

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

ACTUARIAL VALUATION REPORT
OCTOBER 1, 2016

**ANNUAL EMPLOYER CONTRIBUTION
IS DETERMINED BY THIS VALUATION
TO BE PAID IN THE EMPLOYER FISCAL YEAR ENDING
SEPTEMBER 30, 2018**



February 17, 2017

The SJRPP Pension Committee

Dear Committee Members:

The results of the October 1, 2016 Annual Actuarial Valuation of the St. John's River Power Park System Employees' Retirement Plan (Plan) are presented in this report.

The computed contribution rate shown on page 1 may be considered as a minimum contribution rate that complies with the Plan's funding policy. Users of this report should be aware that contributions made at that rate do not guarantee benefit security. Given the importance of benefit security to any retirement system, we suggest that contributions to the Plan in excess of those presented in this report be considered.

The contribution rate in this report is determined using the actuarial assumptions and methods disclosed in Section B of this report. This report includes risk metrics in Section B but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment. We encourage a review and assessment of investment and other significant risks that may have a material effect on the Plan's financial condition.

This report was prepared at the request of the St. John's River Power Park System and JEA (SJRPP/JEA) and is intended for use by the Retirement Plan and those designated or approved by the Plan's Administrative Committee (Committee). This report may be provided to parties other than the Plan only in its entirety and only with the permission of the Committee. GRS is not responsible for unauthorized use of this report.

The purposes of the valuation are to measure the Plan's funding progress, to determine the employer contribution rate for the fiscal year ending September 30, 2018. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results associated with the benefits described in this report, for purposes other than those identified above may be significantly different. Disclosures for the Plan's financial statement under the GASB Statement Nos. 67 and 68 will be developed separately.

The findings in this report are based on data or other information through September 30, 2016. 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 an actuarial valuation does not include an analysis of the potential range of such future measurements.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The SJRPP Pension Committee

February 17, 2017

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The valuation was based upon information furnished by SJRPP/JEA concerning Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability 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 SJRPP/JEA.

In addition, this report was prepared using certain assumptions prescribed by the Board and prescribed by the Florida Statutes as described in the section of this report entitled Actuarial Assumptions and Cost Method. The prescribed assumptions are the assumed mortality rates detailed in the Actuarial Assumptions and Cost Method section in accordance with Florida House Bill 1309 (codified in Chapter 2015-257).

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 St. John's River Power Park System Employees' 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.

James J. Rizzo and Piotr Krekora are members of the American Academy of Actuaries. These actuaries meet the Academy's Qualification Standards to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

This actuarial valuation and/or cost determination was prepared and completed by us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate. In our opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

Gabriel, Roeder, Smith & Company will be pleased to review this valuation report with the Committee and to answer any questions pertaining to the valuation.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY



James J. Rizzo, ASA, MAAA
Senior Consultant & Actuary



Piotr Krekora, ASA, MAAA
Consultant & Actuary

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation and/or cost determination was 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. In my opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices. There is no benefit or expense to be provided by the Plan and/or paid from the Plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in Plan costs or required contribution rates have been taken into account in the valuation.



Signature

February 17, 2017
Date

14-03355
Enrollment Number

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SECTION A
EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Funding Objective

According to the Administrative Committee, the funding objective of the Plan is to establish and receive contributions, which are intended to bring the Plan's funding ratio to 100% by October 1, 2019.

Comparison of Actuarially Determined Employer Contributions

The following is a comparison of required contributions developed in this year's and the last actuarial valuations:

	For FYE 9/30/2018 Based on 10/01/16 Valuation	For FYE 9/30/2017 Based on 10/01/15 Valuation	Increase (Decrease)
Gross Contribution Requirement	\$ 8,375,114	\$ 8,664,206	\$ (289,092)
As % of Expected Payroll	51.73 %	49.74 %	1.99 %
Expected Employee Contribution	\$ 647,661	\$ 696,806	\$ (49,145)
As % of Expected Payroll	4.00 %	4.00 %	0.00 %
Required Employer Contribution (If Made in Equal Bi-weekly Installments)	\$ 7,727,453	\$ 7,967,400	\$ (239,947)
As % of Expected Payroll	47.73 %	45.74 %	1.99 %

Actuarially Determined Contribution

As illustrated in the preceding table, the contribution necessary for the fiscal year ending September 30, 2018 to support the current benefits for the St. John's River Power Park System Employees under the current funding objectives is \$7,727,453, down from \$7,967,400 for the fiscal year ending September 30, 2017. This contribution is computed in accordance with the Plan's current funding policy, which includes the goal of achieving a 100% funded ratio by October 1, 2019. Please note that the Employer Contribution for the 2018 fiscal year is developed *assuming* it would be deposited in bi-weekly intervals throughout the year.

Of the Employer Contribution of \$7,727,453 (47.73% of pay), the portion attributable to the employer-paid Normal Cost is \$586,345 (3.62% of pay) and the amortization of the Unfunded Actuarial Accrued Liability fully paid by the employer is \$7,141,108 (44.11% of pay).

Contribution Volatility

The Plan's funding target of achieving a 100% funded ratio by October 1, 2019 is the main source of volatility in Employer Contributions. The investment returns leading up to October 1, 2019 will be the largest source of volatility to the funding requirement.

Results of the this annual valuation will be used to determine the contribution for year ending September 30, 2018, the last contribution year before the target date.

Recommendations

The Actuarially Determined Contribution was developed according to a short term funding goal of achieving a 100% funded ratio within the next three years (including the year ending 9/30/2017 with contribution determined in the previous valuation). For a long term planning purposes, it is recommended that the Committee (or JEA management) considers undertaking the process of designing a funding policy intended to take effect once the funding goal is attained and tailored around the long term financial goals of the JEA.

Revisions in Benefits

There have been no revisions in benefits since the previous valuation.

Revisions in Actuarial Assumptions and Methods

The pre-retirement mortality assumption was updated to reflect changes made by the Florida Retirement System (FRS) for its July 1, 2016 actuarial valuation. The new rates for mortality prior to retirement exclude joint annuitants from the experience. This update in Mortality had a very modest effect on the costs of the plan.

One Plan

The Summary of Plan Provisions (Section E) describes two tiers of benefits. Some employees are entitled only to a monthly pension benefit, some are entitled only to a cash balance benefit, and others are entitled to both a frozen pension benefit and a cash balance benefit.

All assets of this Plan are intended to be available for the payment of all types of benefits. Plan assets constitute an undivided whole, without any allocation of assets to different employee groups or to different benefit structures. While this Plan has two different benefit structures, it is one plan.

Actuarial Experience

Actuarial gains occur in a year whenever the experience of the Plan is more favorable than was assumed. For example, if investment performance were better than the level being assumed in the actuarial valuation and costing process, then an actuarial gain results and would have the effect of lowering the Actuarially Determined Contribution for the year. Whenever more employees terminate employment than were assumed would terminate, fewer employees are then expected to actually retire from the Employer, resulting in an actuarial gain for the Plan.

Actuarial losses occur in a year whenever the experience of the Plan is less favorable than was assumed. In the examples given above, if the reverse were to occur, then actuarial losses would result. As another example, if salary increases in one year were higher than had been assumed, an actuarial loss would occur.

The actuarial valuation cost method, which determines the Actuarially Determined Contribution, is designed to produce the normal cost for any given active Plan member which remains level as a percent of payroll whenever the experience of the Plan matches the actuarial assumptions used. Contribution requirements are also level whenever actuarial losses exactly offset actuarial gains and there is no history of recent Plan changes (the Plan was amended in 2013 to roll back accruals for new employees and as such the Normal Cost is expected to drift downward as a percent of pay).

This goal of level percent of pay contributions is intended to be achieved prior to the suspension date and after the suspension date. After the Unfunded Actuarial Accrued Liability is expected to be paid down to zero at October 1, 2019, the contribution requirements are expected to be reduced substantially to the level of the normal cost. However, actuarial gains and losses occur each year resulting in contribution requirements that are lower or higher than expected.

Analysis of Change in Employer Contribution

The components of change in the Actuarially Determined Contribution are as follows:

Contribution rate last year	45.74 %
Experience (gain)/loss	2.38
Change in administrative expense	0.03
Change in normal cost before expenses	(0.50)
Revision in benefits	0.00
Revision in assumptions/methods	<u>0.08</u>
Contribution rate this year	47.73 %

There was a net actuarial loss this year mainly due to a larger than expected number of retirements. That was partially offset by higher than expected investment return (10.0% return vs. 7.0% assumed for the year ending September 30, 2016).

The remainder of this Report includes detailed actuarial valuation results, financial information, miscellaneous information and statistics, and a summary of plan provisions.

SECTION B

VALUATION RESULTS

PARTICIPANT DATA		
	October 1, 2016	October 1, 2015
ACTIVE MEMBERS		
Number	209	226
Covered Annual Payroll	\$ 15,489,302	\$ 16,664,648
Average Annual Pay	\$ 74,111	\$ 73,737
Average Age	47.5	48.3
Average Past Service	13.3	14.6
Average Age at Hire	34.2	33.7
RETIREES & BENEFICIARIES		
Number	299	273
Annual Benefits	\$ 9,827,684	\$ 8,599,994
Average Annual Benefit	\$ 32,869	\$ 31,502
Average Age	67.1	66.9
TERMINATED VESTED MEMBERS		
Number	49	52
Annual Benefits	\$ 713,692	\$ 767,560
Average Annual Benefit	\$ 14,565	\$ 14,761
Average Age	58.4	57.5

ACTUARIALLY DETERMINED CONTRIBUTION (ADC)

	October 1, 2016 <i>After 2016 Mortality Update</i>	October 1, 2016 <i>Before 2016 Mortality Update</i>	October 1, 2015
A. Valuation Date			
B. ADC to Be Paid During Fiscal Year Ending	9/30/2018	9/30/2018	9/30/2017
C. Assumed Date(s) of Employer Contribution(s)	Bi-Weekly	Bi-Weekly	Bi-Weekly
D. Actuarially Determined Contribution (ADC)			
1. Total Normal Cost as of the Valuation Date	\$ 1,112,830	\$ 1,098,230	\$ 1,256,604
2. Amount as of the Valuation Date to Amortize Unfunded Actuarial Liability by 10/1/2019	6,439,869	6,443,463	6,556,799
3. Interest Through Contribution Dates	<u>822,415</u>	<u>821,216</u>	<u>850,803</u>
4. Total ADC as of the Contribution Dates	8,375,114	8,362,909	8,664,206
5. Estimated Employee Contributions made as of the Contribution Dates	<u>(647,661)</u>	<u>(647,661)</u>	<u>(696,806)</u>
6. Net Employer Contribution	\$ 7,727,453	\$ 7,715,248	\$ 7,967,400
7. Net Contribution as % of Expected Covered Payroll	47.73 %	47.65 %	45.74 %
E. Expected Covered Payroll for the Contribution Year	16,191,522	16,191,522	17,420,154

In order to achieve the current funding objective of accumulating enough assets to eliminate unfunded liability by October 1, 2019, the amortization payment was developed to pay for any investment and other actuarial losses experienced by the plan through the year ending September 30, 2016 during the next three years. Furthermore, it reflects a mandated change in assumed mortality rates. As a result, amortization installment amount shown above is substantially higher than in the previous year.

CALCULATION OF NORMAL COST

A. Valuation Date	October 1, 2016 <i>After 2016 Mortality Update</i>	October 1, 2016 <i>Before 2016 Mortality Update</i>	October 1, 2015
B. Total (Employer/Employee) Normal Cost as of the Valuation Date for:			
1. Active Members' Benefits			
a. Service Retirement Benefits	\$ 919,513	\$887,063	\$1,034,024
b. Termination Benefits	77,171	76,980	83,931
c. Disability Benefits	15,429	15,061	17,094
d. Preretirement Death Benefits	34,486	52,895	55,324
f. Total	<u>1,046,599</u>	<u>1,031,999</u>	<u>1,190,373</u>
2. Administrative Expenses	<u>66,231</u>	<u>66,231</u>	<u>66,231</u>
3. Total (Employer/Employee) Normal Cost as of the Valuation Date	1,112,830	1,098,230	1,256,604

Schedule of Amortization Payments

Item Description	Number of Payments Remaining*	Amortization Payment	Current Unfunded
Unfunded Actuarial Accrued Liabilities	2	\$6,439,869	\$19,743,378
TOTAL		\$6,439,869	\$19,743,378

**There are two amortization payments remaining resulting from this valuation (in addition to an amortization payment included in the contribution for the year ending September 30, 2017). The final amortization payment will be made during the year ending September 30, 2019. The payment amount has been determined with consideration given to the contributions scheduled to be made during the year ending September 30, 2017.*

ACTUARIAL VALUE OF BENEFITS AND ASSETS

A. Valuation Date	October 1, 2016 <i>After 2016 Mortality Update</i>	October 1, 2016 <i>Before 2016 Mortality Update</i>	October 1, 2015
B. Actuarial Present Value of All Projected Benefits for			
1. Active Members			
a. Service Retirement Benefits	\$ 46,364,663	\$45,875,876	\$57,965,191
b. Termination Benefits	630,461	621,291	594,762
c. Disability Benefits	429,157	424,627	531,406
d. Preretirement Death Benefits	959,225	1,314,473	1,506,828
f. Total	<u>48,383,506</u>	<u>48,236,267</u>	<u>60,598,187</u>
2. Inactive Members			
a. Retirees & Beneficiaries	116,187,992	116,187,992	101,751,246
c. Terminated Vested Members	5,177,905	5,177,905	5,101,692
d. Total	<u>121,365,897</u>	<u>121,365,897</u>	<u>106,852,938</u>
3. Total for All Members	169,749,403	169,602,164	167,451,125
C. Actuarial Accrued (Past Service) Liability	162,028,867	162,018,762	159,261,274
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	158,940,864	158,878,842	154,689,339
E. Plan Assets			
1. Market Value	142,285,489	142,285,489	138,901,756
2. Actuarial Value	142,285,489	142,285,489	138,901,756
F. Actuarial Present Value of Projected Covered Payroll	137,886,030	136,000,284	138,137,046
G. Actuarial Present Value of Projected Member Contributions	5,515,441	5,440,011	5,525,482

FINANCIAL SOUNDNESS

The purpose of this portion of the Report is to provide certain measures which indicate the financial soundness of the program. These measures relate to short term solvency and long term solvency.

The various percentages listed in this Section as of a single valuation date are not that significant by themselves. What is significant, however, is the trend of the rates over a period of years. It is also important to keep in mind that each time benefits or assumptions are revised; the value of actuarial liabilities are created or diminished. Any newly created liabilities are financed systematically over a period of future years. All actuarially computed values in this analysis are based on the actuarial assumptions utilized in the respective years' actuarial valuations.

Short Term Solvency

The ultimate test of financial soundness is the program's ability to pay all promised benefits when due. The program's progress in accumulating assets to pay all promised benefits can be measured by comparing the market value of assets with:

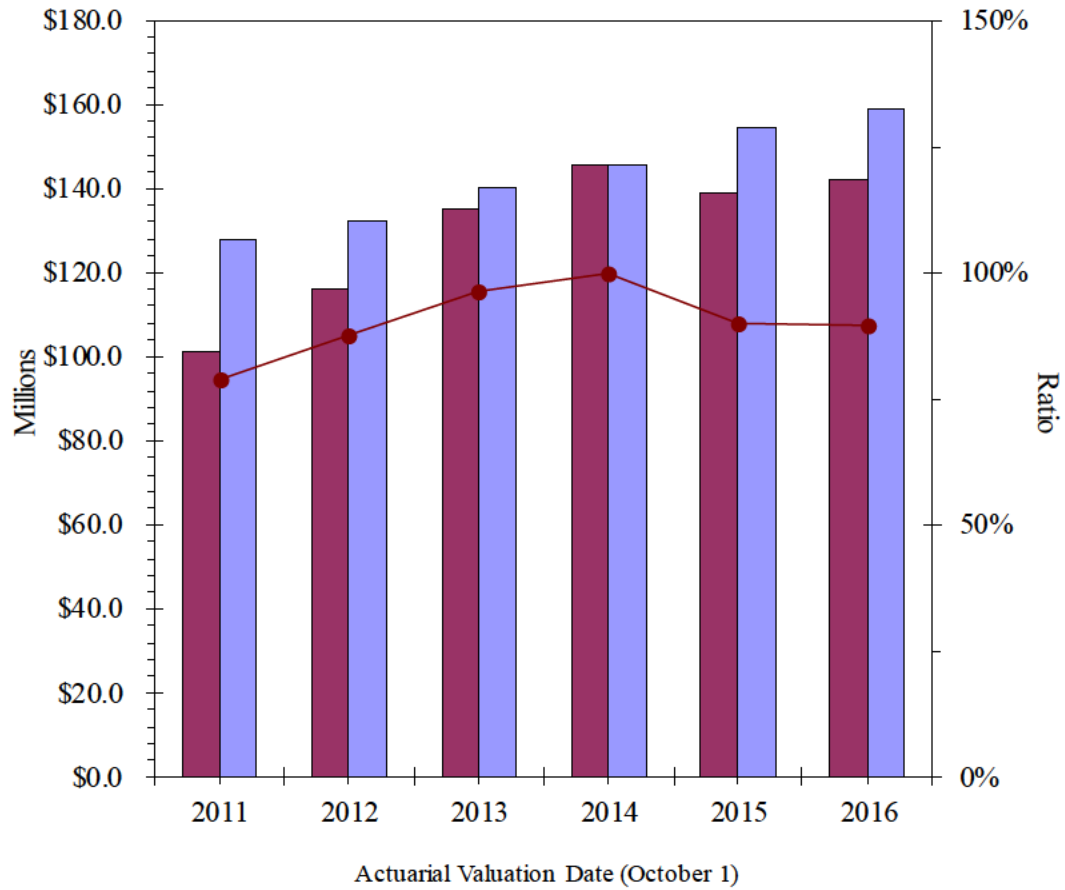
1. The actuarial present value of projected benefits payable to those already receiving benefits and to vested terminations, and
2. The actuarial present value of accrued benefits payable to active participants. This amount is based on benefits earned to date without future credited service or salary increases.

The total of the two items should generally be fully covered by assets. That portion of the total of the two items covered by assets should increase over time assuming an ongoing plan. Often assets continue to grow beyond the actuarial present value of these two items.

Retroactive increases in benefits will, of course, adversely affect the trend in the years when such increases are first reflected in the actuarial values. Although different actuarial assumptions would be used in the event of a termination of the program, this test shows how much of the benefits accrued to date might be covered by assets in the event of a Plan freeze using the valuation assumptions.

	Power Park System Employees		
	10/1/2016	10/01/15	10/01/14
1. Accumulated Contributions of Active Members	\$ 4,843,046	\$ 5,346,245	\$ 5,736,502
2. APV of Projected Benefits in Pay Status and for Vested Terminations	121,365,897	106,852,938	95,111,515
3. APV of Accrued Benefits for Active Participants (Employer Portion)	<u>32,731,921</u>	<u>42,490,156</u>	<u>44,796,349</u>
4. Total	158,940,864	154,689,339	145,644,366
5. Market Value of Assets	142,285,489	138,901,756	145,425,186
6. Assets as % of Total	90 %	90 %	100 %

Ratio of Market Value of Assets to Present Value of Accrued Benefits

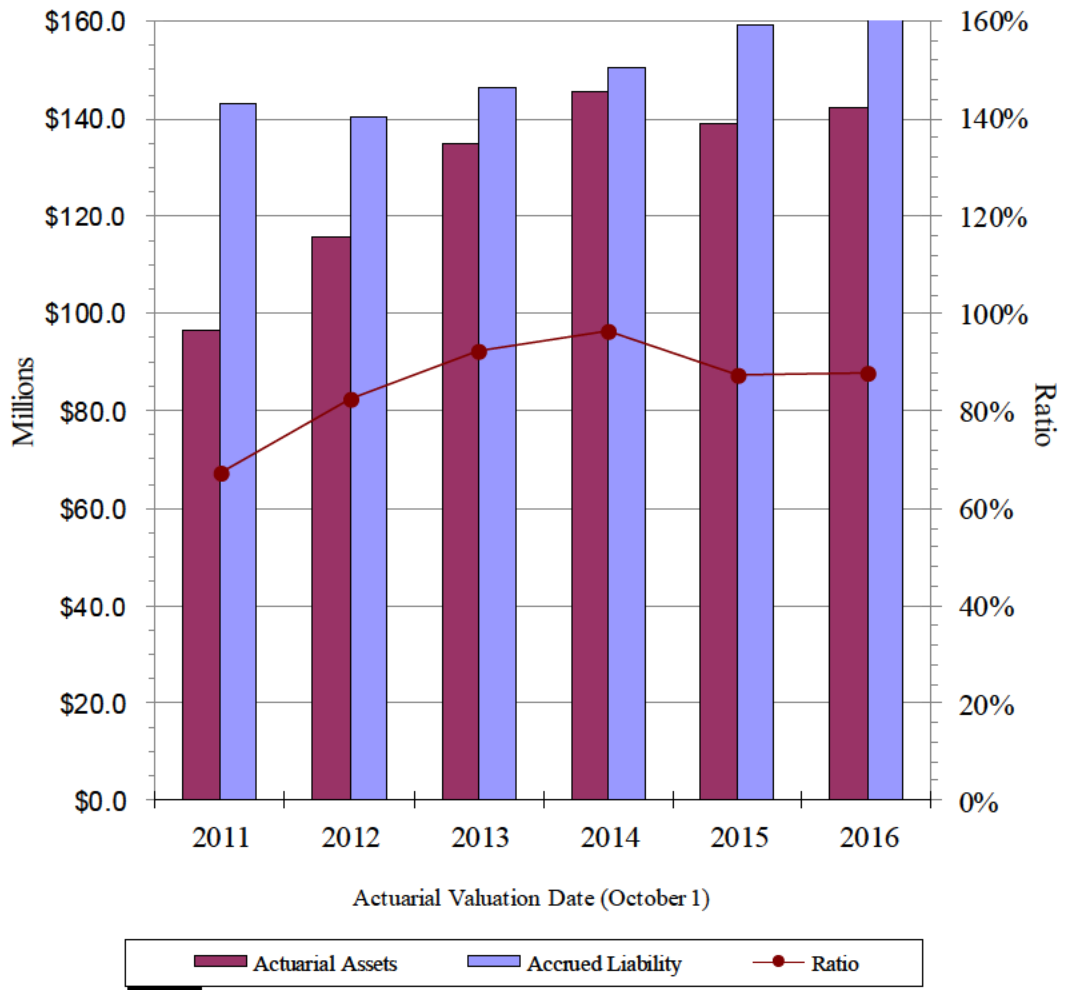


Market Value of Assets
 PV Accrued Benefits
 Ratio

Long Term Solvency

Over the longer term, the solvency of an ongoing Plan can be measured by comparing the Actuarial Value of Assets to an amount known as the Actuarial Accrued Liability (AAL) under the Entry Age Actuarial Cost Method. This item has often been called the "past service liability". Its derivation differs from the short term solvency value derivation in several ways. The short term solvency liability number is based on the benefits accrued to date by the participants while the long term solvency liability number is based on the normal costs accrued to date by the employer. As in the case of the short term solvency values, the AAL is affected immediately by any revisions in benefits or assumptions. The accumulation of assets to equal the AAL can be considered a long range funding goal.

Valuation Date	Actuarial Value of Assets (in Thousands)	Actuarial Accrued Liability (in Thousands)	% of AAL Covered by Assets
10/1/09	\$ 73,884	\$ 113,512	65 %
10/1/10	91,975	120,940	76
10/1/11	96,511	143,203	67
10/1/12	115,815	140,281	83
10/1/13	135,019	146,521	92
10/1/14	145,425	150,494	97
10/1/15	138,902	159,261	87
10/1/16	142,285	162,029	88



ACTUARIAL GAINS AND LOSSES

The assumptions used to anticipate mortality, employment turnover, investment income, expenses, salary increases, and other factors have been based on long range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the period involved. If significant long term experience reveals consistent deviation from what has been expected and that deviation is expected to continue, the assumptions should be modified. The net actuarial gain (loss) for the past year is computed as follows:

Derivation of Experience Gain (Loss)		
1.	Last Year's UAAL	\$ 20,359,518
2.	Last Year's Normal Cost	1,256,604
	Last Year's Expected Employee Contributions	666,586
	Last Year's Employer Normal Cost	590,018
3.	Last Year's Actual Employer Contribution	2,142,182
4.	Interest at the assumed rate:	
	a. on 1 for one year	1,425,166
	b. on 2 for one year	41,301
	c. on 3 from dates paid	74,976
	d. a + b - c	1,391,491
5.	This Year's Expected UAAL	
	1 + 2 - 3 + 4d	20,198,845
6.	This Year's Actual UAAL (before any changes in benefits or assumptions)	19,733,273
7.	Net Actuarial Gain (Loss): (5) - (6)	465,572
8.	Gain (Loss) due to investments	4,004,929
9.	Gain (Loss) due to other sources	(3,539,357)

Net actuarial gains in previous years have been as follows:

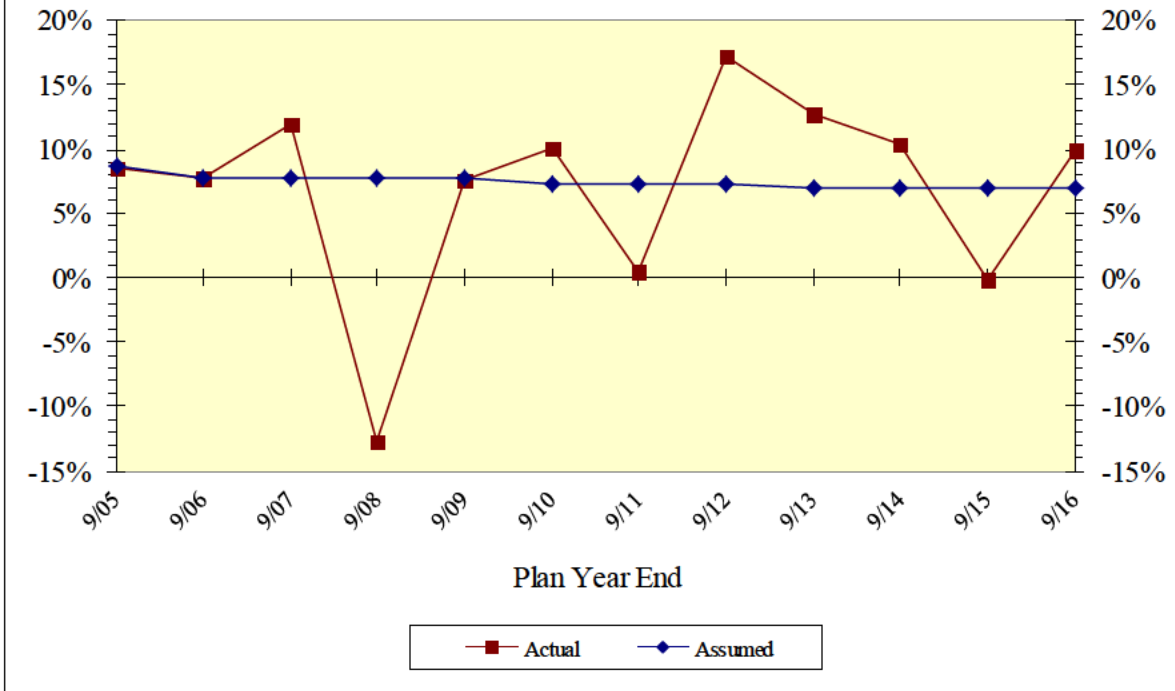
Year Ended	Actuarial Gain (Loss)	Cumulative Gain (Loss)
9/30/2010	\$ (1,058,645)	\$
9/30/2011	(12,002,660)	(13,061,305)
9/30/2012	12,570,367	(490,938)
9/30/2013	3,388,019	2,897,081
9/30/2014	2,313,420	5,210,501
9/30/2015	(14,280,756)	(9,070,255)
9/30/2016	465,572	(8,604,683)

The fund earnings and salary increase assumptions have considerable impact on the cost of the Plan so it is important that they are in line with the actual experience. The following table shows the history of actuarial fund earnings and salary increase rates compared to the assumed rates:

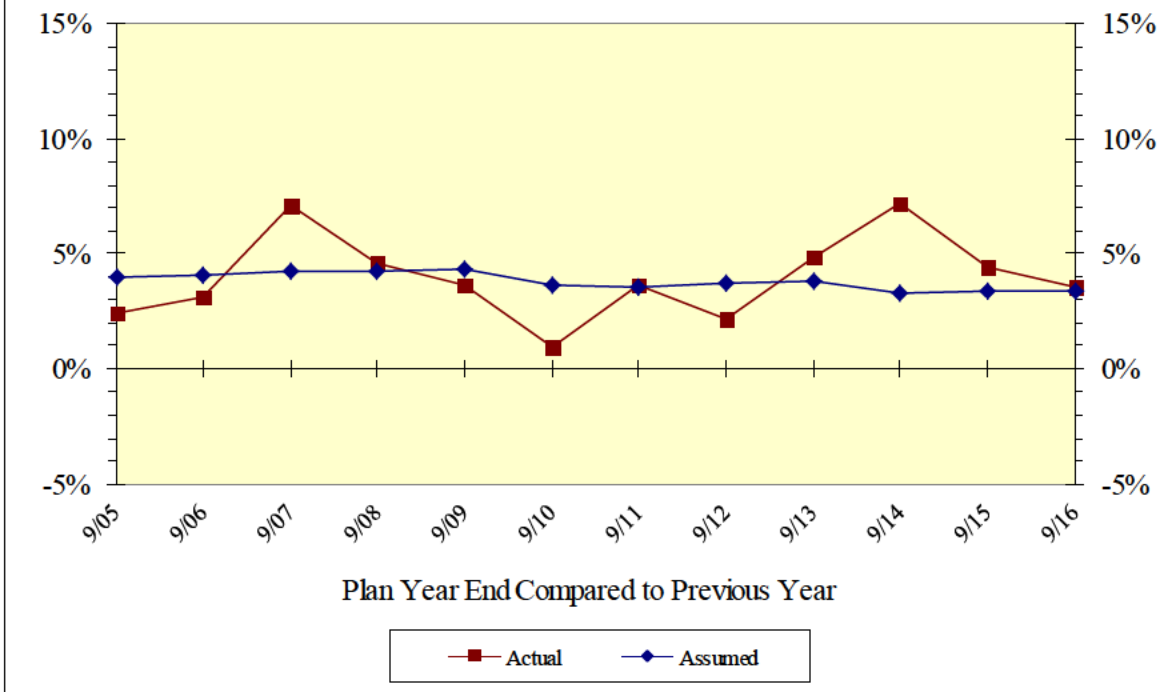
Year Ending	Investment Return		Salary Increases	
	Actual	Assumed	Actual	Assumed
9/30/2005	8.59	8.75	2.39	4.02 %
9/30/2006	7.77	7.75	3.15	4.09
9/30/2007	11.89	7.75	7.08	4.29
9/30/2008	(12.67)	7.75	4.63	4.29
9/30/2009	7.60	7.75	3.62	4.38
9/30/2010	10.14	7.25	0.98	3.66
9/30/2011	0.41	7.25	3.65	3.57
9/30/2012	17.17	7.25	2.20	3.76
9/30/2013	12.64	7.00	4.90	3.79
9/30/2014	10.32	7.00	7.19	3.29
9/30/2015	(0.19)	7.00	4.47	3.38
9/30/2016	9.99	7.00	3.52	3.40
Average	6.69 %	---	3.97 %	---

The actuarial investment return rates shown above are based on the actuarial value of assets, which has been the same as fair market value since at least 2007 (and possibly earlier). The actual salary increase rates shown above are the increases received by those active members who were included in the actuarial valuations both at the beginning and the end of each year.

History of Investment Return

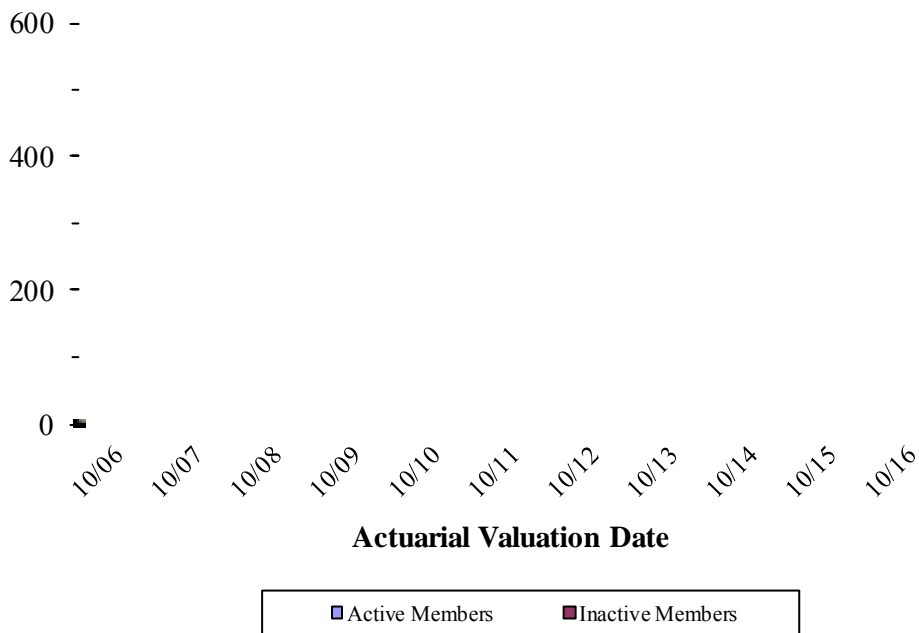


History of Salary Increases

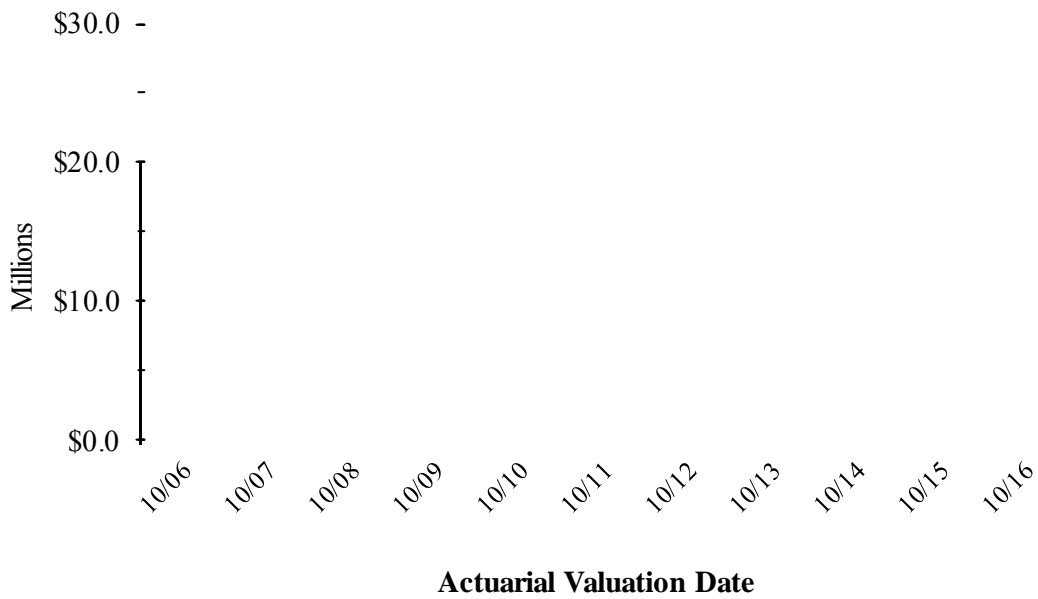


RECENT HISTORY OF VALUATION RESULTS							
Valuation Date	Number of		Reported Annual Payroll (in Thousands)	Actuarial Value of Assets (in Thousands)	UAAL (in Thousands)	Total Normal Cost	
	Active Members	Inactive Members				Amount (in Thousands)	% of Payroll
10/1/06	312	160	20,648	51,498	35,035	2,004	9.7 %
10/1/07	327	184	24,027	61,029	34,995	2,252	9.4
10/1/08	324	200	21,609	60,998	47,680	2,222	10.3
10/1/09	309	214	21,327	73,884	39,628	2,277	10.7
10/1/10	280	238	19,431	91,975	28,966	2,470	12.7
10/1/11	297	254	19,895	96,511	46,692	2,418	12.2
10/1/12	288	266	19,318	115,815	24,466	1,718	8.9
10/1/13	254	291	17,761	135,019	11,502	1,611	9.1
10/1/14	240	310	17,254	145,425	5,069	1,420	8.2
10/1/15	226	325	16,665	138,902	20,360	1,257	7.5
10/1/16	209	348	15,489	142,285	19,743	1,113	7.2

Recent History of Number of Members



Recent History of Covered Annual Payroll



RECENT HISTORY OF ACTUARIALLY DETERMINED AND ACTUAL CONTRIBUTIONS

Valuation	End of Year To Which Valuation Applies	Actuarially Determined Contributions		Actual Contributions
		Employer Portion	% of Expected Payroll	
10/1/05	9/30/07	\$ 4,181,312	18.35 %	\$ 4,305,105
10/1/06	9/30/08	10,044,998	46.89	10,080,963
10/1/07	9/30/09	10,238,757	48.54	10,398,136
10/1/08	9/30/10	13,452,946	60.01	13,565,335
10/1/09	9/30/11	8,919,354	40.31	9,027,932
10/1/10	9/30/12	7,995,205	41.15	8,005,178
10/1/11	9/30/13	11,845,434	56.96	11,884,513
10/1/12	9/30/14	5,396,838	26.72	5,558,821
10/1/13	9/30/15	3,413,998	18.39	3,508,587
10/1/14	9/30/16	2,049,942	11.37	2,142,182
10/1/15	9/30/17	7,967,400	45.74	TBD
10/1/16	9/30/18	7,727,453	47.73	TBD

ACTUARIAL ASSUMPTIONS AND COST METHOD

Valuation Methods

Actuarial Cost Method - The actuarial cost method is a procedure for allocating the actuarial present value of benefits and expenses to time periods. Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using the **Individual Entry Age Actuarial Cost Method**. The entry-age actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's pensionable compensation between the entry age of the member and the estimated active status exit ages. The portion of the actuarial present value allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called the actuarial accrued liability. Deducting accrued assets from the actuarial accrued liability determines the unfunded actuarial accrued liability.

Financing of Unfunded Actuarial Accrued Liabilities - The unfunded actuarial accrued liability was financed as a level dollar.

We have applied a goal-oriented amortization schedule designed to pay off the Unfunded Actuarial Accrued Liability by October 1, 2019. Our goal is to set the amortization schedule for the current and next few years so as to expect the Plan assets (including all employer contributions scheduled to be made) as of October 1, 2019 to be equal to the expected Actuarial Accrued Liability derived in an open group projection for the October 1, 2019 actuarial valuation. These two numbers are certain not to be equal on that date. However, the amortization schedule for the next few years is designed to aim at achieving that agreed objective on the basis of best estimates.

Actuarial Value of Assets - The Market Value of Plan assets.

Valuation Assumptions

The actuarial assumptions used in the valuation are shown in this Section. Several of the assumptions used in this valuation have been adopted by the SJRPP Pension Committee as recommended in the actuarial assumptions review report dated March 4, 2013. These recommendations were based on the demographic experience from 2004 through 2012 and economic forecasts available at the time the report was issued.

Economic Assumptions

The investment return rate assumed in the valuation is 7.00% per year, compounded annually (net of investment expenses).

The **wage inflation rate** assumed in this valuation is 3.0% per year. The Wage Inflation Rate is defined to be the portion of total pay increases for an individual that are due to macroeconomic forces including productivity, price inflation, and labor market conditions. The wage inflation rate does not include pay changes related to individual merit and seniority effects applicable to individuals. The **price inflation rate** assumed in this valuation is 2.5% per year.

The rates of salary increases (including price inflation) used in the valuation are illustrated in the following tables.

Annual Rates of Salary Increase	
Years of Service	Assumed Increase
0-1	12.50%
2	7.50%
3	5.50%
4	4.50%
5-6	3.50%
7-9	3.00%
10-14	2.75%
15+	2.50%

Demographic Assumptions

Rates of mortality before retirement were updated to coincide with a change made by the Florida Retirement System for its July 1, 2016 actuarial valuation.

Healthy Mortality (Pre-Retirement and Post-Retirement) rates used:

Female Non-Disabled: RP2000 Generational, 100% Annuitant White Collar, generationally projected from year 2000 using Scale BB

Male Non-Disabled (other than Special Risk): RP2000 Generational, 50% Annuitant White Collar / 50% Annuitant Blue Collar, generationally projected from year 2000 using Scale BB.

Disabled Mortality rates used:

Female Disabled: RP2000, 100% Disabled Female set forward two years, no projection scale

Male Disabled: RP2000, 100% Disabled Male setback four years, no projection scale

These rates were developed by the Florida Retirement System in a recent experience study and are different than rates used in the previous valuation will be mandated by the State Statutes for funding valuations beginning with 2016 valuations.

The following table illustrates assumed rates projected to the valuation year:

Ages	Previous Assumptions				New Assumptions			
	Future Life		Mortality		Future Life		Mortality	
	Expectancy (Years)		Rates		Expectancy (Years)		Rates	
	Men	Women	Men	Women	Men	Women	Men	Women
45	39.22	42.80	0.39%	0.15%	40.65	43.28	0.15%	0.10%
50	34.51	38.17	0.55%	0.23%	35.43	38.52	0.21%	0.15%
55	29.88	33.63	0.60%	0.32%	29.88	33.63	0.60%	0.32%
60	25.21	29.20	0.77%	0.48%	25.21	29.20	0.77%	0.48%
65	20.69	24.86	1.16%	0.75%	20.69	24.86	1.16%	0.75%
70	16.45	20.72	1.81%	1.25%	16.45	20.72	1.81%	1.25%
75	12.60	16.85	3.01%	2.12%	12.60	16.85	3.01%	2.12%
80	9.28	13.27	5.10%	3.55%	9.28	13.27	5.10%	3.55%

This assumption is used to measure probabilities of each benefit payment being made after retirement. Rates of mortality after retirement are based on tables for healthy annuitants. All deaths before retirement are assumed to be non-service connected.

The rates of retirement are used to measure the probability of eligible members retiring under normal retirement eligibility during the next year were as follows:

Rates of Retirement	
Year of Eligibility	Retirement Rates
0 - 0.999	20.0%
1 - 1.999	17.5%
2 - 2.999	15.0%
3 - 3.999	13.0%
4 - 4.999	11.0%
5 +	10.0%

Employees are assumed to retire no later than upon attaining age 70.

In addition, 75% of employees eligible to elect BackDROP at retirement are assumed to do so. In the following table we illustrate the assumed period of BackDROP for employees electing this option.

BackDROP Assumptions	
Year Since First Eligibility	BackDROP Period (Years)
0	0
1	0.5
2	1
3	1.5
4	2
5+	2.5

There is no separate assumption for electing Tier 1 partial lump sum distributions as these are deemed to be actuarially equivalent to underlying annuity payments. All Tier Two (cash balance accounts) benefits are

assumed to be paid in a lump sum upon termination of employment.

Rates of separation from active membership were as shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability).

Rates of Separating from Active Employment			
Service	Regardless of Age	Sample Ages	5+ Years of Service
0 - 0.999	13.00%	25	5.60%
1 - 1.999	11.00%	30	4.30%
2 - 2.999	9.00%	35	3.00%
3 - 3.999	7.00%	40	2.20%
4 - 4.999	5.00%	45	1.40%
		50	0.95%
		55	0.50%

Rates of disability among active members (0% of disabilities are assumed to be service-connected).

Percent Becoming Disabled Within Next Year		
Sample Ages	Men	Women
25	0.022%	0.013%
30	0.031%	0.026%
35	0.040%	0.039%
40	0.066%	0.063%
45	0.092%	0.087%
50	0.168%	0.151%
55	0.243%	0.215%

Miscellaneous and Technical Assumptions

<i>Administrative & Investment Expenses</i>	Annual administrative expenses are assumed to be equal to the actual expenses paid during the preceding fiscal year. Investment expenses are offset against gross investment income. Assumed administrative expenses are added to the Normal Cost.
<i>Benefit Service</i>	Exact fractional service is used to determine the amount of benefit payable.
<i>Decrement Operation</i>	Disability and mortality decrements do not operate during the first 5 years of service. Disability and separation do not operate during retirement eligibility.
<i>Decrement Timing</i>	Decrement of all types are assumed to occur at mid-year.
<i>Eligibility Testing</i>	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
<i>Forfeitures</i>	Vested members who terminate with a benefit worth less than 100% of their own accumulated contributions were assumed to forfeit their vested benefit.
<i>Incidence of Contributions</i>	Employer contributions are assumed to be received in 12 equal monthly installments, unless otherwise specified. Member contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.
<i>Marriage Assumption</i>	75% of members are assumed to be married for purposes of death-in-service benefits and retirement benefits. Male spouses are assumed to be three years older than female participants and female spouses are assumed to be three years younger than male participants for active member valuation purposes.
<i>Normal Form of Benefit</i>	The normal form of benefit is 75% Joint and Survivor Annuity.
<i>Pay Increase Timing</i>	Beginning of fiscal year. This is equivalent to assuming that reported pays represent the actual amount paid during the previous fiscal year.
<i>Service Credit Accruals</i>	It is assumed that members accrue one year of service credit per year.

GLOSSARY OF TERMS

Actuarial Accrued Liability	Actuarial Accrued Liability is the actuarial present value of projected future benefits that are attributable to an employees' service to date. Sometimes it is expressed as the difference between the actuarial present value of all future benefit payments and the actuarial present value of future normal costs.
Accrued Benefit	For the Tier 1 benefits, the accrued benefit is calculated according to a formula described in the Summary of Plan Provisions using service and salary history through the valuation date. For a Tier 2 benefits, the accrued benefit is a hypothetical account balance with interest reflecting pay history through the valuation date.
Accrued Service	The service credited under the Plan which was rendered before the date of the actuarial valuation.
Actuarial Assumptions	These are factors for estimating expected future experience with respect to occurrences of mortality, disability, turnover, retirement, rates of investment income and salary increases, etc.
Actuarial Cost Method	This is a mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future benefit payments" between future normal costs and actuarial accrued liabilities. It is often referred to as the "Actuarial Funding Method" or "Actuarial Valuation Cost Method".
Actuarial Equivalent	A single amount or series of amounts of equal present 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	Actuarial Present Value of a series of payments (or a single payment) is the amount of funds currently required to provide those payments in the future. This amount is determined by discounting future payments at predetermined rates of interest, taking into account the probability of payment. It is also referred to as "Present Value."
Amortization	Amortization is a process of paying off, or recognizing, an interest-discounted amount with periodic payments of interest and principal, (similar to paying off an installment loan) -- as opposed to paying it off with a single sum.
Experience Gain (Loss)	A measure of the difference between actual experience and expected experience 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	Normal Cost is the actuarial cost of a portion of projected future benefits allocated to the current year by the actuarial cost method. It is sometimes referred to as "Current Service 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	UAAL is the difference between actuarial accrued liability and the actuarial value of Plan assets.
Valuation Assets	The value of current Plan assets recognized for valuation purposes. Sometimes based on market value plus a portion of unrealized appreciation or depreciation.

SECTION C
PENSION FUND INFORMATION

SUMMARY OF ASSETS		
	9/30/2016	9/30/2015
Cash and Securities - Market Value		
Cash and Cash Equivalents	\$ 3,132,395	\$ 3,824,691
US Government Bonds & Notes	58,710,591	19,608,073
Corporate Bonds	0	22,502,739
Mortgage/Asset-Backed Securities	0	14,200,053
Common & Preferred Stocks	39,403,236	39,264,655
Mutual Funds	40,664,268	39,278,752
Total	<u>141,910,490</u>	<u>138,678,963</u>
Receivables and Accruals		
Employer Contribution	0	0
Interest and Dividends	353,895	372,380
Due from Brokers	46,537	0
Total	<u>400,432</u>	<u>372,380</u>
Payables		
Due to Revenue Fund	0	0
Due to Brokers	25,433	149,587
Total	<u>25,433</u>	<u>149,587</u>
Net Assets - Market Value	\$ 142,285,489	\$ 138,901,756

PENSION FUND INCOME AND DISBURSEMENTS		
	Year Ending 9/30/2016	Year Ending 9/30/2015
Market Value at Beginning of Period	\$ 138,901,756	\$ 145,425,186
Income		
Member Contributions	629,206	648,068
Employer Contribution	2,142,182	3,508,587
Interest and Dividends	2,504,206	2,442,959
Realized and Unrealized Gain (Loss)	11,344,782	(2,279,808)
Total Income	<u>16,620,376</u>	<u>4,319,806</u>
Disbursements		
Benefit Payments	12,326,033	10,348,003
Investment Related Expenses	470,744	429,002
Other Administrative Expenses	439,866	66,231
Total Disbursements	13,236,643	10,843,236
Net Increase During Period	\$ 3,383,733	\$ (6,523,430)
Market Value at End of Period	\$ 142,285,489	\$ 138,901,756

INVESTMENT RATE OF RETURN

The investment rate of return has been calculated on the Market Value basis: interest, dividends, realized gains (losses) and unrealized appreciation (depreciation) divided by the beginning market value of the fund, adjusted for cash flow during the year. This figure is normally called the Total Rate of Return.

Year Ended	Investment Rate of Return Market Value Basis
9/30/05	8.59 %
9/30/06	7.77
9/30/07	11.89
9/30/08	(12.67)
9/30/09	7.60
9/30/10	10.14
9/30/11	0.41
9/30/12	17.17
9/30/13	12.64
9/30/14	10.32
9/30/15	(0.19)
9/30/16	9.99
Average Compounded	
Rate of Return for	
5 Years	9.84 %
All Years	6.69 %

SECTION D

MISCELLANEOUS INFORMATION

RECONCILIATION OF MEMBERSHIP DATA		
	From 10/01/15 To 10/01/16	From 10/01/14 To 10/01/15
A. Active Members		
1. Number Included in Last Valuation	226	240
2. New Members Included in Current Valuation	11	10
3. Non-Vested Employment Terminations	(4)	(5)
4. Vested Employment Terminations	0	(2)
5. Service Retirements	(24)	(17)
6. Disability Retirements	0	0
7. Deaths	0	0
8. Other -- Data Adjustment	0	0
9. Number Included in This Valuation	<u>209</u>	<u>226</u>
B. Terminated Vested Members		
1. Number Included in Last Valuation	52	52
2. Additions from Active Members	0	2
3. Lump Sum Payments/Withdrawals	0	0
4. Payments Commenced	(2)	(1)
5. Deaths	(1)	(1)
6. Other	0	0
7. Number Included in This Valuation	<u>49</u>	<u>52</u>
C. Service Retirees, Disability Retirees & Beneficiaries		
1. Number Included in Last Valuation	273	258
2. Additions from Active Members	24	17
3. Additions from Terminated Vested Members	2	1
4. Deaths Resulting in No Further Payments	(1)	(3)
5. Deaths Resulting in New Survivor Benefits	1	0
6. End of Certain Period - No Further Payments	0	0
7. Other -- Data Adjustment	0	0
8. Number Included in This Valuation	<u>299</u>	<u>273</u>

STATISTICAL DATA

Active Members as of October 1, 2016

Age Group	0-4	5-9	10-14	15-19	20-24	25-29	30 & Up	Totals	Avg. Pay
Under 25	1	1	0	0	0	0	0	2	67,714
25-29	11	3	0	0	0	0	0	14	61,087
30-34	16	8	4	0	0	0	0	28	68,173
35-39	8	9	2	0	0	0	0	19	66,307
40-44	6	9	6	0	0	0	0	21	73,267
45-49	4	13	4	0	0	2	0	23	74,076
50-54	4	8	12	0	0	7	4	35	79,575
55-59	1	7	4	0	0	9	14	35	79,020
60-64	1	3	2	0	0	7	12	25	80,636
65&UP	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>3</u>	<u>7</u>	<u>74,411</u>
TOTALS	52	62	34	0	0	28	33	209	
Avg. Pay	61,511	76,391	75,479	0	0	80,613	82,758		74,111

Inactive Members as of October 1, 2016

Age Group	Retirees and Survivors	Avg. Annual Benefit	Terminated Vested	Avg. Annual Benefit
Under 45	1	3,977	0	0
45-49	1	65,506	2	13,650
50-54	5	39,577	15	18,984
55-59	35	48,204	10	16,848
60-64	73	35,627	18	11,037
65-69	94	35,056	3	10,136
70-74	53	24,034	1	4,080
75-79	22	23,940	0	0
80-84	10	14,495	0	0
85&UP	<u>5</u>	<u>6,340</u>	<u>0</u>	<u>0</u>
TOT	299	32,869	49	14,565

SECTION E
SUMMARY OF PLAN PROVISIONS

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

SUMMARY OF PLAN PROVISIONS

A. Governing Document

Plan established by the St. John's River Power Park System and was most recently amended and restated pursuant to Amendments No. 6 through 11 and a restated plan document, adopted effective October 1, 2015. The Plan is also governed by certain provisions of the Internal Revenue Code and Florida law.

B. Effective Date

The original effective date is October 1, 1984. More recently, the Plan was amended and restated effective October 1, 2015.

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

Employees who are actively working for SJRPP are eligible to participate (excluding temporary employees, contract employees, and employees represented by a collective bargaining agent unless the bargaining agent and the Plan Sponsor agree that such represented employees will be eligible to participate). Additionally, employees whose employment was transferred from SJRPP to JEA and who elected to continue participating in the Plan instead of the City of Jacksonville General Employees' Pension Plan, or employees who transferred from JEA to SJRPP and elected to participate in this Plan, are eligible to participate. Eligible employees' participation begins on the first day of the employees' regular (not temporary or contract) employment with SJRPP. Reemployed former participants participate immediately, provided they satisfy these eligibility conditions upon rehire.

The Plan consists of two tiers of benefits. Tier One is the traditional pension tier, while Tier Two is the cash balance tier of benefits. For purposes of determining eligibility for each tier of benefits, employees participating in the Plan are classified as Group A, B, C, or D employees.

Group A Employees – A Group A employee is an employee who as of February 24, 2013 had:

- (1) reached age sixty (60) with five (5) years of service, or
- (2) attained age fifty-five (55) with twenty (20) years of service, or
- (3) completed thirty (30) years of service regardless of age.

Tier One Benefits may continue to be accrued by Group A employees. Tier Two Benefits may not be accrued by Group A employees.

Group B Employees – An Employee who does not meet the definition of a Group A employee but who had completed twenty (20) years of service as of February 24, 2013 and was less than fifty-five (55) years of age as of that date, is referred to as a "Group B employee." Group B employees continue to accrue Tier One Benefits. However, Group B employees are not eligible to select the BACKDROP distribution option. Tier Two Benefits may not be accrued by Group B employees.

Group C Employees – A Participant who accrued Tier One Benefits in the Plan prior to February 25, 2013, but who does not meet the definition of a Group A or Group B Employee is a Group C employee. Effective February 25, 2013, the Tier One Benefits of Group C employees were frozen. Group C Employees became eligible to accrue Tier Two Benefits effective February 25, 2013.

Group D Employees – A Participant who is newly hired or rehired on or after February 25, 2013. Group D employees are only eligible to accrue Tier Two Benefits.

F. Vesting/Benefit Service

The total number of years of employment determined as of each employment anniversary date in which a participant works at least 1000 hours. An employee may purchase service credit for years of prior service as a temporary, contract or co-op employee in which 1000 hours of employment were earned by paying an amount equal to the then applicable employee contribution rate times Earnings as of the date of purchase. An employee may also elect to purchase up to a maximum of two years of Vesting Service for time spent performing active military service.

For transfers from JEA to SJRPP who elect to participate in this Plan, Vesting Service and Benefit Service accrue only for periods of employment with SJRPP. For transfers from SJRPP to JEA who elect to join the City's Plan, Benefit Service, Vesting Service, and Final Average Earnings are frozen under this Plan at the date of transfer.

G. Earnings

Monthly base salary as of the last day of the month coincident with or next preceding termination of employment, excluding bonuses, overtime, expense allowances, severance pay or other extra forms of remuneration.

H. Social Security Average Wages

The average of the maximum amount of annual earnings subject to Social Security tax for the 35 years preceding the Social Security Normal Retirement Age, determined according to the table in effect at termination of employment.

I. Final Average Earnings (FAE)

The annual average of a participant's Earnings over the highest 36 consecutive complete months out of the last 120 months of participation, or during all complete months of participation if less than 120, immediately preceding his/her retirement date, termination date, or date of death, whichever is earliest.

J. Normal Retirement

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

- (1) age 65 with 5 years of Vesting Service, or
- (2) age 55 with 20 years of Vesting Service, or
- (3) 30 years of Vesting Service regardless of age.

In the event of plant shut down, the Normal Retirement date is the date the participant attains age 55 regardless of service (or, if earlier, the date specified in (3) above).

Tier One

Benefit: 2.0% of FAE multiplied by years of Benefit Service not to exceed 15 years; plus 2.4% of FAE multiplied by years of Benefit Service in excess of 15 years, but not to exceed 30 years; plus 0.65% of the excess of FAE over the Social Security Average Wages multiplied by years of Benefit Service, not to exceed 35 years and reduced by 1/144 for each of the first 36 months and 1/288 for each of the next 84 months by which the Normal Retirement date precedes age 65.

Normal Form of Tier One Benefit:

For a married participant, 75% Joint & Survivor Annuity; for an unmarried participant, annual annuity payable for life that is the actuarial equivalent of a 75% Joint & Survivor Annuity; other options are also available.

Benefits are payable bi-weekly.

COLA: For participants retired on or after October 1, 2003 and applicable to Tier One Benefits only; 1.0% annual increase each year beginning with the first benefit payment coincident with or next following the fifth anniversary of retirement.

Tier Two

Benefit: Employees receive annual pay credits to their Cash Balance accounts in the amount of 6.0% of Earnings between February 25, 2013 and September 30, 2015 and 8.5% of Earnings on or after October 1, 2015. Cash Balance Accounts shall be credited with interest at the rate of 4% per year.

Form of Benefit: Benefits may be distributed as a lump sum, by rollover in accordance with the Internal Revenue Code or as an annuity, at the election of the Participant

K. Early Retirement

Eligibility: A participant may elect to retire prior to becoming eligible for Normal Retirement, upon attainment of age 55 with 10, but less than 20, years of Vesting Service.

Tier One Benefit: All three components of the Tier One Benefit are reduced by 1/144 for each of the first 36 months and 1/288 for each of the next 84 months by which the Early Retirement date precedes age 65.

Normal Form of

Tier One Benefit: For a married participant, 75% Joint & Survivor Annuity; for an unmarried participant, annual annuity payable for life that is the actuarial equivalent of a 75% Joint & Survivor Annuity; other options are also available.

Benefits are payable bi-weekly.

COLA: For participants retired on or after October 1, 2003 and applicable to Tier One Benefits only; 1.0% annual increase each year beginning with the first benefit payment coincident with or next following the fifth anniversary of retirement.

Tier Two Benefit: Equal to the Cash Balance Account balance at time of retirement. Same Normal Form of Benefit as Tier One. Additional distribution options are available, including 100% lump sum distribution.

L. Delayed Retirement

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

M. Disability (duty or non-duty related)

Eligibility: Any participant who has met the requirements for Early Retirement and becomes totally and permanently disabled is immediately eligible for a disability benefit.

Benefit: Same as Early Retirement, taking into account compensation earned and service credited until the date of disability. Tier One benefit is reduced for Early Retirement.

Normal Form of

Tier One Benefit: Same as for Normal Retirement.

N. Death Benefit (duty or non-duty related)

Eligibility: The eligible spouse of a participant who dies after the completion of 5 or more years of Vesting Service but prior to the commencement of benefits, is eligible for survivor benefits. The beneficiary of a participant with less than 5 years of Vesting Service will receive a refund of the participant's accumulated contributions.

Benefit: For a vested Active Participant who dies *prior* to his/her Earliest Retirement Age and prior to retirement, the eligible spouse's survivor benefit is determined as though the participant (i) terminated employment on the date of death, (ii) survived and worked to the participant's Earliest Retirement Age, (iii) retired at Earliest Retirement Age with a 75% Joint & Survivor Annuity, and (iv) died on the following day, but the Early Payment Reduction is applied as if the participant had reached Normal Retirement Date.

For a vested Terminated Participant who dies *prior* to his/her Earliest Retirement Age and prior to retirement, the eligible spouse's survivor benefit is determined as though the participant (i) survived to the participant's Earliest Retirement Age, (ii) retired at Earliest Retirement Age with a 75% Joint & Survivor Annuity, and (iii) died on the following day.

For a vested participant (active or terminated) who dies *after* his/her Earliest Retirement Age and prior to retirement, the eligible spouse's survivor benefit is determined as if the participant had retired with a 75% Joint & Survivor Annuity on the day before the participant's date of death.

Benefit Payments: Payable bi-weekly beginning on the first day of the month following or coincident with the participant's Earliest Retirement Age. The eligible spouse may elect to defer commencement of benefits.

Post Retirement Death

Benefit determined by the form of benefit elected by the participant upon retirement.

O. Optional Forms

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are the Life Annuity option, the 10 Year Certain and Life Annuity option, or the 50%, 66 2/3% or 100% Joint and Survivor Annuity options.

Retirees also have the option of electing a partial lump sum up to 15% of the actuarial present value of their accrued benefit, with the remaining value of benefits to be paid according to one of the other annuity options elected by the retiree. Retirees who elect this option cannot elect BACKDROP.

For Tier One benefits, retirees can elect a lump-sum, if the actuarial equivalent of the accrued benefit is not greater than \$10,000.

For Tier Two benefits, retirees can elect a lump-sum.

P. Termination Benefit (Vesting)

Eligibility: A participant has earned a non-forfeitable right to Plan benefits after the completion of 5 years of Vesting Service.

Benefit: The benefit is the participant's accrued benefit as of the date of termination and is payable on the first day of the month coincident with or next following the date the participant reaches age 65. Participants with 10 or more years of Vesting Service can elect to take a reduced Early Retirement benefit on or after age 55.

Participants with less than 5 years of Vesting Service will receive a refund of the member's accumulated contributions.

Normal Form of
Tier One Benefit:

Same as for Normal Retirement.

Q. Refunds

Eligibility: All participants terminating employment with less than 5 years of Vesting Service are eligible to have their participant contributions returned to them upon separation from service. Vested participants (those with 5 or more years of Vesting Service) or their beneficiaries may also elect a refund in lieu of the vested benefits otherwise due.

Benefit: Refund of the participant's contributions.

R. Participant Contributions

4.0% of Earnings paid by SJRPP under the "employer pick-up" provisions of IRC Section 414(h).

S. Employer Contributions

Any additional amount determined by the actuary needed to fund the Plan properly according to State and Federal laws.

T. Cost of Living Increases

For participants retired on or after October 1, 2003 and applicable to Tier One Benefits only; 1.0% annual increase beginning with the first benefit payment coincident with or next following the fifth anniversary of retirement.

U. Changes from Previous Valuation

See page A-2 of the Valuation Report.

V. 13th Check

Not Applicable

W. BACKDROP

Eligibility: Group A employees who have worked beyond their Normal Retirement Date are eligible to elect BACKDROP. Group B, C, and D employees are not eligible.

Benefit: Retirement benefits are calculated as if the retiree elected to retire up to 5 years earlier. Benefit is based upon the FAE and Benefit Service as of the beginning of the BACKDROP period. In addition, the participant receives a lump sum amount equal to the accumulation of the retirement benefits that the participant would have received over the BACKDROP period plus interest.

Maximum
BACKDROP

Period: 60 months

Interest Credited: Each year interest is credited or debited to the BACKDROP based upon the Plan's Actuarial rate of return for that year. Rate is guaranteed to be no less than (4.0%) and no more than 4.0% per annum.

Normal Form

of Benefit: The BACKDROP component is paid in a lump sum. The Normal Form of the retirement benefit is the same as under Normal Retirement.

COLA: For participants retired on or after October 1, 2003; 1.0% annual increase beginning with the first benefit payment coincident with or next following the fifth anniversary of the participant's actual retirement date (not 5 years after the beginning date for the BACKDROP period).

X. Other Ancillary Benefits

There are no ancillary retirement type benefits not required by statutes but which might be deemed a St. John's River Power Park System Employees' Retirement liability if continued beyond the availability of funding by the current funding source.

SECTION F
COMPARATIVE SUMMARY OF PRINCIPAL
VALUATION RESULTS

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS	October 1, 2016	October 1, 2016	October 1, 2015
	<i>After 2016 Mortality Update</i>	<i>Before 2016 Mortality Update</i>	
A. Participant Data			
Number Included:			
Actives	209	209	226
Service Retirees & Beneficiaries	299	299	273
Disability Retirees	0	0	0
Terminated Vested Members	49	49	52
Total Members and Beneficiaries	557	557	551
Total Annual Payroll	\$15,489,302	\$15,489,302	\$16,664,648
Annual Valuation Payroll	15,489,302	15,489,302	16,664,648
Expected Annual Payroll in Contribution Year	16,191,522	16,191,522	17,420,154
Total Annualized Benefits			
Retirees & Beneficiaries	9,827,684	9,827,684	8,599,994
Terminated Vested Members	713,692	713,692	767,560
B. Assets (Market Value)			
Cash and Cash Equivalents	\$ 3,132,395	\$ 3,132,395	\$ 3,824,691
US Government Bonds & Notes	58,710,591	58,710,591	19,608,073
Corporate Bonds	-	-	22,502,739
Mortgage/Asset-Backed Securities	-	-	14,200,053
Common & Preferred Stocks	39,403,236	39,403,236	39,264,655
Mutual Funds	40,664,268	40,664,268	39,278,752
Net Receivables & Payables	374,999	374,999	222,793
Total	142,285,489	142,285,489	138,901,756
Actuarial Value	142,285,489	142,285,489	138,901,756
Assets include:			
Accumulated active member contributions (with interest if applicable)	4,843,046	4,843,046	5,346,245
C. Actuarial present value of accrued benefits			
(i) Vested accrued benefits			
Retired members and beneficiaries	116,187,992	116,187,992	101,751,246
Terminated members	5,177,905	5,177,905	5,101,692
Active members (includes non-forfeitable members contributions of 4,843,046 and 5,346,245)	35,615,333	35,575,462	44,932,666
Total	156,981,230	156,941,359	151,785,604
(ii) Non-vested accrued benefits	1,959,634	1,937,483	2,903,735
(iii) Total actuarial p.v. of accrued benefits	158,940,864	158,878,842	154,689,339
(iv) Actuarial p.v. of accrued benefits at begin. of year	154,689,339	154,689,339	144,982,233
(v) Changes attributable to:			
Amendments	0	none	0
Assumption change	62,022	none	3,374,013
Operation of decrements	16,515,536	16,515,536	16,681,096
Benefit payments	(12,326,033)	(12,326,033)	(10,348,003)
Other	none	none	none
(vi) Net change (PVAB measurement Method Change)	4,251,525	4,189,503	9,707,106
(vii) Actuarial p.v. of accr. benefits at end of year	158,940,864	158,878,842	154,689,339

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS	October 1, 2016	October 1, 2016	October 1, 2015
	<i>After 2016 Mortality Update</i>	<i>Before 2016 Mortality Update</i>	
C. Liabilities- Actuarial Present Value of Future Benefits			
1. Active Members			
Service Retirement Benefits	\$46,364,663	\$45,875,876	\$57,965,191
Termination Benefits	630,461	621,291	594,762
Disability Benefits	429,157	424,627	531,406
Preretirement Death Benefits	959,225	1,314,473	1,506,828
Total Actives	48,383,506	48,236,267	60,598,187
2. Inactive Members			
Service Retirees & Beneficiaries	116,187,992	116,187,992	101,751,246
Terminated Vested Members	5,177,905	5,177,905	5,101,692
Total Inactive Members	121,365,897	121,365,897	106,852,938
3. Total Present Value for All Members	169,749,403	169,602,164	167,451,125
Total Present Value of:			
Future Salaries	137,886,030	136,000,284	138,137,046
Future Employee Contributions	5,515,441	5,440,011	5,525,482
Future Contributions from Other Sources	21,948,473	21,876,664	23,023,887
Derivation of Current Employer Unfunded Actuarial Accrued Liability (UAAL)			
a. Total UAAL for Prior Valuation Date	\$20,359,518	\$20,359,518	\$5,068,678
b. Employer Normal Cost for this period	590,018	590,018	729,373
c. Interest accrued on (a) and (b)	1,466,467	1,466,467	405,863
d. Contributions for this period	2,142,182	2,142,182	3,508,587
e. Interest accrued on (d)	74,976	74,976	122,801
f. Changes due to:			
Plan Amendment	0	0	0
Assumption Changes	10,105	0	3,506,236
Asset Method	0	0	0
Actuarial (Gain) Loss	(465,572)	(465,572)	14,280,756
g. Total Current UAAL: a+b+c-d-e+f	19,743,378	19,733,273	20,359,518

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS	October 1, 2016	October 1, 2016	October 1, 2015														
	<i>After 2016 Mortality Update</i>	<i>Before 2016 Mortality Update</i>															
D. Pension Cost																	
Entry Age Normal Cost for:																	
Service Retirement Benefits	\$919,513	\$887,063	\$1,034,024														
Vesting Benefits	77,171	76,980	83,931														
Disability Benefits	15,429	15,061	17,094														
Preretirement Death Benefits	34,486	52,895	55,324														
Total Actives	1,046,599	1,031,999	1,190,373														
Administrative Expenses	66,231	66,231	66,231														
Total Normal Cost	1,112,830	1,098,230	1,256,604														
Payment Required to Amortize Unfunded Actuarial Accrued Liability	6,439,869	6,443,463	6,556,799														
Total Contribution at Valuation Date (EE + ER)	7,552,699	7,541,693	7,813,403														
Employer Contribution Adjusted for Frequency of Payments and Interest to Next Following Fiscal Year % of Expected Payroll	7,727,453 47.73%	7,715,248 47.65%	7,967,400 45.74%														
Amount Expected to be Contributed by Members Next FY % of Expected Payroll	647,661 4.00%	647,661 4.00%	696,806 4.00%														
E. Past Contributions- For the Fiscal Years Ended September 30 of 2015 and 2016																	
Required Contribution Determined in the Valuation as of		<u>October 1, 2014</u>	<u>October 1, 2013</u>														
by the Plan Sponsor		\$2,049,942	\$3,413,998														
by Members		\$721,447	\$742,657														
Actual Contribution for the Fiscal Year ended		<u>9/30/2016</u>	<u>9/30/2015</u>														
by the Plan Sponsor		\$2,142,182	\$3,508,587														
by Members		\$629,206	\$648,068														
F. Net experience (gain) loss during year:		(\$465,572)	\$14,280,756														
G. 1. Plan to Amortize Unfunded Actuarial Accrued Liability																	
Payments determined to fully amortize all of the Unfunded Actuarial Accrued Liability by October 1, 2017.																	
2. Schedule Illustrating the Amortization of the Unfunded Actuarial Accrued Liability (UAAL)																	
	<table border="1"> <thead> <tr> <th style="text-align: center;">Year</th> <th style="text-align: center;">Projected UAAL</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2016 (peak)</td> <td style="text-align: right;">\$19,743,378</td> </tr> <tr> <td style="text-align: center;">2017</td> <td style="text-align: right;">\$13,688,386</td> </tr> <tr> <td style="text-align: center;">2018</td> <td style="text-align: right;">\$7,094,126</td> </tr> <tr> <td style="text-align: center;">2019</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: center;">2020</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: center;">2021</td> <td style="text-align: right;">\$0</td> </tr> </tbody> </table>	Year	Projected UAAL	2016 (peak)	\$19,743,378	2017	\$13,688,386	2018	\$7,094,126	2019	\$0	2020	\$0	2021	\$0		
Year	Projected UAAL																
2016 (peak)	\$19,743,378																
2017	\$13,688,386																
2018	\$7,094,126																
2019	\$0																
2020	\$0																
2021	\$0																
3. Action taken since last actuarial valuation.																	
Contribution sufficient to satisfy the total required contribution.																	

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

H. 1. Three-Year Comparison of Actual and Assumed Salary Increases (Annualized)

Year Ended	Actual	Assumed
9/30/2016	3.5%	3.4%
9/30/2015	4.5%	3.4%
9/30/2014	7.2%	3.3%

2. Three-Year Comparison of Investment Return (Actuarial Value)

Year Ended	Actual	Assumed
9/30/2016	9.99%	7.00%
9/30/2015	-0.19%	7.00%
9/30/2014	10.32%	7.00%

3. Average Annual Growth in Payroll, Last Ten Years (if applicable)

Valuation Date	Total Payroll
9/30/2005	N/A
9/30/2006	20,647,693
9/30/2007	24,026,644
9/30/2008	21,609,264
9/30/2009	21,327,140
9/30/2010	19,430,971
9/30/2011	19,895,174
9/30/2012	19,318,374
9/30/2013	17,761,203
9/30/2014	17,253,952
9/30/2015	16,664,648
9/30/2016	15,489,302
Total % Increase Last Ten Years	-24.98%
Annual % Increase	-2.83%
Thirty-year Forecast	3.00%

I. Benefits and Expenses of Plan not Explicitly or Implicitly Provided in Valuation

NONE

J. Trends not taken into Account but which are likely to Result in Future Cost Increases

NONE