

March 26, 2015

Mr. David Desmond, Pension Administrator
City of Fort Lauderdale
General Employees Retirement System
316 NE Fourth Street, Suite 2
Fort Lauderdale, Florida 33301

Re: City of Fort Lauderdale General Employees Retirement System

Dear Dave:

As requested, we have reviewed the attached draft ordinance for the City of Fort Lauderdale General Employees Retirement System which would amend the Plan as follows:

- Amends Section 20-106 to replace the existing language with updated language regarding the Plan's purpose and applicable effective dates.
- Adds a definition for Code to Section 20-107, Definitions.
- Adds language to the definition of Earnings in Section 20-107, Definitions, to comply with the Internal Revenue Code.
- Adds language to the definition of Service in Section 20-107, Definitions, to provide certain survivor benefits for members who die while performing Qualified Military Service under the Uniformed Services Employment and Reemployment Rights Act (USERRA).
- Amends Section 20-115, Maximum Pension, to include details regarding limitations on benefits in accordance with Internal Revenue Code Section 415 and Regulations thereunder.
- Amends Section 20-116(k), Rollover Distributions, to update definitions and provisions related to eligible rollover distributions.
- Adds Section 20-116(m), Distribution of Benefits, to comply with Internal Revenue Code Section 401(a)(9).
- Adds Section 20-116(n), Prohibited Transaction, which prohibits the Board from engaging in any transaction prohibited under Section 503(b) of the Internal Revenue Code.
- Adds Section 20-116(o), Qualification of Plan, to indicate that it is the intention of this Plan to constitute a qualified public pension plan under the application provisions of the Code for a qualified plan under Section 401(a) and a governmental pension plan under Section 414(d), and to allow for amendments to the Plan retroactively necessary to maintain qualification.

Under USERRA, if a member dies or becomes disabled while in the military, the Plan would provide certain benefits. The value of these benefits would result in an actuarial loss in the year in which the death or disability occurred. Because of the very low probability that this provision will be utilized, we do not feel that an estimate for advanced funding is necessary.

Mr. David Desmond
March 26, 2015
Page 2

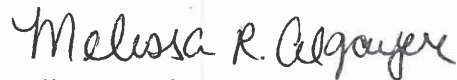
In our opinion, these changes will not have a significant actuarial impact on the cost of the Retirement System. Therefore, it is our opinion that a formal Actuarial Impact Statement is not required. However, we recommend that you send a copy of this letter and the ordinance to the Bureau of Local Retirement Systems.

Please note that if the final version of the proposed ordinance is different from the attached draft version, this impact letter will need to be revised.

The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The undersigned actuary is independent of the plan sponsor.

We welcome your questions and comments.

Sincerely yours,



Melissa R. Algayer, EA, MAAA
Consultant & Actuary

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Enclosure

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