

**SOUTH WALTON FIRE DISTRICT
FIREFIGHTERS'
RETIREMENT SYSTEM**

**ACTUARIAL VALUATION
AS OF OCTOBER 1, 2010**

**CONTRIBUTIONS APPLICABLE TO THE PLAN/
FISCAL YEAR ENDING SEPTEMBER 30, 2012**

(REVISED February 16, 2011)

February 16, 2010

Mr. Mark Youngblood, Chairman
South Walton Fire District
Firefighters' Pension Board
Post Office Box 1226
Santa Rosa Beach, FL 32459-1226

Dear Mark:

We are pleased to present to the Board this revised report of the annual actuarial valuation of the South Walton Fire District Firefighters' Retirement System. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapters 112 and 175, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the District Finance Department, financial reports prepared by the custodian bank, Morgan Stanley Smith Barney, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The undersigned is familiar with the immediate and long-term aspects of pension valuations, and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

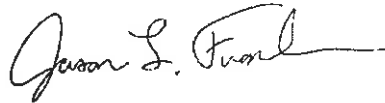
Mr. Youngblood
February 16, 2011
Page Two

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the South Walton Fire District, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the South Walton Fire District Firefighters' Pension Board. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact me at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.



By:

Jason L. Franken, FSA, MAAA
Enrolled Actuary #08-6888

JLF\lsw

Enclosures

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SECTION I
INTRODUCTION

SUMMARY OF REPORT

The regular annual actuarial valuation of the South Walton Fire District Firefighters' Retirement System, performed as of October 1, 2010, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ended September 30, 2012.

The contribution requirements, compared with those developed in the October 1, 2009, revised as of February 11, 2010, Actuarial Valuation, are as follows:

Valuation Date	10/1/2009	10/1/2010
Applicable Fiscal Year End	<u>9/30/2011</u>	<u>9/30/2012</u>
Total Required Contribution % of Total Annual Payroll	39.1%	36.0%
Member Contributions (Est.) % of Total Annual Payroll	7.0%	7.0%
Required District and State Cont. % of Total Annual Payroll	32.1%	29.0%
State Contributions * % of Total Annual Payroll	290,083 5.1%	290,083 5.1%
Balance from District % of Total Annual Payroll	27.0%	23.9%

* State Contributions are frozen until further benefit enhancements are implemented per Chapter 175, Florida Statutes.

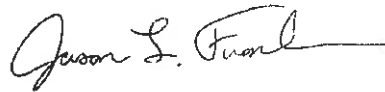
***** As requested by the Division of Retirement, the required contribution from the combination of District and State sources for the year ending September 30, 2012, is 29.0% of the actual payroll realized in that year. As a budgeting tool, the District may contribute 23.9% of each Member's Salary and then make a one-time adjustment to account for the actual State Monies received. Additionally, there is a shortfall of \$142,245.22 in District contributions that will be held as a receivable.**

During the past year the actuarial experience has been more favorable than expected, relative to the Plan's actuarial assumptions. The primary components of favorable experience included average increases in pensionable compensation that were approximately 3.4% less than the assumption and an investment return of 8.26% (Market Value Basis) that exceeded the assumed return of 8.0%. Additionally, the member compensation data provided by the District is for the year following the valuation date. It has been our understanding that it is actual pay received in the year prior to the valuation date. As a result, the projected pay at retirement for each member has been overstated by one year of salary adjustment. This report corrects this issue leading to an additional actuarial gain.

The balance of this Report presents additional details of the actuarial valuation and the general operation of the Fund. The undersigned would be pleased to meet with the Board of Trustees in order to discuss the Report and answer any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.



By: _____
Jason L. Franken, FSA, MAAA



By: _____
Kurt T. Baxley

Plan Changes Since Prior Valuation

There have been no changes in benefits since the prior valuation.

Actuarial Assumption/Method Changes Since Prior Valuation

There have been no assumption or method changes since the prior valuation.

Comparative Summary of Principal Valuation Results

	<u>10/1/2010</u>	<u>10/1/2009</u>
A. Participant Data		
Number Included		
Actives	92	93
Service Retirees	1	0
Beneficiaries	1	1
Terminated Vested	7	6
Disability Retirees	0	0
Total	101	100
Total Annual Payroll	\$5,708,539	\$5,662,502
Payroll Under Assumed Ret. Age	5,708,539	5,662,502
Annual Rate of Payments to:		
Service Retirees	34,910	0
Beneficiaries	5,629	5,629
Terminated Vested	49,703	49,703
Disability Retirees	0	0
B. Assets		
Actuarial Value	13,701,158	10,092,850
Market Value	13,701,158	10,092,850
C. Liabilities		
Present Value of Benefits		
Active Members		
Retirement Benefits	31,242,272	31,367,518
Disability Benefits	513,842	509,476
Death Benefits	360,270	346,287
Vested Benefits	3,760,027	3,614,831
Refund of Contributions	169,736	179,783
Service Retirees	312,668	0
Beneficiaries	27,136	30,561
Terminated Vested	320,870	290,425
Disability Retirees	0	0
Excess State Monies Reserve	1,424,926	1,125,436
Total	38,131,747	37,464,317

	<u>10/1/2010</u>	<u>10/1/2009</u>
C. Liabilities - (Continued)		
Present Value of Future Salaries	61,340,338	62,042,334
Present Value of Future Member Contributions	4,293,824	4,342,963
EAN Normal Cost (Retirement)	1,443,146	1,515,840
EAN Normal Cost (Disability)	12,877	12,665
EAN Normal Cost (Death)	8,570	7,660
EAN Normal Cost (Vesting)	68,500	58,759
EAN Normal Cost (Refunds)	6,907	7,180
Total Normal Cost (Entry Age Method)	<u>1,540,000</u>	<u>1,602,104</u>
Present Value of Future Normal Costs (Entry Age)	16,424,736	17,355,642
Accrued Liability (Retirement)	16,022,773	15,102,819
Accrued Liability (Disability)	360,708	359,417
Accrued Liability (Death)	258,578	253,431
Accrued Liability (Vesting)	2,902,523	2,862,604
Accrued Liability (Refunds)	76,829	83,982
Accrued Liability (Inactives)	660,674	320,986
Excess State Monies Reserve	1,424,926	1,125,436
Total Actuarial Accrued Liability	<u>21,707,011</u>	<u>20,108,675</u>
Unfunded Actuarial Accrued Liability (UAAL)	8,005,853	10,015,825
D. Actuarial Present Value of Accrued Benefits		
Vested Accrued Benefits		
Inactives	660,674	320,986
Actives	5,152,876	4,134,831
Member Contributions	1,856,937	1,517,652
Total	<u>7,670,487</u>	<u>5,973,469</u>
Non-vested Accrued Benefits	<u>1,634,009</u>	<u>1,871,722</u>
Total Present Value Accrued Benefits	9,304,496	7,845,191
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Method Changes	0	
New Accrued Benefits	878,648	
Benefits Paid	(45,152)	
Interest	625,809	
Other	0	
Total:	<u>1,459,305</u>	

Valuation Date	10/1/2010	10/1/2009
Applicable to Fiscal Year Ending	<u>9/30/2012</u>	<u>9/30/2011</u>

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll*	28.1	29.4
Administrative Expenses (with int.) % of Total Annual Payroll*	0.4	0.3
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 30 years (as of 10/1/10) % of Total Annual Payroll*	7.5	9.3
Total Required Contribution % of Total Annual Payroll*	36.0	39.1
Expected Member Contributions % of Total Annual Payroll*	7.0	7.0
Expected District & State Contrib. % of Total Annual Payroll*	29.0	32.1

F. Past Contributions

Plan Years Ending:	<u>9/30/2010</u>
Total Required Contribution District and State Requirement	\$ 2,433,765 2,019,255
Actual Contributions Made:	
Members	414,313
District	1,729,172
State	290,083 **
Total	<u>2,433,568</u>

G. Net Actuarial Gain (Loss)	2,040,282
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* Contributions developed as of 10/1/10 are expressed as a percentage of projected annual payroll at 10/1/10 of \$5,708,539.

** "Frozen" per Chapter 175, Florida Statutes.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2010	\$8,005,853
2011	8,200,755
2012	8,388,970
2027	8,709,822
2037	1,841,331
2040	0

I. (i) Comparison of Actual and Assumed Salary Increases

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2010	4.1%	7.5%
Year Ended	9/30/2009	7.6%	7.5%
Year Ended	9/30/2008	13.2%	6.0%

(ii) Comparison of Investment Return on Actuarial Value

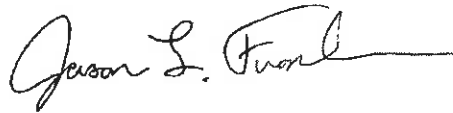
		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2010	8.3%	8.0%
Year Ended	9/30/2009	7.7%	8.0%
Year Ended	9/30/2008	-19.0%	8.0%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2010	\$5,708,539
	10/1/2000	1,171,049
(b) Total Increase		387.5%
(c) Number of Years		10.00
(d) Average Annual Rate		17.2%

Statement by Enrolled Actuary

This actuarial valuation 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, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. 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.



Jason L. Franken, FSA, MAAA
Enrolled Actuary #08-6888

A copy of this Report is to be furnished to the Division of Retirement within 60 days of receipt from the actuary at the following address:

Patricia Shoemaker
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
Post Office Box 3010
Tallahassee, FL 32315-3010

Mr. Keith Brinkman
Bureau of Local
Retirement Systems
Post Office Box 9000
Tallahassee, FL 32315-9000

SECTION II
VALUATION INFORMATION

Reconciliation of Unfunded Actuarial Accrued Liabilities

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2009	\$10,015,825
(2)	District and State Normal Cost Applicable for the year *	1,223,209
(3)	Interest on (1) and (2)	898,424
(4)	Sponsor Contributions to the System during the year ending September 30, 2010	2,019,255
(5)	Interest on (4)	72,068
(6)	Change to UAAL due to (Gain)/Loss	(2,040,282)
(7)	Unfunded Accrued Liability as of October 1, 2010 (1)+(2)+(3)-(4)-(5)+(6)	8,005,853

	<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2010 Amount</u>	<u>Amortization Amount</u>
Initial Base	10/1/1998	28	100,947	5,139
Plan Change	10/1/2000	20	148,193	9,557
Plan Change	10/1/2005	25	1,870,245	102,766
Assum Change	10/1/2008	29	1,475,649	73,430
Method Change	10/1/2008	29	5,942,851	295,721
Loss	10/1/2009	29	508,250	25,291
Gain	10/1/2010	30	<u>(2,040,282)</u>	<u>(99,342)</u>
			8,005,853	412,562

* Includes \$17,480 for administrative expenses.

ACTUARIAL ASSUMPTIONS AND FUNDING METHOD

Assumptions

<u>Mortality Rate</u>	RP-2000 Mortality Table (Combined Healthy) with no projection.
<u>Disability Mortality Rate</u>	RP-2000 Combined Healthy Mortality set forward 5 years.
<u>Interest Rate</u>	8% per year compounded annually, net of investment-related expenses.
<u>Retirement Age</u>	Earlier of age 55 and 10 years of service or the completion of 25 years of service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year.
<u>Early Retirement</u>	Commencing with the earliest Early Retirement Age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
<u>Disability Rate</u>	See table below (1201).
<u>Termination Rate</u>	See table below (1302).
<u>Salary Increases</u>	7.5% per year until the assumed retirement age; see table below.
<u>Payroll Growth</u>	5% per year.
<u>Administrative Expenses</u>	\$22,795 annually.

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>	<u>Current Salary as % of Salary at age 53</u>
20	6.0%	0.03%	9.2%
30	5.0	0.04	18.9
40	2.6	0.07	39.1
50	0.8	0.18	80.5

Funding Method

Entry Age Normal Actuarial Cost Method

VALUATION NOTES

Total Annual Payroll is the projected annual rate of pay as of the valuation date for all covered Members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current Members, Retirees, Beneficiaries, Disability Retirees and Vested Terminations.

Normal (Current Year's) Cost is determined for each participant as the present value of future benefits, determined as of the member's entry age, amortized as a level percentage of compensation over the anticipated number of years of participation, determined as of the entry age.

Individual Entry Age Normal Actuarial Cost Method (Level Percent of Compensation) is the method used to determine required contributions under the Plan. The use of this method involves the systematic funding of the Normal Cost (described above) and the Unfunded Accrued (Past Service) Liability. The actuarial accrued liability for active participants is the difference between the present value of future benefits and the present value of future Normal Costs. The actuarial accrued liability for inactive participants is the present value of future benefits.

Unfunded Actuarial Accrued Liability (UAAL) is the difference between the actuarial accrued liability (described above) and the actuarial value of assets. Under the Entry Age Normal Actuarial Cost Method, an actuarial gain or loss, based on actual versus expected UAAL, is determined in conjunction with each valuation of the plan.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

HISTORY OF PREMIUM TAX REFUNDS

<u>Received During Fiscal Year</u>	<u>Amount</u>	<u>Increase from Previous Year</u>
1999	33,311.88	_____ %
2000	59,361.52	78.2%
2001	97,188.10	63.7%
2002	117,587.47	21.0%
2003	154,506.03	31.4%
2004	170,845.03	10.6%
2005	243,536.49	42.5%
2006	274,610.68	12.8%
2007	470,084.79	71.2%
2008	772,030.92	64.2%
2009	585,800.35	-24.1%
2010	589,573.18	0.6%

EXCESS STATE MONIES RESERVE

<u>Fiscal Year</u>	<u>Actual State Contribution</u>	<u>Applicable "Frozen" Amount</u>	<u>Excess State Monies For Reserve</u>
1998	0.00	0.00	0.00
1999	33,311.88	0.00	33,311.88
2000	59,361.52	0.00	59,361.52
2001	97,188.10	106,842.00	0.00
2002	117,587.47	106,842.00	10,745.47
2003	154,506.03	106,842.00	47,664.03
2004	170,845.03	106,842.00	64,003.03
2005	243,536.49	106,842.00	136,694.49
2006	274,610.68	106,842.00	167,768.68
2007	470,084.79	290,083.00	180,001.79
2008	772,030.92	290,083.00	481,947.92
2009	585,800.35	290,083.00	295,717.35
2010	589,573.18	290,083.00	<u>299,490.18</u>
		Total:	1,776,706.34
		Less amounts used in funding 4.0% B.R.:	(351,780.42)
		Equals current reserve:	1,424,925.92

SECTION III
TRUST FUND

South Walton Fire District
Firefighters' Retirement System

BALANCE SHEET
September 30, 2010

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Cash	62,157.85	62,157.85
Total Cash and Equivalents	62,157.85	62,157.85
Receivable:		
Member Contributions in Transit	15,275.12	15,275.12
Additional District Contributions	142,245.22	142,245.22
Total Receivable	157,520.34	157,520.34
Investments:		
Corporate Bonds/CMOs/REMICs	350,000.00	384,020.00
Corporate Stocks/REITs	100,000.00	107,920.00
Mutual Funds:		
Fixed Income	4,116,771.95	4,300,400.35
Equity	8,422,347.26	8,692,048.92
Total Investments	12,989,119.21	13,484,389.27
TOTAL ASSETS	13,208,797.40	13,704,067.46
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Payable:		
Benefit Payments	2,909.17	2,909.17
Total Liabilities	2,909.17	2,909.17
Net Assets:		
Active and Retired Members' Equity	13,205,888.23	13,701,158.29
Total Net Assets	13,205,888.23	13,701,158.29
TOTAL LIABILITIES AND NET ASSETS	13,208,797.40	13,704,067.46

South Walton Fire District
Firefighters' Retirement System

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
September 30, 2010
Market Value Basis

INCOME		
Contributions:		
Member	414,313.46	
District	1,729,172.22	
State	589,573.18	
Total Contributions		2,733,058.86
Earnings from Investments		
Interest & Dividends	263,891.21	
Net Realized Gain (Loss)	(3,866.74)	
Unrealized Gain (Loss)	702,122.33	
Total Earnings and Investment Gains		962,146.80
EXPENSES		
Administrative Expenses:		
Investment Related*	18,950.00	
Other	22,795.10	
Total Expenses		41,745.10
Distributions to Members:		
Benefit Payments	17,265.64	
Termination Payments	27,886.66	
Total Distributions		45,152.30
Change in Net Assets for the Year		3,608,308.26
Net Assets Beginning of the Year		10,092,850.03
Net Assets End of the Year		13,701,158.29

*Investment Related expenses include investment advisory, custodial and performance monitoring fees.

DISTRICT SHORTFALL RECONCILIATION

(A) Shortfall Balance as of October 1, 2009	\$0.00
(B) Required District Contributions for Fiscal 2010	1,729,172.22
(C) Actual District Contributions for Fiscal 2010	1,586,927.00
(D) Shortfall Balance as of October 1, 2010 (A) + (C) - (B)	\$142,245.22

SECTION IV
MEMBER STATISTICS

ELIGIBILITY FOR RETIREMENT

Members are eligible for Normal Retirement based upon the following criteria:

- 1) Attained Age 55 with 10 Years of Credited Service
- 2) 25 Years of Credited Service regardless of Age

Members are eligible for Early Retirement based upon the following criteria:

- 1) Attained Age 50 with 10 Years of Credited Service

As of the date of this valuation, the following list of Members are eligible for:

Normal Retirement	Early Retirement
None	Griffith, James H., Griggs, Michael H., Patterson, Herbert W., Wells, Robert E.,

STATISTICAL DATA

(Averages are salary weighted)

	<u>10/1/2007</u>	<u>10/1/2008</u>	<u>10/1/2009</u>	<u>10/1/2010</u>
Number	85	92	93	92
Average Current Age	35.3	37.2	38.2	38.3
Average Age at Employment	28.2	29.8	30.1	29.4
Average Past Service	7.0	7.4	8.1	8.9
Average Annual Salary	\$50,907	\$55,305	\$60,887	\$62,049

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19	0	0	0	0	0	0	0	0	0	0	0	0
20 - 24	0	0	1	1	0	0	0	0	0	0	0	2
25 - 29	1	0	3	0	3	5	0	0	0	0	0	12
30 - 34	1	0	2	1	2	6	4	1	0	0	0	17
35 - 39	1	0	2	1	0	10	8	0	0	0	0	22
40 - 44	0	1	0	3	2	11	4	2	1	0	0	24
45 - 49	0	0	0	0	0	4	4	0	1	0	0	9
50 - 54	0	0	0	1	0	0	2	1	1	0	0	5
55 - 59	0	0	0	0	0	0	0	0	0	0	0	0
60 - 64	0	0	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	1	0	0	0	0	0	1
Total	3	1	8	7	7	37	22	4	3	0	0	92

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/09	93
b. Terminations	
i. Vested (partial or full) with deferred benefits	1
ii. Non-vested or full lump sum distribution received	2
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	1
f. Voluntary withdrawal	0
g. Continuing participants	89
h. New entrants	3
i. Total active life participants in valuation	92

2. Non-Active lives (including beneficiaries receiving benefits)

	<u>Service Retirees, Vested Receiving Benefits</u>	<u>Receiving Death Benefits</u>	<u>Receiving Disability Benefits</u>	<u>Vested Deferred</u>	<u>Total</u>
a. Number prior valuation	0	1	0	6	7
b. In	1	0	0	1	2
c. Out	0	0	0	0	0
d. Number current valuation	1	1	0	7	9

SECTION V
SUMMARY OF PLAN PROVISIONS

SUMMARY OF PLAN PROVISIONS
THROUGH RESOLUTION 07-24

CREDITED SERVICE	Years and fractional parts of years of service with the District as a firefighter. Purchase of prior military or prior fire service permitted.
AVERAGE FINAL COMPENSATION	Average Salary paid during the five (5) highest years of the last ten (10) years of Credited Service.
SALARY	Base compensation. (Lump sum payments of accrued sick and/or vacation at termination are excluded.)
NORMAL RETIREMENT	
Eligibility	Earlier of age 55 and the completion of 10 years of Credited Service or the completion of 25 years of Credited Service, regardless of age.
Benefit Amount	4% of Average Final Compensation times Credited Service
Form of Benefit	10 year certain and life thereafter (options available).
EARLY RETIREMENT	
Eligibility	Age 50 and 10 years of Credited Service.
Benefit Amount	Accrued benefit, reduced by 3% per year prior to Normal Retirement Date.
DISABILITY	
Eligibility	a) 10 years of credited service for non-service related; coverage from date of hire for service-incurred. b) Total and permanent disability prior to Normal Retirement Date.
Benefit Amount	Accrued benefit, but not less than 42% of Average Final Compensation for service related disabilities.

DEATH

Less than 10 years of
Credited Service

Refund of Member Contributions

10 years or more

Beneficiary is entitled to either: 1) the benefits otherwise payable to the firefighter at his early or normal retirement date, payable for 10 years, or 2) a refund of Member Contributions.

VESTING (TERMINATION)

Less than 10 years of
Credited Service

Refund of Member Contributions

10 years or more

Accrued benefit payable at age 50 or later, on reduced basis if to commence prior to Normal Retirement Date, or a refund of Member Contributions.

CONTRIBUTIONS

Employee

7.0% of base pay.

Premium Tax

1.85% tax on premiums for fire insurance policies.

District

Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability as provided in Part VII of Chapter 112, Florida Statutes.

BOARD OF TRUSTEES

a) Two District Board appointees,

b) Two Members of the System elected by a majority of the other covered Firefighters, and

c) A fifth Member elected by the other 4 and appointed by the District Board.

SECTION VI

**GOVERNMENTAL ACCOUNTING STANDARDS
BOARD STATEMENTS NO. 25 AND NO. 27 INFORMATION**

DISCLOSURE INFORMATION PER STATEMENT NO. 25 OF THE
GOVERNMENTAL ACCOUNTING STANDARDS BOARD

The schedule provided below has been prepared in accordance with the requirements of paragraph 37 of Statement No. 25 of the Governmental Accounting Standards Board.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
10/01/10	13,701,158	21,707,011	8,005,853	63.12%	5,708,539	140.24%
10/01/09	10,092,850	20,108,675	10,015,825	50.19%	5,662,502	176.88%
10/01/08	7,572,665	16,450,823	8,878,158	46.03%	5,088,098	174.49%
10/01/07	7,076,475	9,277,444	2,200,969	76.28%	4,327,077	50.87%
10/01/06	5,138,460	7,294,367	2,155,907	70.44%	3,430,014	62.85%
10/01/05	3,593,589	5,513,156	1,919,567	65.18%	3,209,698	59.81%

The schedule provided below has been prepared in accordance with the requirements of paragraph 38 of Statement No. 25 of the Governmental Accounting Standards Board.

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER AND OTHER CONTRIBUTING ENTITIES

Year Ended September 30	Annual Required Contribution	District Contribution	State Contribution	Percentage Contributed
2010	2,019,255	1,729,172	290,083 *	100.00%
2009	1,230,713	940,630	290,083 *	100.00%
2008	957,303	682,692	290,083 *	101.62%
2007	917,138	627,055	290,083 *	100.00%
2006	663,879	557,037	106,842 *	100.00%
2005	533,991	427,149	106,842 *	100.00%

* Frozen per Chapter 175, F.S., as amended.

DISCLOSURE INFORMATION PER STATEMENT NO. 27 OF THE
GOVERNMENTAL ACCOUNTING STANDARDS BOARD

ANNUAL PENSION COSTS AND RELATED INFORMATION

Contribution rates as of 9/30/10

District	28.4%
Plan Members	7.0%

Actuarially Determined Contribution	1,729,172
Contributions made	1,729,172
Actuarial valuation date	10/1/2008
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Pay, Closed
Remaining amortization period	30 Years (as of 10/1/10)
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increase*	7.5%
* Includes inflation at	3.0%
Post Retirement COLA	0.0%

THREE YEAR TREND INFORMATION

<u>Year Ending</u>	<u>Actuarially Determined Contribution (A)</u>	<u>Percentage of (A) Contributed</u>	<u>Net Pension Obligation</u>
9/30/2010	1,729,172	100%	(58,197)
9/30/2009	940,630	100%	(58,636)
9/30/2008	627,055	102%	(59,287)

DISCLOSURE INFORMATION PER STATEMENT NO. 27 OF THE
GOVERNMENTAL ACCOUNTING STANDARDS BOARD

DEVELOPMENT OF NET PENSION OBLIGATION (NPO)

This municipal Defined Benefit Plan has been subject to the minimum funding standards since the adoption of the "Florida Protection of Public Employee Retirement Benefits Act" (Part VII of Chapter 112, Florida Statutes) in 1980. Accordingly, the sponsor has funded the actuarially determined required contributions for all years from October 1, 1987, through the transition date, October 1, 1997. Thus, the NPO on October 1, 1997, is 0.

The development of the Net Pension Obligation to date is as follows:

	<u>9/30/2008</u>	<u>9/30/2009</u>	<u>9/30/2010</u>
Actuarially Determined			
Contribution (A)	667,220	940,630	1,729,172
Interest on NPO	(3,544)	(4,743)	(4,691)
Adjustment to (A)	4,030	5,394	5,130
	-----	-----	-----
Annual Pension Cost	667,706	941,281	1,729,611
Contributions Made	682,692	940,630	1,729,172
	-----	-----	-----
Increase in NPO	(14,986)	651	439
NPO Beginning of Year	(44,301)	(59,287)	(58,636)
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NPO End of Year	(59,287)	(58,636)	(58,197)