

CITY OF HOLLYWOOD GENERAL EMPLOYEES' 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



September 25, 2015

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

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Hollywood General Employees' Retirement System 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 and the City 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 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, 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 July 29, 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.

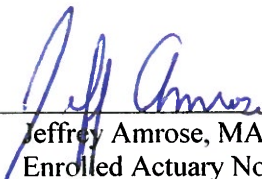
The undersigned are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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	\$ 4,303,657
b. Interest	34,380,417
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	333,165
e. Assumption Changes	-
f. Benefit Payments	(28,191,052)
g. Contribution Refunds	(231,708)
h. Net Change in Total Pension Liability	<u>10,594,479</u>
i. Total Pension Liability - Beginning	<u>439,662,931</u>
j. Total Pension Liability - Ending	<u>\$ 450,257,410</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 23,160,583
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	2,671,277
d. Net Investment Income	28,051,900
e. Benefit Payments	(28,191,052)
f. Contribution Refunds	(231,708)
g. Administrative Expense	(282,797)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>25,178,203</u>
j. Plan Fiduciary Net Position - Beginning	<u>262,596,805</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 287,775,008</u>
3. Net Pension Liability / (Asset)	162,482,402
Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	8.00%
Mortality Table	RP-2000 projected to 2016 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,	<u>2014</u>
1. Total pension liability	
a. Service Cost	\$ 4,459,452
b. Interest	34,838,341
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	333,165
e. Assumption Changes	-
f. Benefit Payments	(28,191,052)
g. Contribution Refunds	(231,708)
h. Net Change in Total Pension Liability	<u>11,208,198</u>
i. Total Pension Liability - Beginning	<u>445,231,186</u>
j. Total Pension Liability - Ending	<u>\$ 456,439,384</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 23,160,583
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	2,671,277
d. Net Investment Income	28,051,900
e. Benefit Payments	(28,191,052)
f. Contribution Refunds	(231,708)
g. Administrative Expense	(282,797)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>25,178,203</u>
j. Plan Fiduciary Net Position - Beginning	<u>262,596,805</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 287,775,008</u>
3. Net Pension Liability / (Asset)	168,664,376
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	\$ 6,717,236
b. Interest	32,495,551
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	627,599
e. Assumption Changes	-
f. Benefit Payments	(28,191,052)
g. Contribution Refunds	(231,708)
h. Net Change in Total Pension Liability	<u>11,417,626</u>
i. Total Pension Liability - Beginning	<u>549,086,655</u>
j. Total Pension Liability - Ending	<u><u>\$ 560,504,281</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 23,160,583
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	2,671,277
d. Net Investment Income	28,051,900
e. Benefit Payments	(28,191,052)
f. Contribution Refunds	(231,708)
g. Administrative Expense	(282,797)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>25,178,203</u>
j. Plan Fiduciary Net Position - Beginning	<u>262,596,805</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 287,775,008</u></u>
3. Net Pension Liability / (Asset)	272,729,273
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	\$ 3,089,167
b. Interest	36,045,078
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	38,731
e. Assumption Changes	-
f. Benefit Payments	(28,191,052)
g. Contribution Refunds	(231,708)
h. Net Change in Total Pension Liability	<u>10,750,216</u>
i. Total Pension Liability - Beginning	<u>371,572,990</u>
j. Total Pension Liability - Ending	<u><u>\$ 382,323,206</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 23,160,583
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	2,671,277
d. Net Investment Income	28,051,900
e. Benefit Payments	(28,191,052)
f. Contribution Refunds	(231,708)
g. Administrative Expense	(282,797)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>25,178,203</u>
j. Plan Fiduciary Net Position - Beginning	<u>262,596,805</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 287,775,008</u></u>
3. Net Pension Liability / (Asset)	94,548,198
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	263,496,151	19,663,607	29,179,469	253,980,289
2016	253,980,289	18,883,924	29,886,559	242,977,654
2017	242,977,654	17,983,183	30,684,858	230,275,978
2018	230,275,978	16,950,485	31,425,746	215,800,718
2019	215,800,718	15,772,214	32,304,872	199,268,060
2020	199,268,060	14,423,678	33,379,705	180,312,033
2021	180,312,033	12,891,759	34,250,415	158,953,378
2022	158,953,378	11,173,650	35,029,531	135,097,497
2023	135,097,497	9,254,367	35,907,229	108,444,635
2024	108,444,635	7,111,462	36,852,265	78,703,831
2025	78,703,831	4,732,454	37,598,699	45,837,586
2026	45,837,586	2,104,489	38,396,968	9,545,108
2027	9,545,108	-	38,983,489	-
2028	-	-	39,368,578	-
2029	-	-	39,547,713	-
2030	-	-	39,546,524	-
2031	-	-	39,487,761	-
2032	-	-	39,236,244	-
2033	-	-	38,918,182	-
2034	-	-	38,397,185	-
2035	-	-	37,829,116	-
2036	-	-	37,170,112	-
2037	-	-	36,392,395	-
2038	-	-	35,557,358	-
2039	-	-	34,577,183	-
2040	-	-	33,547,133	-

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:**

12.17

Certain Key Assumptions

Valuation Investment return assumption

7.90%

Valuation Mortality Table

RP-2000 projected to 2016 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)
2015	263,496,151	19,663,544	29,181,052	253,978,643
2016	253,978,643	18,883,933	29,883,026	242,979,551
2017	242,979,551	17,983,558	30,679,145	230,283,964
2018	230,283,964	16,951,264	31,422,009	215,813,219
2019	215,813,219	15,773,111	32,307,171	199,279,159
2020	199,279,159	14,424,105	33,391,107	180,312,157
2021	180,312,157	12,890,805	34,274,827	158,928,134
2022	158,928,134	11,169,916	35,073,576	135,024,475
2023	135,024,475	9,245,784	35,978,471	108,291,788
2024	108,291,788	7,095,277	36,956,299	78,430,766
2025	78,430,766	4,705,199	37,742,574	45,393,391
2026	45,393,391	2,061,801	38,589,278	8,865,914
2027	8,865,914	-	39,232,242	-
2028	-	-	39,682,181	-
2029	-	-	39,936,495	-
2030	-	-	40,020,208	-
2031	-	-	40,056,065	-
2032	-	-	39,910,446	-
2033	-	-	39,706,187	-
2034	-	-	39,311,745	-
2035	-	-	38,877,728	-
2036	-	-	38,360,301	-
2037	-	-	37,730,153	-
2038	-	-	37,045,166	-
2039	-	-	36,219,326	-
2040	-	-	35,341,415	-

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:**

12.17

Certain Key Assumptions

Valuation Investment return assumption

7.90%

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	263,496,151	14,685,432	29,181,052	249,000,531
2016	249,000,531	13,809,482	29,883,026	232,926,987
2017	232,926,987	12,837,657	30,679,145	215,085,499
2018	215,085,499	11,763,095	31,422,009	195,426,586
2019	195,426,586	10,577,107	32,307,171	173,696,522
2020	173,696,522	9,263,057	33,391,107	149,568,472
2021	149,568,472	7,813,432	34,274,827	123,107,077
2022	123,107,077	6,228,647	35,073,576	94,262,148
2023	94,262,148	4,500,102	35,978,471	62,783,779
2024	62,783,779	2,614,032	36,956,299	28,441,512
2025	28,441,512	564,643	37,742,574	-
2026	-	-	38,589,278	-
2027	-	-	39,232,242	-
2028	-	-	39,682,181	-
2029	-	-	39,936,495	-
2030	-	-	40,020,208	-
2031	-	-	40,056,065	-
2032	-	-	39,910,446	-
2033	-	-	39,706,187	-
2034	-	-	39,311,745	-
2035	-	-	38,877,728	-
2036	-	-	38,360,301	-
2037	-	-	37,730,153	-
2038	-	-	37,045,166	-
2039	-	-	36,219,326	-
2040	-	-	35,341,415	-

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:**

10.75

Certain Key Assumptions

Valuation Investment return assumption

5.90%

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	263,496,151	24,641,657	29,181,052	258,956,756
2016	258,956,756	24,157,509	29,883,026	253,231,239
2017	253,231,239	23,551,275	30,679,145	246,103,369
2018	246,103,369	22,808,844	31,422,009	237,490,204
2019	237,490,204	21,912,325	32,307,171	227,095,358
2020	227,095,358	20,829,581	33,391,107	214,533,832
2021	214,533,832	19,542,245	34,274,827	199,801,250
2022	199,801,250	18,044,182	35,073,576	182,771,856
2023	182,771,856	16,313,479	35,978,471	163,106,864
2024	163,106,864	14,318,243	36,956,299	140,468,808
2025	140,468,808	12,038,155	37,742,574	114,764,389
2026	114,764,389	9,451,505	38,589,278	85,626,616
2027	85,626,616	6,535,039	39,232,242	52,929,413
2028	52,929,413	3,275,744	39,682,181	16,522,976
2029	16,522,976	-	39,936,495	-
2030	-	-	40,020,208	-
2031	-	-	40,056,065	-
2032	-	-	39,910,446	-
2033	-	-	39,706,187	-
2034	-	-	39,311,745	-
2035	-	-	38,877,728	-
2036	-	-	38,360,301	-
2037	-	-	37,730,153	-
2038	-	-	37,045,166	-
2039	-	-	36,219,326	-
2040	-	-	35,341,415	-

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:**

14.33

Certain Key Assumptions

Valuation Investment return assumption

9.90%

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
	October 1, 2014	October 1, 2014	October 1, 2014	October 1, 2014
A. Valuation Date	October 1, 2014	October 1, 2014	October 1, 2014	October 1, 2014
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	Biweekly	Biweekly	Biweekly	Biweekly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 19,535,466	\$ 20,059,760	\$ 24,933,823	\$ 15,250,845
E. Employer Normal Cost	2,075,371	2,236,079	4,557,455	846,442
F. ADC if Paid on Valuation Date: D + E	21,610,837	22,295,839	29,491,278	16,097,287
G. ADC Adjusted for Frequency of Payments	22,464,860	23,176,971	30,369,823	16,887,181
H. ADC Adjusted for Frequency of Payments as % of Covered Payroll	72.40 %	74.70 %	97.88 %	54.42 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	3.50 %	3.50 %	3.50 %	3.50 %
J. Covered Payroll for Contribution Year	32,114,410	32,114,410	32,114,410	32,114,410
K. ADC for Contribution Year: H x J	23,250,833	23,989,464	31,433,584	17,476,662
L. Allowable Credit for State Revenue in Contribution Year	0	0	0	0
M. Employer ADC in Contribution Year	23,250,833	23,989,464	31,433,584	17,476,662
N. Employer ADC as % of Covered Payroll in Contribution Year: M ÷ J	72.40 %	74.70 %	97.88 %	54.42 %
O. Expected Member Contributions	2,569,153	2,569,153	2,569,153	2,569,153
P. Total Contribution (including Members) in Contributing Year	25,819,986	26,558,617	34,002,737	20,045,815
Q. Total Contribution as a % of covered payroll in Contribution Year: P ÷ J	80.40 %	82.70 %	105.88 %	62.42 %
R. Certain Key Assumptions				
Investment Return Assumption	7.90%	7.90%	5.90%	9.90%
Mortality Table	RP-2000 projected to 2016 using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA