

CITY OF VERO BEACH FIREFIGHTERS RELIEF AND PENSION FUND
Chapter 112.664, F.S. Compliance Report
In Connection with the October 1, 2015 Funding Actuarial Valuation Report
And the Plan's Financial Reporting for the Year Ending September 30, 2015



April 8, 2016

Board of Trustees
City of Vero Beach Firefighters
Relief and Pension Fund
Vero Beach, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Vero Beach Firefighters Relief and Pension Fund (Plan) to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

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

The purpose of the report is to provide the required information specified in Ch. 112.664, F.S. as well as supplement this information with additional exhibits. 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, 2015. 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 this engagement does not include an analysis of the potential range of such measurements.

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

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Board as described in our October 1, 2015 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2015 actuarial valuation report. Please refer to the October 1, 2015 actuarial valuation report, dated February 10, 2016, for summaries and descriptions of this information.

The use of an investment return assumption that is 2% higher than the investment return assumption used to determine the funding requirements does not represent an estimate of future Plan experience nor does it reflect an observation of future return estimates inherent in financial market data. The use of this investment return assumption is provided as a counterpart to the Chapter 112.664, Florida Statutes requirement to utilize an investment return assumption that is 2% lower than the assumption used to

determine the funding requirements. The inclusion of the additional exhibits showing the effect of using a 2% higher investment return assumption shows a more complete assessment of the range of possible results as opposed to showing a one-sided range as required by Florida Statutes.

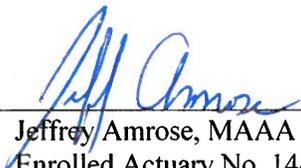
Jeffrey Amrose and Trisha Amrose are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1) F.S., the actuarial disclosures required under this section were prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By 
Jeffrey Amrose, MAAA
Enrolled Actuary No. 14-6599
Senior Consultant & Actuary

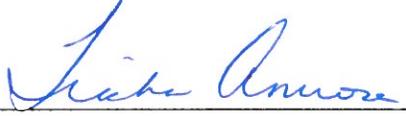
By 
Trisha Amrose, MAAA
Enrolled Actuary No. 14-8010
Consultant & Actuary

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RESULTS

Schedule of Changes in the Employers' Net Pension Liability
Using Financial Reporting Assumptions per GASB Statement No. 67

Fiscal year ending September 30,	<u>2015</u>
1. Total pension liability	
a. Service Cost	\$ -
b. Interest	515,130
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	168,392
e. Assumption Changes	164,475
f. Benefit Payments	(720,087)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>127,910</u>
i. Total Pension Liability - Beginning	<u>8,285,126</u>
j. Total Pension Liability - Ending	<u><u>\$ 8,413,036</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 65,751
b. Contributions - State	271,303
c. Contributions - Non-Employer Contributing Entity	-
d. Contributions - Member	-
e. Net Investment Income	84,490
f. Benefit Payments	(720,087)
g. Contribution Refunds	-
h. Administrative Expense	(17,351)
i. Other	-
j. Net Change in Plan Fiduciary Net Position	<u>(315,894)</u>
k. Plan Fiduciary Net Position - Beginning	<u>7,492,855</u>
l. Plan Fiduciary Net Position - Ending	<u><u>\$ 7,176,961</u></u>
3. Net Pension Liability / (Asset)	1,236,075
Certain Key Assumptions	
Valuation Date	10/01/2014
Measurement Date	09/30/2015
Investment Return Assumption	6.25%
Mortality Table	RP-2000 Fully Generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(a), F.S.**

Fiscal year ending September 30,

1. Total pension liability

	2015
a. Service Cost	\$ -
b. Interest	515,130
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	168,392
e. Assumption Changes	164,475
f. Benefit Payments	(720,087)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	127,910
i. Total Pension Liability - Beginning	8,285,126
j. Total Pension Liability - Ending	\$ 8,413,036

2. Plan Fiduciary Net Position

a. Contributions - Employer	\$ 65,751
b. Contributions - State	271,303
c. Contributions - Non-Employer Contributing Entity	-
d. Contributions - Member	-
e. Net Investment Income	84,490
f. Benefit Payments	(720,087)
g. Contribution Refunds	-
h. Administrative Expense	(17,351)
i. Other	-
j. Net Change in Plan Fiduciary Net Position	(315,894)
k. Plan Fiduciary Net Position - Beginning	7,492,855
l. Plan Fiduciary Net Position - Ending	\$ 7,176,961

3. Net Pension Liability / (Asset)

1,236,075

Certain Key Assumptions

Valuation Date	10/01/2014
Measurement Date	09/30/2015
Investment Return Assumption	6.25%
Mortality Table	RP-2000 Fully Generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(b), F.S.**

Fiscal year ending September 30,

1. Total pension liability

	2015
a. Service Cost	\$ -
b. Interest	421,144
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(720,087)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	(298,943)
i. Total Pension Liability - Beginning	10,269,311
j. Total Pension Liability - Ending	\$ 9,970,368

2. Plan Fiduciary Net Position

a. Contributions - Employer	\$ 65,751
b. Contributions - State	271,303
c. Contributions - Non-Employer Contributing Entity	-
d. Contributions - Member	-
e. Net Investment Income	84,490
f. Benefit Payments	(720,087)
g. Contribution Refunds	-
h. Administrative Expense	(17,351)
i. Other	-
j. Net Change in Plan Fiduciary Net Position	(315,894)
k. Plan Fiduciary Net Position - Beginning	7,492,855
l. Plan Fiduciary Net Position - Ending	\$ 7,176,961

3. Net Pension Liability / (Asset)

2,793,407

Certain Key Assumptions

Valuation Date	10/01/2014
Measurement Date	09/30/2015
Investment Return Assumption	4.25%
Mortality Table	RP-2000 Fully Generational using Scale AA

Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

Fiscal year ending September 30,	<u>2015</u>
1. Total pension liability	
a. Service Cost	\$ -
b. Interest	579,490
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(720,087)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>(140,597)</u>
i. Total Pension Liability - Beginning	<u>7,384,169</u>
j. Total Pension Liability - Ending	<u>\$ 7,243,572</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 65,751
b. Contributions - State	271,303
c. Contributions - Non-Employer Contributing Entity	-
d. Contributions - Member	-
e. Net Investment Income	84,490
f. Benefit Payments	(720,087)
g. Contribution Refunds	-
h. Administrative Expense	(17,351)
i. Other	-
j. Net Change in Plan Fiduciary Net Position	<u>(315,894)</u>
k. Plan Fiduciary Net Position - Beginning	<u>7,492,855</u>
l. Plan Fiduciary Net Position - Ending	<u>\$ 7,176,961</u>
3. Net Pension Liability / (Asset)	66,611
Certain Key Assumptions	
Valuation Date	10/01/2014
Measurement Date	09/30/2015
Investment Return Assumption	8.25%
Mortality Table	RP-2000 Fully Generational using Scale AA

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions from Plan's most recent actuarial valuation

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2016	7,176,961	409,398	707,312	6,879,047
2017	6,879,047	391,612	704,348	6,566,311
2018	6,566,311	372,960	700,630	6,238,641
2019	6,238,641	353,436	696,087	5,895,990
2020	5,895,990	333,037	690,749	5,538,278
2021	5,538,278	311,760	684,571	5,165,467
2022	5,165,467	289,606	677,384	4,777,689
2023	4,777,689	266,591	669,018	4,375,262
2024	4,375,262	242,734	659,400	3,958,596
2025	3,958,596	218,065	648,368	3,528,292
2026	3,528,292	192,627	635,688	3,085,231
2027	3,085,231	166,475	621,309	2,630,397
2028	2,630,397	139,671	605,098	2,164,970
2029	2,164,970	112,292	586,873	1,690,389
2030	1,690,389	84,429	566,474	1,208,344
2031	1,208,344	56,188	543,770	720,761
2032	720,761	27,679	518,888	229,552
2033	229,552	-	491,882	-
2034	-	-	462,782	-
2035	-	-	431,927	-
2036	-	-	399,633	-
2037	-	-	366,246	-
2038	-	-	332,132	-
2039	-	-	297,790	-
2040	-	-	264,024	-
2041	-	-	231,131	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

17.50

Certain Key Assumptions

Valuation Investment return assumption

6.00%

Valuation Mortality Table

RP-2000 Fully Generational using Scale AA

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(a), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2016	7,176,961	409,398	707,312	6,879,047
2017	6,879,047	391,612	704,348	6,566,311
2018	6,566,311	372,960	700,630	6,238,641
2019	6,238,641	353,436	696,087	5,895,990
2020	5,895,990	333,037	690,749	5,538,278
2021	5,538,278	311,760	684,571	5,165,467
2022	5,165,467	289,606	677,384	4,777,689
2023	4,777,689	266,591	669,018	4,375,262
2024	4,375,262	242,734	659,400	3,958,596
2025	3,958,596	218,065	648,368	3,528,292
2026	3,528,292	192,627	635,688	3,085,231
2027	3,085,231	166,475	621,309	2,630,397
2028	2,630,397	139,671	605,098	2,164,970
2029	2,164,970	112,292	586,873	1,690,389
2030	1,690,389	84,429	566,474	1,208,344
2031	1,208,344	56,188	543,770	720,761
2032	720,761	27,679	518,888	229,552
2033	229,552	-	491,882	-
2034	-	-	462,782	-
2035	-	-	431,927	-
2036	-	-	399,633	-
2037	-	-	366,246	-
2038	-	-	332,132	-
2039	-	-	297,790	-
2040	-	-	264,024	-
2041	-	-	231,131	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:

17.50

Certain Key Assumptions

Valuation Investment return assumption

6.00%

Valuation Mortality Table

RP-2000 Fully Generational using Scale AA

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(b), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2016	7,176,961	272,932	707,312	6,742,581
2017	6,742,581	255,616	704,348	6,293,849
2018	6,293,849	237,741	700,630	5,830,961
2019	5,830,961	219,317	696,087	5,354,190
2020	5,354,190	200,353	690,749	4,863,794
2021	4,863,794	180,860	684,571	4,360,083
2022	4,360,083	160,856	677,384	3,843,555
2023	3,843,555	140,362	669,018	3,314,899
2024	3,314,899	119,408	659,400	2,774,907
2025	2,774,907	98,029	648,368	2,224,568
2026	2,224,568	76,269	635,688	1,665,149
2027	1,665,149	54,180	621,309	1,098,019
2028	1,098,019	31,819	605,098	524,740
2029	524,740	9,252	586,873	-
2030	-	-	566,474	-
2031	-	-	543,770	-
2032	-	-	518,888	-
2033	-	-	491,882	-
2034	-	-	462,782	-
2035	-	-	431,927	-
2036	-	-	399,633	-
2037	-	-	366,246	-
2038	-	-	332,132	-
2039	-	-	297,790	-
2040	-	-	264,024	-
2041	-	-	231,131	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

13.92

Certain Key Assumptions

Valuation Investment return assumption
 Valuation Mortality Table

4.00%
 RP-2000 Fully Generational using Scale AA

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2016	7,176,961	545,864	707,312	7,015,513
2017	7,015,513	533,067	704,348	6,844,232
2018	6,844,232	519,513	700,630	6,663,116
2019	6,663,116	505,206	696,087	6,472,234
2020	6,472,234	490,149	690,749	6,271,634
2021	6,271,634	474,348	684,571	6,061,411
2022	6,061,411	457,818	677,384	5,841,845
2023	5,841,845	440,587	669,018	5,613,414
2024	5,613,414	422,697	659,400	5,376,711
2025	5,376,711	404,202	648,368	5,132,545
2026	5,132,545	385,176	635,688	4,882,033
2027	4,882,033	365,710	621,309	4,626,434
2028	4,626,434	345,911	605,098	4,367,247
2029	4,367,247	325,905	586,873	4,106,279
2030	4,106,279	305,843	566,474	3,845,648
2031	3,845,648	285,901	543,770	3,587,779
2032	3,587,779	266,267	518,888	3,335,158
2033	3,335,158	247,137	491,882	3,090,413
2034	3,090,413	228,722	462,782	2,856,353
2035	2,856,353	211,231	431,927	2,635,657
2036	2,635,657	194,867	399,633	2,430,891
2037	2,430,891	179,821	366,246	2,244,467
2038	2,244,467	166,272	332,132	2,078,607
2039	2,078,607	154,377	297,790	1,935,194
2040	1,935,194	144,255	264,024	1,815,425
2041	1,815,425	135,989	231,131	1,720,282

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

N/A

Certain Key Assumptions

Valuation Investment return assumption

8.00%

Valuation Mortality Table

RP-2000 Fully Generational using Scale AA

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

ACTUARIALLY DETERMINED CONTRIBUTION				
	Plan's Latest Actuarial Valuation	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. except 2% Higher Investment Return Assumption
A. Valuation Date	October 1, 2015	October 1, 2015	October 1, 2015	October 1, 2015
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2016	9/30/2016	9/30/2016	9/30/2016
C. Assumed Dates of Employer Contributions	Quarterly	Quarterly	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 305,516	\$ 305,516	\$ 488,190	\$ 147,804
E. Employer Normal Cost	12,759	12,759	12,759	12,759
F. Employer ADC if Paid on Valuation Date: D + E	318,275	318,275	500,949	160,563
G. Employer ADC Adjusted for Frequency of Payments	329,946	329,946	513,287	168,357
H. Employer ADC Adjusted for Frequency of Payments as % of Covered Payroll	N/A	N/A	N/A	N/A
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	0.00 %	0.00 %	0.00 %	0.00 %
J. Covered Payroll for Contribution Year	0	0	0	0
K. Employer ADC for Contribution Year: H x J	329,946	329,946	513,287	168,357
L. Estimated Credit for State Revenue in Contribution Year	231,380	231,380	231,380	231,380
M. Net Employer ADC in Contribution Year	98,566	98,566	281,907	0
N. Net Employer ADC as % of Covered Payroll in Contribution Year: M ÷ J	N/A	N/A	N/A	N/A
O. Expected Member Contribution	0	0	0	0
P. Total Contribution (Including Members) in Contribution Year	329,946	329,946	513,287	168,357
Q. Total Contribution as % of Covered Payroll in Contribution Year: P ÷ J	N/A	N/A	N/A	N/A
R. Certain Key Assumptions				
Investment Return Assumption	6.00%	6.00%	4.00%	8.00%
Mortality Table	RP-2000 Fully Generational using Scale AA			