GRS Gabriel Roeder Smith & Company
Consultants & Actuaries

BAL HARBOUR VILLAGE GENERAL EMPLOYEES' PENSION PLAN AND TRUST FUND

Chapter 112.664, F.S. Compliance Report
In Connection with the October 1, 2014 Funding Actuarial Valuation Report
And the Plan's Financial Reporting for the Year Ending September 30, 2014

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June 28, 2015

Board of Trustees
Bal Harbour Village General Employees' Pension Plan and Trust Fund
Bal Harbour Village, FL

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the Bal Harbour Village General Employees' Pension Plan and Trust 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 Retirement Board 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 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, 2014. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of this engagement does not include an analysis of the potential range of such measurements.

This report was based upon information furnished by the Village and the Board concerning 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 Village.

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

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.

The undersigned 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 _____
James J. Rizzo, ASA, MAAA
Enrolled Actuary No. 14-03355
Senior Consultant & Actuary

By _____
Travis N. Robinson, ASA, MAAA
Senior Analyst & Actuary

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SECTION A

CH. 112.664, F.S. RESULTS

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

Fiscal year ending September 30,		**2014**
1. Total pension liability		
a. Service Cost	$	287,964
b. Interest		865,195
c. Benefit Changes		-
d. Difference between actual & expected experience & Other		-
e. Assumption Changes		-
f. Benefit Payments		(361,172)
g. Contribution Refunds		-
h. Net Change in Total Pension Liability		791,987
i. Total Pension Liability - Beginning		12,252,544
j. Total Pension Liability - Ending	$	13,044,531
2. Plan Fiduciary Net Position		
a. Contributions - Employer	$	671,605
b. Contributions - Non-Employer Contributing Entity		-
c. Contributions - Member		89,677
d. Net Investment Income		798,212
e. Benefit Payments		(361,172)
f. Contribution Refunds		-
g. Administrative Expense		(27,338)
h. Other		-
i. Net Change in Plan Fiduciary Net Position		1,170,984
j. Plan Fiduciary Net Position - Beginning		9,246,464
k. Plan Fiduciary Net Position - Ending	$	10,417,448
3. Net Pension Liability / (Asset)		2,627,083
Certain Key Assumptions		
Valuation Date		10/01/2013
Measurement Date		09/30/2014
Investment Return Assumption		7.00%
Mortality Table		RP-2000 projected 21 years 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,		**2014**
1. Total pension liability		
a. Service Cost	$	296,647
b. Interest		875,714
c. Benefit Changes		-
d. Difference between actual & expected experience & Other		(7,411)
e. Assumption Changes		-
f. Benefit Payments		(361,172)
g. Contribution Refunds		-
h. Net Change in Total Pension Liability		803,778
i. Total Pension Liability - Beginning		12,394,137
j. Total Pension Liability - Ending	$	13,197,915
2. Plan Fiduciary Net Position		
a. Contributions - Employer	$	671,605
b. Contributions - Non-Employer Contributing Entity		-
c. Contributions - Member		89,677
d. Net Investment Income		798,212
e. Benefit Payments		(361,172)
f. Contribution Refunds		-
g. Administrative Expense		(27,338)
h. Other		-
i. Net Change in Plan Fiduciary Net Position		1,170,984
j. Plan Fiduciary Net Position - Beginning		9,246,464
k. Plan Fiduciary Net Position - Ending	$	10,417,448
3. Net Pension Liability / (Asset)		2,780,467

Certain Key Assumptions

Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	7.00%
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,		**2014**
1. Total pension liability		
a. Service Cost	$	467,424
b. Interest		832,734
c. Benefit Changes		-
d. Difference between actual & expected experience & Other		(2,482)
e. Assumption Changes		-
f. Benefit Payments		(361,172)
g. Contribution Refunds		-
h. Net Change in Total Pension Liability		936,504
i. Total Pension Liability - Beginning		16,367,850
j. Total Pension Liability - Ending	$	17,304,354
2. Plan Fiduciary Net Position		
a. Contributions - Employer	$	671,605
b. Contributions - Non-Employer Contributing Entity		-
c. Contributions - Member		89,677
d. Net Investment Income		798,212
e. Benefit Payments		(361,172)
f. Contribution Refunds		-
g. Administrative Expense		(27,338)
h. Other		-
i. Net Change in Plan Fiduciary Net Position		1,170,984
j. Plan Fiduciary Net Position - Beginning		9,246,464
k. Plan Fiduciary Net Position - Ending	$	10,417,448
3. Net Pension Liability / (Asset)		6,886,906
Certain Key Assumptions		
Valuation Date		10/01/2013
Measurement Date		09/30/2014
Investment Return Assumption		5.00%
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,		**2014**
1. Total pension liability		
a. Service Cost	$	197,978
b. Interest		881,579
c. Benefit Changes		-
d. Difference between actual & expected experience & Other		(12,339)
e. Assumption Changes		-
f. Benefit Payments		(361,172)
g. Contribution Refunds		-
h. Net Change in Total Pension Liability		706,046
i. Total Pension Liability - Beginning		9,777,934
j. Total Pension Liability - Ending	$	10,483,980
2. Plan Fiduciary Net Position		
a. Contributions - Employer	$	671,605
b. Contributions - Non-Employer Contributing Entity		-
c. Contributions - Member		89,677
d. Net Investment Income		798,212
e. Benefit Payments		(361,172)
f. Contribution Refunds		-
g. Administrative Expense		(27,338)
h. Other		-
i. Net Change in Plan Fiduciary Net Position		1,170,984
j. Plan Fiduciary Net Position - Beginning		9,246,464
k. Plan Fiduciary Net Position - Ending	$	10,417,448
3. Net Pension Liability / (Asset)		66,532

Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	9.00%
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 the Latest Actuarial Valuation

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2015	10,105,363	639,114	545,687	10,198,790
2016	10,198,790	642,741	620,946	10,220,584
2017	10,220,584	642,419	674,444	10,188,559
2018	10,188,559	639,299	706,391	10,121,467
2019	10,121,467	634,025	734,464	10,021,028
2020	10,021,028	625,730	788,837	9,857,920
2021	9,857,920	613,555	837,217	9,634,259
2022	9,634,259	598,075	866,220	9,366,113
2023	9,366,113	579,751	893,728	9,052,137
2024	9,052,137	558,745	912,104	8,698,778
2025	8,698,778	535,381	924,293	8,309,866
2026	8,309,866	509,908	930,245	7,889,529
2027	7,889,529	482,367	937,002	7,434,894
2028	7,434,894	452,635	942,555	6,944,974
2029	6,944,974	420,635	947,324	6,418,286
2030	6,418,286	386,344	949,066	5,855,564
2031	5,855,564	349,151	968,028	5,236,686
2032	5,236,686	308,256	988,580	4,556,362
2033	4,556,362	264,058	987,861	3,832,559
2034	3,832,559	216,730	996,494	3,052,795
2035	3,052,795	165,944	999,627	2,219,112
2036	2,219,112	111,969	993,035	1,338,046
2037	1,338,046	54,845	988,542	404,349
2038	404,349	-	980,756	-
2039	-	-	966,811	-
2040	-	-	952,732	-

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 Statues and Plan provisions**: 23.42

Certain Key Assumptions

Valuation Investment return assumption	6.50%
Valuation Mortality Table	RP-2000 projected 21 years 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)	Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2015	10,105,363	639,120	545,507	10,198,976
2016	10,198,976	642,770	620,407	10,221,339
2017	10,221,339	642,496	673,582	10,190,252
2018	10,190,252	639,448	705,181	10,124,519
2019	10,124,519	634,275	732,880	10,025,915
2020	10,025,915	626,105	787,055	9,864,965
2021	9,864,965	614,075	835,327	9,643,712
2022	9,643,712	598,752	864,277	9,378,188
2023	9,378,188	580,598	891,822	9,066,964
2024	9,066,964	559,766	910,364	8,716,365
2025	8,716,365	536,543	923,715	8,329,193
2026	8,329,193	511,119	931,639	7,908,674
2027	7,908,674	483,509	940,160	7,452,022
2028	7,452,022	453,586	947,558	6,958,050
2029	6,958,050	421,254	954,447	6,424,857
2030	6,424,857	386,457	958,736	5,852,578
2031	5,852,578	348,548	980,591	5,220,535
2032	5,220,535	306,694	1,004,332	4,522,897
2033	4,522,897	261,255	1,007,186	3,776,966
2034	3,776,966	212,361	1,019,738	2,969,589
2035	2,969,589	159,643	1,027,097	2,102,135
2036	2,102,135	103,330	1,024,870	1,180,595
2037	1,180,595	43,429	1,024,921	199,103
2038	199,103	-	1,021,870	-
2039	-	-	1,012,896	-
2040	-	-	1,003,872	-

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 Statues and Plan provisions**: 23.17

Certain Key Assumptions

Valuation Investment return assumption	6.50%
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)	Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2015	10,105,363	442,467	545,507	10,002,323
2016	10,002,323	436,145	620,407	9,818,062
2017	9,818,062	426,657	673,582	9,571,137
2018	9,571,137	414,835	705,181	9,280,791
2019	9,280,791	401,146	732,880	8,949,056
2020	8,949,056	384,999	787,055	8,547,000
2021	8,547,000	365,820	835,327	8,077,493
2022	8,077,493	344,041	864,277	7,557,257
2023	7,557,257	320,011	891,822	6,985,446
2024	6,985,446	293,862	910,364	6,368,944
2025	6,368,944	265,819	923,715	5,711,048
2026	5,711,048	236,035	931,639	5,015,444
2027	5,015,444	204,541	940,160	4,279,825
2028	4,279,825	171,272	947,558	3,503,539
2029	3,503,539	136,184	954,447	2,685,277
2030	2,685,277	99,266	958,736	1,825,806
2031	1,825,806	60,098	980,591	905,313
2032	905,313	18,142	1,004,332	-
2033	-	-	1,007,186	-
2034	-	-	1,019,738	-
2035	-	-	1,027,097	-
2036	-	-	1,024,870	-
2037	-	-	1,024,921	-
2038	-	-	1,021,870	-
2039	-	-	1,012,896	-
2040	-	-	1,003,872	-

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 Statues and Plan provisions**: 17.92

Certain Key Assumptions

Valuation Investment return assumption	4.50%
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 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)
2015	10,105,363	835,772	545,507	10,395,628
2016	10,395,628	857,261	620,407	10,632,482
2017	10,632,482	875,134	673,582	10,834,034
2018	10,834,034	890,923	705,181	11,019,775
2019	11,019,775	905,533	732,880	11,192,429
2020	11,192,429	917,907	787,055	11,323,280
2021	11,323,280	926,977	835,327	11,414,931
2022	11,414,931	933,537	864,277	11,484,191
2023	11,484,191	938,254	891,822	11,530,623
2024	11,530,623	941,412	910,364	11,561,671
2025	11,561,671	943,484	923,715	11,581,441
2026	11,581,441	944,828	931,639	11,594,629
2027	11,594,629	945,587	940,160	11,600,056
2028	11,600,056	945,734	947,558	11,598,232
2029	11,598,232	945,286	954,447	11,589,070
2030	11,589,070	944,325	958,736	11,574,659
2031	11,574,659	942,171	980,591	11,536,239
2032	11,536,239	937,896	1,004,332	11,469,803
2033	11,469,803	932,128	1,007,186	11,394,745
2034	11,394,745	925,214	1,019,738	11,300,222
2035	11,300,222	916,867	1,027,097	11,189,992
2036	11,189,992	907,592	1,024,870	11,072,714
2037	11,072,714	897,622	1,024,921	10,945,415
2038	10,945,415	886,931	1,021,870	10,810,475
2039	10,810,475	875,842	1,012,896	10,673,422
2040	10,673,422	864,576	1,003,872	10,534,126

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 Statues and Plan provisions**: N/A

Certain Key Assumptions

Valuation Investment return assumption	8.50%
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, 2014	October 1, 2014	October 1, 2014	October 1, 2014
B. Actuarial 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	12/31/2015	12/31/2015	12/31/2015	12/31/2015
D. Annual Payment to Amortize Unfunded Actuarial Liability	$ 355,585	$ 372,020	$ 668,785	$ 131,267
E. Employer Normal Cost	219,955	230,552	421,149	124,042
F. ADC if Paid on Valuation Date: D + E	575,540	602,572	1,089,934	255,309
G. ADC Adjusted for Frequency of Payments	622,677	651,923	1,151,584	282,718
H. Covered Payroll for Contribution Year	1,111,328	1,111,328	1,111,328	1,111,328
I. Allowable Credit for State Revenue in Contribution Year	0	0	0	0
J. ADC in Contribution Year	622,677	651,923	1,151,584	282,718
K. ADC as % of Covered Payroll in in Contribution Year: J ÷ H	56.03 %	58.66 %	103.62 %	25.44 %
L. Expected Member Contribution	88,906	88,906	88,906	88,906
M. Total Contribution (Including Members) in Contribution Year	711,583	740,829	1,240,490	371,624
N. Total Contribution as % of Covered Payroll in Contribution Year: M ÷ H	64.03 %	66.66 %	111.62 %	33.44 %
O. Certain Key Assmptions				
Investment Return Assumption	6.50%	6.50%	4.50%	8.50%
Mortality Table	RP-2000 projected 21 years using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA

SECTION B

ACTUARIAL ASSUMPTIONS AND COST METHOD USED FOR FUNDING

ACTUARIAL ASSUMPTIONS AND COST METHOD USED FOR FUNDING

A. Cost Method	Individual Entry Age Normal Actuarial Cost Method with normal costs developed using a level percent of pay,
B. Amortization of the UAAL	Layered, 20-year, closed amortization. Payments developed using level percent of pay method with the rate of payroll growth assumption limited under Ch.112.64 (5) (a), F.S.
C. Investment Earnings*	6.5% per year compounded annually, net of investment-related expenses. *This assumption had been changed from 7%.*
D. Salary Increases*	5.0% increase per year up to the assumed retirement age.
E. Inflation	2.5%
F. Retirement Ages	See Table on the following page.
G. Turnover Rates	See Table on the following page.
H. Mortality Rates	The RP-2000 Combined Healthy Mortality Table projected forward 21 years.
I. Disability Rates	See Table on the following page.
J. Asset Value	See Section entitled "Actuarial Value of Assets."
K. Administrative Expenses	Actual prior year's Administrative expenses, other than those for investment management.
L. Payroll Growth Assumption	4.0% in a long term, payroll growth rate used in the amortization of the unfunded liability for the October 1, 2014 valuation limited to 0% for use in the in accordance with Ch.112.64 (5) (a), F.S.
M. Post Retirement Benefit Increase	2.5%
N. Changes Since Last Valuation	Assumed rate of return on investments from 7% to 6.5%, Investments, see Section A of this Report - Discussion of Valuation Results.
O. Present Value of Accrued Benefits	Present Value of Accrued Benefits is measured using Unit Credit Cost Method which does not take into consideration any future service or salary increases.

**Includes Inflation*

Age	Employment Turnover Rates	Disability Rates
20	16.9%	0.14%
25	14.9	0.15
30	11.6	0.18
35	8.2	0.23
40	5.8	0.30
45	4.1	0.51
50	3.2	1.00
55	3.0	1.55
60	3.0	---
65	3.0	---

Normal Retirement Rates	
First Eligibility	80%
Ages after First Eligibility until Age 66	20
Age 67 and Over	100

Early Retirement Rates	
Age	
55	3.0%
56	3.0

GLOSSARY

Actuarial Accrued Liability	The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as "accrued liability" or "past service liability."
Accrued Service	The service credited under the plan which was rendered before the date of the actuarial valuation.
Actuarial Assumptions	Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.
Actuarial Cost Method	A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future plan benefits" between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the "actuarial funding method."
Actuarial Equivalent	A single amount or series of amounts of equal value to another single amount or series of amounts, computed on the basis of the rate(s) of interest and mortality tables used by the plan.
Actuarial Present Value	The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.
Amortization	Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.
Experience Gain (Loss)	A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used.
Normal Cost	The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as "current service cost." Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.
Reserve Account	An account used to indicate that funds have been set aside for a specific purpose and is not generally available for other uses.
Unfunded Actuarial Accrued Liability	The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as "unfunded accrued liability."
Valuation Assets	The value of current plan assets recognized for valuation purposes. Generally based on market value plus a portion of unrealized appreciation or depreciation.

SECTION C

SUMMARY OF PLAN PROVISIONS

BAL HARBOUR VILLAGE
GENERAL EMPLOYEES' PENSION PLAN AND TRUST FUND

SUMMARY OF PLAN PROVISIONS – GENERAL EMPLOYEES

A. Ordinances:

Plan established under the Code of Ordinances for the Village of Bal Harbour, Florida, Part II, Chapter 13, Article II, and was most recently amended and restated under Ordinance No. 509 passed and adopted on July 18, 2006. 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, 1955

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

Any Person other than a Police Officer who is employed by the Village as a regular, full-time employee will become a participant on October 1st following the completion of at least one (1) year of continuous employment with the Village.

F. Credited Service

Service is measured as the total number of years and completed months of Continuous Employment with the Village beginning on the date of employment and ending on the date of termination or retirement. No service will be credited for any periods of employment for which the participant received a refund of their employee contributions.

G. Compensation

Basic compensation, defined as compensation actually paid to a participant excluding overtime pay, shift differentials, bonuses and all other extraordinary pay.

H. Final Average Compensation (FAC)

Average monthly rate of Compensation during the highest 36 consecutive months out of the last 120 months preceding the date of termination or retirement.

I. Normal Retirement

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

(1) age 57 regardless of Credited Service, or
(2) age 55 with 25 years of Credited Service, or
(3) 30 years of Credited Service regardless of age.

Benefit: 3.0% of FAC times Credited Service.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: 2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.

Supplemental Benefit: Any pension benefits earned in excess of Internal Revenue Code Section 415 limits will be paid from the Excess Benefit Plan.

J. Early Retirement

Eligibility: A participant may elect to retire earlier than the Normal Retirement Eligibility upon attainment of age 55 with 10 years of Credited Service.

Benefit: The Normal Retirement Benefit is actuarially reduced ($1/15^{th}$-$1/30^{th}$ method) for each year by which the Early Retirement date precedes the Normal Retirement date.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: 2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.

Supplemental Benefit: Any pension benefits earned in excess of Internal Revenue Code Section 415 limits will be paid from the Excess Benefit Plan.

K. Delayed Retirement

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

L. Service Connected Disability

Not Applicable

M. Non-Service Connected Disability

Eligibility: Any participant who becomes totally and permanently disabled and unable to render useful and efficient service to the Village for a period of at least 6 months is eligible for a disability benefit.

Benefit The participant becomes fully vested on the date of disability. The benefit is calculated as if the participant was eligible for Early Retirement and retired on the date of disability.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: 2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.

Supplemental Benefit: Any pension benefits earned in excess of Internal Revenue Code Section 415 limits will be paid from the Excess Benefit Plan.

N. Death in the Line of Duty

Eligibility: Any participant that dies as a direct result of an occurrence arising in the performance of service to the Village.

Benefit: 50% of the participant's base rate of pay in effect at the time of death payable to the designated beneficiary.

Normal Form of Benefit: 10 Years Certain; minimum amount shall be equal to the deceased participant's own contributions.

COLA: 2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.

Supplemental Benefit: Any pension benefits earned in excess of Internal Revenue Code Section 415 limits will be paid from the Excess Benefit Plan.

O. Other Pre-Retirement Death

Eligibility: Any participant that dies <u>not</u> as a direct result of an occurrence arising in the performance of service to the Village.

Benefit: Calculated as if the participant was eligible for Early Retirement and retired immediately preceding the participant's death.

Normal Form of Benefit: 10 Years Certain; minimum amount shall be equal to the deceased participant's own contributions.

COLA: 2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.

Supplemental Benefit: Any pension benefits earned in excess of Internal Revenue Code Section 415 limits will be paid from the Excess Benefit Plan.

P. Post Retirement Death

Benefit determined by the form of benefit elected upon retirement.

Q. Optional Forms

In lieu of electing the Normal Form of benefit, the following options are available.

1. Joint and last survivor
2. Life annuity
3. Other: Determined as actuarial equivalent benefit.
4. Lump sum: Participants hired on or before January 29, 1985 may request payment of their retirement benefit in a lump sum benefit. A lump sum payment exceeding $50,000 may be delayed for up to six months by the Board. Participants hired after January 29, 1985 may request payment of their retirement benefit in a lump sum as long as it does not exceed $5,000.

Optional forms (other than lump sums) are calculated using 7% interest and the UP-1984 Mortality Table, with ages set ahead five years in the case of disability retirees. Lump sum distributions are calculated with the same mortality and the PBGC's lump sum interest rates for private sector plans. If the payment is made within six months of the participant's termination, the rate used shall be the rate in effect 90 days prior to the participant's date of termination. If the payment is made later than six months after termination, the rate used shall be the rate in effect 90 days prior to the date of distribution.

R. Vested Termination

Eligibility: A participant has earned a non-forfeitable right to Plan benefits after the completion of 1 year of Credited Service (see vesting table below). In addition, any participant who is eligible for Early, Normal or Disability Retirement is automatically 100% vested.

YEARS OF CREDITED SERVICE	% OF NORMAL RETIREMENT BENEFITS
Less Than 1	0%
1	10
2	20
3	30
4	40
5	50
6	60
7	70
8	80
9	90
10 or more	100

Benefit: The benefit is the member's vested portion of the accrued Normal Retirement Benefit as of the date of termination. Benefit begins on the Normal Retirement date.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: 2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.

Supplemental Benefit: Any pension benefits earned in excess of Internal Revenue Code Section 415 limits will be paid from the Excess Benefit Plan.

Participants terminating employment with less than 1 year of Credited Service will receive a refund of their own accumulated contributions with interest.

S. Refunds

Eligibility: All participants leaving covered employment are eligible. Optionally, vested participant may withdraw their contributions plus interest in lieu of the deferred benefits otherwise due.

Benefit: The participant who terminates employment receives a lump-sum payment of their employee contributions plus interest. Interest is currently credited at 5% compounded annually.

T. Member Contributions

8% of Compensation

U. Employer Contributions

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

V. Cost of Living Increases

COLA: 2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.

W. Changes from Previous Valuation

See the Discussion of Valuation Results Section of this report under the Revisions in Benefits heading.

X. 13th Check

Not applicable.

Y. Deferred Retirement Option Plan

Eligibility: Plan members are eligible for the DROP upon the attainment of the earlier of:

(1) age 57 regardless of Credited Service, or
(2) age 55 with 25 years of Credited Service, or
(3) 30 years of Credited Service regardless of age.

Members must make a written election to participate in the DROP.

Benefit: The member's Credited Service and FAC 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 FAC.

Maximum DROP Period: 5 years

Interest Credited: Upon entering the DROP and annually (calendar year basis) thereafter, the participant elects to receive earnings based upon one of the following options:

(1) the actual quarterly net investment return realized by the Fund, or
(2) 4% per annum.

Normal Form of Benefit: Lump Sum

COLA: 2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.

Supplemental Benefit:	Any pension benefits earned in excess of Internal Revenue Code Section 415 limits will be paid from the Excess Benefit Plan.

Z. Other Ancillary Benefits

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

SUMMARY OF PLAN PROVISIONS – DUAL SERVICE EMPLOYEES

A. Ordinances:

Plan established under the Code of Ordinances for the Village of Bal Harbour, Florida, Part II, Chapter 13, Article II, and was most recently amended and restated under Ordinance No. 516 passed and adopted on April 13, 2007. 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, 1955

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

Any former employee who subsequently became a participant in the Bal Harbour Village Police Officers' Pension Plan and Trust with no interruption of employment with the Village and who has less than six years Credited Service and no right to any benefit under the Village Employees' plan, except a return of contributions, which has not been exercised.

F. Credited Service

Service is measured as the total number of years and completed months of Continuous Employment with the Village beginning on the date of employment and ending on the date of transfer. No service will be credited for any periods of employment for which the member received a refund of their employee contributions.

G. Compensation

Basic compensation, defined as compensation actually paid to a participant excluding overtime pay, shift differentials, bonuses and all other extraordinary pay.

H. Final Average Compensation (FAC)

Average monthly rate of Compensation during the highest 36 consecutive months out of the last 120 months preceding the date of termination or retirement.

I. Normal Retirement

Eligibility:	A participant may retire on the first day of the month coincident with or next following the earlier of: (1) age 57 regardless of Credited Service, or (2) age 55 with 10 years of Credited Service, or (3) age 52 with 25 years of Credited Service, or (4) 20 years of Credited Service regardless of age.
Benefit:	3.5% of FAC times Credited Service.
Normal Form of Benefit:	10 Years Certain and Life thereafter; other options are also available.
COLA:	2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.
Supplemental Benefit:	Any pension benefits earned in excess of Internal Revenue Code Section 415 limits will be paid from the Excess Benefit Plan.

J. Early Retirement

Eligibility:	A participant may elect to retire earlier than the Normal Retirement Eligibility upon attainment of age 50 with 10 years of Credited Service.
Benefit:	The Normal Retirement Benefit is actuarially reduced for each year, not to exceed 3% per year, by which the Early Retirement date precedes the Normal Retirement date.
Normal Form of Benefit:	10 Years Certain and Life thereafter; other options are also available.
COLA:	2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.
Supplemental Benefit:	Any pension benefits earned in excess of Internal Revenue Code Section 415 limits will be paid from the Excess Benefit Plan.

K. Delayed Retirement

Not applicable

L. Service Connected Disability

Not applicable

M. Non-Service Connected Disability

Eligibility: Any participant who becomes totally and permanently disabled and unable to render useful and efficient service to the Village.

Benefit: Refund of Contributions with interest.

N. Death in the Line of Duty

Eligibility: Any participant that dies as a direct result of an occurrence arising in the performance of service to the Village.

Benefit: Refund of contributions with interest.

O. Other Pre-Retirement Death

Eligibility: Any participant that dies not as a direct result of an occurrence arising in the performance of service to the Village.

Benefit: Refund of contributions with interest.

P. Post Retirement Death

Not Applicable

Q. Optional Forms

In lieu of electing the Normal Form of benefit, the following options are available.

1. Joint and last survivor
2. Life annuity
3. Other: Determined as actuarial equivalent benefit.

Optional forms (other than lump sums) are calculated using 7% interest and the UP-1984 Mortality Table, with ages set ahead five years in the case of disability retirees.
.

R. Vested Termination

Not applicable

S. Refund

Eligibility: All members leaving covered employment are eligible. Optionally, vested members may withdraw their assessments plus interest in lieu of the deferred benefits otherwise due.

Benefit: The member who withdraws receives a lump-sum payment of his/her employee assessments, plus the interest credited on these contributions. Interest is credited at 5%.

T. Member Contributions

Not applicable

U. Employer Contributions

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

V. Cost of Living Increases

2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.

W. Changes from Previous Valuation

See the Discussion of Valuation Results Section of this report under the Revisions in Benefits heading.

X. 13th Check

Not applicable

Y. Deferred Retirement Option Plan

Eligibility: Plan members are eligible for the DROP upon the attainment of the earlier of:

(1) age 57 regardless of Credited Service, or
(2) age 55 with 10 years of Credited Service, or
(3) age 52 with 25 years of Credited Service, or
(4) 20 years of Credited Service regardless of age.

Members must make a written election to participate in the DROP.

Benefit: The member's Credited Service and FAC 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 FAC.

Maximum DROP Period: 5 years

Interest Credited: Upon entering the DROP and annually (calendar year basis) thereafter, the participant elects to receive earnings based upon one of the following options:

(1) the actual quarterly net investment return realized by the Fund, or
(2) 4% per annum.

Normal Form of Benefit:	2.5% compounded COLA commencing on the one-year anniversary of the retirement date and each year thereafter for participants who retire after March 21, 2006. Not payable to participants who elect lump sum distributions.
COLA:	None

Z. Other Ancillary Benefits

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

Bal Harbour General
SB 534 DISCLOSURE

			Plan Allocation			
Fiscal Year Ending	Plan Return (net)	Assumed Rate	Equity	Fixed	Alternatives	Cash
9/30/2014	8.60%	7.50%	59.20%	35.60%	0.00%	5.20%
9/30/2013	11.72%	7.50%	56.10%	33.30%	0.00%	10.60%
9/30/2012	17.32%	7.50%	59.40%	35.50%	0.00%	5.10%
9/30/2011	-0.25%	7.50%	65.10%	29.50%	0.00%	5.40%
9/30/2010	8.97%	8.00%	55.40%	34.60%	0.00%	10.00%