

ORDINANCE NO. 2012-33

AN ORDINANCE ENACTING AMENDMENTS TO THE RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, ADOPTION AGREEMENT, ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; ELIMINATING THE DEFERRED RETIREMENT OPTION PROGRAM (DROP); ELIMINATING THE BUY-BACK PROVISION; REDUCING THE MULTIPLIER; AMENDING THE COST OF LIVING ADJUSTMENT; AMENDING TERMINATION OF EMPLOYMENT AND VESTING; AMENDING THE NORMAL RETIREMENT DATE; AMENDING THE EARLY RETIREMENT CALCULATION; AMENDING THE COMPOSITION OF THE PLAN RETIREMENT COMMITTEE; AND CHANGING THE DEFINITION OF SALARY; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR THE CODIFICATION OF THE ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of North Miami Beach has established and maintains retirement plans for all eligible employees of the City; and

WHEREAS, due to the continuing decline of the economy, maintaining and sustaining the current pension benefits has become an insurmountable task; and

WHEREAS, the Mayor and City Council of the City of North Miami Beach wish to amend the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach, in order to continue a viable pension for its management employees; and

WHEREAS, it has been determined by the Plan Actuary that this amendment will have no detrimental financial impact on the City's plan.

NOW, THEREFORE,

BE IT ORDAINED by the City Council of the City of North Miami Beach, Florida:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. Section D, "Salary" of the Retirement Plan and Trust for the General

Management Employees of the City of North Miami Beach Adoption Agreement shall be amended as follows:

Compensation earned by General Management Employees on or before January 31, 2013 shall Mmeans the total cash remuneration paid to a plan participant for services rendered, including allowances and annuities, but shall exclude lump sum payments of accrued annual and sick leave.

For compensation earned by General Management Employees, on or after February 1, 2013, annual compensation shall exclude commissions, overtime pay, bonuses and any other forms of additional compensation earned in addition to base salary.

SECTION 3. Section E, “Credited Service” of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended as follows:

E. CREDITED SERVICE:

E1) Total number of years and fractional parts of years of service is measured from date of employment.

~~E2) Purchase of Credited Service~~

~~Participants of the plan shall have the option to purchase up to four (4) years of credited service or an actuarially equivalent higher multiplier at full actuarial cost. Participants who wish to receive credit for this service will be required to make a contribution for such service, including any administrative cost associated with the purchase so that there is no change in the City’s contribution rate. Such amount shall be established by a methodology and subject to payment options determined by the Retirement Committee and approved by the Plan actuary.~~

SECTION 4. Section G, “Benefit Amounts and Eligibility” of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended pursuant to the following:

G. BENEFIT AMOUNTS AND ELIGIBILITY: (Section 6)

G1) Normal Retirement Date (Section 6.01):

~~A member's normal retirement date shall be the first day of the month coincident with, or next following attainment of a combined age and service totaling seventy-five (75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with six (6) years of service, but in no instance prior to July 1, 2003.~~

- a) The normal retirement date for a General Management Employee who was born in the years 1938 -1954 shall be the first day of the month coincident with, or next following the attainment of age sixty-six (66), with at least four (4) years of service.
- b) The normal retirement date for a General Management Employee who was born any year after 1954 shall be the first day of the month coincident with, or next following the attainment of age sixty-seven (67), with at least four (4) years of service.
- c) General Management Employees participating in the plan as of January 31, 2013, or who were born prior to 1938 will remain eligible to retire the first day of the month coincident with, or next following attainment of a combined age and service totaling seventy-five (75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with at least six (6) years of service and will obtain their accrued benefits earned through January 31, 2013 at such time. Benefit accruals earned on or after February 1, 2013 will be paid at the new normal retirement date in accordance with paragraphs Section 6.01(a) or (b) above, unless the member opts for Section 6.01(d) below.
- d) General Management Employees who were members of the Plan on January 31, 2013 may receive their benefits accrued through January 31, 2013, upon retirement on the first day of any month following retirement upon attaining a combined age and service totaling seventy-five (75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with at least six (6) years of credited service. General Management Employees who were participating in the Plan as of January 31, 2013 may receive their benefits accrued on or after January 31, 2013 upon retirement on the first day of any month following retirement in accordance with Section 6.01(a) or (b) above.
- e) A General Management Employee will not be allowed to receive his or her benefit while he or she continues to be

employed with the City of North Miami Beach.

G2) Normal Retirement Benefit (Section 6.02):

For credited service earned on or before January 31, 2012 the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 3% and multiplied by final monthly compensation.

For credited service earned on or after February 1, 2013, the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 2% and multiplied by final monthly compensation.

G3) Early Retirement Date (Section 6.03):

For General Management Employees participating in the Plan as of January 31, 2013 or who were born prior to 1938, the early retirement date for service earned on or before January 31, 2013 shall be the first day of any month coincident with or next following the later of attainment of age fifty (50) and completion of ten (10) years of credited service. For all other General Management Employees and for General Management Employees participating in the Plan as of January 31, 2013 or born prior to 1938, the early retirement date for service earned on or after February 1, 2013 A member may retire on his early retirement date which shall be the first day of any month coincident with or next following the later of the attainment of age fifty-five (505) and the completion of ten (10) years of credited service.

G4) Early Retirement Benefit (Section 6.04):

For those General Management Employees participating in the Plan as of January 31, 2013 or born prior to 1938, the amount of the accrued benefit paid for credited service earned on or before January 31, 2013 will be reduced by five (5%) for each year before their normal retirement date. For all other General Management Employees and for General Management Employees who were participating in the plan as of January 31, 2013 or born prior to 1938, for credited service earned on or after February 1, 2013 the amount of the accrued benefit will be reduced to the actuarial equivalent, which will be equal to the actuarial equivalent of the accrued benefit payable at their normal retirement date in accordance with Section 6.01 (a) or (b). a five percent (5%) for each year before the normal retirement date, i.e., the attainment of a combined age & years of credited service totaling 75, with a minimum age of 55, and without imputing service beyond actual

~~termination date.~~ For this purpose, actuarial equivalence will be determined using the mortality and interest rate described in Exhibit B of the Florida Municipal Pension Trust Fund Defined Benefit Plan Document.

SECTION 5. Section J, "Termination of Employment and Vesting" of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended as follows:

If a member's employment is terminated either voluntarily or involuntarily, the following benefits are payable:

- 1) If the member has less than ~~six (6)~~ four (4) years of credited service, upon termination the member shall be entitled to a refund of the money he or she has contributed plus three percent 3% interest, or the member may leave it deposited with the Fund.
- 2) If the member has four (4) years of credited service but less than six (6) years of credited service, upon termination the member shall be entitled to 50% of his/her accrued monthly retirement benefit, starting at the member's otherwise normal or early retirement date, provided he or she does not elect to withdraw his or her contributions with three percent (3%) interest, and provided he or she survives to his normal or early retirement date.
- 2)3) If the member has six (6) or more years of credited service, upon termination the member shall be entitled to ~~their~~ his/her accrued monthly retirement benefit, starting at the member's otherwise normal or early retirement date, provided he or she does not elect to withdraw his or her contributions with three percent (3%) interest, and provided he or she survives to his normal or early retirement date.
- 3)4) Any vested benefit hereunder is the legal asset of the employee plan participant. No portion of the vested principal or the income of the Defined Benefit Plan shall revert to the employer, or ever be used for or diverted to any purpose other than for the exclusive benefit of the Participating Employees and persons claiming under or through them, and the payment of reasonable expenses of the plan.

SECTION 6. Section L, "Cost of Living Adjustment" of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended pursuant to the following:

L. COST OF LIVING ADJUSTMENT:

Commencing October 1, 2003, and the first day of each October

thereafter, the monthly income payable hereunder to each participant or beneficiary who has been receiving benefits under any portion of this plan for one or more years, or to any such participant's or beneficiary's surviving beneficiary, for all years of credited service earned on or before December 31, 2012, shall be increased by two and one-quarter percent (2.25%).

For all years of credited service earned on or after February 1, 2013, effective October 1, 2013, and the first day of each October thereafter, any increase in the monthly income payable hereunder to each participant or beneficiary who begins receiving benefits under any portion of this plan for one or more years, or to any such participant's or beneficiary's surviving beneficiary, shall be decided on an *ad hoc* basis by the City Council, which is vested with the authority to decide whether or not a Cost of Living Adjustment will be awarded for that particular fiscal year and each year thereafter.

SECTION 7. Section M, "Deferred Retirement Option Program" of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be deleted in its entirety and Ordinance No. 2006-25 is repealed in its entirety:

M. **DEFERRED RETIREMENT OPTION PROGRAM:**

~~In general, and subject to the provisions of this section, the Deferred Retirement Option Program, hereinafter referred to as the DROP, is a program under which an eligible member of the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach may elect to participate, deferring receipt of retirement benefits while continuing employment with the City of North Miami Beach. The deferred monthly benefits shall accrue in the Trust Fund on behalf of the participant, plus interest compounded monthly, for the specified period of the DROP participation, as provided in paragraph (c). Upon termination of employment, the participant shall receive the total DROP benefits and begin to receive the previously determined normal retirement benefits.~~

~~(a) *Eligibility of member to participate in the DROP*~~

~~All active members are eligible to elect participation in the DROP provided that:~~

~~Election to participate is made anytime following the date on which the member first reaches normal retirement eligibility. The member shall advise the Board of Trustees of the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach (the Retirement Committee) in writing of the date on which the DROP shall begin.~~

~~(b) *Participation in the DROP*~~

- ~~1. An eligible member may elect to participate in the DROP for a period not to exceed a maximum of 60 calendar months immediately following the date on which the member first elects to participate as provided in subparagraph (a).~~
- ~~2. Upon deciding to participate in the DROP, the member shall submit, on forms:
 - ~~a. A written election to participate in the DROP;~~
 - ~~b. Selection of the DROP participation and termination dates, which satisfy the limitations stated in paragraph (a) and subparagraph (b)1. Such termination date shall be in a binding letter of resignation with the employer, establishing a deferred termination date. The member may change the termination date within the limitations of subparagraph (b)1.~~
 - ~~c. A properly completed DROP application for service retirement as provided in this section; and~~
 - ~~d. Any other information required.~~~~
- ~~3. The DROP participant shall be a retiree under the Retirement Plan & Trust for the Management Employees of the City Of North Miami Beach. However, participation in the DROP does not alter the participant's employment status and such employee shall not be deemed retired from employment until his or her deferred resignation is effective and termination occurs.~~

~~(c) *Benefits payable under the DROP*~~

~~1. Effective with the date of DROP participation, the member's initial normal monthly retirement benefit, including creditable service, optional form of payment, and average final compensation, and the effective date of retirement shall be fixed. The beneficiary shall be the beneficiary eligible to receive any DROP benefits payable if the DROP participant dies prior to the completion of the period of DROP participation. In the event a joint annuitant predeceases the member, the member may name a~~

~~beneficiary to receive accumulated DROP benefits payable. Retirement benefits, including COLA adjustments, shall accrue monthly in the Trust Fund. Interest, as adjusted by the Florida League, shall accrue at an effective annual rate of 6.5 percent compounded monthly, on the prior month's accumulated ending balance, up to the month of termination or death.~~

~~2. The effective date of DROP participation and the effective date of retirement of a DROP participant shall be the first day of the month selected by the member to begin participation in the DROP, provided such date is properly established, with the written confirmation of the employer.~~

~~3. Retirement benefits and interest thereon shall continue to accrue in the DROP until the established termination date of the DROP or until the participant terminates employment or dies prior to such date. Although individual DROP accounts shall not be established, a separate accounting of each participant's accrued benefits under the DROP shall be calculated and provided to participants as of September 30 of each year.~~

~~4. At the conclusion of the participant's DROP, the TRUST shall distribute the participant's total accumulated DROP benefits, subject to the following provisions:~~

~~a. The terminated DROP participant or, if deceased, such participant's named beneficiary, shall elect on forms to receive payment of the DROP benefits in accordance with one of the options listed below. For a participant or beneficiary who fails to elect a method of payment within 60 days of termination of the DROP, the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach will pay a lump sum as provided in sub-sub-subparagraph (I).~~

~~(I) Lump sum — All accrued DROP benefits, plus interest, less withholding taxes remitted to the Internal Revenue Service, shall be paid to the DROP participant or surviving beneficiary.~~

~~(II) Direct rollover — All accrued DROP benefits, plus interest, shall be paid from the DROP directly to the custodian of an eligible retirement plan as defined in s. 402(c)(8)(B) of the Internal Revenue Code. However, in the case of an eligible rollover distribution to the surviving spouse of a deceased participant, an eligible retirement plan is an individual retirement account or an~~

~~individual retirement annuity as described in s. 402(c)(9) of the Internal Revenue Code.~~

~~(III) Partial lump sum -- A portion of the accrued DROP benefits shall be paid to the DROP participant or surviving spouse, less withholding taxes remitted to the Internal Revenue Service, and the remaining DROP benefits shall be transferred directly to the custodian of an eligible retirement plan as defined in s. 402(c)(8)(B) of the Internal Revenue Code. However, in the case of an eligible rollover distribution to the surviving spouse of a deceased participant, an eligible retirement plan is an individual retirement account or an individual retirement annuity as described in s. 402(c)(9) of the Internal Revenue Code. The proportions shall be specified by the DROP participant or surviving beneficiary.~~

~~b. The form of payment selected by the DROP participant or surviving beneficiary complies with the minimum distribution requirements of the Internal Revenue Code.~~

~~e. A DROP participant who fails to terminate employment shall be deemed not to have retired, and the DROP election shall be null and void. Retirement Plan & Trust for the Management Employees of the City Of North Miami Beach membership shall be reestablished retroactively to the date of the commencement of the DROP provided the employee makes the required employee contribution to the fund for the period of time they were participating in the DROP in a lump sum payment.~~

~~5. The accrued benefits of any DROP participant, and any contributions accumulated under such program, shall not be subject to assignment, execution, attachment, or to any legal process whatsoever, except for qualified domestic relations orders by a court of competent jurisdiction, income deduction orders and federal income tax levies.~~

~~6. DROP participants shall not be eligible for disability retirement benefits.~~

~~(d) *Death benefits under the DROP*~~

~~1. Upon the death of a DROP participant, the named beneficiary shall be entitled to apply for and receive the accrued benefits in the DROP.~~

~~2. The normal retirement benefit accrued to the DROP during the month of a participant's death shall be the final monthly benefit credited for such DROP participant.~~

ORDINANCE NO. 2012-33

~~3. Eligibility to participate in the DROP terminates upon death of the participant. If the participant dies on or after the effective date of enrollment in the DROP, but prior to the first monthly benefit being credited to the DROP, Retirement Plan & Trust for the Management Employees of the City Of North Miami Beach benefits shall be paid in accordance with regular retirement benefit provisions.~~

~~4. A DROP participants' survivors shall not be eligible to receive Retirement Plan & Trust for the Management Employees of the City Of North Miami Beach active member death benefits.~~

~~(e) Forfeiture of retirement benefits~~

~~Nothing in this section shall be construed to remove DROP participants from the scope of s. 8(d), Art. II of the State Constitution, s. 112.3173. DROP participants who commit a specified felony offense while employed will be subject to forfeiture of all retirement benefits, including DROP benefits, pursuant to those provisions of law.~~

SECTION 8. Section 6, of Ordinance No. 2002-30 of the City of North Miami Beach,

Florida, Code of Ordinances is hereby amended as follows :

Section 6. The City Council of the City of North Miami Beach shall have the power to amend said Plan and Trust at such time or times as considered in the best interest of the Agency and its management employees, upon approval of sixty percent (60%) of the active plan participants, and the recommendation of t. The Plan Retirement Committee which shall consist of the City Manager or his or her designee, a City Council Member, an Active Member of the Plan and Trust, a Retiree Member of the Plan and Trust, the Director of Finance and the City Attorney. Both the Active Member of the Plan and the Retiree Member of the Plan and Trust shall be chosen by the other three board members. The Plan Retirement Committee may make recommendations to the City Council concerning any amendment or proposed amendment to the Plan. or their designees, who shall all be plan participants, and two plan retirees chosen by the other three board members.

SECTION 9. Should this ordinance or any part thereof be declared invalid by a Court of competent jurisdiction, the invalidity of any part of this ordinance shall not otherwise affect the validity of the remaining provisions of this ordinance, which shall be deemed to have been

ORDINANCE NO. 2012-33

enacted without the invalid provision.

SECTION 10. It is the intention of the City Council of the City of North Miami Beach that the provisions of this ordinance shall become and be made a part of the Adoption Agreement, Administered by the Florida League of Cities and that the word "ordinance" may be changed to "section," "article," or such other appropriate word or phrase in order to accomplish such intentions.

SECTION 11. All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 12. This ordinance shall take effect immediately upon its passage and adoption.

APPROVED BY TITLE ONLY on first reading this **4th** day of December, 2012.

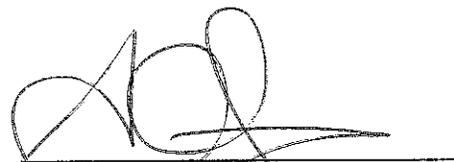
APPROVED, as amended, on second reading, this **2nd** day of January, 2013.

APPROVED AND ADOPTED on third and final reading this **15th** day of January, 2013.

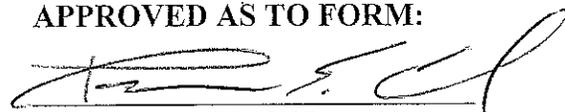
ATTEST:


PAMELA LATIMORE
CITY CLERK

(CITY SEAL)


GEORGE VALLEJO
MAYOR

APPROVED AS TO FORM:


DARCEE S. SIEGEL
CITY ATTORNEY

Sponsored by: Mayor & Council

Note: Proposed additions to existing City Code text are indicated by underline; proposed deletions from existing City Code text are indicated by ~~strikethrough~~.

**RETIREMENT PLAN FOR THE GENERAL MANAGEMENT
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**

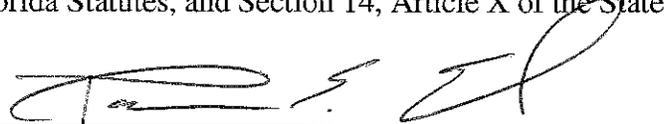
IMPACT STATEMENT FOR ORDINANCE 2012-33

PART ONE: CERTIFICATION OF THE PLAN ADMINISTRATOR

I have enclosed a copy of Ordinance 2012-33 of the City of North Miami Beach, which ordinance makes the following changes to the Retirement Plan for the General Management Employees of the City of North Miami Beach as of February 1, 2013:

- (1) *The benefit formula multiplier that applies to service earned on and after February 1, 2013 has been reduced from 3.00% to 2.00%;*
- (2) *The normal retirement age with respect to benefits earned on and after February 1, 2013 has been delayed until the participant's social security retirement age (age 66 with respect to participants born during the years 1938 through 1954 or age 67 with respect to participants born after 1954) for participants born after 1937;*
- (3) *The early retirement age with respect to benefits earned on and after February 1, 2013 has been delayed until age 55 with at least 10 years of service;*
- (4) *The early retirement reduction with respect to benefits earned on and after February 1, 2013 has been changed from 5% per year prior to normal retirement age to an actuarially determined reduction;*
- (5) *The vesting schedule has been changed from full vesting after six years of service to 50% vesting after four years of service and full vesting after six years of service;*
- (6) *Plan compensation on and after February 1, 2013 includes only base salary;*
- (7) *Participants may no longer purchase prior service or a higher benefit formula multiplier;*
- (8) *The Deferred Retirement Option Plan (DROP) has been eliminated; and*
- (9) *The automatic annual cost-of-living adjustment (COLA) has been eliminated with respect to benefits earned on and after February 1, 2013. Instead, with respect to benefits earned on and after February 1, 2013, the City Council may adopt an ad hoc COLA from time to time.*

The plan's enrolled actuary, Charles T. Carr of Southern Actuarial Services Company, Inc., was provided with a copy of the proposed ordinance. In addition, the described plan change meets the requirements of Part VII, Chapter 112, Florida Statutes, and Section 14, Article X of the State Constitution.



Ms. Darcee S. Siegel, Chair, Board of Trustees



Retirement Plan for the General Management Employees of the City of North Miami Beach
 Impact Statement for Ordinance 2012-33 (continued)

	As of October 1, 2012 (Old Plan Provisions)	As of October 1, 2012 (New Plan Provisions)
Present value of future expected benefit payments:		
for active participants		
<i>retirement benefits</i>	\$ 8,699,252	\$ 5,853,325
<i>termination benefits</i>	13,312	9,543
<i>disability benefits</i>	95,614	90,843
<i>death benefits</i>	77,868	122,997
<i>return of contributions</i>	53,894	51,673
<i>sub-total</i>	<u>\$ 8,939,940</u>	<u>\$ 6,128,381</u>
for terminated participants	\$ 1,834,805	\$ 1,834,805
for retired participants and beneficiaries		
<i>retired (other than disab.) & benef.</i>	\$ 11,748,731	\$ 11,748,731
<i>disabled retirees</i>	0	0
<i>sub-total</i>	<u>\$ 11,748,731</u>	<u>\$ 11,748,731</u>
total	<u>\$ 22,523,476</u>	<u>\$ 19,711,917</u>
Entry age normal accrued liability:		
for active participants		
<i>retirement benefits</i>	\$ 5,247,562	\$ 4,009,325
<i>termination benefits</i>	8,410	7,025
<i>disability benefits</i>	61,898	59,224
<i>death benefits</i>	48,549	72,024
<i>return of contributions</i>	39,674	38,209
<i>sub-total</i>	<u>\$ 5,406,093</u>	<u>\$ 4,185,807</u>
for terminated participants	\$ 1,834,805	\$ 1,834,805
for retired participants and beneficiaries		
<i>retired (other than disab.) & benef.</i>	\$ 11,748,731	\$ 11,748,731
<i>disabled retirees</i>	0	0
<i>sub-total</i>	<u>\$ 11,748,731</u>	<u>\$ 11,748,731</u>
total	<u>\$ 18,989,629</u>	<u>\$ 17,769,343</u>
Actuarial value of assets	(14,615,897)	(14,615,897)
Unfunded accrued liability	<u>\$ 4,373,732</u>	<u>\$ 3,153,446</u>
Actuarial present value of accrued benefits	\$ 17,361,830	\$ 17,361,830
Present value of active participants':		
Future salaries	\$ 14,680,517	\$ 14,680,517
Future contributions	\$ 1,174,443	\$ 1,174,443
Present value of future contributions from the employer (excluding future expenses)	\$ 6,733,136	\$ 3,921,577
Expected annual compensation (FY 2013)	\$ 1,860,605	\$ 1,860,605
Minimum required contribution (FY 2013):		
Annual normal cost (incl. expenses)	\$ 239,711	\$ 38,034
Amortization payment	478,474	365,262
Interest adjustment	27,672	15,539
Total	<u>\$ 745,857</u>	<u>\$ 418,835</u>
(% of payroll)	40.09%	22.51%



*Retirement Plan for the General Management Employees of the City of North Miami Beach
Impact Statement for Ordinance 2012-33 (continued)*

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 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.

Respectfully submitted,

Charles T. Carr

Charles T. Carr, A.S.A.
Consulting Actuary
Enrolled Actuary No. 11-04927

12/28/12

Date signed



