)	27	(11,921,094)	(1,009,409)
10/1/10	Plan Change	(17,448,058)	27	(17,800,622)	(1,507,253)
10/1/11	Experience Loss	26,493,199	28	26,850,457	2,249,693
10/1/12	Experience Loss	16,888,651	29	16,851,089	1,398,305
10/1/13	Experience Loss	934,513	30	934,513	76,861
10/1/13	Supplemental Pension Distribution	4,299,167	5	4,299,167	996,995
10/1/13	Plan Change	5,490,249	30	5,490,249	451,560
10/1/13	Assumption Change	23,450,820	30	23,450,820	1,928,774
		<u>\$ 201,769,032</u>		<u>\$ 200,602,966</u>	<u>\$ 20,297,887</u>

B. Amortization Schedule

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

Amortization Schedule	
Year	Expected UAAL
2013	\$ 200,602,966
2014	194,729,458
2015	188,386,097
2016	181,535,267
2017	174,136,370
2018	166,145,562
2023	121,833,256
2028	56,723,942
2033	41,768,980
2038	19,795,233
2043	0

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:

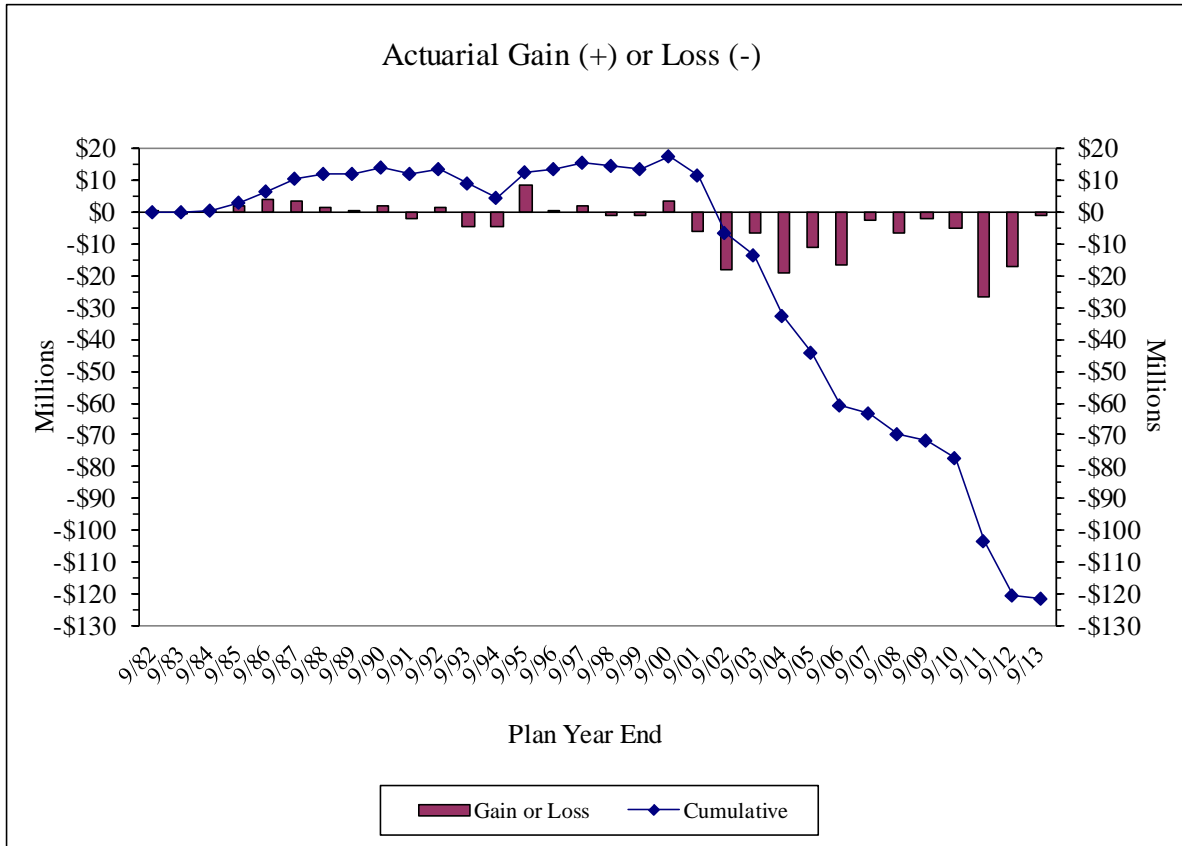
1. Last Year's UAAL (After Changes in Benefits, Assumptions, or Methods)	\$ 169,564,667
2. Last Year's Employer Normal Cost	2,191,076
3. Last Year's Employer Contributions	17,913,508
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	13,740,459
b. 3 from dates paid	1,154,477
c. a - b	12,585,982
5. This Year's Expected UAAL (Before any Changes in Assumptions or Benefits): 1 + 2 - 3 + 4c	166,428,217
6. Change in UAAL Due to FYE 2012 Supplemental Pension Distribution	4,299,167
7. Change in UAAL Due to Change in Assumptions/Methods ¹	23,450,820
8. Change in UAAL Due to Change in Benefits	5,490,249
9. This Year's Expected UAAL (After Changes in Assumptions and Benefits): 5 + 6 + 7 + 8	199,668,453
10. This Year's Actual UAAL (After Changes in Assumptions and Benefits)	200,602,966
11. Net Actuarial Gain (Loss): 9 - 10	(934,513)
12. Gain (Loss) Due to Investments	(1,898,813)
13. Gain (Loss) From Other Sources	964,300

¹ 6.2% load on liability for eligible retirees due to pre-funding the Supplemental Pension Distribution

Net actuarial gains in previous years have been as follows:

Year Ended	Net Gain (Loss)	
	Prior*	Supplemental
9/30/1982	\$ 357,574	\$ (293,400)
9/30/1983	(53,055)	(47,952)
9/30/1984	655,952	13,007
9/30/1985	1,910,328	214,974
9/30/1986	3,522,953	387,117
9/30/1987	3,085,353	541,011
9/30/1988	1,673,391	(20,803)
9/30/1989	631,806	(395,640)
9/30/1990	2,021,350	(117,331)
9/30/1991	(2,112,517)	N/A
9/30/1992	1,394,549	N/A
9/30/1993	(4,345,862)	N/A
9/30/1994	(4,780,402)	N/A
9/30/1995	8,381,537	N/A
9/30/1996	694,600	N/A
9/30/1997	2,097,065	N/A
9/30/1998	(859,539)	N/A
9/30/1999	(828,976)	N/A
9/30/2000	3,710,238	N/A
9/30/2001	(6,021,041)	N/A
9/30/2002	(18,219,741)	N/A
9/30/2003	(6,740,689)	N/A
9/30/2004	(19,270,365)	N/A
9/30/2005	(11,135,131)	N/A
9/30/2006	(16,622,969)	N/A
9/30/2007	(2,621,034)	N/A
9/30/2008	(6,640,889)	N/A
9/30/2009	(2,172,025)	N/A
9/30/2010	(5,090,043)	N/A
9/30/2011	(26,493,199)	N/A
9/30/2012	(16,888,651)	N/A
9/30/2013	(934,513)	N/A

* After 1990, these are the figures for the entire System.



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 several years:

Year Ending	Investment Return		Salary Increases			
	Actual	Assumed	Prior Members		Other Members ¹	
			Actual	Assumed	Actual	Assumed
9/30/1977	8.9 %	5.0 %	10.0 %	3.0 %	N/A %	N/A %
9/30/1978	9.5	6.5	8.3	5.0	7.1	5.0
9/30/1979	8.8	6.5	8.1	5.0	14.1	5.0
9/30/1980	8.4	6.5	18.5	5.0	24.8	5.0
9/30/1981	0.4	6.5	11.0	5.0	12.1	5.0
9/30/1982	9.2	8.0	4.2	8.0	7.6	8.0
9/30/1983	9.8	8.0	6.5	8.0	9.2	8.0
9/30/1984	10.3	8.0	5.1	8.0	8.4	8.0
9/30/1985	13.7	8.0	5.1	8.0	7.2	8.0
9/30/1986	16.1	8.0	2.8	8.0	4.7	8.0
9/30/1987	14.4	8.0	4.6	8.0	6.0	8.0
9/30/1988	11.2	7.5	8.3	7.0	10.0	8.0
9/30/1989	11.5	7.5	11.8	7.0	12.9	8.0
9/30/1990	10.6	7.5	3.5	7.0	5.8	8.0
9/30/1991	7.9	8.75	2.5	7.0	5.0	8.0
9/30/1992	10.8	8.75	2.9	7.0	5.9	8.0
9/30/1993	7.1	8.75	6.4	7.0	9.9	8.0
9/30/1994	0.9	8.3	N/A ²	5.7	N/A ²	5.7
9/30/1995	14.6	8.3	N/A	N/A	6.5	5.7
9/30/1996	12.3	8.3	N/A	N/A	7.3	5.7
9/30/1997	11.0	8.3	N/A	N/A	7.4	5.7
9/30/1998	10.2	8.3	N/A	N/A	5.0	5.7
9/30/1999	11.0	8.3	N/A	N/A	8.4	5.7
9/30/2000	12.7	8.3	N/A	N/A	5.3	5.7
9/30/2001	8.1	8.3	N/A	N/A	7.0	5.7
9/30/2002	0.5	8.3	N/A	N/A	7.9	5.7
9/30/2003	5.0	8.3	N/A	N/A	6.9	5.0
9/30/2004	4.4	8.3	N/A	N/A	8.2	6.0
9/30/2005	3.0	8.3	N/A	N/A	9.3	6.1
9/30/2006	6.0	8.3	N/A	N/A	7.0	5.7
9/30/2007	9.6	8.3	N/A	N/A	7.3	5.5
9/30/2008	4.3	8.3	N/A	N/A	5.8	5.7
9/30/2009	(1.0)	8.0	N/A	N/A	3.2	6.6
9/30/2010	5.4	8.0	N/A	N/A	1.9	6.2
9/30/2011	0.8	8.0	N/A	N/A	(0.6)	(1.5) ³
9/30/2012	1.9	8.0	N/A	N/A	0.2	1.4 ⁴
9/30/2013	7.2	8.0	N/A	N/A	1.9	5.8
Averages	7.9 %	---	7.0 %	---	7.2 %	---

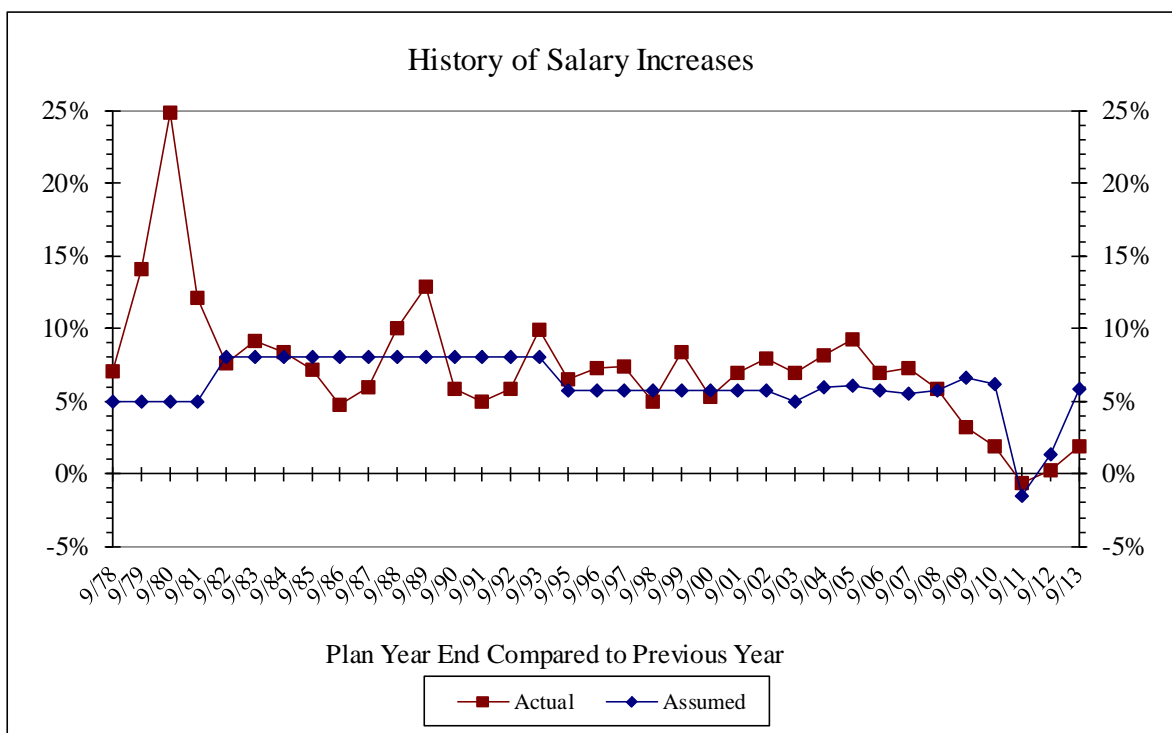
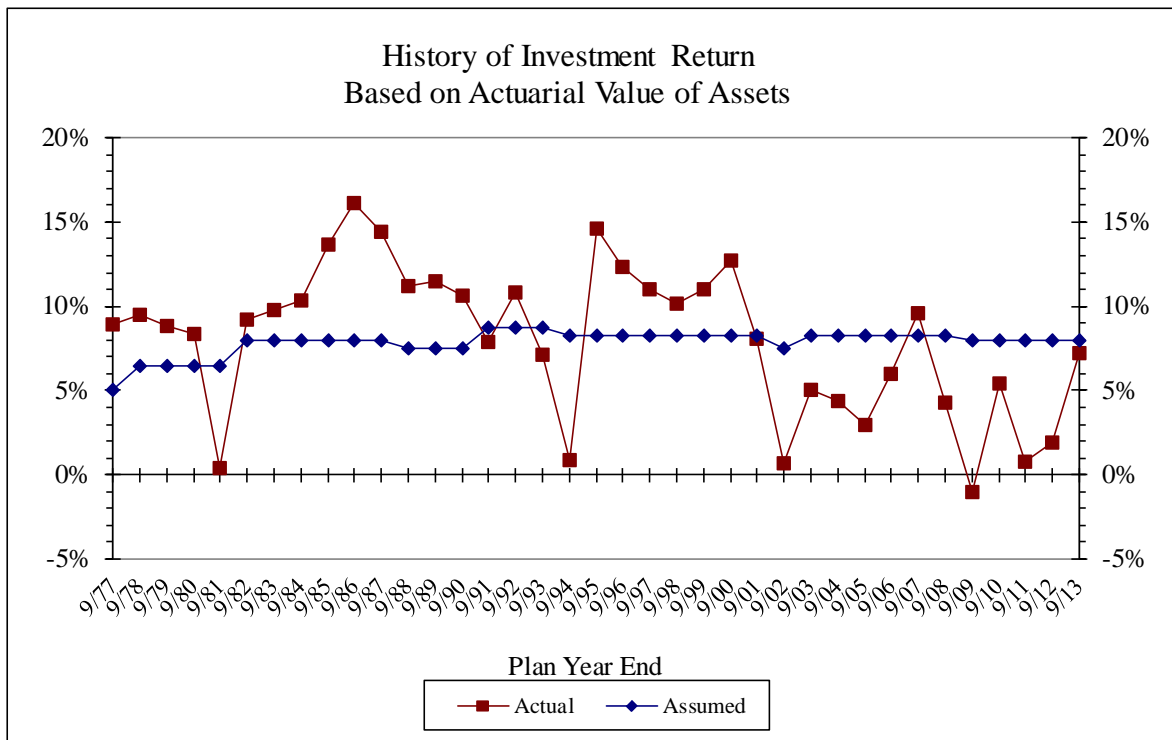
¹ All members after 9/30/1994.

² Because the salary basis reported to the actuaries changed from 10/1/1993 to 10/1/1994, a meaningful salary increase figure was not computed.

³ Reflects a one-time pay reduction for general fund members and no pay increases for non-general fund members.

⁴ Reflects no pay increases for general fund members.

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.



Actual (A) Compared to Expected (E) Decrements Among Active Employees													
Year Ended	Number Added During Year		Service & DROP Retirement		Disability Retirement		Death		Terminations				Active Members End of Year
	A	E	A	E	A	E	A	E	Vested	Other	Totals		
									A	A	A	E	
9/30/2010	7	56	26	14	3	3	1	1	13	13	26	26	668
9/30/2011	12	146	114	16	2	3	1	1	15	14	29	22	534
9/30/2012	35	47	22	8	3	2	0	1	10	12	22	19	522
9/30/2013	41	47	19	7	1	2	0	1	12	15	27	18	516
9/30/2014				50		2		1				17	
4 Yr Totals *	95	296	181	45	9	10	2	4	50	54	104	85	

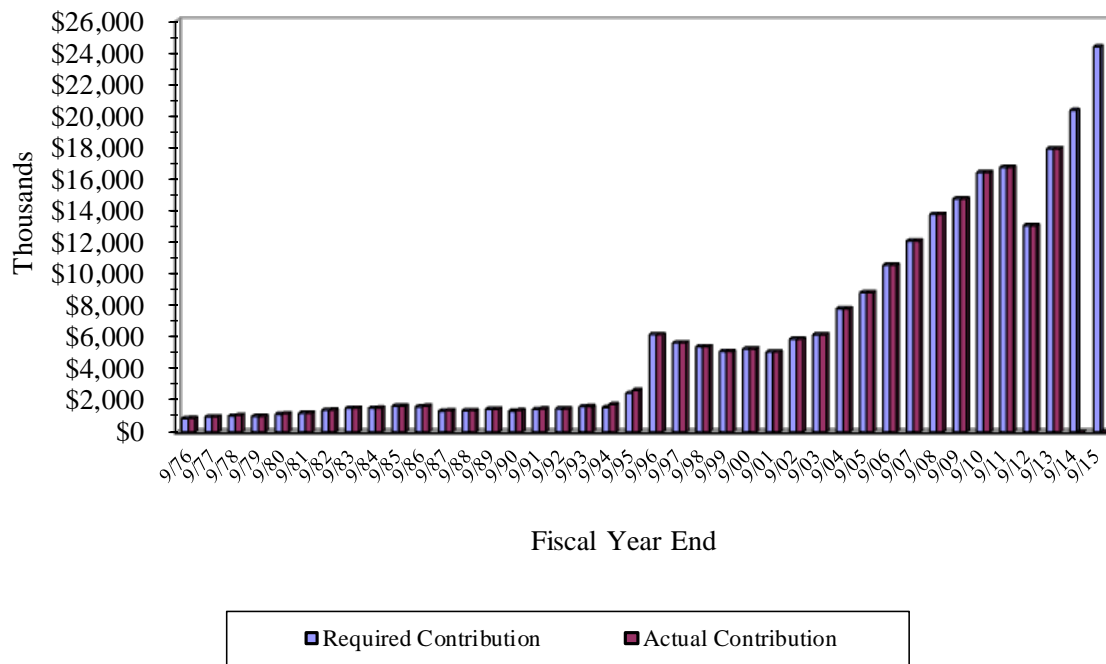
* Totals are through current Plan Year only.

RECENT HISTORY OF VALUATION RESULTS							
Valuation Date	Number of		Covered Annual Payroll	Actuarial Value of Assets	UAAL	Employer Normal Cost (NC)	NC as % of Payroll
	Active Members*	Inactive Members					
7/1/1974	632	92	\$ 6,382,881	\$ 7,588,882	\$ 5,619,934	\$ 524,254	8.21 %
10/1/1975	637	110	7,308,620	9,611,097	6,093,068	607,217	8.31
1/1/1977	669	140	7,769,357	11,954,174	5,948,347	642,915	8.28
10/1/1977	658	146	8,256,711	13,501,055	3,983,280	679,906	8.23
10/1/1978	665	148	8,978,584	15,776,370	3,901,161	809,764	9.02
10/1/1979	630	165	9,177,598	18,013,400	3,885,094	874,450	9.53
10/1/1980	615	190	10,425,550	20,362,969	4,915,027	993,770	9.53
10/1/1981	677	202	12,355,923	21,344,118	6,284,952	758,298	6.14
10/1/1982	655	217	12,514,953	24,425,408	6,150,827	761,276	6.08
10/1/1983	722	238	14,334,458	27,869,459	5,886,395	892,632	6.23
10/1/1984	718	250	14,954,786	31,645,079	5,740,594	849,992	5.68
10/1/1985	696	266	15,148,709	36,916,304	5,397,053	637,631	4.21
10/1/1986	670	283	15,036,890	43,508,594	457,243	1,169,807	7.78
10/1/1987	689	288	15,885,977	50,042,939	985,822	1,216,629	7.66
10/1/1988	706	307	17,288,723	55,831,199	1,075,875	1,094,886	6.33
10/1/1989	716	327	19,341,207	62,341,743	1,117,840	1,184,652	6.13
10/1/1990	763	353	20,849,989	69,504,889	9,057,383	709,977	3.41
10/1/1991	755	411	20,630,207	76,669,632	6,383,777	1,043,805	5.06
10/1/1992	727	439	20,191,327	83,752,649	6,533,208	860,076	4.26
10/1/1993	736	469	22,147,889	88,296,336	9,139,556	1,520,178	6.86
10/1/1994	587	667	18,757,186	88,937,435	37,855,672	2,241,185	11.95
10/1/1995	659	662	21,560,893	100,881,259	40,675,469	1,507,437	6.99
10/1/1996	742	656	24,532,562	112,060,623	38,910,313	1,405,716	5.73
10/1/1997	739	656	25,596,439	121,232,151	37,800,251	1,210,712	4.73
10/1/1998	773	645	27,581,966	130,771,344	36,624,727	1,412,197	5.12
10/1/1999	776	648	28,950,262	141,673,440	42,925,214	1,809,391	6.25
10/1/2000	778	668	30,000,733	156,750,497	49,814,498	1,983,048	6.61
10/1/2002	878	722	36,664,439	164,597,832	49,160,699	3,810,183	10.39
10/1/2003	872	745	38,497,328	175,458,765	57,697,196	4,123,269	10.71
10/1/2004	879	770	40,421,513	180,192,031	77,440,712	4,451,446	11.01
10/1/2005	840	811	41,480,512	185,301,557	90,455,662	4,704,515	11.34
10/1/2006	825	851	41,755,261	195,193,325	108,585,301	4,949,811	11.85
10/1/2007	827	885	45,999,379	212,980,592	112,912,259	5,342,240	11.61
10/1/2008	792	900	45,848,717	222,098,827	126,535,404	6,445,410	14.05
10/1/2009	717	927	44,084,422	220,155,870	149,370,467	5,138,036	11.65
10/1/2010	668	947	38,748,664	223,942,457	127,175,574	2,971,772	7.67
10/1/2011	534	1,053	29,823,518	224,237,503	151,988,066	2,187,628	7.34
10/1/2012	522	1,074	29,111,818	217,907,548	169,564,667	2,191,076	7.53
10/1/2013	516	1,091	28,007,058	223,401,218	200,602,966	2,324,011	8.30

* Excludes transfers.

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS				
Valuation Date	For Fiscal Year Ended September 30	Recommended City Contribution		Actual City Contribution
		Amount	% of Payroll	
7/1/74	1976	\$ 851,773	13.34 %	\$ 888,634
10/1/75	1977	965,276	13.21	971,533
1/1/77	1978	1,016,750	13.09	1,064,922
10/1/77	1979	997,487	12.08	1,001,769
10/1/78	1980	1,128,510	12.57	1,168,866
10/1/79	1981	1,196,247	13.03	1,196,656
10/1/80	1982	1,394,089	13.37	1,399,887
10/1/81	1983	1,512,773	12.24	1,517,958
10/1/82	1984	1,514,312	12.10	1,519,957
10/1/83	1985	1,647,576	11.49	1,654,595
10/1/84	1986	1,597,993	10.69	1,647,286
10/1/85	1987	1,337,676	8.83	1,370,185
10/1/86	1988	1,359,779	9.04	1,363,932
10/1/87	1989	1,447,587	9.11	1,452,570
10/1/88	1990	1,330,617	7.70	1,372,277
10/1/89	1991	1,437,693	7.43	1,484,132
10/1/90	1992	1,473,155	7.07	1,484,743
10/1/91	1993	1,617,462	7.84	1,623,342
10/1/92	1994	1,554,337	7.70	1,758,060
10/1/93	1995	2,458,234	11.10	2,648,667
10/1/94	1996	6,169,517	32.89	6,169,521
10/1/95	1997	5,647,078	26.19	5,647,180
10/1/96	1998	5,399,263	22.01	5,399,263
10/1/97	1999	5,101,822	19.93	5,101,822
10/1/98	2000	5,256,720	19.06	5,256,720
10/1/99	2001	5,071,643	17.52	5,071,643
10/1/00	2002	5,878,301	18.09	5,878,301
10/1/01	2003	6,164,953	18.09	6,164,953
10/1/02	2004	7,805,841	20.57	7,805,841
10/1/03	2005	8,817,640	22.13	8,817,640
10/1/04	2006	10,559,474	25.24	10,559,474
10/1/05	2007	12,087,074	28.15	12,087,074
10/1/06	2008	13,761,179	31.84	13,761,179
10/1/07	2009	14,743,450	30.97	14,743,450
10/1/08	2010	16,406,324	34.58	16,406,324
10/1/09	2011	16,734,454	36.68	16,734,454
10/1/10	2012	13,050,878	36.14	13,050,878
10/1/11	2013	17,913,508	59.43	17,913,508
10/1/12	2014	20,341,256	67.51	---
10/1/13	2015	24,349,336	84.00	---

Recent History of Required and Actual Contributions



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) percent-of-payroll contributions over a reasonable period of future years.

Actuarial Value of Assets - The Actuarial Value of Assets phases in the difference between the actual return on market value and the expected return on Actuarial 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 valuation is 8.0% per year, compounded annually (net after investment expenses).

The **Wage Inflation Rate** assumed in this valuation was 3.5% 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 8.0% investment return rate translates to an assumed real rate of return over wage inflation of 4.5%.

The active member population is assumed to remain constant. For purposes of financing the unfunded liabilities, total payroll is assumed to grow at 3.5% per year. The most recent ten year average is below 0%.

Total payroll is projected to the contribution year by applying a 3.5% payroll increase assumption.

Pay increase assumptions for individual active members are shown below. Part of the assumption for each age is for merit and/or seniority increase, and the other 3.5% recognizes wage inflation, including price inflation, productivity increases, and other macro economic forces.

The rates of salary increase used for general employees are in accordance with the following tables. This assumption is used to project a member's current salary to the salaries upon which benefits will be based. Benefits are increased by 1.2% for all members except those classified as management employees to reflect the inclusion of unused vacation leave in Average Final Compensation. The dollar balance of unused sick leave is added to Average Final Compensation to reflect the inclusion of unused sick leave in Average Final Compensation. The dollar balance is calculated as the lesser of the accumulated sick leave hours as of October 1, 2002 and as of October 1, 2011 for general fund members and March 5, 2014 for non-general fund members multiplied by the hourly rate of pay as of October 1, 2011 for general fund members and March 5, 2014 for non-general fund members. For general fund members who are not normal retirement eligible as of September 30, 2011 and for non-general fund members who are not normal retirement eligible as of March 5, 2014, adjustments are not made for unused vacation leave and unused sick leave for benefits accrued after September 30, 2011 and March 5, 2014, respectively.

If Hired Before July 15, 2009			
Years of Service	% Increase in Salary		
	Merit and Seniority	Base (Economic)	Total Increase
1	5.50 %	3.50 %	9.00 %
2	4.75	3.50	8.25
3	4.75	3.50	8.25
4	4.75	3.50	8.25
5	4.75	3.50	8.25
6	4.75	3.50	8.25
7	4.75	3.50	8.25
8	4.75	3.50	8.25
9	4.75	3.50	8.25
10	4.50	3.50	8.00
11	1.00	3.50	4.50
12	1.00	3.50	4.50
13	1.00	3.50	4.50
14	1.00	3.50	4.50
15	2.50	3.50	6.00
16	1.00	3.50	4.50
17	1.00	3.50	4.50
18	1.00	3.50	4.50
19	1.00	3.50	4.50
20	2.00	3.50	5.50
21 or more	0.50	3.50	4.00

If Hired On or After July 15, 2009			
Years of Service	% Increase in Salary		
	Merit and Seniority	Base (Economic)	Total Increase
1	5.50 %	3.50 %	9.00 %
2	4.75	3.50	8.25
3	4.75	3.50	8.25
4	4.75	3.50	8.25
5	4.75	3.50	8.25
6	4.75	3.50	8.25
7	4.75	3.50	8.25
8	4.75	3.50	8.25
9	4.75	3.50	8.25
10	1.00	3.50	4.50
11	1.00	3.50	4.50
12	1.00	3.50	4.50
13	1.00	3.50	4.50
14	1.00	3.50	4.50
15	2.00	3.50	5.50
16	1.00	3.50	4.50
17	1.00	3.50	4.50
18	1.00	3.50	4.50
19	1.00	3.50	4.50
20	1.00	3.50	4.50
21 or more	0.50	3.50	4.00

In order to estimate the impact of the change in definition of pensionable earnings, earnings for non-general fund employees that were provided for the valuation under the current definition were reduced by 5.6%.

Demographic Assumptions

The mortality table was the RP-2000 Combined Healthy Participant Mortality Tables for males and females with mortality improvements projected with Scale AA to 2016.

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.16 %	0.13 %	32.43	34.47
55	0.27	0.24	27.72	29.73
60	0.52	0.47	23.18	25.17
65	1.02	0.90	18.91	20.88
70	1.74	1.55	15.00	16.94
75	3.02	2.47	11.43	13.36
80	5.48	4.10	8.33	10.16

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. For disabled retirees, the regular mortality tables are set forward 5 years in ages to reflect impaired longevity. No provision has been made for mortality improvements after 2016.

The rates of retirement used to measure the probability of eligible members retiring during the next year were as follows:

**General Fund Members Hired Before October 1, 2001 and
Non-General Fund Members Hired Before March 5, 2004**

Age	Years of Service				
	5-14	15 - 19	20 - 24	25 - 29	30 +
<=49	0.0 %	0.0 %	0.0 %	5.0 %	15.0 %
50 - 51	0.0	0.0	0.0	5.0	15.0
52 - 54	0.0	0.0	0.0	10.0	10.0
55	2.5	5.0	7.5	15.0	15.0
56	2.5	2.5	2.5	15.0	15.0
57 - 61	2.5	2.5	2.5	22.5	60.0
62	10.0	10.0	10.0	100.0	100.0
63 - 64	5.0	5.0	5.0	100.0	100.0
65 - 69	45.0	60.0	75.0	100.0	100.0
70 +	100.0	100.0	100.0	100.0	100.0

**General Fund Members Hired After September 30, 2001 and
Non-General Fund Members Hired After March 5, 2004**

Age	Years of Service				
	7 - 14	15 - 19	20 - 24	25 - 29	30+
60	0.0 %	0.0 %	0.0 %	0.0 %	30.0 %
61	0.0	0.0	0.0	0.0	30.0
62	0.0	0.0	0.0	100.0	100.0
63	0.0	0.0	0.0	100.0	100.0
64	0.0	0.0	0.0	100.0	100.0
65	15.0	20.0	25.0	100.0	100.0
66	22.5	22.5	22.5	100.0	100.0
67	30.0	30.0	30.0	100.0	100.0
68	37.5	37.5	37.5	100.0	100.0
69	45.0	45.0	45.0	100.0	100.0
70	100.0	100.0	100.0	100.0	100.0

The first year retirement rate was increased to 85% (or the current rate if greater than 85%) for all members who met the normal retirement requirement as of March 5, 2014 to account for the expected initial participation in the Planned Retirement Program.

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.

Sample Ages	% Separating Within Next Year
20	12.4 %
25	11.7
30	10.5
35	8.3
40	5.7
45	3.5
50	1.5
55	0.6
60	0.5

Rates of disability among active members (25% of disabilities are assumed to be service-connected).

Sample Ages	% Becoming Disabled Within Next Year
20	0.07 %
25	0.09
30	0.11
35	0.14
40	0.19
45	0.30
50	0.51
55	0.96

Miscellaneous and Technical Assumptions

<i>Administrative & Investment Expenses</i>	The investment return assumption is intended to be the return net of investment expenses. Annual administrative expenses are assumed to be equal to the prior year's expenses. Assumed administrative expenses are added to the Normal Cost.
<i>Benefit Service</i>	Exact fractional service is used to determine the amount of benefit payable.
<i>COLA</i>	The COLA delay is 3 years for projected benefits of active members who are not eligible to enter the DROP. The COLA delay is assumed to be 6 years for current DROP members who entered the DROP after August 17, 2009.
<i>Decrement Operation</i>	Disability and mortality decrements operate during retirement eligibility.
<i>Decrement Timing</i>	Decrement of all types are assumed to occur at the beginning of the year.
<i>Eligibility Testing</i>	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.
<i>Forfeitures</i>	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.
<i>Incidence of Contributions</i>	Employer contributions are assumed to be made in equal installments biweekly throughout the 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.
<i>Liability Load</i>	Projected benefits are loaded by 1.2% to recognize the effect of unused vacation leave on Average Final Compensation for all members except those classified as management employees. For general fund members who are not normal retirement eligible as of September 30, 2011 and for non-general fund members who are not normal retirement eligible as of March 5, 2014, the load is not applied to benefits accrued after September 30, 2011 and March 5, 2014, respectively.
<i>Marriage Assumption</i>	100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.

<i>Maximum Benefit</i>	The maximum accrued benefit payable as a life annuity reflects the 415(b) limit (\$205,000 for 2013 for ages 62 through 65). The limitation is projected to increase by 4.0% per year and is adjusted for other commencement ages based on IRS regulations.
<i>Normal Form of Benefit</i>	A life annuity is the normal form of benefit.
<i>Pay Increase Timing</i>	Beginning of fiscal year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.
<i>Planned Retirement Program</i>	<p>Eligible members are assumed to first elect the Planned Retirement Program once they are five years past their earliest normal retirement date.</p> <p>Employees who enter the Planned Retirement Program are assumed to elect the following benefit with the greatest value:</p> <ul style="list-style-type: none"> ▪ Value of the normal retirement benefit ▪ Value of the one to five year Planned Retirement Program benefit. <p>For example, a five year Planned Retirement Program present value is calculated as the accumulated value of the accrued benefit from five years ago plus the present value of this reduced benefit.</p> <p>The deposits to the Planned Retirement Program accounts are credited with an assumed interest rate of 6% per year.</p>
<i>Service Credit Accruals</i>	It is assumed that members accrue one year of service credit per year.
<i>Pre-Funding of Supplemental Pension Distribution</i>	Projected benefits for members eligible for the Supplemental Pension Distribution currently and in the future are loaded by 6.2% to recognize the effect of the Supplemental Pension Distribution in years when the investment return is above 12.5%.

GLOSSARY

<i>Actuarial Accrued Liability (AAL)</i>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
<i>Actuarial Assumptions</i>	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.
<i>Actuarial Cost Method</i>	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.
<i>Actuarial Equivalent</i>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<i>Actuarial Present Value (APV)</i>	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.
<i>Actuarial Present Value of Future Benefits (APVFB)</i>	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.
<i>Actuarial Valuation</i>	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 items needed for compliance with GASB No. 25, such as the Funded Ratio and the Annual Required Contribution (ARC).
<i>Actuarial Value of Assets</i>	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).

<i>Amortization Method</i>	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.
<i>Amortization Payment</i>	That portion of the plan contribution or ARC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
<i>Amortization Period</i>	The period used in calculating the Amortization Payment.
<i>Annual Required Contribution (ARC)</i>	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under GASB No. 25. The ARC consists of the Employer Normal Cost and Amortization Payment.
<i>Closed Amortization Period</i>	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.
<i>Employer Normal Cost</i>	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
<i>Equivalent Single Amortization Period</i>	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.
<i>Experience Gain/Loss</i>	A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two actuarial valuations. To the extent that actual experience differs from that assumed, Unfunded Actuarial Accrued Liabilities emerge which may be larger or smaller than projected. Gains are due to favorable experience, e.g., the assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.

<i>Funded Ratio</i>	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
<i>GASB</i>	Governmental Accounting Standards Board.
<i>GASB No. 25 and GASB No. 27</i>	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. 25 sets the rules for the systems themselves.
<i>Normal Cost</i>	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
<i>Open Amortization Period</i>	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.
<i>Unfunded Actuarial Accrued Liability</i>	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
<i>Valuation Date</i>	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	September 30	
	2013	2012
A. Cash and Cash Equivalents (Operating Cash)	\$ -	\$ -
B. Receivables		
1. Member Contributions	\$ -	\$ -
2. Employer Contributions	-	-
3. Investment Income and Other Receivables	399,521	522,401
4. Total Receivables	\$ 399,521	\$ 522,401
C. Investments		
1. Short Term Investments	\$ 7,259,280	\$ 11,222,651
2. Domestic Equities	185,734,876	171,431,223
3. International Equities	-	-
4. Domestic Fixed Income	69,713,650	54,567,638
5. International Fixed Income	-	-
6. Real Estate	-	-
7. Private Equity	-	-
8. Total Investments	\$ 262,707,806	\$ 237,221,512
D. Liabilities		
1. Benefits Payable	\$ -	\$ -
2. Prepaid City Contributions	(4,122,307)	(5,356,000)
3. Accrued Expenses and Other Payables	(510,522)	(1,310,532)
4. Total Liabilities	\$ (4,632,829)	\$ (6,666,532)
E. Total Market Value of Assets Available for Benefits	\$ 258,474,498	\$ 231,077,381
F. DROP Accounts	\$ (15,658,747)	\$ (13,552,009)
G. Supplemental Pension Distribution	\$ (4,299,167)	\$ -
H. Market Value Net of Reserves	\$ 238,516,584	\$ 217,525,372
I. Allocation of Investments		
1. Short Term Investments	2.8%	4.7%
2. Domestic Equities	70.7%	72.3%
3. International Equities	0.0%	0.0%
4. Domestic Fixed Income	26.5%	23.0%
5. International Fixed Income	0.0%	0.0%
6. Real Estate	0.0%	0.0%
7. Private Equity	0.0%	0.0%
8. Total Investments	100.0%	100.0%

Reconciliation of Plan Assets

Item	September 30	
	2013	2012
A. Market Value of Assets at Beginning of Year	\$ 231,077,381	\$ 200,979,618
B. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions	\$ 2,640,548	\$ 2,666,583
b. Employer Contributions	17,913,508	13,050,878
c. Purchased Service Credit	-	-
d. Total	<u>\$ 20,554,056</u>	<u>\$ 15,717,461</u>
2. Investment Income		
a. Interest, Dividends, and Other Income	\$ 3,118,929	\$ 4,943,242
b. Net Realized/Unrealized Gains/(Losses)*	29,464,144	35,001,375
c. Investment Expenses	(649,055)	(1,097,006)
d. Net Investment Income	<u>\$ 31,934,018</u>	<u>\$ 38,847,611</u>
3. Benefits and Refunds		
a. Regular Monthly Benefits and DROP Distributions	\$ (24,588,392)	\$ (23,724,848)
b. Refunds	(241,646)	(496,990)
c. Lump Sum Benefits	-	-
d. Total	<u>\$ (24,830,038)</u>	<u>\$ (24,221,838)</u>
4. Administrative and Miscellaneous Expenses	\$ (260,919)	\$ (245,471)
5. Transfers	\$ -	\$ -
C. Market Value of Assets at End of Year	\$ 258,474,498	\$ 231,077,381
D. DROP Accounts	\$ (15,658,747)	\$ (13,552,009)
E. Supplemental Pension Distribution	\$ (4,299,167)	\$ -
F. Market Value Net of Reserves	\$ 238,516,584	\$ 217,525,372

* The breakdown between realized and unrealized gains/(losses) was not provided.

Development of Actuarial Value of Assets

Valuation Date – September 30	2012	2013	2014	2015	2016	2017
A. Actuarial Value of Assets Beginning of Year	\$ 235,750,915	\$ 231,459,557				
B. Market Value End of Year	231,077,381	258,474,498				
C. Market Value Beginning of Year	200,979,618	231,077,381				
D. Non-Investment/Administrative Net Cash Flow	(8,749,848)	(4,536,901)				
E. Investment Income						
E1. Actual Market Total: B-C-D	38,847,611	31,934,018				
E2. Assumed Rate of Return	8.00%	8.00%				
E3. Assumed Amount of Return	18,510,079	18,335,289				
E4. Amount Subject to Phase-In: E1–E3	20,337,532	13,598,729				
F. Phased-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	4,067,506	2,719,746				
F2. First Prior Year	(3,724,343)	4,067,506	\$ 2,719,746			
F3. Second Prior Year	(517,451)	(3,724,343)	4,067,506	\$ 2,719,746		
F4. Third Prior Year	(4,444,271)	(517,451)	(3,724,343)	4,067,506	\$ 2,719,746	
F5. Fourth Prior Year	(9,433,030)	(4,444,271)	(517,451)	(3,724,343)	4,067,506	2,719,746
F6. Total Phase-Ins	(14,051,589)	(1,898,813)	2,545,458	3,062,909	6,787,252	2,719,746
G. Actuarial Value of Assets End of Year						
G1. Preliminary Actuarial Value of Assets End of Year: A+D+E3+F6	\$ 231,459,557	\$ 243,359,132				
G2. Upper Corridor Limit: 120%*B	277,292,857	310,169,398				
G3. Lower Corridor Limit: 80%*B	184,861,905	206,779,598				
G4. Actuarial Value of Assets End of Year	231,459,557	243,359,132				
G5. DROP Accounts	(13,552,009)	(15,658,747)				
G6. Supplemental Pension Distribution	-	(4,299,167)				
G7. Final Actuarial Value of Assets End of Year	217,907,548	223,401,218				
H. Difference between Market & Actuarial Value of Assets	(382,176)	15,115,366				
I. Actuarial Rate of Return	1.93%	7.17%				
J. Market Value Rate of Return	19.76%	13.96%				
K. Ratio of Actuarial Value of Assets to Market Value	100.17%	94.15%				

Reconciliation of DROP Accounts

Year Ended 9/30	Balance at Beginning of Year	Adjustment	Credits	Interest	Distributions	Balance at End of Year
2009	\$6,528,104	\$ -	\$2,274,151	\$419,340	\$ (1,708,212)	\$7,513,383
2010	7,513,383	-	2,973,674	585,319	(1,099,439)	9,972,937
2011	9,972,937	4,989	3,882,345	266,041	(2,612,900)	11,513,412
2012	11,513,412	-	5,203,864	1,494,309	(4,659,576)	13,552,009
2013	13,552,009	-	4,668,559	1,628,934	(4,190,755)	15,658,747

Year Ended	Investment Rate of Return	
	Market Value Basis	Actuarial Value Basis
9/30/1977	8.5 %	8.9 %
9/30/1978	4.2	9.5
9/30/1979	1.3	8.8
9/30/1980	0.7	8.4
9/30/1981	(2.4)	0.4
9/30/1982	34.9	9.2
9/30/1983	16.5	9.8
9/30/1984	8.2	10.3
9/30/1985	22.5	13.7
9/30/1986	16.5	16.1
9/30/1987	3.0	14.4
9/30/1988	11.9	11.2
9/30/1989	11.0	11.5
9/30/1990	6.0	10.6
9/30/1991	16.2	7.9
9/30/1992	12.2	10.8
9/30/1993	7.5	7.1
9/30/1994	(0.3)	0.9
9/30/1995	21.3	14.6
9/30/1996	13.4	12.3
9/30/1997	17.8	11.0
9/30/1998	5.4	10.2
9/30/1999	12.8	11.0
9/30/2000	17.9	12.7
9/30/2001	(8.5)	8.1
9/30/2002	(8.6)	0.5
9/30/2003	17.4	5.0
9/30/2004	8.7	4.4
9/30/2005	9.2	3.0
9/30/2006	7.1	6.0
9/30/2007	11.9	9.6
9/30/2008	(13.6)	4.3
9/30/2009	(2.4)	(1.0)
9/30/2010	8.5	5.4
9/30/2011	0.0	0.8
9/30/2012	19.8	1.9
9/30/2013	14.0	7.2
Average Returns:		
Last 5 Years	7.7 %	2.8 %
Last 10 Years	5.9 %	4.1 %
All Years	8.5 %	7.9 %

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		
A. Valuation Date	October 1, 2013	October 1, 2012
B. Actuarial Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Members Currently Receiving Payments	\$ 319,772,068	\$ 296,286,167
b. Terminated Vested Members	13,564,085	11,309,393
c. Other Members	<u>90,048,691</u>	<u>72,609,557</u>
d. Total	423,384,844	380,205,117
2. Non-Vested Benefits	2,126,361	1,332,766
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	425,511,205	381,537,883
4. Accumulated Contributions of Active Members	21,816,090	20,862,974
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits		
1. Total Value at Beginning of Year	381,537,883	371,994,903
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendment	14,327,482	0
b. Change in Actuarial Assumptions Due to Pre-Funding Supplemental Pension Distribution	23,458,478	0
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	31,495,204	34,309,106
d. Benefits Paid	<u>(25,307,842)</u>	<u>(24,766,126)</u>
e. Net Increase	43,973,322	9,542,980
3. Total Value at End of Period	425,511,205	381,537,883
D. Market Value of Assets	238,516,584	217,525,372
E. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods		

SCHEDULE OF FUNDING PROGRESS (GASB Statement No. 25)						
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 % of Covered Payroll (b - a) / c
10/1/1991	\$ 76,669,632	\$ 79,506,348	\$ 2,836,716	96.4 %	\$ 20,630,207	13.8 %
10/1/1992	83,752,649	85,450,424	1,697,775	98.0	20,191,327	8.4
10/1/1993	88,296,336	95,668,897	7,372,561	92.3	22,147,889	33.3
10/1/1994	88,937,435	129,179,737	40,242,302	68.8	18,757,186	214.5
10/1/1995	100,881,259	135,034,342	34,153,083	74.7	21,560,893	158.4
10/1/1996	112,060,623	141,765,578	29,704,955	79.0	24,532,562	121.1
10/1/1997	121,232,151	146,459,241	25,227,090	82.8	25,596,439	98.6
10/1/1998	129,407,169	154,243,888	24,836,719	83.9	27,581,966	90.0
10/1/1999	141,673,440	172,564,633	30,891,193	82.1	28,950,262	106.7
10/1/2000	156,750,497	189,916,733	33,166,236	82.5	30,000,733	110.6
10/1/2002	164,597,832	213,758,531	49,160,699	77.0	36,664,439	134.1
10/1/2003	175,458,765	233,155,961	57,697,196	75.3	38,497,328	149.9
10/1/2004	180,192,031	257,632,743	77,440,712	69.9	40,421,513	191.6
10/1/2005	185,301,557	275,757,219	90,455,662	67.2	41,480,512	218.1
10/1/2006	195,193,325	303,778,626	108,585,301	64.3	41,755,261	260.1
10/1/2007	212,980,592	325,892,851	112,912,259	65.4	45,999,379	245.5
10/1/2008	222,098,827	348,634,231	126,535,404	63.7	45,848,717	276.0
10/1/2009	220,155,870	369,526,337	149,370,467	59.6	44,084,422	338.8
10/1/2010	223,942,457	351,118,031	127,175,574	63.8	38,748,664	328.2
10/1/2011	224,237,503	376,225,569	151,988,066	59.6	29,823,518	509.6
10/1/2012	217,907,548	387,472,215	169,564,667	56.2	29,111,818	582.5
10/1/2013 (b)	223,401,218	395,063,115	171,661,897	56.5	28,793,584	596.2
10/1/2013 (a)	223,401,218	424,004,184	200,602,966	52.7	28,007,058	716.3

(a) = After changes
(b) = Before changes

SCHEDULE OF EMPLOYER AND STATE CONTRIBUTIONS			
(GASB Statement No. 25)			
Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contributed
9/30/1991	\$ 1,437,693	\$ 1,484,132	103.2 %
9/30/1992	1,473,155	1,484,743	100.8
9/30/1993	1,617,462	1,623,342	100.4
9/30/1994	1,554,337	1,758,060	113.1
9/30/1995	2,458,234	2,648,667	107.7
9/30/1996	6,169,517	6,169,521	100.0
9/30/1997	5,647,078	5,647,180	100.0
9/30/1998	5,399,263	5,399,263	100.0
9/30/1999	5,101,822	5,101,822	100.0
9/30/2000	5,256,720	5,256,720	100.0
9/30/2001	5,071,643	5,071,643	100.0
9/30/2002	5,878,301	5,878,301	100.0
9/30/2003	6,164,953	6,164,953	100.0
9/30/2004	7,805,841	7,805,841	100.0
9/30/2005	8,817,640	8,817,640	100.0
9/30/2006	10,559,474	10,559,474	100.0
9/30/2007	12,087,074	12,087,074	100.0
9/30/2008	13,761,179	13,761,179	100.0
9/30/2009	14,743,450	14,743,450	100.0
9/30/2010	16,406,324	16,406,324	100.0
9/30/2011	16,734,454	16,734,454	100.0
9/30/2012	13,050,878	13,050,878	100.0
9/30/2013	17,913,508	17,913,508	100.0

**ANNUAL PENSION COST AND NET PENSION OBLIGATION
(GASB STATEMENT NO. 27)**

Employer FYE	9/30/2014	9/30/2013	9/30/2012
Annual Required Contribution (ARC)	\$ 20,341,256	\$ 17,913,508	\$13,050,878
Interest on Net Pension Obligation (NPO)	(19,347)	(19,968)	(20,956)
Adjustment to ARC	(27,061)	(27,724)	(33,313)
Annual Pension Cost (APC)	20,348,970	17,921,264	13,063,235
Contributions made	**	17,913,508	13,050,878
Increase (decrease) in NPO	**	7,756	12,357
NPO at beginning of year	(241,843)	(249,599)	(261,956)
NPO at end of year	**	(241,843)	(249,599)

** To be determined.

THREE YEAR TREND INFORMATION

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
9/30/2011	\$ 16,744,468	\$ 16,734,454	99.9 %	\$ (261,956)
9/30/2012	13,063,235	13,050,878	99.9	(249,599)
9/30/2013	17,921,264	17,913,508	100.0	(241,843)

REQUIRED SUPPLEMENTARY INFORMATION
GASB Statement No. 25 and 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	October 1, 2013
Contribution Rates	
Employer (and State)	84.00%
Plan members	8.00%
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent, closed
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Actuarial assumptions	
Investment rate of return	8.0%
Projected salary increases	4.0% to 9.0% based on service
Includes inflation and other general increases at Cost of Living adjustments	3.5% 2.0% per year commencing 3 years after retirement benefits begin. Members hired on or after July 15, 2009 are not eligible for the COLA. Benefits accrued after September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members are not eligible for the COLA.

SECTION E
MISCELLANEOUS INFORMATION

RECONCILIATION OF MEMBERSHIP DATA		
	From 10/1/12 To 10/1/13	From 10/1/11 To 10/1/12
A. Active Members		
1. Number Included in Last Valuation	522	534
2. New Members Included in Current Valuation	41	34
3. Non-Vested Employment Terminations	(15)	(12)
4. Vested Employment Terminations	(12)	(10)
5. Service Retirements	(11)	(14)
6. DROP Retirements	(8)	(8)
7. Disability Retirements	(1)	(3)
8. Deaths	0	0
9. Other - Rehired Members	<u>0</u>	<u>1</u>
10. Number Included in This Valuation	516	522
B. Active Transfers		
1. Number Included in Last Valuation	22	22
2. Additions	0	0
3. Non-Vested Employment Terminations	0	0
4. Vested Employment Terminations	0	0
5. Service Retirements	(2)	0
6. DROP Retirements	0	0
7. Deaths	<u>0</u>	<u>0</u>
8. Number Included in This Valuation	20	22
C. Terminated Vested Members		
1. Number Included in Last Valuation	89	90
2. Additions from Active Members	12	10
3. Lump Sum Payments/Refund of Contributions	(1)	(1)
4. Payments Commenced	(3)	(9)
5. Deaths	0	0
6. Other - Data Corrections/Rehires	<u>0</u>	<u>(1)</u>
7. Number Included in This Valuation	97	89
D. DROP Plan Members		
1. Number Included in Last Valuation	154	172
2. Additions from Active Members	8	8
3. Retirements	(29)	(27)
4. Deaths Resulting in No Further Payments	0	0
5. Other - Data Corrections	<u>1</u>	<u>1</u>
6. Number Included in This Valuation	134	154
E. Service Retirees, Disability Retirees and Beneficiaries		
1. Number Included in Last Valuation	831	791
2. Additions from Active Members and Transfers	14	17
3. Additions from Terminated Vested Members	3	9
4. Additions from DROP Plan Members	29	27
5. Deaths Resulting in No Further Payments	(15)	(13)
6. Deaths Resulting in New Survivor Benefits	0	2
7. End of Certain Period - No Further Payments	(1)	(1)
8. Other - Data Corrections	<u>(1)</u>	<u>(1)</u>
9. Number Included in This Valuation	860	831

ACTIVE PARTICIPANT SCATTER

Age Group	Years of Service to Valuation Date												Totals	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35 & Up		
20-24 NO.	3	0	0	1	0	0	0	0	0	0	0	0	0	4
TOT PAY	89,252	0	0	35,123	0	0	0	0	0	0	0	0	0	124,375
AVG PAY	29,751	0	0	35,123	0	0	0	0	0	0	0	0	0	31,094
25-29 NO.	9	3	2	0	0	5	0	0	0	0	0	0	0	19
TOT PAY	335,839	154,028	75,195	0	0	194,582	0	0	0	0	0	0	0	759,644
AVG PAY	37,315	51,343	37,598	0	0	38,916	0	0	0	0	0	0	0	39,981
30-34 NO.	5	6	0	0	0	12	9	0	0	0	0	0	0	32
TOT PAY	176,027	250,568	0	0	0	539,501	422,027	0	0	0	0	0	0	1,388,123
AVG PAY	35,205	41,761	0	0	0	44,958	46,892	0	0	0	0	0	0	43,379
35-39 NO.	5	4	1	0	0	15	13	3	0	0	0	0	0	41
TOT PAY	169,996	244,677	36,842	0	0	713,575	679,906	192,463	0	0	0	0	0	2,037,459
AVG PAY	33,999	61,169	36,842	0	0	47,572	52,300	64,154	0	0	0	0	0	49,694
40-44 NO.	7	5	3	0	0	16	25	21	4	1	0	0	0	82
TOT PAY	433,730	184,268	112,847	0	0	821,551	1,255,149	1,216,494	268,837	58,302	0	0	0	4,351,178
AVG PAY	61,961	36,854	37,616	0	0	51,347	50,206	57,928	67,209	58,302	0	0	0	53,063
45-49 NO.	6	2	2	1	0	20	25	41	18	2	0	0	0	117
TOT PAY	374,935	102,248	89,411	52,350	0	982,689	1,396,335	2,517,683	991,278	131,617	0	0	0	6,638,546
AVG PAY	62,489	51,124	44,706	52,350	0	49,134	55,853	61,407	55,071	65,809	0	0	0	56,740
50-54 NO.	6	1	1	2	1	22	35	34	23	4	0	0	0	129
TOT PAY	181,613	40,061	36,812	194,605	43,753	1,294,040	1,844,905	2,134,815	1,460,643	228,872	0	0	0	7,460,119
AVG PAY	30,269	40,061	36,812	97,303	43,753	58,820	52,712	62,789	63,506	57,218	0	0	0	57,830
55-59 NO.	3	1	0	0	2	19	17	9	10	1	0	0	0	62
TOT PAY	89,721	33,675	0	0	175,057	897,886	1,011,401	490,307	593,313	58,302	0	0	0	3,349,662
AVG PAY	29,907	33,675	0	0	87,529	47,257	59,494	54,479	59,331	58,302	0	0	0	54,027
60-64 NO.	0	1	0	0	1	5	10	1	0	0	0	0	0	18
TOT PAY	0	125,008	0	0	85,643	256,137	486,889	119,669	0	0	0	0	0	1,073,346
AVG PAY	0	125,008	0	0	85,643	51,227	48,689	119,669	0	0	0	0	0	59,630
65 & Up NO.	0	0	0	0	0	6	4	2	0	0	0	0	0	12
TOT PAY	0	0	0	0	0	357,258	178,564	92,533	0	0	0	0	0	628,355
AVG PAY	0	0	0	0	0	59,543	44,641	46,267	0	0	0	0	0	52,363
TOT NO.	44	23	9	4	4	120	138	111	55	8	0	0	0	516
TOT AMT	1,851,113	1,134,533	351,107	282,078	304,453	6,057,219	7,275,176	6,763,964	3,314,071	477,093	0	0	0	27,810,807
AVG AMT	42,071	49,328	39,012	70,520	76,113	50,477	52,719	60,937	60,256	59,637	0	0	0	53,897

INACTIVE PARTICIPANT SCATTER

Age Group	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	2	10,946
25-29	-	-	-	-	-	-	4	46,427
30-34	4	43,966	-	-	-	-	3	21,575
35-39	8	78,207	-	-	-	-	4	21,033
40-44	17	262,908	1	15,139	3	33,255	5	53,820
45-49	20	270,458	4	110,973	22	903,402	6	66,750
50-54	40	858,554	5	152,584	49	1,875,239	6	72,873
55-59	7	63,090	11	314,930	164	5,613,656	12	151,587
60-64	1	3,115	8	283,582	174	5,011,251	11	164,692
65-69	-	-	11	220,478	145	3,718,276	13	233,873
70-74	-	-	3	37,123	110	2,552,442	14	261,505
75-79	-	-	4	65,301	61	1,488,645	13	296,930
80-84	-	-	1	5,918	44	858,171	14	197,876
85-89	-	-	2	52,234	30	585,571	12	124,019
90-94	-	-	-	-	13	125,936	9	70,307
95-99	-	-	-	-	1	8,678	-	-
100 & Over	-	-	-	-	-	-	-	-
Total	97	1,580,298	50	1,258,262	816	22,774,522	128	1,794,213
Average Age		48		63		66		67

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 Hollywood, Florida, and was most recently restated under Ordinance No. O-2003-07 passed and adopted on June 4, 2003. The Plan was most recently amended by Ordinance No. O-2014-02 passed and adopted on March 5, 2014. 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

October 1, 1958

C. Plan Year

October 1 through September 30

D. Type of Plan

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

E. Eligibility Requirements

All regular full-time employees who are contributing to the pension plan.

F. General Fund Member

Any member paid out of the City's general fund and/or other City funds, with the exception of the water and sewer utility, storm water utility, parking and sanitation funds.

G. Credited Service

Service rendered to the City for which the member has received Compensation and has made contributions to the fund. No service is credited for any periods of employment for which the member received a refund of employee contributions.

H. Compensation

General Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

Gross wages received from the City, including overtime and payments for accumulated annual leave and accumulated sick leave. For members hired prior to October 1, 2002 and employed by the City on that date, Compensation includes payments for accumulated annual leave, but the amount of accumulated sick leave shall not exceed the amount accumulated as of October 1, 2002. For members hired after October 1, 2002, Compensation includes payments for accumulated annual leave, but payment of accumulated sick leave is excluded. For members hired prior to July 15,

2009 who retire or enter the DROP on or after August 17, 2009, Compensation excludes payouts for blood time and compensatory time. In addition, for these members payments for accumulated annual leave are limited to 125 hours for employees covered by a bargaining unit and are limited to 60 hours for employees not covered by a bargaining unit. For members hired on or after July 15, 2009, Compensation includes only base pay and longevity pay.

All Other Members

Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Compensation under the definition above is frozen as of September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Effective October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members, Compensation includes only base pay and longevity pay.

I. Average Final Compensation (AFC)

General Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

Members hired before July 15, 2009: The average of Compensation over the highest 78 consecutive biweekly pay periods of Credited Service prior to termination or retirement. Payments for accumulated sick and annual leave are deemed to be received in the final pay period.

Members hired on or after July 15, 2009: The average of Compensation over the highest 104 consecutive biweekly pay periods of Credited Service prior to termination or retirement.

All Other Members

Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. AFC is frozen as of September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Effective October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members, AFC is the average of Compensation over the highest 130 consecutive biweekly pay periods or the last 260 biweekly pay periods of Credited Service prior to termination or retirement.

J. Normal Retirement

General Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

Eligibility: Members hired before July 15, 2009: A member may retire upon attaining age 55 with 5 years of Credited Service or upon attaining 25 years of Credited Service regardless of age.

Members hired on or after July 15, 2009: A member may retire upon attaining age 60 with 7 years of Credited Service, upon attaining age 57 with 25 years of Credited Service, or upon attaining 30 years of Credited Service regardless of age.

Benefit: Members hired before July 15, 2009: 3.0% of AFC multiplied by years of Credited Service, up to 81% of AFC.

Members hired on or after July 15, 2009: 2.5% of AFC multiplied by years of Credited Service, up to 81% of AFC.

Normal Form
of Benefit: Single Life Annuity; other options are also available.

COLA: 2.0% per year commencing 3 years after retirement benefits begin. Members hired on or after July 15, 2009 are not eligible for the COLA.

All Other Members

Eligibility: Members with ten or more years of service as of September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members: Same as above.

Members with less than ten years of service as of September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members: Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Effective October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members, a member may retire upon attaining age 65 with 7 years of Credited Service, age 62 with 25 years of Credited Service, or age 60 with 30 years of Credited Service.

Benefit: Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Benefits are frozen as of September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Effective October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members, 2.5% of AFC multiplied by years of Credited Service, up to 81% of AFC (reduced by 3% for each year of Credited Service prior to October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members).

Normal Form
of Benefit: Single Life Annuity; other options are also available.

COLA: Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Benefits accrued after September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members are not eligible for the COLA.

K. Early Retirement

None.

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

General Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

Eligibility: Any member who becomes totally and permanently disabled and unable to perform the specific duties of the member's position as a result of an act occurring in the performance of service for the City is immediately eligible for a disability benefit.

Benefit: 75% of salary.

Normal Form of Benefit: Single Life Annuity; or until recovery from disability.

COLA: 2.0% per year commencing 3 years after retirement benefits begin. Members hired on or after July 15, 2009 are not eligible for the COLA.

All Other Members

Eligibility: Any member who becomes totally and permanently disabled and unable to perform the specific duties of the member's position as a result of an act occurring in the performance of service for the City is immediately eligible for a disability benefit.

Benefit: 75% of salary.

Normal Form of Benefit: Single Life Annuity; or until recovery from disability.

COLA: Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Benefits accrued after September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members are not eligible for the COLA.

N. Non-Service Connected Disability

General Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

Eligibility: Any member with 5 years of Credited Service (7 years of Credited Service for members hired on or after July 15, 2009) who becomes totally and permanently disabled and unable to perform the specific duties of the member's position is immediately eligible for a disability benefit.

Benefit: The greater of:
 (1) Accrued Normal Retirement Benefit taking into account Compensation earned and service credited until the date of disability, or
 (2) 20% of AFC.

Normal Form
 of Benefit: Single Life Annuity; or until recovery from disability.

COLA: 2.0% per year commencing 3 years after retirement benefits begin. Members hired on or after July 15, 2009 are not eligible for the COLA.

All Other Members

Eligibility: Any member with 7 years of Credited Service who becomes totally and permanently disabled and unable to perform the specific duties of the member's position is immediately eligible for a disability benefit.

Benefit: The greater of:
 (1) Accrued Normal Retirement Benefit taking into account Compensation earned and service credited until the date of disability, or
 (2) 20% of AFC.

Normal Form
 of Benefit: Single Life Annuity; or until recovery from disability.

COLA: Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Benefits accrued after September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members are not eligible for the COLA.

O. Death in the Line of Duty

General Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

Eligibility: Members are eligible for survivor benefits after the completion of 5 years of Credited Service (7 years of Credited Service for members hired on or after July 15, 2009).

Benefit: The benefit payable to the spouse determined as though the deceased member had retired on the date of death and had chosen a 100% joint and survivor annuity.

Normal Form
 of Benefit: Single Life Annuity.

COLA: 2.0% per year commencing 3 years after retirement benefits begin. Members hired on or after July 15, 2009 are not eligible for the COLA.

The designated beneficiary of a plan member with less than 5 years of Credited Service (7 years of Credited Service for members hired on or after July 15, 2009) will receive a refund of the member's accumulated contributions.

All Other Members

Eligibility: Members are eligible for survivor benefits after the completion of 7 years of Credited Service.

Benefit: The benefit payable to the spouse determined as though the deceased member had retired on the date of death and had chosen a 100% joint and survivor annuity.

Normal Form
of Benefit: Single Life Annuity.

COLA: Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Benefits accrued after September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members are not eligible for the COLA.

The designated beneficiary of a plan member with less than 7 years of Credited Service will receive a refund of the member's accumulated contributions.

P. Other Pre-Retirement Death

General Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

Eligibility: Members are eligible for survivor benefits after the completion of 5 years of Credited Service (7 years of Credited Service for members hired on or after July 15, 2009).

Benefit: The benefit payable to the spouse determined as though the deceased member had retired on the date of death and had chosen a 100% joint and survivor annuity.

Normal Form
of Benefit: Single Life Annuity.

COLA: 2.0% per year commencing 3 years after retirement benefits begin. Members hired on or after July 15, 2009 are not eligible for the COLA.

The designated beneficiary of a plan member with less than 5 years of Credited Service (7 years of Credited Service for members hired on or after July 15, 2009) will receive a refund of the member's accumulated contributions.

All Other Members

Eligibility: Members are eligible for survivor benefits after the completion of 7 years of Credited Service.

Benefit: The benefit payable to the spouse determined as though the deceased member had retired on the date of death and had chosen a 100% joint and survivor annuity.

Normal Form
of Benefit: Single Life Annuity.

COLA: Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Benefits accrued after September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members are not eligible for the COLA.

The designated beneficiary of a plan member with less than 7 years of Credited Service will receive a refund of the member's accumulated contributions.

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 the 5, 10 and 20 Year Certain and Life Annuity options and the 50% and 100% Joint and Survivor options. Members who are eligible for normal retirement may elect to receive a Partial Lump Sum of up to 25% of the present value of the benefit with the remainder as a monthly benefit. The lump sum amount is calculated using the Plan's definition of actuarial equivalence.

S. Vested TerminationGeneral Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 5 years of Credited Service (7 years of Credited Service for members hired on or after July 15, 2009).

Benefit: The benefit is the member's accrued Normal Retirement Benefit as of the date of termination. Benefit begins at age 55 (age 60 for members hired on or after July 15, 2009).

Normal Form
of Benefit: Single Life Annuity; other options are also available.

COLA: 2.0% per year commencing 3 years after retirement benefits begin. Members hired on or after July 15, 2009 are not eligible for the COLA.

Members terminating employment with less than 5 years of Credited Service (7 years of Credited Service for members hired on or after July 15, 2009) will receive a refund of their own accumulated contributions.

All Other Members

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 7 years of Credited Service.

Benefit: The benefit is the member's accrued Normal Retirement Benefit as of the date of termination. Benefit accrued as of September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members begins at age 55 (age 60 for members hired on or after July 15, 2009). Benefit accrued after September 30, 2011 begins at age 65 for General Fund members and March 5, 2014 for Non-General Fund members.

Normal Form of Benefit: Single Life Annuity; other options are also available.

COLA: Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Benefits accrued after September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members are not eligible for the COLA.

Members terminating employment with less than 7 years of Credited Service will receive a refund of their own accumulated contributions.

T. Refunds

Eligibility: All members terminating non-vested are eligible. Optionally, vested members may elect a refund in lieu of the vested benefits otherwise due.

Benefit: A refund of the member's contributions with simple interest at 4% per year through date of separation.

U. Member Contributions

8.0% of Compensation.

V. Employer Contributions

The amount determined by the actuary needed to fund the Plan properly according to State laws.

W. Cost of Living Increases

General Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

2.0% per year commencing 3 years after retirement benefits begin. For Members who enter the DROP on or after August 17, 2009, the COLA begins 1 year after separation of employment, if later. Members hired on or after July 15, 2009 are not eligible for the COLA.

All Other Members

Same as above for benefits accrued before October 1, 2011 for General Fund members and March 5, 2014 for Non-General Fund members. Benefits accrued after September 30, 2011 for General Fund members and March 5, 2014 for Non-General Fund members are not eligible for the COLA.

X. Deferred Retirement Option Plan (DROP)

General Fund Members Eligible for Normal Retirement as of September 30, 2011 and Non-General Fund Members Eligible for Normal Retirement as of March 5, 2014

Eligibility: A member may enter the DROP upon attaining age 55 with 10 years of Credited Service or upon attaining 25 years of Credited Service regardless of age, but before completing 30 years of Credited Service. Members hired on or after July 15, 2009 are not eligible to enter the DROP.

Benefit: The member's Credited Service and AFC are frozen upon entry into the DROP. The monthly retirement benefit as described under Normal Retirement is calculated based upon the frozen Credited Service and AFC.

Maximum

DROP Period: 5 years but no later than completion of 32 years of Credited Service.

Interest

Credited: The member's DROP account is credited with interest at the same rate as the net rate of investment return on plan assets.

Normal Form

of Benefit: Lump Sum or Direct Rollover.

COLA: For Members who enter the DROP on or after August 17, 2009, 2.0% per year commencing 3 years after DROP payments begin or 1 year after separation of employment, if later.

General Fund Members Who Retire After October 1, 2011 and Non-General Fund Members Who Retire After March 5, 2014

These members are no longer eligible to participate in the DROP.

Y. Planned Retirement Program

The Planned Retirement Program is available for members who were hired before July 15, 2009 and offers the following features:

- A member may backdrop for up to five years but not prior to the date when normal retirement eligibility was attained
- The retirement benefit is calculated based on service and average final compensation at the retroactive Planned Retirement Program date
- The Planned Retirement Program deposits are credited with interest according to the following schedule:
 - If the Plan's return is negative, the member shares in the losses
 - If the Plan's funded ratio is below 80%, the member receives the first 4%, the Plan receives the next 2%, and the member receives any additional earnings above 6%
 - If the Plan's funded ratio is between 80% and 90%, the member receives the first 4%, the Plan receives the next 1%, and the member receives any additional earnings above 5%
 - If the Plan's funded ratio is above 90%, the member receives the full Plan return

Z. Supplemental Pension Distribution

The Plan provides that a supplemental pension distribution may be paid to eligible benefit recipients if the market value rate of return exceeds the assumed rate of return plus 4.5% (effective as of October 1, 2007). An eligible recipient is any member employed by the City on October 1, 2002, any member receiving benefits on that date, and any spouse of deceased members receiving benefits on that date. The Supplemental Pension Distribution is not payable while an eligible recipient participates in the DROP. The total Supplemental Pension Distribution is equal to the actuarial present value of future retirement benefits with respect to eligible recipients multiplied by the excess (not to exceed 2%) of the net market rate of return over the assumed rate of return plus 4.5%. The amount allocated to each eligible recipient is determined by multiplying the total Supplemental Pension Distribution by each individual member's years of Credited Service divided by total years of Credited Service for all recipients. Credit Service is limited to 25 years.

AA. Transfers

Members who transfer to another City plan are eligible to receive benefits from this Plan. The employee contributions for transferred members remain in the fund. The benefit is based on the Credited Service accrued under this Plan, the multiplier in effect at the date of transfer, and the Compensation earned through date of termination or DROP participation. Eligibility for benefits is based on all service. Death and disability benefits are not payable from this Plan after the date of transfer. Members hired on or after July 15, 2009 who transfer to another City plan are treated as terminated employees.

AB. Other Ancillary Benefits

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

AC. Changes from Previous Valuation

Changes from the previous valuation are described in Section A.