

**City of Clearwater, Florida**  
**Defined Benefit Pension Plans**  
**Required Supplementary Information - Unaudited**

**Employees' Pension Plan**  
**Schedule of Changes in Net Pension Liability and Related Ratios**

	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>		
Service Cost	\$ 14,585,979	14,670,375
Interest on the Total Pension Liability	56,983,247	55,622,257
Benefit Changes	-	-
Difference between Expected and Actual Experience	(3,532,969)	(11,230,163)
Assumption Changes	-	-
Benefit Payments	(39,276,003)	(37,118,458)
Refunds	(1,000,827)	(1,675,419)
<b>Net Change in Total Pension Liability</b>	<u>27,759,427</u>	<u>20,268,592</u>
<b>Total Pension Liability - Beginning</b>	<u>819,598,826</u>	<u>799,330,234</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 847,358,253</u>	<u>819,598,826</u>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 14,923,098	18,860,463
Contributions - Non-Employer Contributing Entity	12,000	12,000
Contributions - Employee	6,483,666	7,073,440
Net Investment Income	(4,165,092)	82,832,149
Benefit Payments	(39,276,003)	(37,118,458)
Refunds	(1,000,827)	(1,675,419)
Administrative Expense	(297,942)	(175,212)
Other	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<u>(23,321,100)</u>	<u>69,808,963</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>863,589,949</u>	<u>793,780,986</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 840,268,849</u>	<u>863,589,949</u>
<b>Net Pension Liability/(Asset) - Beginning</b>	(43,991,123)	5,549,248
<b>Net Pension Liability/(Asset) - Ending (a) - (b)</b>	7,089,404	(43,991,123)
<b>Plan Fiduciary Net Position as a Percentage of</b>		
<b>Total Pension Liability</b>	99.16%	105.37%
<b>Covered Employee Payroll</b>	76,767,125	75,629,669
<b>Net Pension Liability as a Percentage of</b>		
<b>Covered Employee Payroll</b>	9.23%	-58.17%

**Notes to Schedule:**

Data unavailable prior to 2014.

**City of Clearwater, Florida**  
**Defined Benefit Pension Plans**  
**Required Supplementary Information - Unaudited**

**Firefighters' Relief and Pension Plan**  
**Schedule of Changes in Net Pension Liability and Related Ratios**

	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>		
Service Cost	\$ -	-
Interest on the Total Pension Liability	100,650	92,956
Benefit Changes	-	-
Difference between Expected and Actual Experience	114,258	(426,528)
Assumption Changes	201,922	-
Benefit Payments	(442,775)	(525,760)
Refunds		
Other	-	143,654
<b>Net Change in Total Pension Liability</b>	<u>(25,945)</u>	<u>(715,678)</u>
<b>Total Pension Liability - Beginning</b>	<u>3,797,780</u>	<u>4,513,458</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 3,771,835</u>	<u>3,797,780</u>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	-	-
Contributions - Non-Employer Contributing Entity	-	-
Contributions - Employee	-	-
Net Investment Income	199,776	169,627
Benefit Payments	(442,775)	(525,760)
Refunds	-	-
Administrative Expense	(2,005)	(5,808)
Other	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<u>(245,004)</u>	<u>(361,941)</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>4,860,303</u>	<u>5,222,244</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 4,615,299</u>	<u>4,860,303</u>
<b>Net Pension Liability/(Asset) - Beginning</b>	(1,062,523)	(495,433)
<b>Net Pension Liability/(Asset) - Ending (a) - (b)</b>	(843,464)	(1,062,523)
<b>Plan Fiduciary Net Position as a Percentage of</b>		
<b>Total Pension Liability</b>	122.36%	127.98%
<b>Covered Employee Payroll</b>	N/A	N/A
<b>Net Pension Liability as a Percentage of</b>		
<b>Covered Employee Payroll</b>	N/A	N/A

**Notes to Schedule:**

Data unavailable prior to 2014.

**City of Clearwater, Florida**  
**Defined Benefit Pension Plans**  
**Required Supplementary Information - Unaudited**

**Employees' Pension Plan**  
**Schedule of Contributions**

<u>FY Ending September 30</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2015	\$ 10,803,098	\$ 14,935,098	\$ (4,132,000)	\$ 76,767,125	19.46%
2014	19,608,078	18,872,463 *	735,615	75,629,669	24.95%

\* A portion of the plan's credit balance was applied to meet the remainder of the actuarially determined contribution for the fiscal year ending September 30, 2014.

**Notes to Schedule of Contributions**

**Valuation Date:** January 1, 2015  
**Measurement Date:** September 30, 2015  
**Notes:** Actuarially determined contributions are calculated as of January 1, which is nine months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Frozen Entry Age
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	17 years
Asset Valuation Method	5-year smoothed market; 20% corridor
Inflation	2.50%
Salary Increases	3.50% to 7.90% depending on service; including inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the employment classification and type of eligibility condition.
Mortality	RP-2000 Combined Healthy Participant Mortality Tables for males and females with future mortality improvements projected from 2000 to all future years by using Scale BB.

**Other Information:**

**Notes:** There were no benefit or assumption changes during the year. The above assumptions were last updated for the January 1, 2013 valuation pursuant to an experience study of the 5-year period from January 1, 2007 through January 1, 2012. Effective for the January 1, 2015 valuation, the actuarial cost method was changed from the Frozen Entry Age method to the Entry Age Normal method.

Data unavailable prior to 2014.

**City of Clearwater, Florida**  
**Defined Benefit Pension Plans**  
**Required Supplementary Information - Unaudited**

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**Firefighters' Relief and Pension Plan**  
**Schedule of Contributions**

<u>FY Ending September 30</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2015	\$ -	\$ -	\$ -	\$ -	0.00%
2014	-	-	-	-	0.00%

Note: Data unavailable prior to 2014.

**Notes to Schedule of Contributions**

Effective with the fiscal year ended September 30, 2007, the Firefighters' Relief and Pension Plan, with no remaining active members (only retirees), was fully funded per the requirements of the governing Ordinance. The City may elect to contribute should future valuations show an actuarial need for such.

**City of Clearwater, Florida  
Defined Benefit Pension Plans  
Required Supplementary Information - Unaudited**

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**Employees' Pension Plan  
Schedule of Investment Returns**

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	-0.03%	10.90%

Note: Data unavailable prior to 2014.

**City of Clearwater, Florida  
Defined Benefit Pension Plans  
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**Firefighters' Relief and Pension Plan  
Schedule of Investment Returns**

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	4.315%	3.902%

Note: Data unavailable prior to 2014.

**City of Clearwater, Florida**  
**Other Post-Employment Benefits**  
**Required Supplementary Information - Unaudited**

**Schedule of Employer Contributions:**

Fiscal Year Ending	Annual Required Contribution	Estimated Contributions (1)	Percentage of ARC Contributed
September 30, 2008	\$ 2,415,000	\$ 618,900	25.63%
September 30, 2009	\$ 2,657,200	\$ 642,600	24.18%
September 30, 2010	\$ 2,676,849	\$ 1,226,290	45.81%
September 30, 2011	\$ 2,591,067	\$ 1,267,980	48.94%
September 30, 2012	\$ 2,634,280	\$ 1,168,342	44.35%
September 30, 2013	\$ 2,922,797	\$ 1,292,849	44.23%
September 30, 2014	\$ 3,314,592	\$ 1,203,082	36.30%
September 30, 2015	\$ 3,446,429	\$ 1,629,825	47.29%

(1) Since there is no funding, these are the estimated benefit payments.

**Schedule of Funding Progress:**

Actuarial Valuation Date (Biannual)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((b-a) /c)
October 1, 2007 (1)	\$ -	\$ 23,215,500	\$ 23,215,500	0.00%	\$ 83,100,000	27.94%
January 1, 2010	\$ -	\$ 32,823,521	\$ 32,823,521	0.00%	\$ 80,987,124	40.53%
January 1, 2012	\$ -	\$ 30,721,086	\$ 30,721,086	0.00%	\$ 68,293,356	44.98%
January 1, 2014	\$ -	\$ 34,091,536	\$ 34,091,536	0.00%	\$ 70,649,261	48.25%

(1) Initial year of plan disclosure.

**Significant changes affecting the presented trend information include:** The actuarial valuation of the Plan as of January 1, 2014, reflected changes in actuarial assumptions and methods from the previous valuation as of January 1, 2012 as follows: The Health Care Cost Trend Rate decreased from 8.5% in 2012 to 8.0% in 2014, with planned decreases of ½% each subsequent year so that it is projected to reach the ultimate goal of 5% in 2021 rather than 2019. There were no changes to the Investment Discount Rate, Mortality Tables or Medicare Benefits.