

CITY OF BRADENTON POLICE OFFICERS' RETIREMENT SYSTEM
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



June 28, 2015

Board of Trustees
City of Bradenton Police
Officers' Retirement System
Bradenton, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Bradenton Police Officers' Retirement System (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 Plan Administrator 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 Plan Administrator.

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, 2014 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2014 actuarial valuation report. Please refer to the October 1, 2014 actuarial valuation report, dated January 13, 2015, 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.

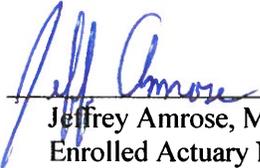
The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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

By  _____
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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>2014</u>
1. Total pension liability	
a. Service Cost	\$ 1,743,824
b. Interest	5,401,904
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(14,634)
e. Assumption Changes	-
f. Benefit Payments	(3,275,825)
g. Contribution Refunds	(82,636)
h. Net Change in Total Pension Liability	<u>3,772,633</u>
i. Total Pension Liability - Beginning	<u>68,236,658</u>
j. Total Pension Liability - Ending	<u><u>\$ 72,009,291</u></u>
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 2,083,762
b. Contributions - Non-Employer Contributing Entity	409,016
c. Contributions - Member	445,907
d. Net Investment Income	6,415,819
e. Benefit Payments	(3,275,825)
f. Contribution Refunds	(82,636)
g. Administrative Expense	(63,541)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>5,932,502</u>
j. Plan Fiduciary Net Position - Beginning	<u>58,371,536</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 64,304,038</u></u>
 3. Net Pension Liability / (Asset)	 7,705,253
 Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	8.00%
Mortality Table	1983 Group Annuity Mortality

**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	\$ 1,766,480
b. Interest	5,503,621
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(14,634)
e. Assumption Changes	-
f. Benefit Payments	(3,275,825)
g. Contribution Refunds	(82,636)
h. Net Change in Total Pension Liability	3,897,006
i. Total Pension Liability - Beginning	69,485,467
j. Total Pension Liability - Ending	\$ 73,382,473
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 2,083,762
b. Contributions - Non-Employer Contributing Entity	409,016
c. Contributions - Member	445,907
d. Net Investment Income	6,415,819
e. Benefit Payments	(3,275,825)
f. Contribution Refunds	(82,636)
g. Administrative Expense	(63,541)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	5,932,502
j. Plan Fiduciary Net Position - Beginning	58,371,536
k. Plan Fiduciary Net Position - Ending	\$ 64,304,038
3. Net Pension Liability / (Asset)	9,078,435
Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	8.00%
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,	<u>2014</u>
1. Total pension liability	
a. Service Cost	\$ 2,765,900
b. Interest	5,476,357
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(4,610)
e. Assumption Changes	-
f. Benefit Payments	(3,275,825)
g. Contribution Refunds	(82,636)
h. Net Change in Total Pension Liability	4,879,186
i. Total Pension Liability - Beginning	90,963,408
j. Total Pension Liability - Ending	<u>\$ 95,842,594</u>
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 2,083,762
b. Contributions - Non-Employer Contributing Entity	409,016
c. Contributions - Member	445,907
d. Net Investment Income	6,415,819
e. Benefit Payments	(3,275,825)
f. Contribution Refunds	(82,636)
g. Administrative Expense	(63,541)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	5,932,502
j. Plan Fiduciary Net Position - Beginning	58,371,536
k. Plan Fiduciary Net Position - Ending	<u>\$ 64,304,038</u>
 3. Net Pension Liability / (Asset)	31,538,556
 Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	6.00%
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,	<u>2014</u>
1. Total pension liability	
a. Service Cost	\$ 1,181,327
b. Interest	5,400,806
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(24,658)
e. Assumption Changes	-
f. Benefit Payments	(3,275,825)
g. Contribution Refunds	(82,636)
h. Net Change in Total Pension Liability	<u>3,199,014</u>
i. Total Pension Liability - Beginning	<u>55,283,420</u>
j. Total Pension Liability - Ending	<u><u>\$ 58,482,434</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 2,083,762
b. Contributions - Non-Employer Contributing Entity	409,016
c. Contributions - Member	445,907
d. Net Investment Income	6,415,819
e. Benefit Payments	(3,275,825)
f. Contribution Refunds	(82,636)
g. Administrative Expense	(63,541)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>5,932,502</u>
j. Plan Fiduciary Net Position - Beginning	<u>58,371,536</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 64,304,038</u></u>
3. Net Pension Liability / (Asset)	(5,821,604)
Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	10.00%
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	63,140,345	4,918,143	3,327,112	64,731,376
2016	64,731,376	5,037,603	3,522,683	66,246,296
2017	66,246,296	5,150,703	3,725,006	67,671,993
2018	67,671,993	5,253,267	4,012,321	68,912,939
2019	68,912,939	5,346,008	4,175,670	70,083,277
2020	70,083,277	5,430,509	4,403,821	71,109,966
2021	71,109,966	5,504,740	4,601,437	72,013,268
2022	72,013,268	5,569,954	4,777,688	72,805,534
2023	72,805,534	5,628,012	4,910,759	73,522,788
2024	73,522,788	5,679,768	5,051,372	74,151,184
2025	74,151,184	5,726,950	5,128,615	74,749,519
2026	74,749,519	5,768,942	5,275,487	75,242,974
2027	75,242,974	5,805,287	5,353,784	75,694,477
2028	75,694,477	5,836,419	5,478,487	76,052,408
2029	76,052,408	5,862,841	5,533,799	76,381,450
2030	76,381,450	5,886,510	5,600,151	76,667,809
2031	76,667,809	5,907,784	5,641,027	76,934,565
2032	76,934,565	5,927,908	5,671,443	77,191,030
2033	77,191,030	5,948,084	5,679,962	77,459,152
2034	77,459,152	5,969,371	5,684,024	77,744,499
2035	77,744,499	5,992,593	5,674,184	78,062,908
2036	78,062,908	6,018,839	5,654,846	78,426,900
2037	78,426,900	6,048,954	5,629,951	78,845,903
2038	78,845,903	6,084,173	5,587,487	79,342,589
2039	79,342,589	6,125,675	5,543,292	79,924,973
2040	79,924,973	6,174,610	5,484,699	80,614,884

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

1983 Group Annuity Mortality

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)
2015	63,140,345	4,918,167	3,326,525	64,731,987
2016	64,731,987	5,037,633	3,523,139	66,246,481
2017	66,246,481	5,150,634	3,727,117	67,669,998
2018	67,669,998	5,252,931	4,016,712	68,906,217
2019	68,906,217	5,345,160	4,183,430	70,067,947
2020	70,067,947	5,428,820	4,415,386	71,081,382
2021	71,081,382	5,501,833	4,616,932	71,966,283
2022	71,966,283	5,565,401	4,797,545	72,734,139
2023	72,734,139	5,621,316	4,935,382	73,420,073
2024	73,420,073	5,670,357	5,081,217	74,009,213
2025	74,009,213	5,714,173	5,164,089	74,559,297
2026	74,559,297	5,752,047	5,317,414	74,993,930
2027	74,993,930	5,783,399	5,402,898	75,374,431
2028	75,374,431	5,808,511	5,536,084	75,646,858
2029	75,646,858	5,827,718	5,600,777	75,873,798
2030	75,873,798	5,842,790	5,677,844	76,038,745
2031	76,038,745	5,853,878	5,730,546	76,162,076
2032	76,162,076	5,862,003	5,774,072	76,250,008
2033	76,250,008	5,868,133	5,796,702	76,321,438
2034	76,321,438	5,873,096	5,815,480	76,379,054
2035	76,379,054	5,877,485	5,820,979	76,435,560
2036	76,435,560	5,882,139	5,817,639	76,500,060
2037	76,500,060	5,887,622	5,809,572	76,578,110
2038	76,578,110	5,894,865	5,784,601	76,688,374
2039	76,688,374	5,904,718	5,758,800	76,834,292
2040	76,834,292	5,917,965	5,719,454	77,032,803

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.

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)
2015	63,140,345	3,688,625	3,326,525	63,502,445
2016	63,502,445	3,704,453	3,523,139	63,683,758
2017	63,683,758	3,709,212	3,727,117	63,665,853
2018	63,665,853	3,699,450	4,016,712	63,348,591
2019	63,348,591	3,675,413	4,183,430	62,840,574
2020	62,840,574	3,637,973	4,415,386	62,063,161
2021	62,063,161	3,585,282	4,616,932	61,031,510
2022	61,031,510	3,517,964	4,797,545	59,751,930
2023	59,751,930	3,437,054	4,935,382	58,253,602
2024	58,253,602	3,342,780	5,081,217	56,515,165
2025	56,515,165	3,235,987	5,164,089	54,587,063
2026	54,587,063	3,115,701	5,317,414	52,385,350
2027	52,385,350	2,981,034	5,402,898	49,963,486
2028	49,963,486	2,831,727	5,536,084	47,259,129
2029	47,259,129	2,667,524	5,600,777	44,325,876
2030	44,325,876	2,489,217	5,677,844	41,137,250
2031	41,137,250	2,296,319	5,730,546	37,703,022
2032	37,703,022	2,088,959	5,774,072	34,017,909
2033	34,017,909	1,867,174	5,796,702	30,088,381
2034	30,088,381	1,630,838	5,815,480	25,903,739
2035	25,903,739	1,379,595	5,820,979	21,462,355
2036	21,462,355	1,113,212	5,817,639	16,757,929
2037	16,757,929	831,189	5,809,572	11,779,545
2038	11,779,545	533,235	5,784,601	6,528,179
2039	6,528,179	218,927	5,758,800	988,305
2040	988,305	-	5,719,454	-

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:**

25.17

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 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	63,140,345	6,147,708	3,326,525	65,961,528
2016	65,961,528	6,419,996	3,523,139	68,858,385
2017	68,858,385	6,699,483	3,727,117	71,830,751
2018	71,830,751	6,982,239	4,016,712	74,796,278
2019	74,796,278	7,270,456	4,183,430	77,883,305
2020	77,883,305	7,567,561	4,415,386	81,035,480
2021	81,035,480	7,872,701	4,616,932	84,291,249
2022	84,291,249	8,189,248	4,797,545	87,682,952
2023	87,682,952	8,521,526	4,935,382	91,269,096
2024	91,269,096	8,872,849	5,081,217	95,060,728
2025	95,060,728	9,247,868	5,164,089	99,144,507
2026	99,144,507	9,648,580	5,317,414	103,475,673
2027	103,475,673	10,077,422	5,402,898	108,150,197
2028	108,150,197	10,538,216	5,536,084	113,152,329
2029	113,152,329	11,035,194	5,600,777	118,586,746
2030	118,586,746	11,574,782	5,677,844	124,483,684
2031	124,483,684	12,161,841	5,730,546	130,914,979
2032	130,914,979	12,802,794	5,774,072	137,943,702
2033	137,943,702	13,504,535	5,796,702	145,651,535
2034	145,651,535	14,274,379	5,815,480	154,110,434
2035	154,110,434	15,119,994	5,820,979	163,409,450
2036	163,409,450	16,050,063	5,817,639	173,641,874
2037	173,641,874	17,073,709	5,809,572	184,906,011
2038	184,906,011	18,201,371	5,784,601	197,322,781
2039	197,322,781	19,444,338	5,758,800	211,008,319
2040	211,008,319	20,814,859	5,719,454	226,103,724

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

10.00%

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, 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	Biweekly	Biweekly	Biweekly	Biweekly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 790,907	\$ 883,915	\$ 2,006,123	\$ 0
E. Employer Normal Cost	1,151,766	1,174,373	2,155,513	600,999
F. Employer ADC if Paid on Valuation Date: D + E	1,942,673	2,058,288	4,161,636	600,999
G. Employer ADC Adjusted for Frequency of Payments	2,020,380	2,140,620	4,287,650	630,772
H. Employer ADC Adjusted for Frequency of Payments as % of Covered Payroll	29.09 %	30.82 %	61.73 %	9.08 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	4.00 %	4.00 %	4.00 %	4.00 %
J. Covered Payroll for Contribution Year	7,224,189	7,224,189	7,224,189	7,224,189
K. Employer ADC for Contribution Year: H x J	2,101,517	2,226,495	4,459,492	655,956
L. Allowable Credit for State Revenue in Contribution Year	409,016	409,016	409,016	409,016
M. Net Employer ADC in Contribution Year	1,692,501	1,817,479	4,050,476	246,940
N. Net Employer ADC as % of Covered Payroll in Contribution Year: M ÷ J	23.43 %	25.16 %	56.07 %	3.42 %
O. Expected Member Contribution	650,177	650,177	650,177	650,177
P. Total Contribution (Including Members) in Contribution Year	2,751,694	2,876,672	5,109,669	1,306,133
Q. Total Contribution as % of Covered Payroll in Contribution Year: P ÷ J	38.09 %	39.82 %	70.73 %	18.08 %
R. Certain Key Assumptions				
Investment Return Assumption	8.00%	8.00%	6.00%	10.00%
Mortality Table	1983 Group Annuity Mortality	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA