



City of Panama City Beach
City of Panama City Beach Firefighters' Pension plan
Fiscal Year Ending September 30, 2015

To whom it may concern:

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.

Sincerely,

A handwritten signature in black ink that reads "Stephen Lambert-Oswald". The signature is written in a cursive, flowing style.

Stephen Lambert-Oswald, ASA, MAAA, EA
Aon Hewitt
14-07225
September 29, 2015

City of Panama City Beach Firefighters' Pension Plan

GASB 67 Requirements

GASB 67 is effective for fiscal year ending September 30, 2014. The follow exhibit is a 10 year history of change in Net Pension Liability.

Changes in the Net Pension Liability and Related Ratios – RP2000, 8.0% Interest

State Required Disclosure—Changes in the Net Pension Liability and Related Ratios

	Fiscal Year Ending									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Pension Liability										
Service Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$264,424
Interest Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$577,530
Changes of Benefit Terms	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$0
Differences Between Expected and Actual Experiences	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$392,824
Changes of Assumptions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$0
Benefit Payments, Including Refunds of Member Contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(\$428,064)
Net Change in Total Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$806,713
Total Pension Liability (Beginning)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$12,580,508
Total Pension Liability (Ending)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$12,580,508	\$13,387,221
Plan Fiduciary Net Position										
Contributions—Employer	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$501,112
Contributions—Member	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$146,638
Net Investment Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$1,480,292
Benefit Payments, Including Refunds of Member Contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(\$428,064)
Administrative Expense	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(\$62,200)
Other	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$0
Net Change in Plan Fiduciary Net Position	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$1,637,777
Plan Fiduciary Net Position (Beginning)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$11,279,992
Plan Fiduciary Net Position (Ending)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$11,279,992	\$12,917,769
County's Net Pension Liability (Ending)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$469,453
Net Position as a % of Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	96.49%
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$1,285,641
Net Pension Liability as a % of Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	36.52%

City of Panama City Beach Firefighters' Pension Plan

GASB 67 Requirements

Sensitivity

The following table illustrates the impact of interest rate sensitivity on the Net Pension Liability for fiscal year end September 30, 2013:

	1% Decrease (7.00%)	Current Rate (8.00%)	1% Increase (9.00%)
(1) Total Pension Liability	\$14,179,471	\$12,580,508	\$11,256,688
(2) Plan Fiduciary Net Position	\$11,279,992	\$11,279,992	\$11,279,992
(3) Net Pension Liability	\$2,899,479	\$1,300,516	(\$23,304)

The following table illustrates the impact of interest rate sensitivity on the Net Pension Liability for fiscal year end September 30, 2014:

	1% Decrease (7.00%)	Current Rate (8.00%)	1% Increase (9.00%)
(1) Total Pension Liability	\$15,089,001	\$13,387,221	\$11,977,977
(2) Plan Fiduciary Net Position	\$12,917,769	\$12,917,769	\$12,917,769
(3) Net Pension Liability	\$2,171,232	\$469,453	(\$939,791)

City of Panama City Beach Firefighters' Pension Plan

FS 112.664 Requirements

State Required Disclosure—Changes in the Net Pension Liability and Related Ratios

Changes in the Net Pension Liability and Related Ratios – RP2000, 6.0% Interest

	Fiscal Year Ending									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Pension Liability										
Service Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$426,055
Interest Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$539,013
Changes of Benefit Terms	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$0
Differences Between Expected and Actual Experiences	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$497,329
Changes of Assumptions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$0
Benefit Payments, Including Refunds of Member Contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(\$428,064)
Net Change in Total Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$1,034,333
Total Pension Liability (Beginning)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$16,130,732
Total Pension Liability (Ending)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$17,165,064
Plan Fiduciary Net Position										
Contributions—Employer	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$501,112
Contributions—Member	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$146,638
Net Investment Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$1,480,292
Benefit Payments, Including Refunds of Member Contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(\$428,064)
Administrative Expense	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(\$62,200)
Other	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$0
Net Change in Plan Fiduciary Net Position	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$1,637,777
Plan Fiduciary Net Position (Beginning)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$11,279,992
Plan Fiduciary Net Position (Ending)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$12,917,769
County's Net Pension Liability (Ending)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$4,247,296
Net Position as a % of Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	75.26%
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$1,285,641
Net Pension Liability as a % of Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	330.36%

City of Panama City Beach Firefighters' Pension Plan

FS 112.664 Requirements

Sensitivity

The following table illustrates the impact of interest rate sensitivity on the Net Pension Liability for fiscal year end September 30, 2013:

	2% Decrease (6.00%)	Current Rate (8.00%)	2% Increase (10.00%)
(1) Total Pension Liability	\$16,130,732	\$12,580,508	\$10,150,041
(2) Plan Fiduciary Net Position	\$11,279,992	\$11,279,992	\$11,279,992
(3) Net Pension Liability	\$4,850,740	\$1,300,516	(\$1,129,951)

The following table illustrates the impact of interest rate sensitivity on the Net Pension Liability for fiscal year end September 30, 2014:

	2% Decrease (6.00%)	Current Rate (8.00%)	2% Increase (10.00%)
(1) Total Pension Liability	\$17,165,064	\$13,387,221	\$10,799,787
(2) Plan Fiduciary Net Position	\$12,917,769	\$12,917,769	\$12,917,769
(3) Net Pension Liability	\$4,247,296	\$469,453	(\$2,117,981)

Adequacy of Assets

The following table illustrates the number of years and fractions for which the Market Value of Assets are adequate to sustain expected retirement benefits.

Assumptions	Years and Fractions
RP 2000 Mortality and 8.0% Interest	30.08
RP 2000 Mortality and 6.0% Interest	20.50