

**ST. JOHN'S RIVER POWER PARK SYSTEM EMPLOYEES' RETIREMENT PLAN**  
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

July 13, 2015

The SJRPP Pension Committee

Dear Committee Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the St. John's River Power Park System Employees' Retirement Plan (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 Pension Committee and is intended for use by the Committee and those designated or approved by the Committee. This report may be provided to parties other than the System only in its entirety and only with the permission of the Committee.

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 JEA 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 JEA.

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Pension Committee 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 April 22, 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 \_\_\_\_\_  
James J. Rizzo, ASA, MAAA  
Enrolled Actuary No. 14-3355  
Senior Consultant & Actuary



By \_\_\_\_\_  
Piotr Krekora, ASA, MAAA  
Consultant & Actuary

## TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
Ch. 112.664, F.S. Results	
Schedule of Changes in Net Pension Liability	
1. Using financial reporting assumptions per GASB Statement No. 67	1
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	2
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	3
4. Using the mandated mortality and funding interest rate +2%	4
Assets Versus Benefit Payments Projections	
1. Using assumptions per the Plan's latest actuarial valuation	5
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	6
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	7
4. Using the mandated mortality and funding interest rate +2%	8
Actuarially Determined Contribution	9

**CH. 112.664, Florida Statutes**

**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>
<b>1. Total pension liability</b>	
a. Service Cost	\$ 1,469,834
b. Interest	10,026,508
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(9,509,425)
g. Contribution Refunds	-
<b>h. Net Change in Total Pension Liability</b>	<u>1,986,917</u>
<b>i. Total Pension Liability - Beginning</b>	<u>146,520,712</u>
<b>j. Total Pension Liability - Ending</b>	<u>\$ 148,507,629</u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 5,558,821
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	654,941
d. Net Investment Income	13,763,073
e. Benefit Payments	(9,509,425)
f. Contribution Refunds	-
g. Administrative Expense	(61,357)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>10,406,053</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>135,019,133</u>
<b>k. Plan Fiduciary Net Position - Ending</b>	<u>\$ 145,425,186</u>
<b>3. Net Pension Liability / (Asset)</b>	3,082,443
<b>Certain Key Assumptions</b>	
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)(a), F.S.**

Fiscal year ending September 30,	<u>2014</u>
<b>1. Total pension liability</b>	
a. Service Cost	\$ 1,469,834
b. Interest	10,026,508
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(9,509,425)
g. Contribution Refunds	-
<b>h. Net Change in Total Pension Liability</b>	<u>1,986,917</u>
<b>i. Total Pension Liability - Beginning</b>	<u>146,520,712</u>
<b>j. Total Pension Liability - Ending</b>	<u>\$ 148,507,629</u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 5,558,821
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	654,941
d. Net Investment Income	13,763,073
e. Benefit Payments	(9,509,425)
f. Contribution Refunds	-
g. Administrative Expense	(61,357)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>10,406,053</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>135,019,133</u>
<b>k. Plan Fiduciary Net Position - Ending</b>	<u>\$ 145,425,186</u>
<b>3. Net Pension Liability / (Asset)</b>	3,082,443
<b>Certain Key Assumptions</b>	
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,	<u>2014</u>
<b>1. Total pension liability</b>	
a. Service Cost	\$ 2,394,825
b. Interest	8,945,930
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(9,509,425)
g. Contribution Refunds	-
<b>h. Net Change in Total Pension Liability</b>	<u>1,831,330</u>
<b>i. Total Pension Liability - Beginning</b>	<u>181,278,491</u>
<b>j. Total Pension Liability - Ending</b>	<u><u>\$ 183,109,821</u></u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 5,558,821
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	654,941
d. Net Investment Income	13,763,073
e. Benefit Payments	(9,509,425)
f. Contribution Refunds	-
g. Administrative Expense	(61,357)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>10,406,053</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>135,019,133</u>
<b>k. Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 145,425,186</u></u>
<b>3. Net Pension Liability / (Asset)</b>	37,684,635
<b>Certain Key Assumptions</b>	
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,	<u>2014</u>
<b>1. Total pension liability</b>	
a. Service Cost	\$ 929,897
b. Interest	10,574,871
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(9,509,425)
g. Contribution Refunds	-
<b>h. Net Change in Total Pension Liability</b>	<u>1,995,343</u>
<b>i. Total Pension Liability - Beginning</b>	<u>121,323,380</u>
<b>j. Total Pension Liability - Ending</b>	<u><u>\$ 123,318,723</u></u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 5,558,821
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	654,941
d. Net Investment Income	13,763,073
e. Benefit Payments	(9,509,425)
f. Contribution Refunds	-
g. Administrative Expense	(61,357)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>10,406,053</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>135,019,133</u>
<b>k. Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 145,425,186</u></u>
<b>3. Net Pension Liability / (Asset)</b>	(22,106,463)
<b>Certain Key Assumptions</b>	
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 Financial Reporting Assumptions per GASB Statement No. 67**

<b>FYE</b>	<b>Market Value of Assets (BOY)</b>	<b>Expected Investment Return</b>	<b>Projected Benefit Payments</b>	<b>Market Value of Assets (EOY)</b>
2015	145,425,186	9,815,014	10,421,396	144,818,804
2016	144,818,804	9,782,561	10,135,871	144,465,495
2017	144,465,495	9,745,679	10,483,004	143,728,170
2018	143,728,170	9,672,484	11,099,642	142,301,013
2019	142,301,013	9,564,912	11,318,833	140,547,091
2020	140,547,091	9,436,075	11,492,029	138,491,137
2021	138,491,137	9,282,429	11,770,031	136,003,534
2022	136,003,534	9,102,237	11,943,150	133,162,622
2023	133,162,622	8,903,552	11,938,045	130,128,129
2024	130,128,129	8,690,885	11,945,262	126,873,753
2025	126,873,753	8,459,549	12,046,110	123,287,191
2026	123,287,191	8,207,335	12,079,092	119,415,434
2027	119,415,434	7,936,978	12,060,070	115,292,342
2028	115,292,342	7,647,163	12,094,324	110,845,181
2029	110,845,181	7,338,984	12,005,093	106,179,072
2030	106,179,072	7,015,856	11,905,117	101,289,810
2031	101,289,810	6,677,102	11,805,291	96,161,620
2032	96,161,620	6,326,635	11,562,255	90,926,000
2033	90,926,000	5,968,180	11,332,560	85,561,620
2034	85,561,620	5,603,669	11,018,413	80,146,876
2035	80,146,876	5,236,492	10,679,697	74,703,671
2036	74,703,671	4,867,490	10,336,200	69,234,962
2037	69,234,962	4,498,541	9,940,184	63,793,319
2038	63,793,319	4,131,411	9,546,335	58,378,395
2039	58,378,395	3,768,830	9,075,927	53,071,297
2040	53,071,297	3,413,241	8,621,430	47,863,108

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:**

38.00

**Certain Key Assumptions**

Valuation Investment return assumption

7.00%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

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

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

<b>FYE</b>	<b>Market Value of Assets (BOY)</b>	<b>Expected Investment Return</b>	<b>Projected Benefit Payments</b>	<b>Market Value of Assets (EOY)</b>
2015	145,425,186	9,815,014	10,421,396	144,818,804
2016	144,818,804	9,782,561	10,135,871	144,465,495
2017	144,465,495	9,745,679	10,483,004	143,728,170
2018	143,728,170	9,672,484	11,099,642	142,301,013
2019	142,301,013	9,564,912	11,318,833	140,547,091
2020	140,547,091	9,436,075	11,492,029	138,491,137
2021	138,491,137	9,282,429	11,770,031	136,003,534
2022	136,003,534	9,102,237	11,943,150	133,162,622
2023	133,162,622	8,903,552	11,938,045	130,128,129
2024	130,128,129	8,690,885	11,945,262	126,873,753
2025	126,873,753	8,459,549	12,046,110	123,287,191
2026	123,287,191	8,207,335	12,079,092	119,415,434
2027	119,415,434	7,936,978	12,060,070	115,292,342
2028	115,292,342	7,647,163	12,094,324	110,845,181
2029	110,845,181	7,338,984	12,005,093	106,179,072
2030	106,179,072	7,015,856	11,905,117	101,289,810
2031	101,289,810	6,677,102	11,805,291	96,161,620
2032	96,161,620	6,326,635	11,562,255	90,926,000
2033	90,926,000	5,968,180	11,332,560	85,561,620
2034	85,561,620	5,603,669	11,018,413	80,146,876
2035	80,146,876	5,236,492	10,679,697	74,703,671
2036	74,703,671	4,867,490	10,336,200	69,234,962
2037	69,234,962	4,498,541	9,940,184	63,793,319
2038	63,793,319	4,131,411	9,546,335	58,378,395
2039	58,378,395	3,768,830	9,075,927	53,071,297
2040	53,071,297	3,413,241	8,621,430	47,863,108

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:

38.00

**Certain Key Assumptions**

Valuation Investment return assumption

7.00%

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.**

<b>FYE</b>	<b>Market Value of Assets (BOY)</b>	<b>Expected Investment Return</b>	<b>Projected Benefit Payments</b>	<b>Market Value of Assets (EOY)</b>
2015	145,425,186	7,010,724	10,421,396	142,014,515
2016	142,014,515	6,847,329	10,135,871	138,725,973
2017	138,725,973	6,674,224	10,483,004	134,917,192
2018	134,917,192	6,468,369	11,099,642	130,285,919
2019	130,285,919	6,231,325	11,318,833	125,198,411
2020	125,198,411	5,972,620	11,492,029	119,679,002
2021	119,679,002	5,689,699	11,770,031	113,598,670
2022	113,598,670	5,381,355	11,943,150	107,036,875
2023	107,036,875	5,053,393	11,938,045	100,152,223
2024	100,152,223	4,708,980	11,945,262	92,915,941
2025	92,915,941	4,344,644	12,046,110	85,214,475
2026	85,214,475	3,958,746	12,079,092	77,094,129
2027	77,094,129	3,553,205	12,060,070	68,587,264
2028	68,587,264	3,127,005	12,094,324	59,619,945
2029	59,619,945	2,680,870	12,005,093	50,295,721
2030	50,295,721	2,217,158	11,905,117	40,607,762
2031	40,607,762	1,735,256	11,805,291	30,537,727
2032	30,537,727	1,237,830	11,562,255	20,213,302
2033	20,213,302	727,351	11,332,560	9,608,092
2034	9,608,092	204,944	11,018,413	-
2035	-	-	10,679,697	-
2036	-	-	10,336,200	-
2037	-	-	9,940,184	-
2038	-	-	9,546,335	-
2039	-	-	9,075,927	-
2040	-	-	8,621,430	-

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:**

19.83

**Certain Key Assumptions**

Valuation Investment return assumption

5.00%

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**

<b>FYE</b>	<b>Market Value of Assets (BOY)</b>	<b>Expected Investment Return</b>	<b>Projected Benefit Payments</b>	<b>Market Value of Assets (EOY)</b>
2015	145,425,186	12,619,304	10,421,396	147,623,094
2016	147,623,094	12,829,964	10,135,871	150,317,188
2017	150,317,188	13,056,812	10,483,004	152,890,995
2018	152,890,995	13,260,706	11,099,642	155,052,059
2019	155,052,059	13,445,338	11,318,833	157,178,564
2020	157,178,564	13,628,929	11,492,029	159,315,464
2021	159,315,464	13,808,740	11,770,031	161,354,173
2022	161,354,173	13,984,434	11,943,150	163,395,457
2023	163,395,457	14,168,379	11,938,045	165,625,792
2024	165,625,792	14,368,785	11,945,262	168,049,315
2025	168,049,315	14,582,363	12,046,110	170,585,568
2026	170,585,568	14,809,142	12,079,092	173,315,618
2027	173,315,618	15,055,702	12,060,070	176,311,251
2028	176,311,251	15,323,768	12,094,324	179,540,694
2029	179,540,694	15,618,433	12,005,093	183,154,034
2030	183,154,034	15,948,133	11,905,117	187,197,050
2031	187,197,050	16,316,496	11,805,291	191,708,255
2032	191,708,255	16,733,441	11,562,255	196,879,441
2033	196,879,441	17,209,184	11,332,560	202,756,065
2034	202,756,065	17,752,217	11,018,413	209,489,870
2035	209,489,870	18,373,502	10,679,697	217,183,675
2036	217,183,675	19,081,402	10,336,200	225,928,877
2037	225,928,877	19,886,291	9,940,184	235,874,984
2038	235,874,984	20,799,163	9,546,335	247,127,812
2039	247,127,812	21,833,086	9,075,927	259,884,971
2040	259,884,971	23,001,683	8,621,430	274,265,224

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:

999.99

**Certain Key Assumptions**

Valuation Investment return assumption

9.00%

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.**

<b>ACTUARIALLY DETERMINED CONTRIBUTION</b>				
	Plan's Latest Actuarial Valuation Assumptions	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. 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	\$ 1,100,257	\$ 1,100,257	\$ 19,264,498	\$ 0
E. Total Normal Cost	1,335,813	1,335,813	2,129,425	871,079
F. ADC if Paid on Valuation Date: D + E	2,436,070	2,436,070	21,393,923	871,079
G. ADC Adjusted for Frequency of Payments	2,701,334	2,701,334	23,046,820	993,846
H. Covered Payroll for Contribution Year	18,036,174	18,036,174	18,036,174	18,036,174
I. ADC Adjusted for Frequency of Payments as % of Covered Payroll	14.98 %	14.98 %	127.78 %	5.51 %
J. Expected Member Contributions in Contribution Year	721,447	721,447	721,447	721,447
K. Employer ADC in Contribution Year	1,979,887	1,979,887	22,325,373	272,399
L. Employer ADC as % of Covered Payroll in Contribution Year: H ÷ K	10.98 %	10.98 %	123.78 %	1.51 %
M. Certain Key Assumptions				
Investment Return Assumption	7.00%	7.00%	5.00%	9.00%
Mortality Table	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA