

RETIREMENT PLAN FOR THE GENERAL EMPLOYEES
OF THE SOUTHERN MANATEE FIRE & RESCUE DISTRICT

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2015

DETERMINES THE CONTRIBUTION
FOR THE 2015/16 FISCAL YEAR



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



December 26, 2015

Introduction

This report presents the results of the October 1, 2015 actuarial valuation for the Retirement Plan for the General Employees of the Southern Manatee Fire & Rescue District. The report is based on the participant data and asset information provided by the pension plan administrator and, except for a cursory review for reasonableness including a comparison to the data provided for the previous valuation, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of October 1, 2015 and to determine the minimum required contribution under Chapter 112, Florida Statutes, for the 2015/16 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the normal cost rate.

Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2015/16 plan year. The minimum required contribution rate is 35.69% of covered payroll, which represents an increase of 6.25% of payroll from the prior valuation.

The normal cost rate is 34.46%, which is 6.03% higher than the normal cost rate that was developed in the prior valuation. Table I-C provides a breakdown of the sources of change in the normal cost rate. Significantly, the rate increased by 5.41% of payroll due to investment losses and increased by another 0.62% of payroll due to demographic



experience. The market value of assets lost 0.20% during the 2014/15 plan year, whereas a 7.00% annual investment return was required to maintain a stable contribution rate. The demographic loss occurred primarily because actual salary increases during the past year were greater than assumed.

Chapter 112, Florida Statutes, sets forth the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the District must contribute an amount equal to the annual normal cost of the plan plus an adjustment as necessary to reflect interest on any delayed payment of the contribution beyond the valuation date. On this basis, the District's 2015/16 minimum required contribution will be equal to 35.69% multiplied by the total pensionable earnings for the 2015/16 fiscal year for the active employees who are covered by the plan.

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$2,885,186. As illustrated in Table I-A, current assets are sufficient to cover \$2,007,307 of this amount, the employer's 2015/16 expected contribution will cover \$153,239 of this amount, and future employee contributions are expected to cover \$80,933 of this amount, leaving \$643,707 to be covered by future employer funding beyond the 2015/16 fiscal year. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

Advance Employer Contribution

The District has made contributions to the plan in excess of the minimum amount that was required to be contributed pursuant to Chapter 112. In this report, the excess contributions are referred to as an "advance employer contribution." As of October 1, 2015, the advance employer contribution is \$12,395 as shown in Table II-F.

The District may apply all or any portion of the advance employer contribution towards the minimum required contribution for the 2015/16 plan year or for any later plan year. The minimum required contribution for that plan year will be reduced dollar-for-dollar by the amount of the advance employer contribution that is applied in this manner.

Alternatively, at any time, the District may apply all or any portion of the advance employer contribution as an *extra* contribution in excess of the minimum required contribution. In this case, the immediate application of the entire balance of the advance employer contribution as of October 1, 2015 would reduce the minimum required contribution for the 2015/16 plan year to 40.28% of payroll.

Contents of the Report

Tables I-D through I-G provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are



used to value the plan's benefits and of the relevant plan provisions as of October 1, 2015, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

Certification

This actuarial valuation was prepared by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate and, in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material change in plan costs or required contribution rates have been taken into account in the valuation.

For the firm,



Charles T. Carr
Consulting Actuary
Southern Actuarial Services Company, Inc.

Enrolled Actuary No. 14-04927

The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



Minimum Required Contribution

Table I-A



For the 2015/16 Plan Year

Present Value of Future Benefits	\$2,814,816
Present Value of Future Administrative Expenses	\$70,370
Actuarial Value of Assets	(\$2,007,307)
Present Value of Future Employee Contributions	(\$80,933)
Present Value of Future Normal Costs	\$796,946
<hr/>	
Present Value of Future Payroll	÷ \$2,312,380
Normal Cost Rate	= 34.4643%
Expected Payroll	x \$429,316
<hr/>	
Normal Cost	\$147,961
Adjustment to Reflect Semi-Monthly Employer Contributions	\$5,278
Preliminary Employer Contribution for the 2015/16 Plan Year	\$153,239
<hr/>	
Expected Payroll for the 2015/16 Plan Year	÷ \$429,316

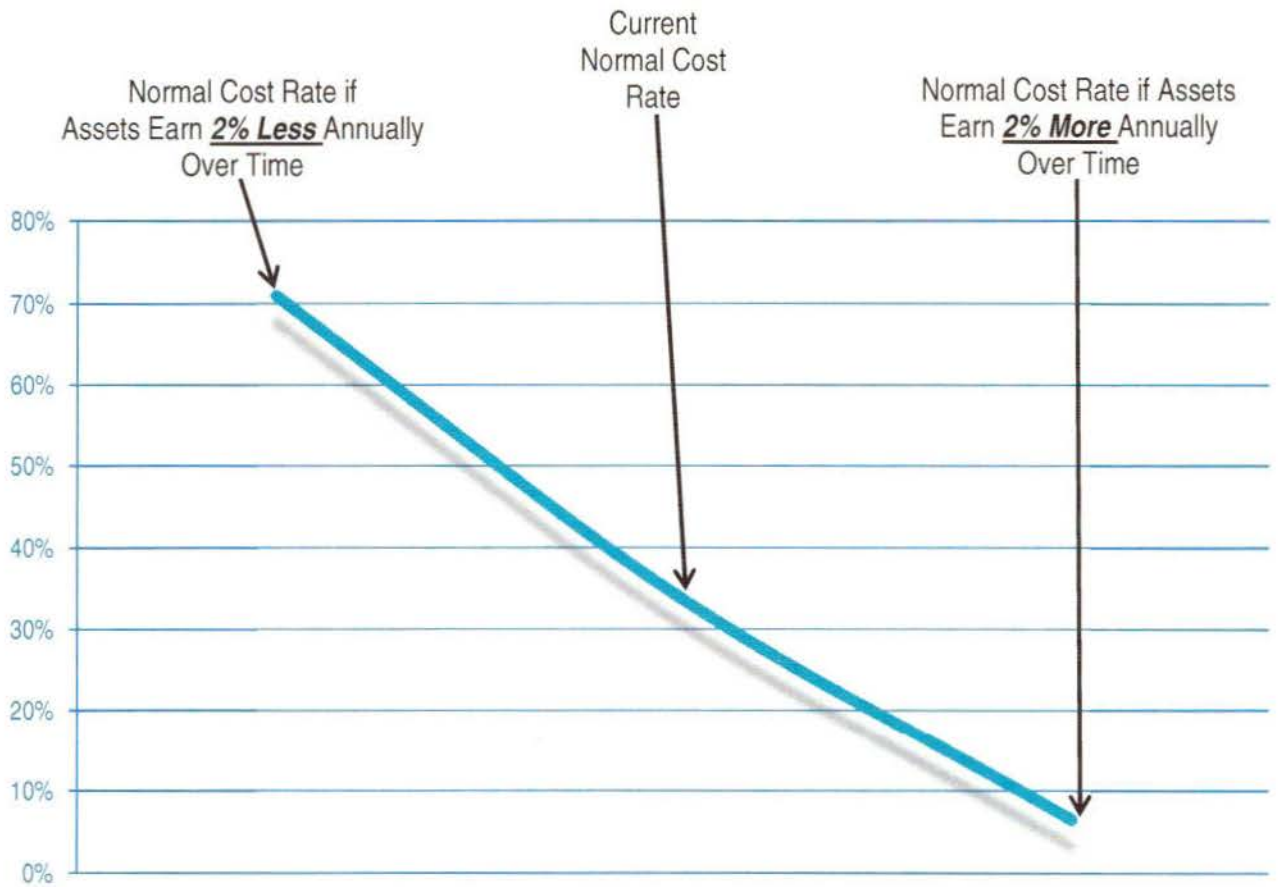
Minimum Required Contribution Rate 35.69%

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



Sensitivity Analysis

Table I-B



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



Gain and Loss Analysis

Table I-C

Previous normal cost rate	28.43%
Increase (decrease) due to investment gains and losses	5.41%
Increase (decrease) due to demographic experience	0.62%
Increase (decrease) due to plan amendments	0.00%
Increase (decrease) due to actuarial assumption changes	0.00%
Increase (decrease) due to actuarial method changes	0.00%
Current normal cost rate	<u>34.46%</u>



Present Value of Future Benefits

Table I-D

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$2,175,581	\$2,175,581	\$2,175,581
Termination benefits	\$19,040	\$19,040	\$19,040
Disability benefits	\$40,651	\$40,651	\$40,651
Death benefits	\$34,240	\$34,240	\$34,240
Refund of employee contributions	\$21,420	\$21,420	\$21,420
Sub-total	\$2,290,932	\$2,290,932	\$2,290,932
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$0	\$0	\$0
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<i><u>Due a Refund of Contributions</u></i>	\$0	\$0	\$0
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$523,884	\$523,884	\$523,884
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROPP participants	\$0	\$0	\$0
Sub-total	\$523,884	\$523,884	\$523,884
<i><u>Grand Total</u></i>	<u>\$2,814,816</u>	<u>\$2,814,816</u>	<u>\$2,814,816</u>
Present Value of Future Payroll	\$2,312,380	\$2,312,380	\$2,312,380
Present Value of Future Employee Contribs.	\$80,933	\$80,933	\$80,933
Present Value of Future Employer Contribs.	\$796,946	\$796,946	\$796,946



Present Value of Accrued Benefits

Table I-E

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$1,281,929	\$1,281,929	\$1,281,929
Termination benefits	\$11,097	\$11,097	\$11,097
Disability benefits	\$27,851	\$27,851	\$27,851
Death benefits	\$21,150	\$21,150	\$21,150
Refund of employee contributions	\$15,196	\$15,196	\$15,196
Sub-total	\$1,357,223	\$1,357,223	\$1,357,223
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$0	\$0	\$0
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<i><u>Due a Refund of Contributions</u></i>	\$0	\$0	\$0
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$523,884	\$523,884	\$523,884
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$523,884	\$523,884	\$523,884
<u>Grand Total</u>	<u>\$1,881,107</u>	<u>\$1,881,107</u>	<u>\$1,881,107</u>



Present Value of Vested Benefits

Table I-F

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$1,255,450	\$1,255,450	\$1,255,450
Termination benefits	\$11,097	\$11,097	\$11,097
Disability benefits	\$27,851	\$27,851	\$27,851
Death benefits	\$18,523	\$18,523	\$18,523
Refund of employee contributions	\$16,006	\$16,006	\$16,006
Sub-total	\$1,328,927	\$1,328,927	\$1,328,927
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$0	\$0	\$0
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<i><u>Due a Refund of Contributions</u></i>	\$0	\$0	\$0
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$523,884	\$523,884	\$523,884
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$523,884	\$523,884	\$523,884
<i><u>Grand Total</u></i>	<u>\$1,852,811</u>	<u>\$1,852,811</u>	<u>\$1,852,811</u>



Entry Age Normal Accrued Liability

Table I-G

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$1,731,382	\$1,731,382	\$1,731,382
Termination benefits	\$14,856	\$14,856	\$14,856
Disability benefits	\$34,190	\$34,190	\$34,190
Death benefits	\$27,439	\$27,439	\$27,439
Refund of employee contributions	\$16,362	\$16,362	\$16,362
Sub-total	\$1,824,229	\$1,824,229	\$1,824,229
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$0	\$0	\$0
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<i><u>Due a Refund of Contributions</u></i>	\$0	\$0	\$0
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$523,884	\$523,884	\$523,884
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$523,884	\$523,884	\$523,884
<u>Grand Total</u>	<u>\$2,348,113</u>	<u>\$2,348,113</u>	<u>\$2,348,113</u>



Actuarial Value of Assets

Table II-A

Market Value of Assets as of October 1, 2015	\$2,019,702
Minus DROP account balances	\$0
Minus advance employer contributions	(\$12,395)
Actuarial Value of Assets as of October 1, 2015	<u>\$2,007,307</u>

<u>Historical Actuarial Value of Assets</u>	
October 1, 2006	\$629,301
October 1, 2007	\$785,284
October 1, 2008	\$749,500
October 1, 2009	\$847,230
October 1, 2010	\$1,015,163
October 1, 2011	\$1,120,735
October 1, 2012	\$1,436,085
October 1, 2013	\$1,690,602
October 1, 2014	\$1,916,144
October 1, 2015	\$2,007,307

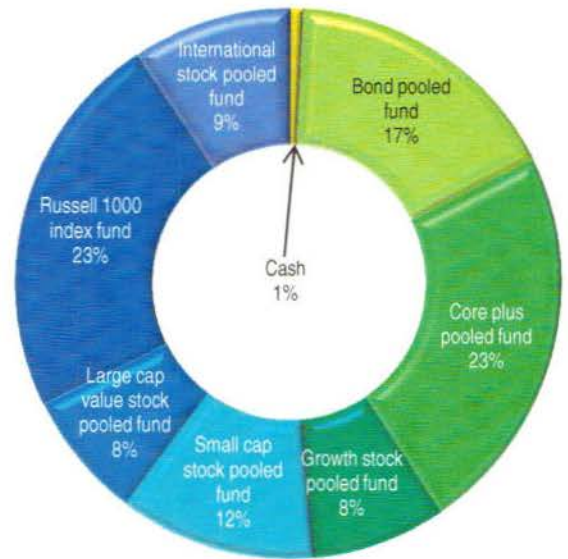


Market Value of Assets

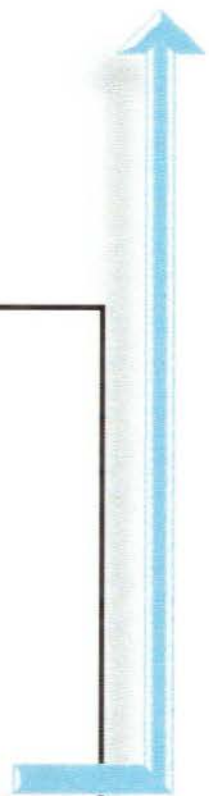
Table II-B

As of October 1, 2015

Market Value of Assets	<u>\$2,019,702</u>
Cash	\$16,158
Bond pooled fund	\$339,310
Core plus pooled fund	\$464,531
Growth stock pooled fund	\$159,556
Small cap stock pooled fund	\$236,305
Large cap value stock pooled fund	\$151,478
Russell 1000 index fund	\$462,512
International stock pooled fund	\$189,852

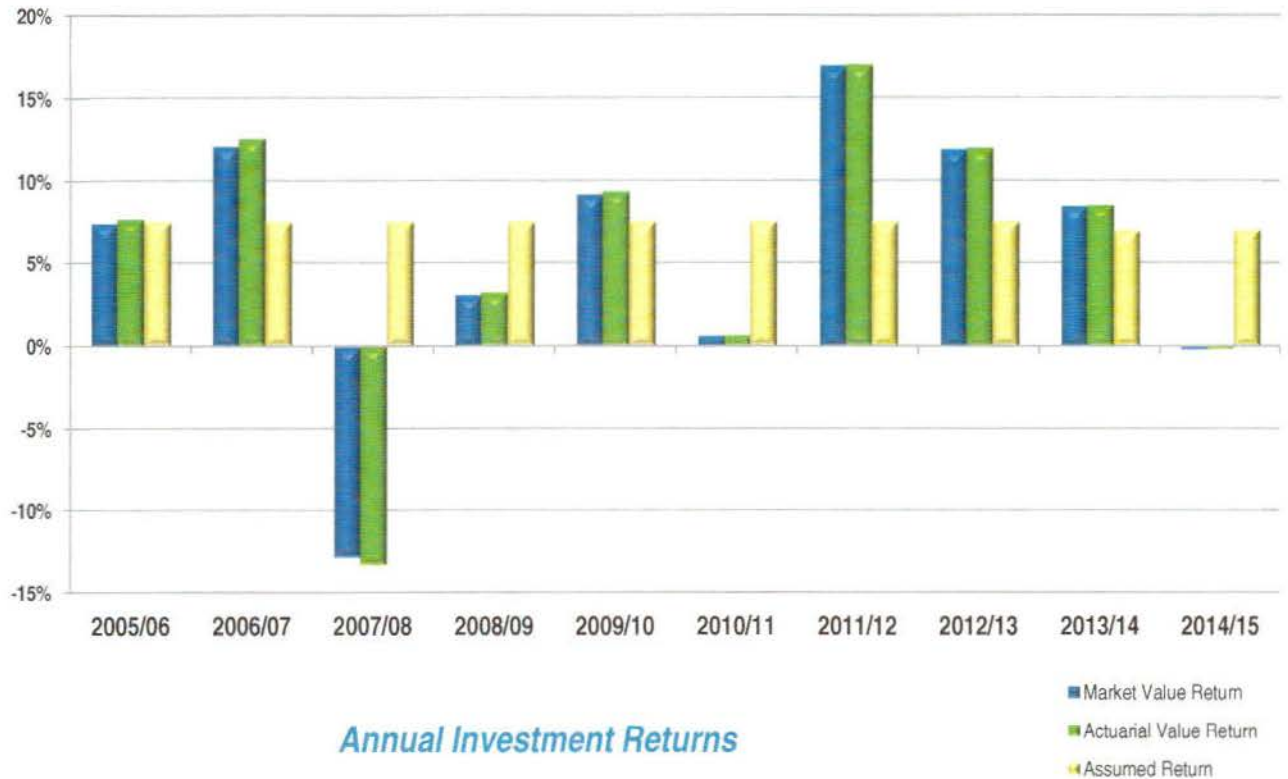


<u>Historical Market Value of Assets</u>	
October 1, 2006	\$653,288
October 1, 2007	\$812,700
October 1, 2008	\$780,077
October 1, 2009	\$880,491
October 1, 2010	\$1,015,691
October 1, 2011	\$1,127,172
October 1, 2012	\$1,436,085
October 1, 2013	\$1,697,452
October 1, 2014	\$1,928,539
October 1, 2015	\$2,019,702



Investment Return

Table II-C



Annual Investment Returns

Plan Year	Market Value Return	Actuarial Value Return	Assumed Return
2005/06	7.44%	7.68%	7.50%
2006/07	12.12%	12.59%	7.50%
2007/08	-12.84%	-13.30%	7.50%
2008/09	3.06%	3.19%	7.50%
2009/10	9.18%	9.35%	7.50%
2010/11	0.62%	0.62%	7.50%
2011/12	16.93%	16.98%	7.50%
2012/13	11.94%	11.97%	7.50%
2013/14	8.48%	8.53%	7.00%
2014/15	-0.20%	-0.20%	7.00%
10yr. Avg.	5.35%	5.41%	7.40%



Asset Reconciliation

Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of October 1, 2014	\$1,928,539	\$1,916,144
<i>Increases Due To:</i>		
Employer Contributions	\$131,597	\$131,597
Employee Contributions	\$15,608	\$15,608
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$147,205</u>	<u>\$147,205</u>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	(\$3,978)	
Total Investment Income	<u>(\$3,978)</u>	(\$3,978)
Other Income	\$0	
Total Income	<u>\$143,227</u>	<u>\$143,227</u>
<i>Decreases Due To:</i>		
Monthly Benefit Payments	(\$43,062)	(\$43,062)
Refund of Employee Contributions	\$0	\$0
DROP Credits		\$0
Total Benefit Payments	<u>(\$43,062)</u>	<u>(\$43,062)</u>
Investment Expenses	\$0	
Administrative Expenses	(\$9,002)	(\$9,002)
Advance Employer Contribution		\$0
Total Expenses	<u>(\$52,064)</u>	<u>(\$52,064)</u>
As of October 1, 2015	<u><u>\$2,019,702</u></u>	<u><u>\$2,007,307</u></u>



Historical Trust Fund Detail

Table II-E

Income

<u>Plan Year</u>	<u>Employer Contribs.</u>	<u>Employee Contribs.</u>	<u>Service Purchase Contribs.</u>	<u>Interest / Dividends</u>	<u>Realized Gains / Losses</u>	<u>Unrealized Gains / Losses</u>	<u>Other Income</u>
2005/06	\$81,421	\$10,109	\$0	\$0	\$0	\$42,997	\$0
2006/07	\$90,174	\$11,196	\$0	\$0	\$0	\$83,748	\$0
2007/08	\$93,568	\$11,617	\$0	\$0	\$0	-\$109,299	\$0
2008/09	\$93,957	\$11,745	\$0	\$0	\$0	\$25,045	\$0
2009/10	\$92,770	\$11,596	\$0	\$0	\$0	\$83,202	\$0
2010/11	\$137,306	\$12,687	\$0	\$0	\$0	\$6,583	\$0
2011/12	\$139,775	\$13,095	\$0	\$0	\$0	\$200,050	\$0
2012/13	\$119,945	\$12,794	\$0	\$0	\$0	\$176,601	\$0
2013/14	\$119,977	\$13,572	\$0	\$0	\$0	\$147,511	\$0
2014/15	\$131,597	\$15,608	\$0	\$0	\$0	-\$3,978	\$0

Expenses

<u>Plan Year</u>	<u>Monthly Benefit Payments</u>	<u>Contrib. Refunds</u>	<u>Admin. Expenses</u>	<u>Invest. Expenses</u>	<u>Other Actuarial Adjustments DROP Credits</u>	<u>Advance Employer Contribs.</u>
2005/06	\$20,099	\$1,620	\$5,502	\$0	\$0	\$11,355
2006/07	\$20,702	\$0	\$5,004	\$0	\$0	\$3,429
2007/08	\$21,323	\$1,548	\$5,638	\$0	\$0	\$3,161
2008/09	\$25,481	\$431	\$4,421	\$0	\$0	\$2,684
2009/10	\$37,134	\$9,382	\$5,852	\$0	\$0	-\$32,733
2010/11	\$39,491	\$0	\$5,604	\$0	\$0	\$5,909
2011/12	\$38,126	\$0	\$5,881	\$0	\$0	-\$6,437
2012/13	\$40,901	\$0	\$7,072	\$0	\$0	\$6,850
2013/14	\$41,965	\$0	\$8,008	\$0	\$0	\$5,545
2014/15	\$43,062	\$0	\$9,002	\$0	\$0	\$0

Note: Information was not available to separate the investment expenses from the investment income nor was information available to separate the investment income by source.



Other Reconciliations

Table II-F

Advance Employer Contribution

Advance Employer Contribution as of October 1, 2014	\$12,395
Additional Employer Contribution	\$131,597
Minimum Required Contribution	(\$131,597)
Net Increase in Advance Employer Contribution	\$0
Advance Employer Contribution as of October 1, 2015	\$12,395

DROP Account Reconciliation

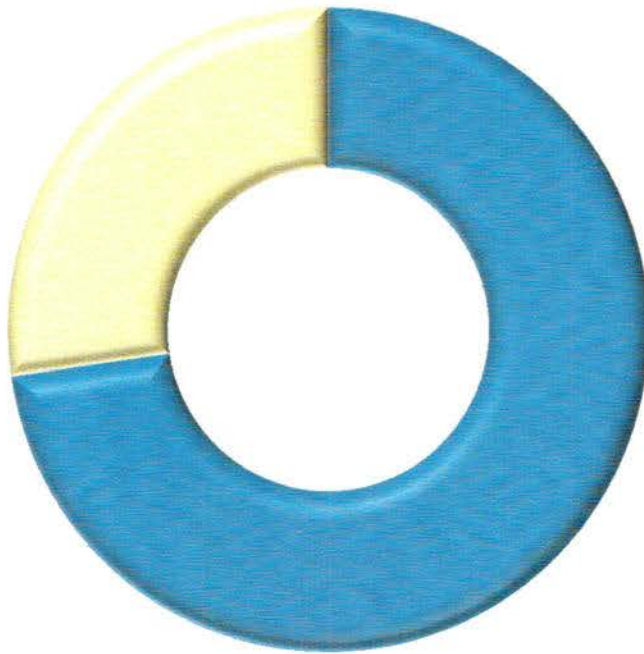
DROP Balance as of October 1, 2014	\$0
DROP Benefit Credits	\$0
DROP Investment Credits	\$0
DROP Benefits Paid Out	\$0
Net DROP Credit	\$0
DROP Balance as of October 1, 2015	\$0



Summary of Participant Data

Table III-A

As of October 1, 2015



Participant Distribution by Status

<u>Actively Employed Participants</u>		
◆	Active Participants	8
◆	DROP Participants	0
<u>Inactive Participants</u>		
◆	Deferred Vested Participants	0
◆	Due a Refund of Contributions	0
◆	Deferred Beneficiaries	0
<u>Participants Receiving a Benefit</u>		
◆	Service Retirements	3
◆	Disability Retirements	0
◆	Beneficiaries Receiving	0

Total Participants 11

Number of Participants Included in Prior Valuations

	<i>Active</i>	<i>DROP</i>	<i>Inactive</i>	<i>Retired</i>	<i>Total</i>
October 1, 2006	7	0	1	1	9
October 1, 2007	7	0	1	1	9
October 1, 2008	N/A	N/A	N/A	N/A	N/A
October 1, 2009	6	0	0	3	9
October 1, 2010	7	0	0	3	10
October 1, 2011	7	0	0	3	10
October 1, 2012	7	0	0	3	10
October 1, 2013	7	0	0	3	10
October 1, 2014	7	0	0	3	10
October 1, 2015	8	0	0	3	11



Data Reconciliation

Table III-B

	<u>Active</u>	<u>DROP</u>	<u>Deferred Vested</u>	<u>Due a Refund</u>	<u>Def. Benef.</u>	<u>Service Retiree</u>	<u>Disabled Retiree</u>	<u>Benef. Rec'v.</u>	<u>Total</u>
<u>October 1, 2014</u>	7	0	0	0	0	3	0	0	10
<u>Change in Status</u>									
Re-employed									
Terminated									
Retired									
<u>Participation Ended</u>									
Transferred Out									
Cashed Out									
Died									
<u>Participation Began</u>									
Newly Hired	1								1
Transferred In									
New Beneficiary									
<u>Other Adjustment</u>									
<u>October 1, 2015</u>	8	0	0	0	0	3	0	0	11

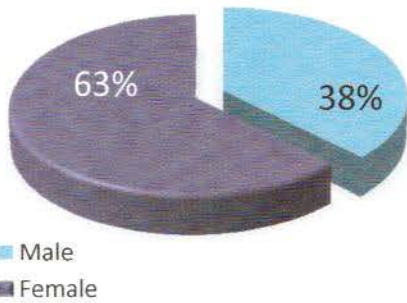


Active Participant Data

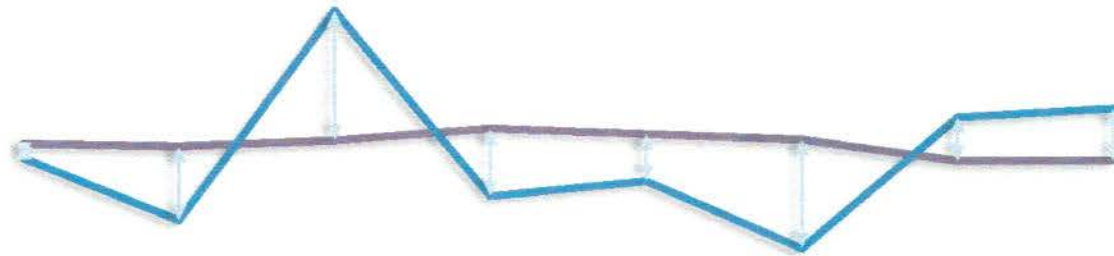
Table III-C

As of October 1, 2015

Gender Mix



Average Age	57.8 years
Average Service	10.1 years
Total Annualized Compensation for the Prior Year	\$445,940
Total Expected Compensation for the Current Year	\$429,316
Average Increase in Compensation for the Prior Year	7.11%
Expected Increase in Compensation for the Current Year	4.00%
Accumulated Contributions for Active Employees	\$141,650



Actual vs. Expected Salary Increases

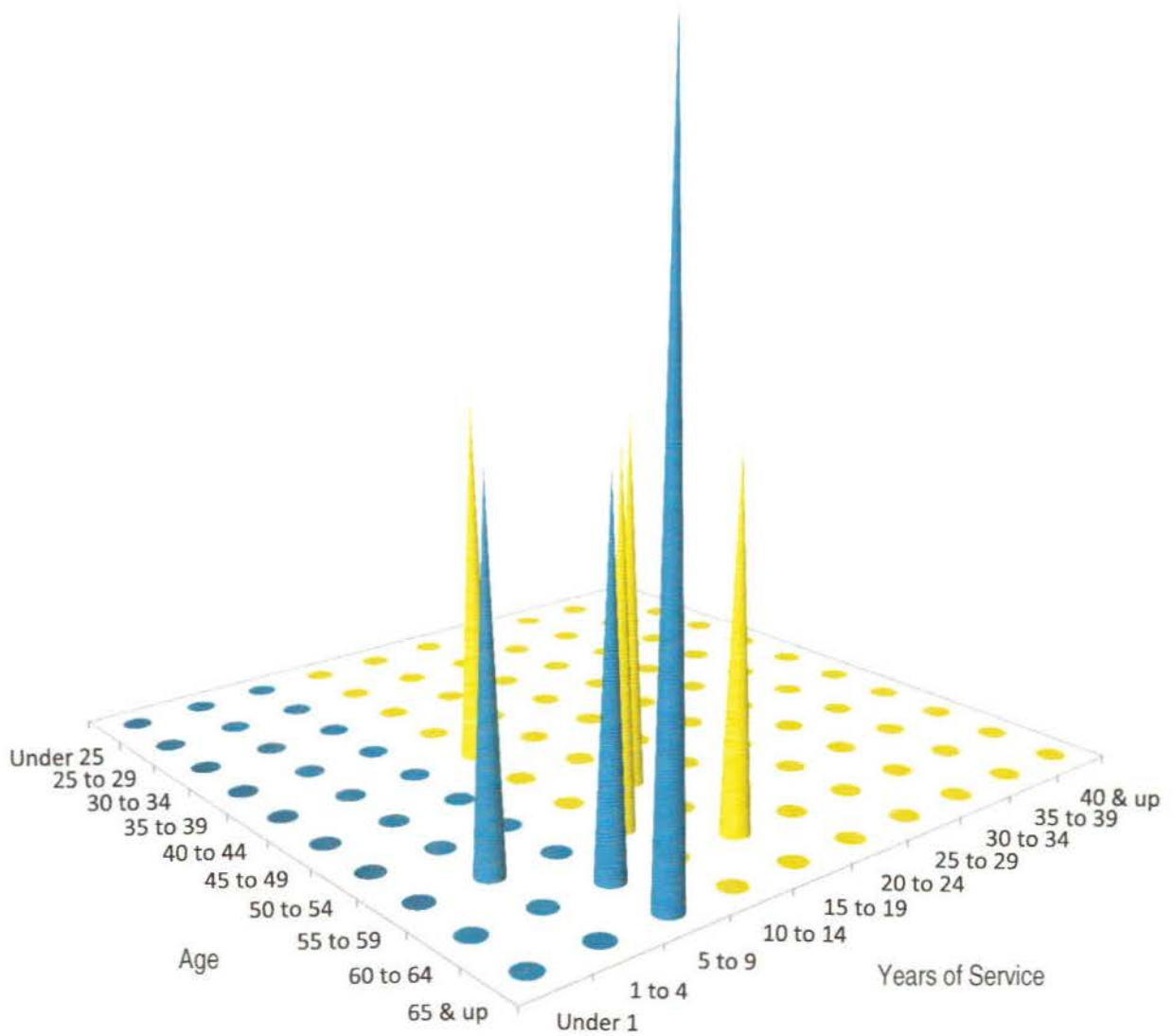
Active Participant Statistics From Prior Valuations

	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
October 1, 2006	46.1	5.8	\$41,531	N/A	N/A
October 1, 2007	47.4	7.7	\$45,697	N/A	N/A
October 1, 2008	N/A	N/A	N/A	5.20%	4.33%
October 1, 2009	48.5	7.8	\$49,982	5.00%	0.59%
October 1, 2010	52.6	6.4	\$50,309	5.33%	12.94%
October 1, 2011	53.6	7.4	\$51,782	6.00%	1.96%
October 1, 2012	54.6	8.4	\$53,448	5.64%	2.81%
October 1, 2013	55.6	9.4	\$52,218	5.29%	-1.19%
October 1, 2014	56.6	10.4	\$55,396	4.00%	6.59%
October 1, 2015	57.8	10.1	\$55,743	4.00%	7.11%



Active Age-Service Distribution

Table III-D



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



Active Age-Service-Salary Table

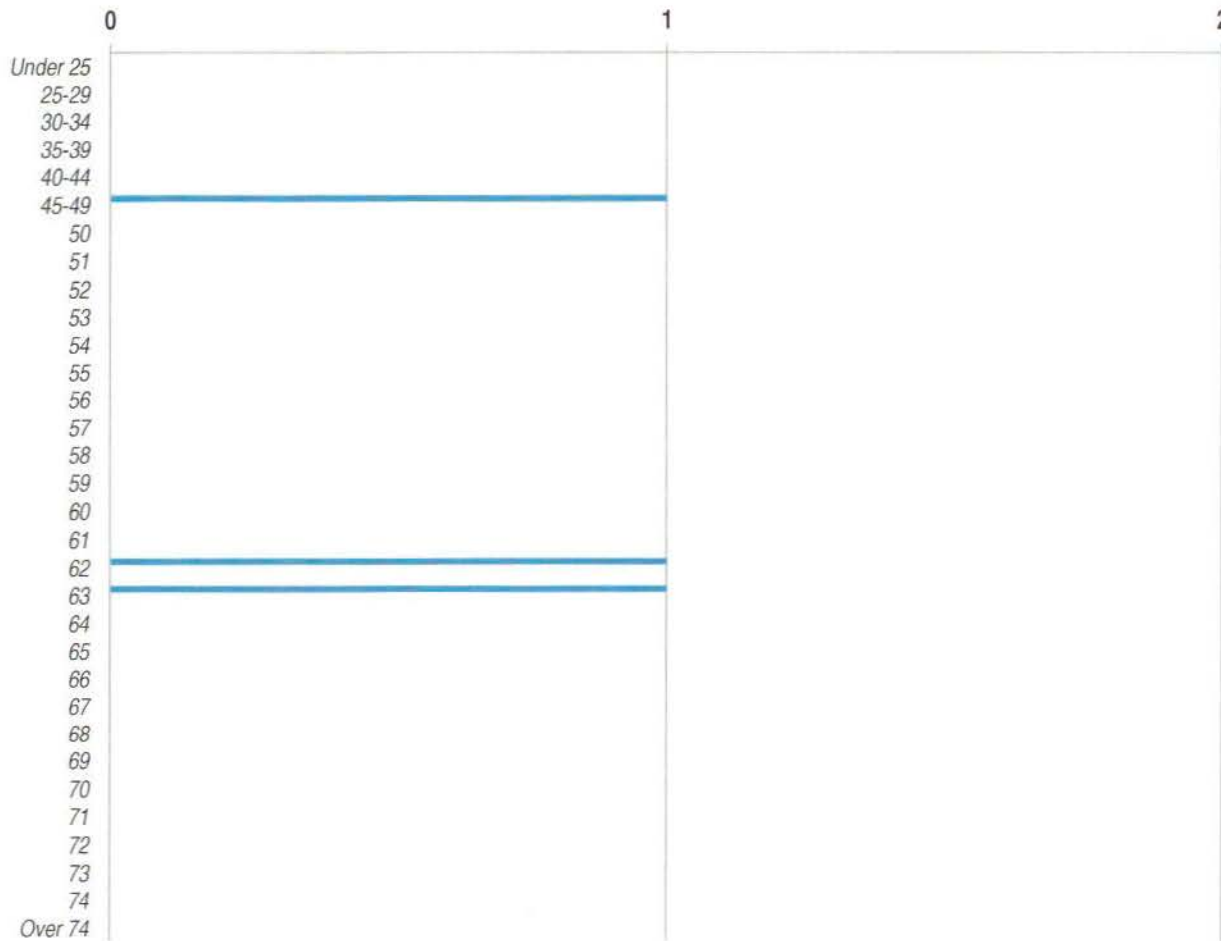
Table III-E

Attained Age	Completed Years of Service										Total	
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up		
Under 25	0	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0	0
40 to 44	0	0	0	1	0	0	0	0	0	0	0	1
Avg. Pay	0	0	0	43,058	0	0	0	0	0	0	0	43,058
45 to 49	0	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0	0
50 to 54	0	0	0	0	1	0	0	0	0	0	0	1
Avg. Pay	0	0	0	0	75,139	0	0	0	0	0	0	75,139
55 to 59	0	1	0	1	0	0	0	0	0	0	0	2
Avg. Pay	0	33,149	0	67,944	0	0	0	0	0	0	0	50,547
60 to 64	0	0	1	0	1	0	0	0	0	0	0	2
Avg. Pay	0	0	50,630	0	95,393	0	0	0	0	0	0	73,012
65 & up	0	0	2	0	0	0	0	0	0	0	0	2
Avg. Pay	0	0	40,314	0	0	0	0	0	0	0	0	40,314
Total	0	1	3	2	2	0	0	0	0	0	0	8
Avg. Pay	0	33,149	43,752	55,501	85,266	0	0	0	0	0	0	55,743



Inactive Participant Data

Table III-F



Age at Retirement

- Service Retirements
- Disability Retirements
- DROP Participants

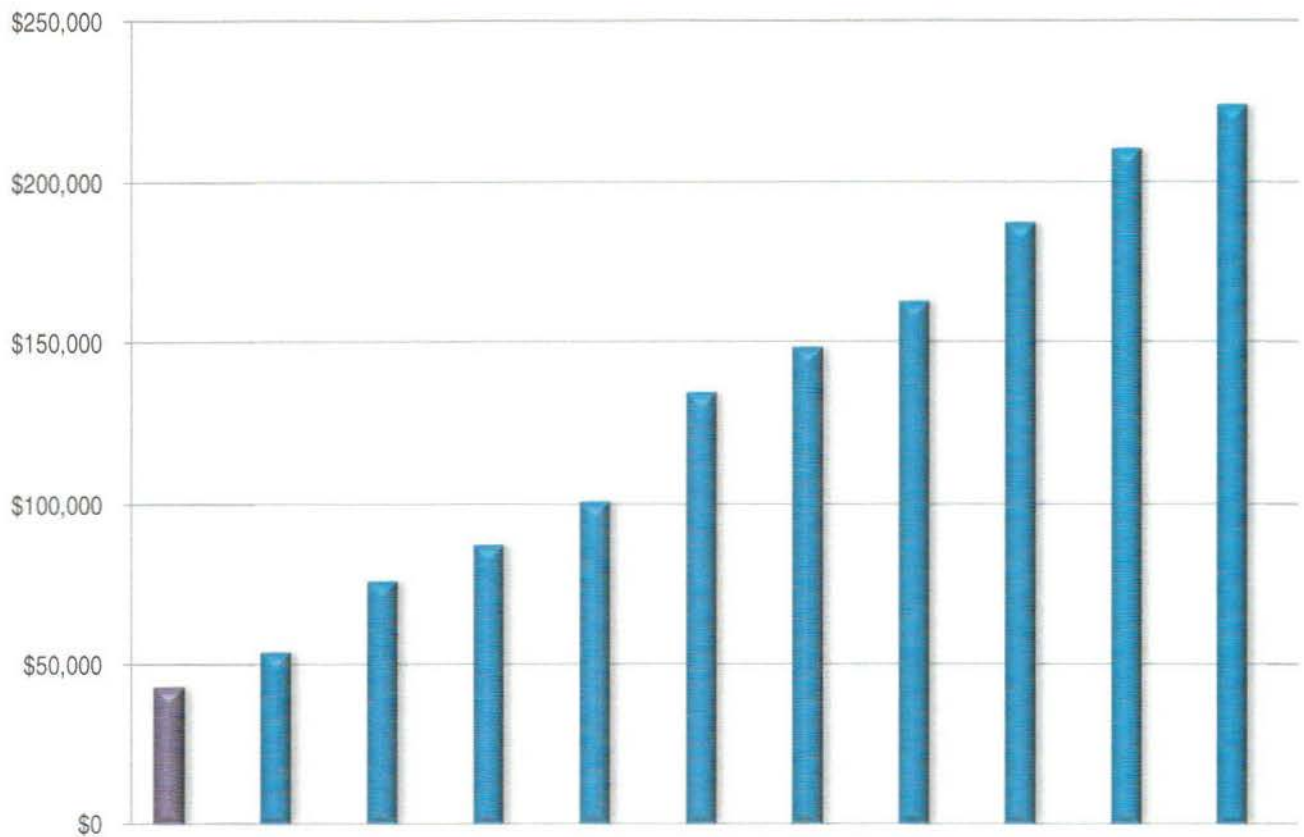
Average Monthly Benefit

Service Retirements	\$1,077.26
Disability Retirements	Not applicable
Beneficiaries Receiving	Not applicable
DROP Participants	Not applicable
Deferred Vested Participants	Not applicable
Deferred Beneficiaries	Not applicable



Projected Benefit Payments

Table III-G



Actual

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

\$43,062

Projected

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

\$54,073

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

\$76,166

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

\$87,449

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

\$101,004

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

\$134,753

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

\$148,554

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

\$162,826

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

\$187,525

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

\$210,443

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

\$223,788



Summary of Actuarial Methods and Assumptions

Table IV-A

1. **Actuarial Cost Method**

Aggregate cost method. Under this actuarial cost method, a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the expected future payroll for current active participants. The normal cost is equal to the level funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

2. **Asset Method**

The actuarial value of assets is equal to the market value of assets.

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

7.00% per annum

4. **Salary Increases**

Plan compensation is assumed to increase at the rate of 4.00% per annum, unless actual plan compensation is known for a prior plan year.

5. **Decrements**

- Pre-retirement mortality: Sex-distinct rates set forth in the RP-2000 Combined Mortality Table, with generational improvements using Scale AA.
- Post-retirement mortality: Sex-distinct rates set forth in the RP-2000 Combined Mortality Table for annuitants, projected to 2015 by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430; generational improvements in mortality have not been reflected.
- Disability: Age- and gender-based rates of disability were assumed, ranging from 0.067% for males and 0.040% for females at age 25, 0.119% for males and 0.118% for females at age 35, 0.462% for males and 0.435% for females at age 45, and 1.000% for males and 0.840% for females at age 55.



Summary of Actuarial Methods and Assumptions

Table IV-A

(continued)

- Termination: With respect to participants with less than 10 years of service, the termination rates are both gender- and service-based, ranging from 15.00% for males and 10.01% for females with less than two years of service to 4.30% for males and 4.75% for females with between eight and 10 years of service; with respect to participants with at least 10 years of service, the termination rates are both gender- and age-based, ranging from 4.28% for males and 5.41% for females at age 25 to 0.00% for both genders at age 55.
- Retirement: For those participants who have met the age and service requirements to retire, retirement is assumed to occur at the rate of 10% per year during each of the three years prior to normal retirement age; alternatively, 40% of participants who reach their normal retirement age are assumed to retire immediately, with 20% assumed to retire during each of the next two years after the attainment of normal retirement age and 100% assumed to retire three years after the attainment of normal retirement age. No early retirements are assumed to occur prior to age 50.

6. Form of Payment

Future retirees have been assumed to select the 10-year certain and life annuity, except that participants who are under age 40 or who have earned less than 15 years of service are assumed to receive a refund of their employee contributions.

7. Expenses

The total projected benefit liability has been loaded by 2.50% to account for anticipated administrative expenses. In addition, the interest rate set forth in item 3. above is assumed to be net of investment expenses and commissions.



Changes in Actuarial Methods and Assumptions

Table IV-B

No assumptions or methods have been changed since the previous valuation was completed.



Summary of Plan Provisions

Table V-A

1. **Monthly Accrued Benefit**

2.50% of Average Final Compensation multiplied by Credited Service

2. **Normal Retirement Age and Benefit**

- **Age**

Age 62 with at least 10 years of Credited Service; or
Any age with at least 30 years of Credited Service

- **Amount**

Monthly Accrued Benefit

- **Form of Payment**

Actuarially increased single life annuity (optional);
10-year certain and life annuity (normal form of payment);
Actuarially reduced 50% joint and contingent annuity (optional);
Actuarially reduced 66²/₃% joint and contingent annuity (optional);
Actuarially reduced 75% joint and contingent annuity (optional);
Actuarially reduced 100% joint and contingent annuity (optional);
Any other actuarially equivalent form of payment approved by the Board; or
Actuarially equivalent lump sum distribution (automatic if the single sum value of the participant's benefit is less than or equal to \$5,000 or the monthly annuity is less than \$100)

(Note: A participant may change his joint annuitant up to two times after retirement.)

3. **Early Retirement Age and Benefit**

- **Age**

Any age with at least 10 years of Credited Service

- **Amount**

Monthly Accrued Benefit (payable at Normal Retirement Age); or
Monthly Accrued Benefit reduced by 5% for each year by which the participant's Early Retirement Date precedes his Normal Retirement Date (payable at Early Retirement Age)

- **Form of Payment**

Same as for Normal Retirement



Summary of Plan Provisions

Table V-A

(continued)

4. **Disability Eligibility and Benefit**

- **Eligibility**

The participant must have earned at least 10 years of Credited Service.

- **Condition**

The Board must find that the participant has a physical or mental condition resulting from bodily injury, disease, or a mental disorder which renders him incapable of employment.

- **Amount Payable**

A monthly 10-year certain and life annuity equal to the larger of (a) or (b), as follows, but offset as necessary to preclude the total of the participant's worker's compensation, disability benefit, and other District-provided disability compensation from exceeding his Average Final Compensation:

- (a) Monthly Accrued Benefit; or
- (b) 25% of Average Final Compensation

5. **Delayed Retirement Age and Benefit**

- **Age**

After Normal Retirement Age

- **Amount**

Monthly Accrued Benefit

- **Form of Payment**

Same as for Normal Retirement

6. **Deferred Vested Benefit**

- **Age**

Any age with at least 10 years of Credited Service

- **Amount**

Monthly Accrued Benefit (payable at Normal Retirement Age); or
 Monthly Accrued Benefit reduced by 5% for each year by which the participant's Early Retirement Date precedes his Normal Retirement Date (payable at Early Retirement Age)

- **Form of Payment**

Same as for Normal Retirement



Summary of Plan Provisions

Table V-A

(continued)

7. Pre-Retirement Death Benefit

In the case of the death of a vested participant prior to retirement, his beneficiary will receive the participant's Monthly Accrued Benefit payable for 10 years beginning on the participant's early or normal retirement date. In the case of the death of a non-vested participant prior to retirement, his beneficiary will receive the participant's Accumulated Contributions in lieu of any other benefits payable from the plan.

8. Average Final Compensation

Average of the highest three years of Compensation out of the last 10 years of employment (or career average, if higher).

9. Compensation

Compensation includes regular earnings, incentive pay, merit pay, vacation pay, and sick pay, plus all tax-deferred and tax-exempt items of income, but excludes lump sum payments; annual compensation in excess of \$200,000 (as indexed) is excluded in accordance with IRC §401(a)(17).

10. Credited Service

The elapsed time from the participant's date of hire until his date of termination, retirement, or death, provided that the participant made all required contributions. In addition, Credited Service includes prior service with the Oneco-Tallevast and Somoset Fire Districts.

11. Participation Requirement

All full-time general employees of the Southern Manatee Fire & Rescue District automatically become a participant in the plan on their date of hire.

12. Accumulated Contributions

The Employee Contributions accumulated with no interest; if the participant terminates his employment with less than 10 years of Credited Service, he receives his Accumulated Contributions in lieu of any other benefits payable from the plan.

13. Participant Contribution

3.50% of earnings



Summary of Plan Provisions

Table V-A

(continued)

14. Definition of Actuarially Equivalent

- **Interest Rate**
7.00% per annum
- **Mortality Table**
Unisex mortality table promulgated by the IRS for purposes of calculating lump sum distributions pursuant to IRC 417(e)(3)

15. Plan Effective Date

October 1, 1999

16. Automatic Annual Cost-of-Living Adjustment (COLA)

All retirement and disability benefits, other than the retiree health supplement, include an automatic annual 3% cost-of-living adjustment.

17. Retiree Health Supplement

Participants receive a monthly post-retirement health supplement equal to \$15 for each year of service, with a minimum monthly benefit of \$50 and a maximum monthly benefit of \$450.

18. Deferred Retirement Option Plan (DROP)

A participant who reaches his Normal Retirement Age is eligible to participate in the DROP for a period of up to 60 months. Interest is credited on the DROP accounts at the rate of 6.50% per annum.



Summary of Plan Amendments

Table V-B

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

