

**MACON-BIBB COUNTY, GEORGIA**

**COMBINING STATEMENT OF NET POSITION  
EMPLOYEE BENEFIT TRUST FUNDS  
JUNE 30, 2016**

	<b>General Employees' Pension Trust</b>	<b>Fire and Police Pension Trust</b>	<b>Employee Pension Trust</b>	<b>Other Post Employment Benefits Trust</b>	<b>Total</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 4,415,617	\$ 4,694,037	\$ 5,145,898	\$ 2,004,266	\$ 16,259,818
Investments:					
Corporate bonds	4,482,197	20,244,707	11,293,087	1,469,419	37,489,410
Common stock	47,542,113	-	55,418,856	6,578,954	109,539,923
U.S. Treasury bills and government bonds	15,810,667	23,064,250	32,568,635	2,148,898	73,592,450
Asset backed securities	2,018,024	27,390,874	3,240,537	2,605,984	35,255,419
Mutual funds	-	135,549,051	-	25,410	135,574,461
Foreign securities	1,154,975	-	1,156,068	206,360	2,517,403
Fixed rate securities	-	-	-	352,202	352,202
Accounts receivable	101,563	39,087	377,088	484,990	1,002,728
Due from brokers for unsettled trades	-	1,130,950	-	-	1,130,950
Accrued interest receivable	151,816	348,006	318,445	42,492	860,759
Prepaid expenses	11,226	25,157	-	-	36,383
<b>Total assets</b>	<b>75,688,198</b>	<b>212,486,119</b>	<b>109,518,614</b>	<b>15,918,975</b>	<b>413,611,906</b>
<b>Liabilities</b>					
Accounts payable	40,141	74,646	59,212	495,770	669,769
Due to brokers for unsettled trades	-	2,301,704	-	-	2,301,704
<b>Total liabilities</b>	<b>40,141</b>	<b>2,376,350</b>	<b>59,212</b>	<b>495,770</b>	<b>2,971,473</b>
<b>Net Position</b>					
Restricted for other postemployment benefits	-	-	-	15,423,205	15,423,205
Restricted for pension benefits	75,648,057	210,109,769	109,459,402	-	395,217,228
<b>Total net position</b>	<b>\$ 75,648,057</b>	<b>\$ 210,109,769</b>	<b>\$ 109,459,402</b>	<b>\$ 15,423,205</b>	<b>\$ 410,640,433</b>

**MACON-BIBB COUNTY, GEORGIA**

**COMBINING STATEMENT OF CHANGES IN FUND NET POSITION  
EMPLOYEE BENEFIT TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<b>General Employees' Pension Trust</b>	<b>Fire and Police Pension Trust</b>	<b>Employee Pension Trust</b>	<b>Other Post Employment Benefits Trust</b>	<b>Total</b>
<b>Additions:</b>					
Contributions - employer	\$ 3,305,933	\$ 1,370,415	\$ 5,828,479	\$ 1,849,708	\$ 12,354,535
Contributions - retirees	-	-	-	863,287	863,287
	<u>3,305,933</u>	<u>1,370,415</u>	<u>5,828,479</u>	<u>2,712,995</u>	<u>13,217,822</u>
<b>Investment income:</b>					
Net appreciation (depreciation) in fair value of plan investments	(523,563)	215,861	(534,151)	(393,650)	(1,235,503)
Interest earned on investments	707,800	2,322,075	1,474,072	294,492	4,798,439
Dividends	1,019,767	2,456,302	1,062,939	171,519	4,710,527
Other investment earnings	1,069	731	2,921	-	4,721
	<u>1,205,073</u>	<u>4,994,969</u>	<u>2,005,781</u>	<u>72,361</u>	<u>8,278,184</u>
Less investment expense	<u>510,976</u>	<u>862,483</u>	<u>740,788</u>	<u>136,729</u>	<u>2,250,976</u>
Net investment income	<u>694,097</u>	<u>4,132,486</u>	<u>1,264,993</u>	<u>(64,368)</u>	<u>6,027,208</u>
Total additions	<u>4,000,030</u>	<u>5,502,901</u>	<u>7,093,472</u>	<u>2,648,627</u>	<u>19,245,030</u>
<b>Deductions:</b>					
Benefits paid to retirees	6,172,291	13,767,179	11,910,622	6,468,487	38,318,579
Administrative expense	29,742	20,064	42,026	432,420	524,252
Total deductions	<u>6,202,033</u>	<u>13,787,243</u>	<u>11,952,648</u>	<u>6,900,907</u>	<u>38,842,831</u>
Change in net position	<u>(2,202,003)</u>	<u>(8,284,342)</u>	<u>(4,859,176)</u>	<u>(4,252,280)</u>	<u>(19,597,801)</u>
<b>Net Position</b>					
Beginning of year	<u>77,850,060</u>	<u>218,394,111</u>	<u>114,318,578</u>	<u>19,675,485</u>	<u>430,238,234</u>
End of year	<u>\$ 75,648,057</u>	<u>\$ 210,109,769</u>	<u>\$ 109,459,402</u>	<u>\$ 15,423,205</u>	<u>\$ 410,640,433</u>

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Division A of the Macon-Bibb County Pension and Retirement Systems (former General Employees Plan of the City of Macon)**

The Plan's policy in regard to investments, including the allocation of invested assets, is established and may be amended by the Employees' Pension Plan Board, subject to Board of Commissioner approval. The Plan is authorized to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; collateralized mortgage obligations; asset and mortgage-backed securities; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia or other states; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Additionally, the Plan is authorized to invest in common stocks, money market instruments, and corporate bonds and debentures, which are not in default as to principal and interest.

The Plan investment policy adopts the following asset allocation mix to achieve the lowest level of risk for the Plan: Domestic equity securities 50%, international equity securities 14%, fixed income investments 35%, and cash equivalents up to 1% of total asset mix.

At June 30, 2016, the Plan had the following investments (in thousands):

Investment Type	Rating	Fair Value	Investment Maturities (in Years)			
			Less than 1	1 - 5	6 - 10	11 - 15
Common stock & ETF's	NA	\$ 47,542	\$ 47,542	\$ -	\$ -	\$ -
Corporate bonds	A1	1,229	542	563	-	-
Corporate bonds	A2	63	-	63	-	-
Corporate bonds	A3	881	250	631	-	-
Corporate bonds	AA1	265	-	-	265	-
Corporate bonds	AA2	109	-	109	-	-
Corporate bonds	AAA	1,032	-	410	475	-
Corporate bonds	BA2	514	-	514	-	-
Corporate bonds	BAA1	536	-	278	258	-
Foreign bonds	A2	280	-	280	-	-
Foreign bonds	AA2	314	-	-	314	-
Foreign bonds	AAA	305	-	305	-	-
Foreign bonds	BAA1	256	-	-	256	-
Government bonds	A+	262	-	-	262	-
Government bonds	A1	1,341	-	792	-	-
Government bonds	A2	1,131	-	625	-	-
Government bonds	AA	1,248	-	256	992	-
Government bonds	AA1	3,813	-	-	2,842	205
Government bonds	AA2	1,681	-	222	948	511
Government bonds	AA3	2,026	-	1,311	715	-
Government bonds	AAA	434	-	-	207	227
Asset backed securities	AAA	2,367	-	1,211	1,057	-
Asset backed securities	NR	1,685	-	320	708	-
U.S. Treasury notes	AAA	1,693	800	-	893	-
<b>Total Fair Value</b>		<b>\$ 71,007</b>	<b>\$ 49,134</b>	<b>\$ 7,890</b>	<b>\$ 10,192</b>	<b>\$ 943</b>

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Division A of the Macon-Bibb County Pension and Retirement Systems (former General Employees Plan of the City of Macon) (Continued)**

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>			
	<u>16 - 20</u>	<u>21 - 25</u>	<u>26 - 30</u>	<u>31 - 35</u>
Mutual funds	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	124	-	-
Corporate bonds	-	-	-	-
Corporate bonds	-	-	-	-
Corporate bonds	-	-	-	-
Corporate bonds	-	-	-	147
Corporate bonds	-	-	-	-
Corporate bonds	-	-	-	-
Foreign bonds	-	-	-	-
Foreign bonds	-	-	-	-
Foreign bonds	-	-	-	-
Foreign bonds	-	-	-	-
Government bonds	-	-	-	-
Government bonds	-	-	549	-
Government bonds	506	-	-	-
Government bonds	-	-	-	-
Government bonds	-	115	651	-
Government bonds	-	-	-	-
Government bonds	-	-	-	-
Government bonds	-	-	-	-
Asset backed securities	99	-	-	-
Asset backed securities	-	657	-	-
Asset backed securities	-	-	-	-
<b>Total Fair Value</b>	<b>\$ 605</b>	<b>\$ 896</b>	<b>\$ 1,200</b>	<b>\$ 147</b>

**Credit Risk.** It is the Plan's policy to limit investments to either mutual fund equities or fixed income bonds. Domestic bonds are limited to those with ratings that meet or exceed investment grade as defined by Moody's, S&P or Fitch. U.S. Government Treasuries and Agency bonds are not classified by credit quality. Mutual funds invested in equities are also not classified by credit quality.

**Concentration.** On June 30, 2016, the Plan did not have any debt or equity investments in any on organization, other than those issued by the U.S. Government, which represented greater than 5% of plan fiduciary net position.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Division A of the Macon-Bibb County Pension and Retirement Systems (former General Employees Plan of the City of Macon) (Continued)**

**Fair Value Measurements.** The Plan has the following recurring fair value measurements, broken into the fair value hierarchy, as of June 30, 2016:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Asset backed securities	\$ -	\$ 4,052	\$ -	\$ 4,052
Common stock & ETF's	47,542	-	-	47,542
Corporate bonds	-	4,629	-	4,629
Foreign bonds	-	1,155	-	1,155
Government bonds	-	11,936	-	11,936
U.S. Treasury notes	-	1,693	-	1,693
Total investments measured at fair value	<u>\$ 47,542</u>	<u>\$ 23,465</u>	<u>\$ -</u>	<u>\$ 71,007</u>

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

**Rate of Return.** For the year ended June 30, 2016, the annual money-weighted rate of return on Plan investments, net of Plan expenses, was 3.62 percent. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits is the risk that in the event of a bank failure, the Plan may not be able to recover its deposits.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 12. PENSION PLANS (CONTINUED)**

**General Employees' Pension Plan (Former City of Macon)**

**Plan Description**

*Plan Administration.* The General Employees' Pension Plan was administered by the former City of Macon, Georgia. Upon consolidation of the City of Macon, Georgia and Bibb County, Georgia on January 1, 2014, this plan was frozen to new entrants.

The General Employees' Pension Plan – a single-employer defined benefit pension plan – provides retirement benefits for substantially all full-time employees of the former City of Macon, Georgia other than former City of Macon, Georgia sworn fire and police officers. The Plan was created by resolution of the former City of Macon, Georgia City Council which granted the authority to establish and amend the benefit terms to the Pension Plan Board (the "Board"), subject to City Council approval. Upon consolidation on January 1, 2014, the authority, with respect to the Plan, of the former City of Macon City Council was assumed by the Macon-Bibb County Board of Commissioners. The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries.

*Plan Membership.* At July 1, 2015, Plan membership consisted of the following:

	<b>Total</b>
Active participants	375
Retired participants and beneficiaries current receiving benefits	435
Terminated participants and beneficiaries entitled to, but not yet receiving benefits	268
<b>Total</b>	<b>1,078</b>

*Benefits Provided.* The Plan provides retirement, disability, and death benefits. Retirement benefits for plan members are calculated as the greater of: (i) 2% of the average monthly earnings times service minus 1.50% of primary social security benefit times up to 33 1/3 years of service, or (ii) 1.52% of average monthly earnings up to \$1,250 times service plus 1.90% of average monthly earnings above \$1,250 times service (for employees as of June 30, 1984). For employees hired after June 30, 1984, the formula is 1.52% of average monthly earnings up to \$1,250 times service plus 1.90% of average monthly earnings above \$1,250 times service. Disability benefits are determined as the greater of (i) 50% of average monthly earnings minus 50% of social security disability benefits plus 0.50% of average monthly earnings for each completed year of service in excess of five years, or (ii) basic pension formula. The disability pension requires five years of service. Death benefits equal 50% of basic pension formula.

Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance as of each January 1 at least one year after retirement, unless suspended by the Macon-Bibb County Board of Commissioners.

**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 12. PENSION PLANS (CONTINUED)**

**General Employees' Pension Plan (Former City of Macon)**

**Plan Description (Continued)**

A resolution by the Board of Commissioners grants the authority to establish and amend the contribution requirements of the County to the Pension Plan Board, subject to Board of Commissioners approval. The Board establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members. For the year ended June 30, 2016, the County's contribution rate was 27.88 percent of annual payroll. Plan members do not make contributions. County contributions to the Plan were \$3,307 (in thousands) for the year ended June 30, 2016.

**Net Pension Liability of the County**

The County's net pension liability was measured as of July 1, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability in the July 1, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.00%
Investment rate of return	7.54%, including inflation

Mortality rates were based on the sex distinct rates set forth in the RP-2000 Mortality Table, projected to 2007 by scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430. Future generational improvements in mortality have not been reflected.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 12. PENSION PLANS (CONTINUED)**

**General Employees' Pension Plan (Former City of Macon)**

**Net Pension Liability of the County (Continued)**

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016, are: Equity Securities – 6.00% and Fixed Income Securities – 2.00%.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.54%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members until 2101 to determine the total pension liability. Based on the assumptions used in the most recent actuarial valuation, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability and a municipal bond rate was not used in determining the discount rate.

*Changes in the Net Pension Liability.* The changes in the components of the net pension liability of the County for the year ended June 30, 2016, were as follows (in thousands):

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension (Asset) Liability (a) - (b)</b>
<b>Balances at 6/30/15</b>	<b>\$ 87,379</b>	<b>\$ 76,405</b>	<b>\$ 10,974</b>
<b>Changes for the year:</b>			
Interest	6,204	-	6,204
Service costs	1,471	-	1,471
Demographic experience	(782)	-	(782)
Assumption changes	1,292	-	1,292
Contributions - employer	-	3,365	(3,365)
Net investment income	-	2,350	(2,350)
Benefit payments	(4,269)	(4,324)	54
Administrative expenses	-	(21)	21
Other changes	(563)	-	(563)
<b>Net changes</b>	<b>3,353</b>	<b>1,371</b>	<b>1,982</b>
<b>Balances at 6/30/16</b>	<b>\$ 90,732</b>	<b>\$ 77,776</b>	<b>\$ 12,956</b>

The Plan's fiduciary net position as a percentage of the total pension liability 85.72%



**NOTES TO FINANCIAL STATEMENTS**

**NOTE 12. PENSION PLANS (CONTINUED)**

**General Employees' Pension Plan (Former City of Macon)**

**Net Pension Liability of the County (Continued)**

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents the net pension liability of the County, calculated using the discount rate of 7.54 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.54 percent) or 1-percentage-point higher (8.54 percent) than the current rate (in thousands):

	1% Decrease (6.54%)	Current Discount Rate (7.54%)	1% Increase (8.54%)
Net pension liability	\$ 22,419	\$ 12,956	\$ 4,962

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2015, and the current sharing pattern of costs between employer and employee.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 12. PENSION PLANS (CONTINUED)**

**General Employees' Pension Plan (Former City of Macon)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2016, the County recognized pension expense of \$2,006 (in thousands). At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 1,450
Demographic changes	-	2,016
Experience differences	2,464	-
Contributions subsequent to the measurement date	3,307	-
<b>Total</b>	<b>\$ 5,771</b>	<b>\$ 3,466</b>

County contributions subsequent to the measurement date of \$3,307 (in thousands) are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2017	\$ (416)
2018	(416)
2019	(416)
2020	431
2021	(186)
	<b>\$ (1,002)</b>

**MACON-BIBB COUNTY, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**GENERAL EMPLOYEES' PENSION PLAN**

**JUNE 30, 2016**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

	<u>2016</u>		<u>2015</u>
County's proportion of the net pension liability	94.88%		100.00%
County's proportionate share of the net pension liability	\$ 12,956	\$	10,975
County's covered-employee payroll during the measurement period	15,989		17,377
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	81.03%		63.16%
Plan fiduciary net position as a percentage of the total pension liability	85.72%		87.44%

**Notes to the Schedule**

The schedule will present 10 years of information once it is accumulated.  
Numbers presented in thousands

**MACON-BIBB COUNTY, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**GENERAL EMPLOYEES' PENSION PLAN**

**JUNE 30, 2016**

**SCHEDULE OF CONTRIBUTIONS**

	2016	2015
Actuarially determined contribution	\$ 3,365	\$ 3,712
Contributions in relation to the actuarially determined contribution	3,365	3,712
Contribution deficiency (excess)	\$ -	\$ -
Covered-employee payroll	15,989	17,377
Contributions as a percentage of Covered-employee payroll	21.05%	21.36%
<b>Notes to the Schedule</b>		
Valuation Date		July 1, 2015
Cost Method		Aggregate
Actuarial Asset Valuation Method		Five-year smoothed market
Assumed Rate of Return on Investments		7.54%
Projected Salary Increases		3.00%
Cost-of-living Adjustment		1.50%
Amortization Method		Level percentage, open
Remaining Amortization Period		30 years

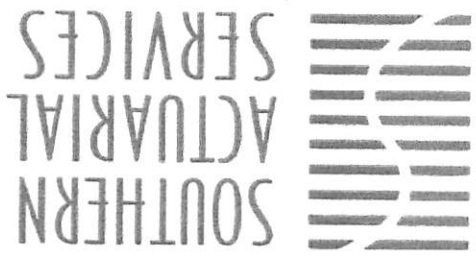
The schedule will present 10 years of information once it is accumulated.  
Numbers presented are in thousands

**SCHEDULE OF PENSION INVESTMENT RETURNS**

	2016	2015
Annual money-weighted rate of return, net of investment expenses for the pension plan	4.54%	4.54%

**Note to the Schedule**

The schedule will present 10 years of information once it is accumulated.



DETERMINES THE CONTRIBUTION  
FOR THE 2017/18 FISCAL YEAR

ACTUARIAL VALUATION  
AS OF JULY 1, 2016

DIVISION A OF THE MACON-BIBB COUNTY  
PENSION AND RETIREMENT SYSTEMS

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October 21, 2016

Introduction

This report presents the results of the July 1, 2016 actuarial valuation of Division A of the Macon-Bibb County Pension and Retirement Systems. This valuation is based upon the participant data and draft asset information provided as of July 1, 2016 by Macon-Bibb County. Except for a cursory review for reasonableness including a comparison to the data provided for the previous valuation, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of July 1, 2016 and to determine the minimum required contribution under Georgia Code Section 47-20-10 for the 2017/18 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the minimum required contribution rate.

Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2017/18 plan year. The minimum required contribution rate is 40.79% of covered payroll, which represents a decrease of 2.98% of payroll from the prior valuation.

Table I-C provides a breakdown of the sources of change in the contribution rate. Significantly, the rate increased by 2.57% of payroll due to investment losses and decreased by 5.55% of payroll due to demographic experience. Although the market value of assets only earned a 0.96% investment return during the 2015/16 plan year, the actuarial



value of assets is based on a five-year phase-in of the market value returns. On this basis, the actuarial value of assets earned 5.53% during the 2015/16 plan year, whereas a 7.50% annual investment return was required to maintain a stable contribution rate.

Georgia Code Section 47-20-10 sets forth many of the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the County will meet the minimum funding requirement if the employer contributions are at least equal to the annual required contribution under GASB 25/27. In addition, Georgia Code Section 47-20-13 exempts public plan sponsors from the minimum funding requirements if the plan's actuarial value of assets exceeds 150% of the present value of accumulated retirement system benefits.

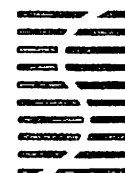
Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$103,566,268. As illustrated in Table I-A, current assets are sufficient to cover \$80,846,875 of this amount, the employer's 2016/17 expected contribution will cover \$5,025,756 of this amount, and the employer's 2017/18 expected contribution will cover \$4,824,094 of this amount, leaving \$12,869,543 to be covered by future employer funding after June 30, 2018. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

## Contents of the Report

Tables I-D through I-G provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Specifically, Table II-A shows the development of the actuarial value of assets, which is based on the five-year average return on the market value of assets in order to provide a more stable and predictable contribution rate for the employer. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of July 1, 2016, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

## Certification

This actuarial valuation was prepared 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 Georgia Code Section 47-20-10. 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 change in plan costs or required contribution rates have been taken into account in the valuation.







The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

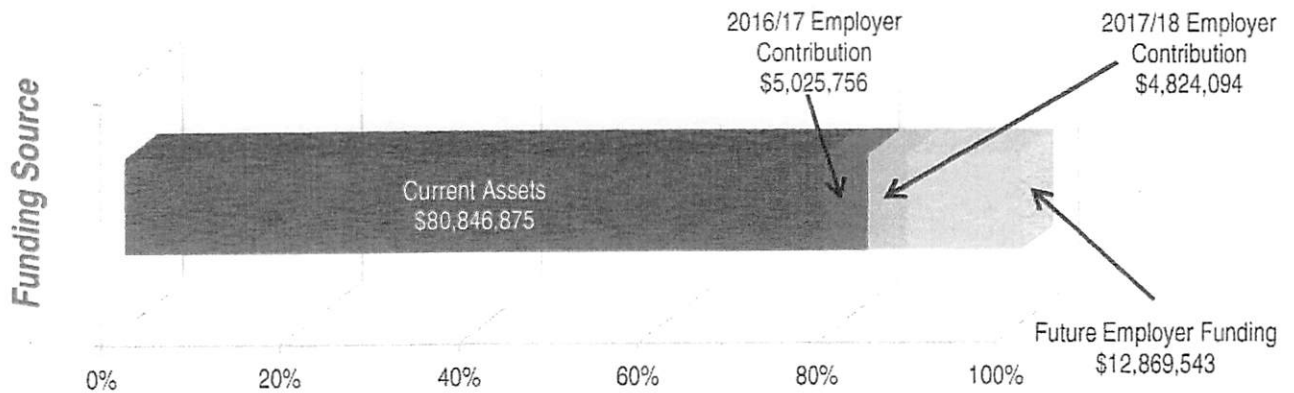
Enrolled Actuary No. 14-04927

Charles T. Carr  
Consulting Actuary  
Southern Actuarial Services Company, Inc.

For the firm,

## Minimum Required Contribution

Table I-A



**For the 2017/18 Plan Year**

Present Value of Future Benefits	\$103,427,033
Present Value of Future Administrative Expenses	\$139,235
Actuarial Value of Assets	(\$80,846,875)
Present Value of Future Employee Contributions	\$0
Present Value of Future Normal Costs	\$22,719,393
<hr/>	
Present Value of Future Payroll	÷ \$55,693,903

**Minimum Required Contribution Rate** 40.79%

Expected Payroll x \$11,826,659

Estimated Minimum Required Contribution \$4,824,094

*(The actual contribution should be based on the minimum required contribution rate multiplied by the actual payroll for the year.)*

Exemption Test Under Georgia Code Section 47-20-13

Actuarial Value of Assets	\$80,846,875
Present Value of Accumulated Retirement System Benefits	\$92,789,031
Funded Ratio	87.13%

*(If the funded ratio is at least 150%, then the plan is exempt from the State minimum funding standards.)*



Present Value of Future Benefits

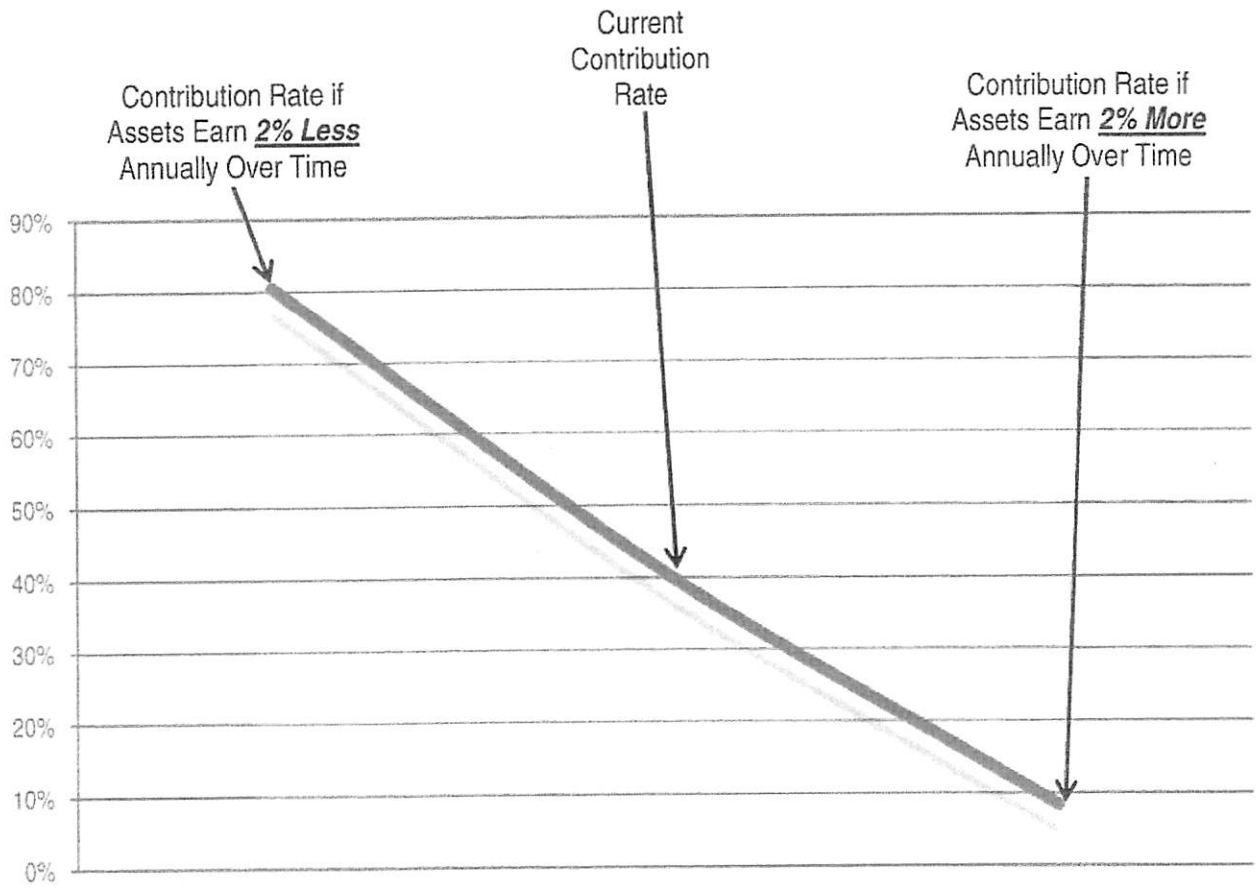
Table I-D

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$23,694,220	\$23,694,220	\$23,694,220
Termination benefits	\$4,588,679	\$4,588,679	\$4,588,679
Disability benefits	\$782,129	\$782,129	\$782,129
Death benefits	\$265,592	\$265,592	\$265,592
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$29,330,620</b>	<b>\$29,330,620</b>	<b>\$29,330,620</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$7,312,280	\$7,312,280	\$7,312,280
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$7,312,280</b>	<b>\$7,312,280</b>	<b>\$7,312,280</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Retired Participants</u></i>			
Service retirements	\$59,606,355	\$59,606,355	\$59,606,355
Disability retirements	\$4,674,475	\$4,674,475	\$4,674,475
Beneficiaries receiving DROP participants	\$2,503,303	\$2,503,303	\$2,503,303
Sub-total	<b>\$66,784,133</b>	<b>\$66,784,133</b>	<b>\$66,784,133</b>
<i><u>Grand Total</u></i>	<b><u>\$103,427,033</u></b>	<b><u>\$103,427,033</u></b>	<b><u>\$103,427,033</u></b>



Sensitivity Analysis

Table I-B



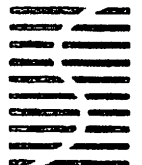
*The line above illustrates the sensitivity of the contribution rate to changes in the long-term investment return.*



Gain and Loss Analysis

Table I-C

Previous minimum required contribution rate	43.77%
Increase (decrease) due to investment gains and losses	2.57%
Increase (decrease) due to demographic experience	-5.55%
Increase (decrease) due to plan amendments	0.00%
Increase (decrease) due to actuarial assumption changes	0.00%
Increase (decrease) due to actuarial method changes	0.00%
Current minimum required contribution rate	<u>40.79%</u>



**Present Value of Accrued Benefits**

**Table I-E**

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$15,260,030	\$15,260,030	\$15,260,030
Termination benefits	\$2,712,962	\$2,712,962	\$2,712,962
Disability benefits	\$561,973	\$561,973	\$561,973
Death benefits	\$157,653	\$157,653	\$157,653
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$18,692,618</b>	<b>\$18,692,618</b>	<b>\$18,692,618</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$7,312,280	\$7,312,280	\$7,312,280
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$7,312,280</b>	<b>\$7,312,280</b>	<b>\$7,312,280</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Retired Participants</u></i>			
Service retirements	\$59,606,355	\$59,606,355	\$59,606,355
Disability retirements	\$4,674,475	\$4,674,475	\$4,674,475
Beneficiaries receiving	\$2,503,303	\$2,503,303	\$2,503,303
DROPP participants	\$0	\$0	\$0
Sub-total	<b>\$66,784,133</b>	<b>\$66,784,133</b>	<b>\$66,784,133</b>
<u>Grand Total</u>	<b><u>\$92,789,031</u></b>	<b><u>\$92,789,031</u></b>	<b><u>\$92,789,031</u></b>
<u>Funded Percentage</u>	<b>81.56%</b>	<b>81.56%</b>	<b>81.56%</b>



Present Value of Vested Benefits

Table I-F

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$15,260,030	\$15,260,030	\$15,260,030
Termination benefits	\$2,359,345	\$2,359,345	\$2,359,345
Disability benefits	\$485,905	\$485,905	\$485,905
Death benefits	\$150,711	\$150,711	\$150,711
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$18,255,991</b>	<b>\$18,255,991</b>	<b>\$18,255,991</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$7,312,280	\$7,312,280	\$7,312,280
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$7,312,280</b>	<b>\$7,312,280</b>	<b>\$7,312,280</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Retired Participants</u></i>			
Service retirements	\$59,606,355	\$59,606,355	\$59,606,355
Disability retirements	\$4,674,475	\$4,674,475	\$4,674,475
Beneficiaries receiving	\$2,503,303	\$2,503,303	\$2,503,303
DROP participants	\$0	\$0	\$0
Sub-total	<b>\$66,784,133</b>	<b>\$66,784,133</b>	<b>\$66,784,133</b>
<u>Grand Total</u>	<b><u>\$92,352,404</u></b>	<b><u>\$92,352,404</u></b>	<b><u>\$92,352,404</u></b>



## Entry Age Normal Accrued Liability

## Table I-G

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$19,898,072	\$19,898,072	\$19,898,072
Termination benefits	\$3,679,944	\$3,679,944	\$3,679,944
Disability benefits	\$611,222	\$611,222	\$611,222
Death benefits	\$212,828	\$212,828	\$212,828
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$24,402,066</b>	<b>\$24,402,066</b>	<b>\$24,402,066</b>
 <i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$7,312,280	\$7,312,280	\$7,312,280
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$7,312,280</b>	<b>\$7,312,280</b>	<b>\$7,312,280</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
 <i><u>Retired Participants</u></i>			
Service retirements	\$59,606,355	\$59,606,355	\$59,606,355
Disability retirements	\$4,674,475	\$4,674,475	\$4,674,475
Beneficiaries receiving	\$2,503,303	\$2,503,303	\$2,503,303
DROP participants	\$0	\$0	\$0
Sub-total	<b>\$66,784,133</b>	<b>\$66,784,133</b>	<b>\$66,784,133</b>
<u>Grand Total</u>	<b><u>\$98,498,479</u></b>	<b><u>\$98,498,479</u></b>	<b><u>\$98,498,479</u></b>





Actuarial Value of Assets

Table II-A

Market Value Rate of Return

For the 2011/12 plan year	1.01%		Average return for the preceding five years 5.53%
For the 2012/13 plan year	8.85%		
For the 2013/14 plan year	14.17%		
For the 2014/15 plan year	3.26%		
For the 2015/16 plan year	0.96%		

Actuarial Value of Assets as of July 1, 2015	\$79,441,644
Plus contributions for the 2015/16 plan year	\$3,305,931
Minus benefit payments and administrative expenses for the 2015/16 plan year	(\$6,212,512)
Plus/minus advance employer contribution	\$0
Adjustment for interest at the average rate shown above, but restricted to an amount that keeps the actuarial value of assets within an 80%-120% corridor of the market value	\$4,311,812
<b>Actuarial Value of Assets as of July 1, 2016</b>	<b><u>\$80,846,875</u></b>

<u>Historical Actuarial Value of Assets</u>	
July 1, 2007	\$73,724,461
July 1, 2008	\$71,138,626
July 1, 2009	\$68,613,754
July 1, 2010	\$66,314,901
July 1, 2011	\$66,969,366
July 1, 2012	\$66,155,121
July 1, 2013	\$67,470,067
July 1, 2014	\$73,937,064
July 1, 2015	\$79,441,644
July 1, 2016	\$80,846,875

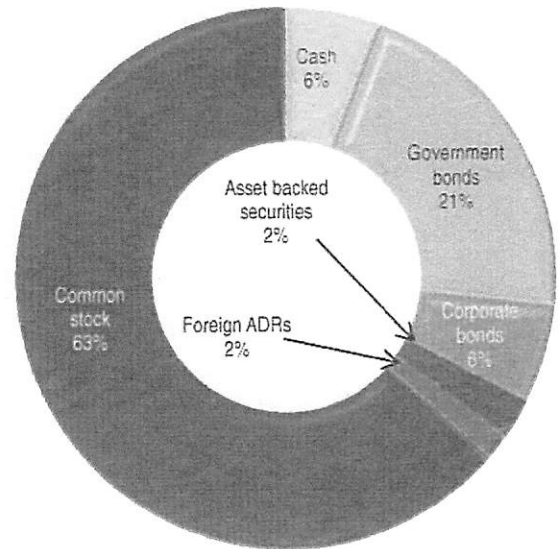


Market Value of Assets

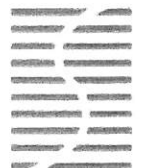
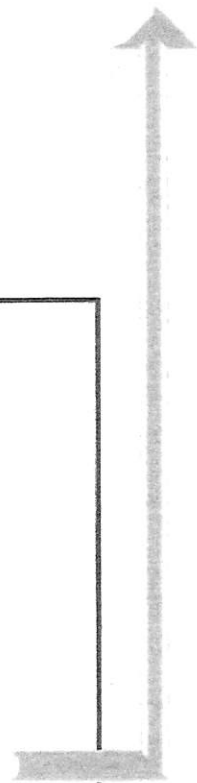
Table II-B

As of July 1, 2016

<b>Market Value of Assets</b>	<b><u>\$75,677,499</u></b>
Cash	\$4,416,145
Government bonds	\$15,810,666
Corporate bonds	\$4,482,197
Asset backed securities	\$1,871,448
Foreign ADRs	\$1,154,975
Collateralized mortgage oblig.	\$146,576
Common stock	\$47,542,113
Accrued interest receivable	\$151,816
Due from other funds	\$101,563

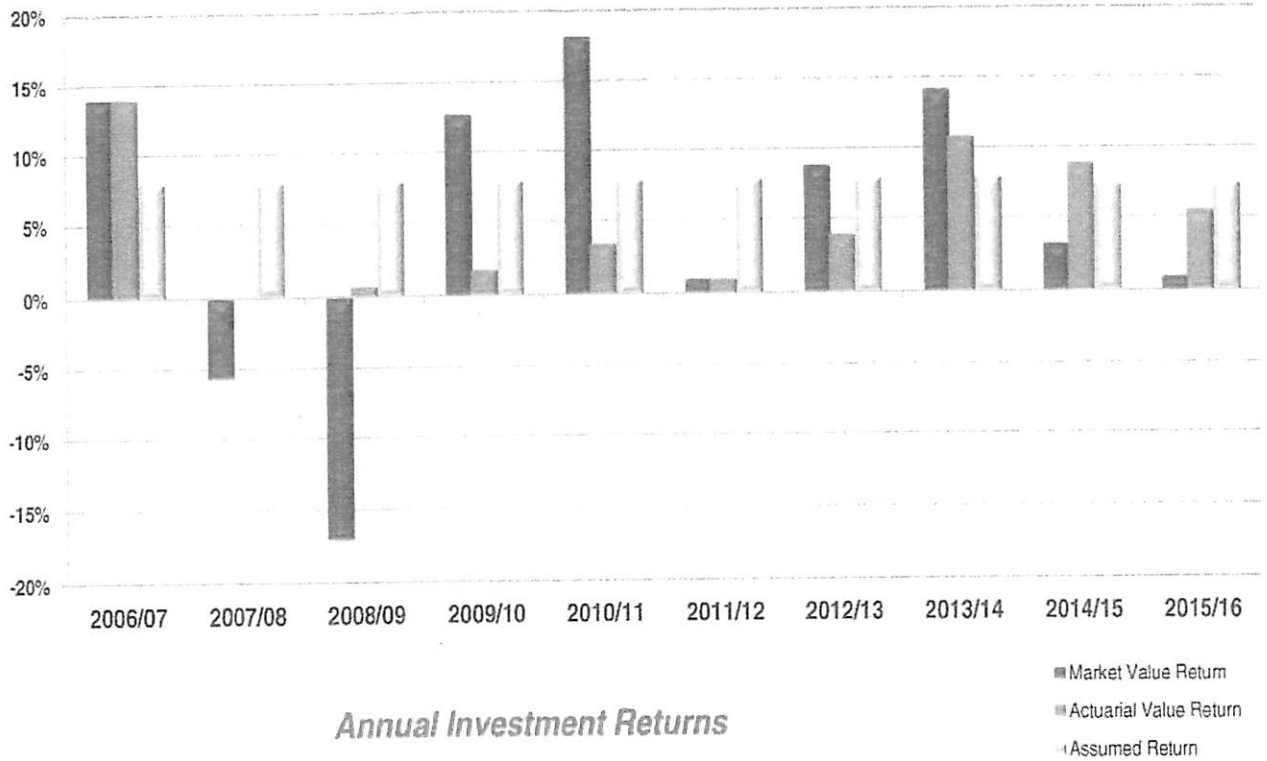


<u>Historical Market Value of Assets</u>	
July 1, 2007	\$73,724,461
July 1, 2008	\$67,018,954
July 1, 2009	\$53,182,399
July 1, 2010	\$56,652,313
July 1, 2011	\$64,246,879
July 1, 2012	\$63,393,341
July 1, 2013	\$67,662,534
July 1, 2014	\$76,404,373
July 1, 2015	\$77,850,061
July 1, 2016	\$75,677,499



Investment Return

Table II-C



Plan Year	Market Value Return	Actuarial Value Return	Assumed Return
2006/07	13.98%	13.98%	8.00%
2007/08	-5.68%	0.01%	8.00%
2008/09	-17.02%	0.76%	8.00%
2009/10	12.68%	1.82%	8.00%
2010/11	18.16%	3.50%	8.00%
2011/12	1.01%	1.03%	8.00%
2012/13	8.85%	3.97%	8.00%
2013/14	14.17%	10.82%	8.00%
2014/15	3.26%	8.90%	7.50%
2015/16	0.96%	5.53%	7.50%
10yr. Avg.	4.51%	4.94%	7.90%



## Asset Reconciliation

## Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
<b>As of July 1, 2015</b>	<b>\$77,850,061</b>	<b>\$79,441,644</b>
<b><i>Increases Due To:</i></b>		
Employer Contributions	\$3,305,931	\$3,305,931
Employee Contributions	\$0	\$0
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$3,305,931</u>	<u>\$3,305,931</u>
Interest and Dividends	\$1,727,347	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	(\$523,562)	
Total Investment Income	<u>\$1,203,785</u>	\$4,311,812
Other Income	\$1,069	
<b>Total Income</b>	<u><b>\$4,510,785</b></u>	<u><b>\$7,617,743</b></u>
<b><i>Decreases Due To:</i></b>		
Monthly Benefit Payments	(\$6,172,291)	(\$6,172,291)
Refund of Employee Contributions	\$0	\$0
Total Benefit Payments	<u>(\$6,172,291)</u>	<u>(\$6,172,291)</u>
Investment Expenses	(\$470,835)	
Administrative Expenses	(\$40,221)	(\$40,221)
Advance Employer Contribution		\$0
<b>Total Expenses</b>	<u><b>(\$6,683,347)</b></u>	<u><b>(\$6,212,512)</b></u>
<b>As of July 1, 2016</b>	<u><u><b>\$75,677,499</b></u></u>	<u><u><b>\$80,846,875</b></u></u>



## Historical Trust Fund Detail

Table II-E

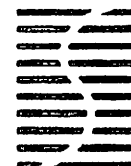
Income

Plan Year	Employer Contribs.	Employee Contribs.	Service		Realized Gains / Losses	Unrealized Gains / Losses	Other Income
			Purchase Contribs.	Interest / Dividends			
2006/07	\$268,543	\$0	\$0	\$0	\$0	\$9,183,081	\$0
2007/08	\$272,790	\$0	\$0	\$4,287,381	\$0	-\$8,239,344	\$48,035
2008/09	\$392,547	\$0	\$0	\$2,782,025	\$0	-\$13,819,557	\$10,905
2009/10	\$436,833	\$0	\$0	\$1,255,335	\$0	\$5,453,808	\$0
2010/11	\$1,305,517	\$0	\$0	\$1,327,051	\$0	\$8,781,305	\$17,284
2011/12	\$2,455,897	\$0	\$0	\$1,051,227	\$0	-\$296,886	\$0
2012/13	\$2,990,995	\$0	\$0	\$1,309,832	\$0	\$4,650,099	\$0
2013/14	\$3,712,060	\$0	\$0	\$2,208,758	\$0	\$7,712,892	\$0
2014/15	\$3,547,411	\$0	\$0	\$1,572,329	\$0	\$1,388,852	\$6,841
2015/16	\$3,305,931	\$0	\$0	\$1,727,347	\$0	-\$523,562	\$1,069

Expenses

Plan Year	Monthly	Contrib. Refunds	Admin. Expenses	Invest. Expenses	Other Actuarial Adjustments Advance Employer Contribs.
	Benefit Payments				
2006/07	\$2,534,075	\$0	\$12,049	\$0	\$0
2007/08	\$2,815,839	\$0	\$47,623	\$210,907	\$0
2008/09	\$3,037,562	\$0	\$13,178	\$151,735	\$392,547
2009/10	\$3,434,856	\$0	\$82,017	\$159,189	\$436,833
2010/11	\$3,716,049	\$0	\$57,642	\$62,900	-\$829,380
2011/12	\$3,943,148	\$0	\$9,311	\$111,317	\$0
2012/13	\$4,121,943	\$0	\$153,440	\$406,350	\$0
2013/14	\$4,365,594	\$0	\$137,077	\$389,200	\$0
2014/15	\$4,556,831	\$0	\$21,783	\$491,131	\$0
2015/16	\$6,172,291	\$0	\$40,221	\$470,835	\$0

Note: Information was not available for certain plan years to separate the investment expenses from the investment income and administrative expenses prior to July 1, 2015 nor to separate the realized and unrealized income.

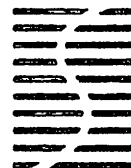


## Other Reconciliations

Table II-F

**Advance Employer Contribution**

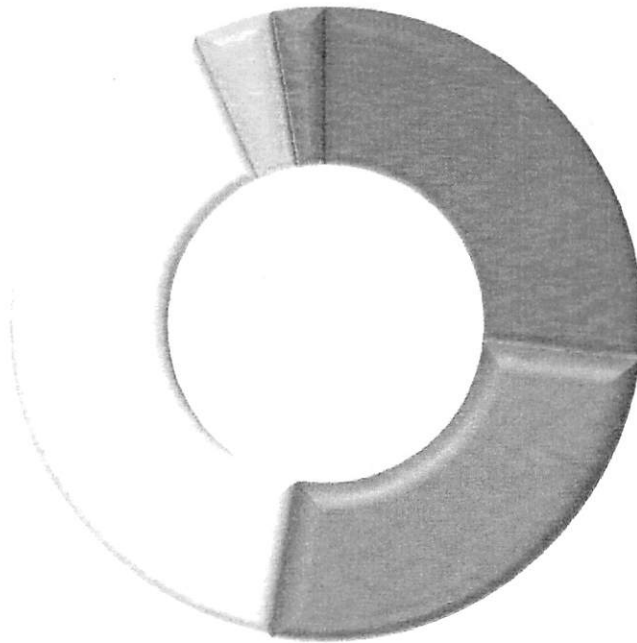
Advance Employer Contribution as of July 1, 2015	\$0
Additional Employer Contribution	\$3,305,931
Minimum Required Contribution	<u>(\$3,305,931)</u>
Net Increase in Advance Employer Contribution	\$0
Advance Employer Contribution as of July 1, 2016	<u><u>\$0</u></u>



Summary of Participant Data

Table III-A

As of July 1, 2016



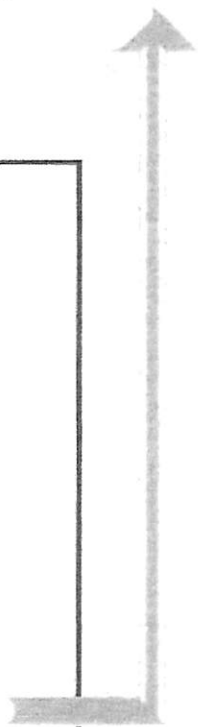
Participant Distribution by Status

<u>Actively Employed Participants</u>		
◆	Active Participants	284
◆	DROP Participants	0
<u>Inactive Participants</u>		
◆	Deferred Vested Participants	273
◆	Due a Refund of Contributions	0
◆	Deferred Beneficiaries	0
<u>Participants Receiving a Benefit</u>		
◆	Service Retirements	428
◆	Disability Retirements	43
◆	Beneficiaries Receiving	28

**Total Participants 1,056**

Number of Participants Included in Prior Valuations

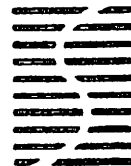
	<i>Active</i>	<i>DROP</i>	<i>Inactive</i>	<i>Retired</i>	<i>Total</i>
July 1, 2007	N/A	N/A	N/A	N/A	N/A
July 1, 2008	609	0	223	353	1,185
July 1, 2009	N/A	N/A	N/A	N/A	N/A
July 1, 2010	506	0	259	346	1,111
July 1, 2011	519	0	253	363	1,135
July 1, 2012	485	0	258	386	1,129
July 1, 2013	484	0	255	395	1,134
July 1, 2014	443	0	260	414	1,117
July 1, 2015	375	0	268	435	1,078
July 1, 2016	284	0	273	499	1,056



## Data Reconciliation

Table III-B

	<u>Active</u>	<u>DROP</u>	<u>Deferred Vested</u>	<u>Due a Refund</u>	<u>Def. Benef.</u>	<u>Service Retiree</u>	<u>Disabled Retiree</u>	<u>Benef. Rec'v.</u>	<u>Total</u>
<u>July 1, 2015</u>	375	0	268	0	0	366	42	27	1,078
<u>Change in Status</u>									
Re-employed									
Terminated	(29)		17						(12)
Retired	(59)		(15)			73	1		
<u>Participation Ended</u>									
Transferred Out									
Cashed Out									
Died	(1)					(11)		(3)	(15)
<u>Participation Began</u>									
Newly Hired									
Transferred In								4	4
New Beneficiary									
Other Adjustment	(2)		3						1
<u>July 1, 2016</u>	284	0	273	0	0	428	43	28	1,056



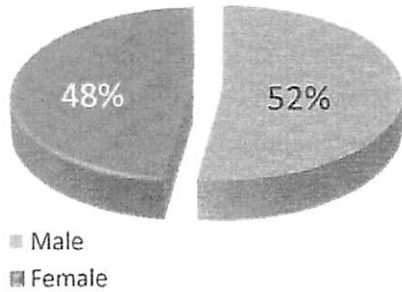


Active Participant Data

Table III-C

As of July 1, 2016

Gender Mix



Average Age	48.0 years
Average Service	13.1 years
Total Annualized Compensation for the Prior Year	\$10,924,823
Total Expected Compensation for the Current Year	\$11,482,193
Average Increase in Compensation for the Prior Year	4.46%
Expected Increase in Compensation for the Current Year	3.00%

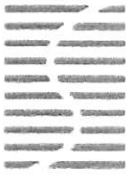
Actual vs. Expected Salary Increases



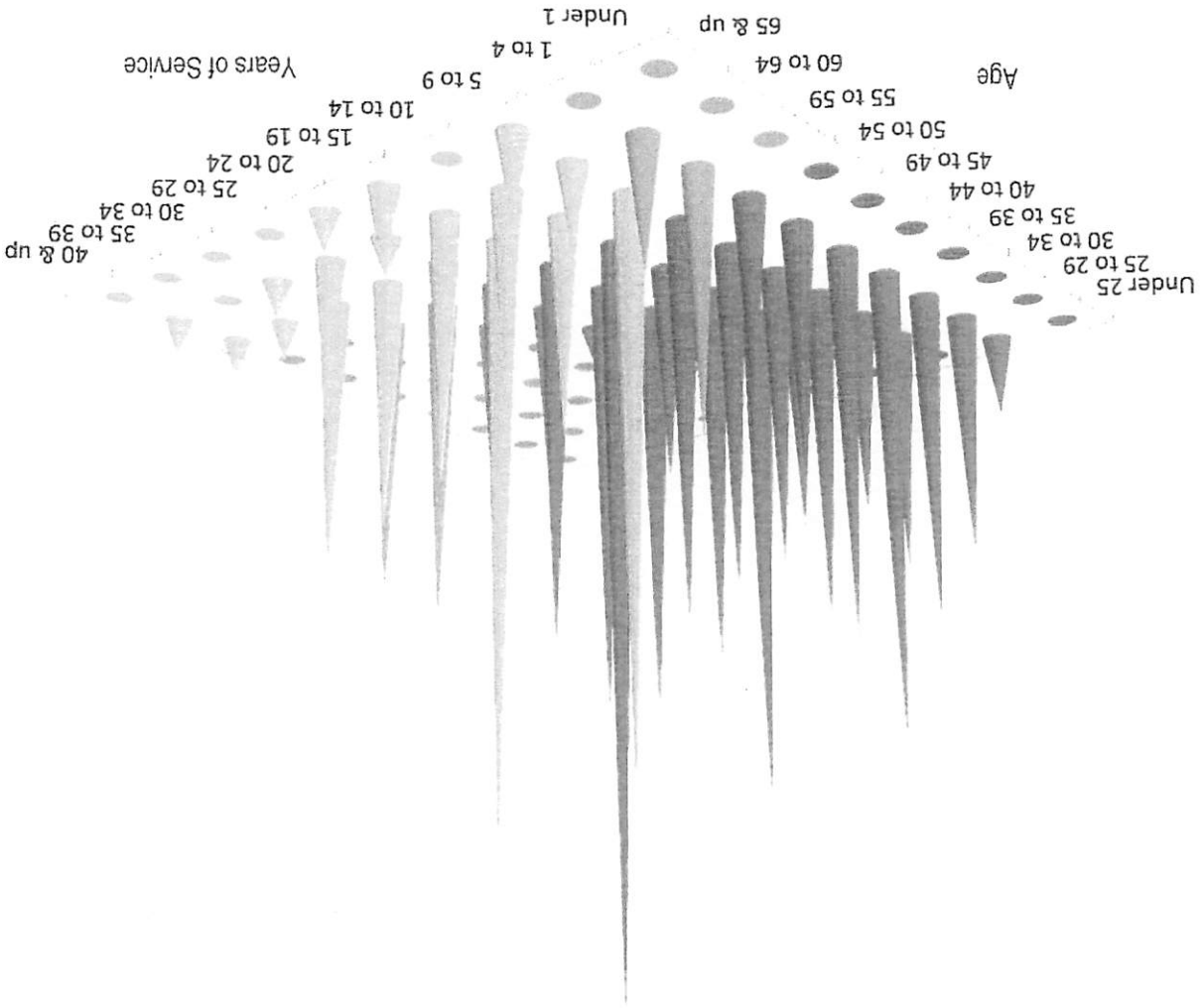
Active Participant Statistics From Prior Valuations

	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
July 1, 2007	N/A	N/A	N/A	N/A	N/A
July 1, 2008	46.3	11.5	\$29,451	4.50%	3.86%
July 1, 2009	N/A	N/A	N/A	3.00%	0.46%
July 1, 2010	46.9	11.4	\$31,637	3.00%	0.00%
July 1, 2011	47.2	11.6	\$32,840	3.00%	3.21%
July 1, 2012	46.9	11.8	\$34,154	3.00%	5.59%
July 1, 2013	47.4	12.1	\$34,084	3.00%	1.71%
July 1, 2014	47.8	12.7	\$35,140	3.00%	2.43%
July 1, 2015	48.8	13.9	\$36,871	3.00%	4.93%
July 1, 2016	48.0	13.1	\$38,468	3.00%	4.46%





▽ Eligible to retire  
▽ May be eligible to retire  
▽ Not eligible to retire



Active Age-Service Distribution

Table III-D

Data

Active Age-Service-Salary Table

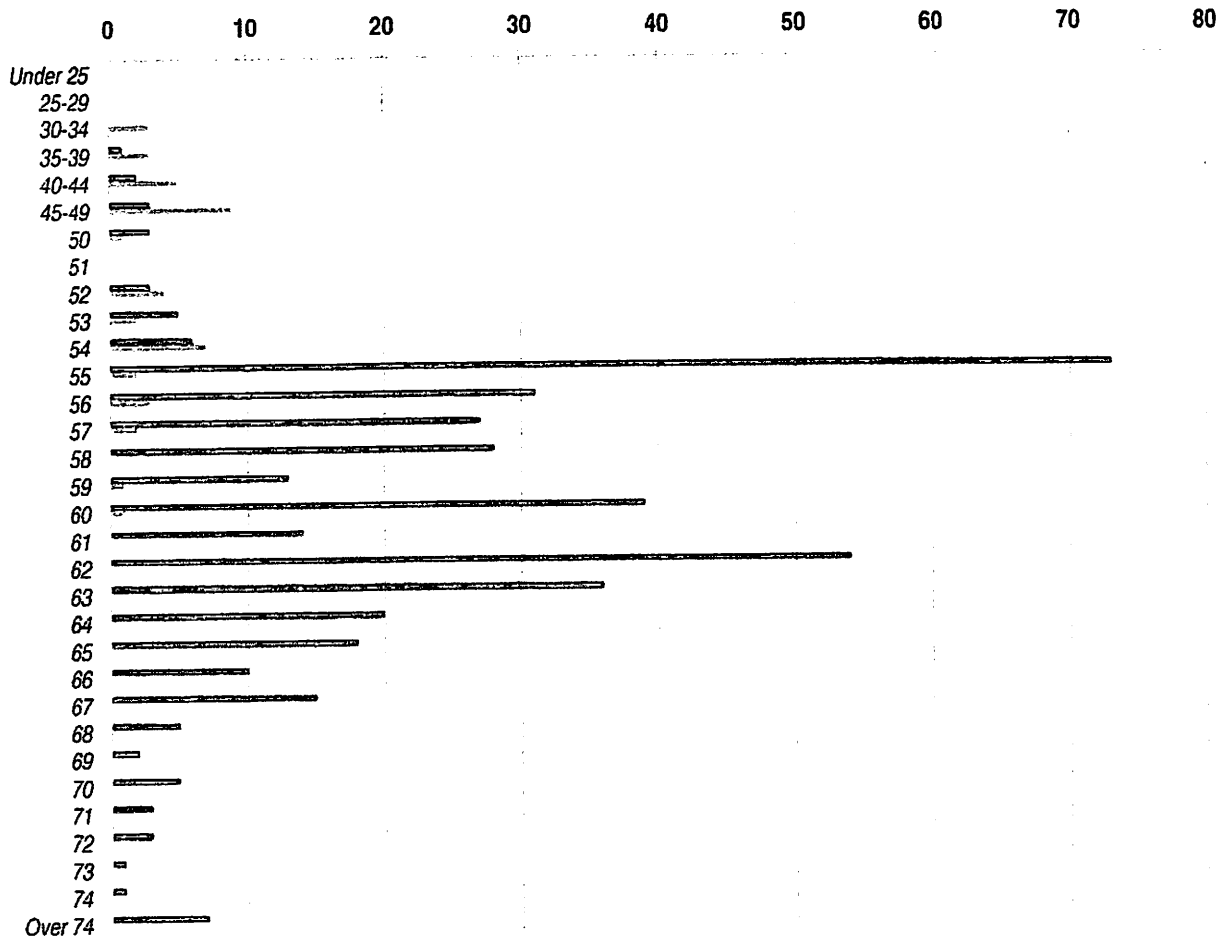
Table III-E

Attained Age	Completed Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	0	2	0	0	0	0	0	0	0	0	2
Avg.Pay	0	24,835	0	0	0	0	0	0	0	0	24,835
25 to 29	0	6	6	0	0	0	0	0	0	0	12
Avg.Pay	0	27,958	31,030	0	0	0	0	0	0	0	29,494
30 to 34	0	8	5	5	0	0	0	0	0	0	18
Avg.Pay	0	36,441	26,728	32,677	0	0	0	0	0	0	32,698
35 to 39	0	11	8	12	1	0	0	0	0	0	32
Avg.Pay	0	40,266	31,452	33,902	26,270	0	0	0	0	0	35,239
40 to 44	0	9	7	9	10	1	0	0	0	0	36
Avg.Pay	0	28,873	42,429	32,707	45,690	37,419	0	0	0	0	37,376
45 to 49	0	6	8	5	10	4	4	0	0	0	37
Avg.Pay	0	64,487	36,270	36,471	42,707	38,829	44,954	0	0	0	43,828
50 to 54	0	5	9	17	9	7	8	7	0	0	62
Avg.Pay	0	28,874	35,167	36,170	38,884	37,333	34,162	33,539	0	0	35,405
55 to 59	0	6	13	5	14	4	6	7	1	1	57
Avg.Pay	0	27,986	36,154	33,588	39,885	30,821	37,129	37,592	47,362	88,712	37,009
60 to 64	0	3	2	5	6	1	4	1	0	1	23
Avg.Pay	0	35,693	54,299	39,732	40,667	57,616	44,039	127,707	0	103,792	48,853
65 & up	0	0	2	0	2	1	0	0	0	0	5
Avg.Pay	0	0	139,235	0	40,945	49,254	0	0	0	0	81,923
<b>Total</b>	<b>0</b>	<b>56</b>	<b>60</b>	<b>58</b>	<b>52</b>	<b>18</b>	<b>22</b>	<b>15</b>	<b>1</b>	<b>2</b>	<b>284</b>
<b>Avg.Pay</b>	<b>0</b>	<b>36,036</b>	<b>38,869</b>	<b>34,973</b>	<b>41,240</b>	<b>38,012</b>	<b>38,729</b>	<b>41,708</b>	<b>47,362</b>	<b>96,252</b>	<b>38,468</b>



Inactive Participant Data

Table III-F



**Retirement Age**

- Service Retirements
- Disability Retirements
- ▣ DROP Participants

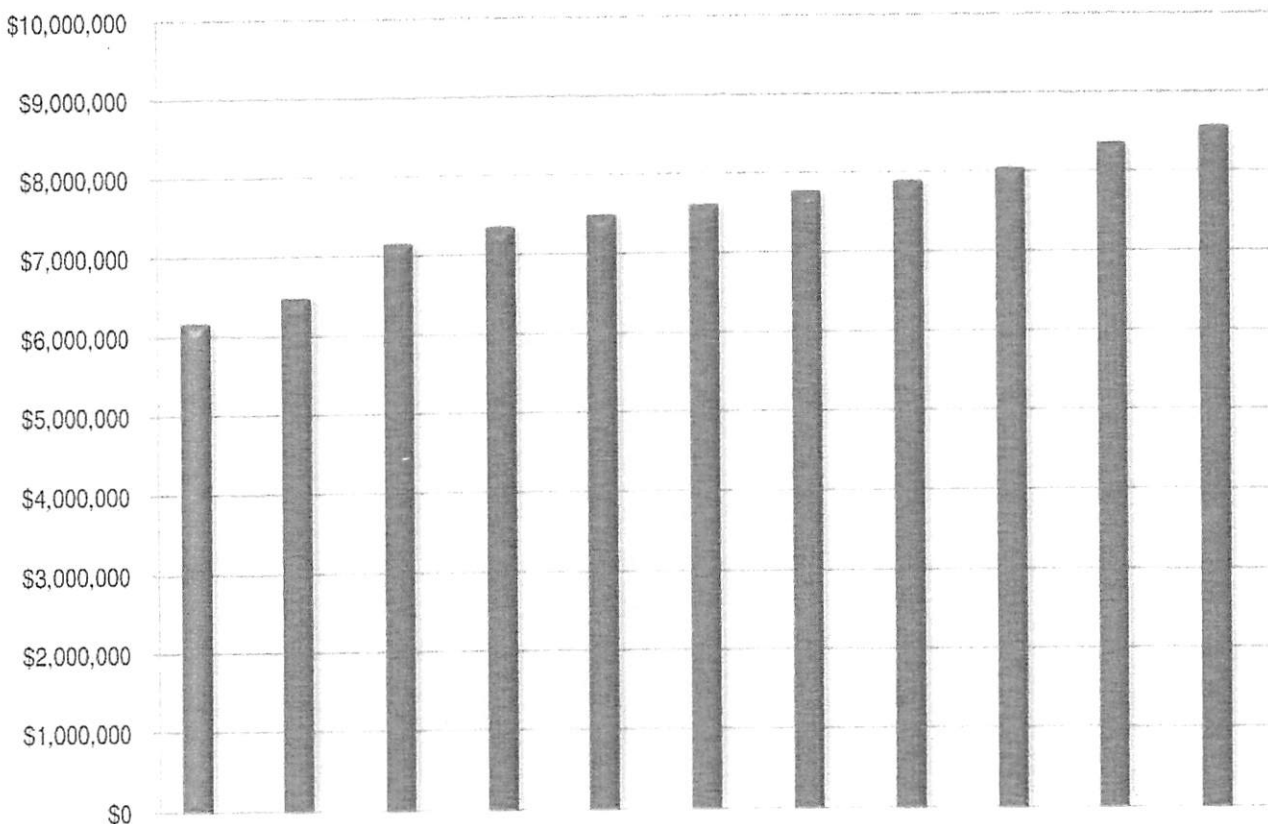
Average Monthly Benefit

Service Retirements	\$1,113.72
Disability Retirements	\$787.66
Beneficiaries Receiving	\$863.23
DROP Participants	Not applicable
Deferred Vested Participants	\$263.61
Deferred Beneficiaries	Not applicable



Projected Benefit Payments

Table III-G



Actual

For the period July 1, 2015 through June 30, 2016

\$6,172,291

Projected

For the period July 1, 2016 through June 30, 2017

\$6,498,461

For the period July 1, 2017 through June 30, 2018

\$7,162,722

For the period July 1, 2018 through June 30, 2019

\$7,348,843

For the period July 1, 2019 through June 30, 2020

\$7,491,015

For the period July 1, 2020 through June 30, 2021

\$7,611,882

For the period July 1, 2021 through June 30, 2022

\$7,778,751

For the period July 1, 2022 through June 30, 2023

\$7,893,450

For the period July 1, 2023 through June 30, 2024

\$8,054,374

For the period July 1, 2024 through June 30, 2025

\$8,362,891

For the period July 1, 2025 through June 30, 2026

\$8,572,124



Summary of Actuarial Methods and Assumptions

Table IV-A

*NOTE: The following assumptions and methods have been selected and approved by the Board of Trustees based in part on the advice of the plan's enrolled actuary in accordance with the authority granted to the Board under the pension ordinances and State law.*

**1. Actuarial Cost Method**

Aggregate cost method. Under this actuarial cost method, a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the expected future payroll for current active participants. The normal cost is equal to the level funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

**2. Asset Method**

The actuarial value of assets is equal to the prior year's actuarial value of assets adjusted for contributions, benefit payments, and expenses and further adjusted by the average return on the market value of assets for the preceding five years; the actuarial value of assets is restricted to 80% to 120% of the market value.

**3. Interest (or Discount) Rate**

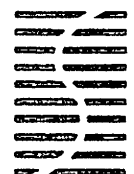
7.50% per annum

**4. Salary Increases**

Plan compensation is assumed to increase at the rate of 3.00% per annum, unless actual plan compensation is known for a prior plan year.

**5. Decrements**

- Pre-retirement mortality: Sex-distinct rates set forth in the RP-2000 Mortality Table for annuitants, projected to 2015 by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430; future generational improvements in mortality have not been reflected.
- Post-retirement mortality: Sex-distinct rates set forth in the RP-2000 Mortality Table for annuitants, projected to 2015 by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430; future generational improvements in mortality have not been reflected.



Summary of Actuarial Methods and Assumptions

Table IV-A

(continued)

- Disability: Disability rates set forth in the 1964 OASDI Table
- Termination: A sample of the withdrawal rates is set forth in the following table:

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
20	21.67%	30	18.22%	40	11.01%	50	5.52%
25	21.67%	35	14.76%	45	7.27%	55	3.76%

- Retirement: Retirement is assumed to occur at age 60, except that those employees who are eligible for the early retirement window are assumed to retire immediately.

No decrements are assumed during the year immediately following the valuation date.

**6. Form of Payment**

Future retirees are assumed to elect the 10-year certain and life annuity.

**7. Contingent Annuitants**

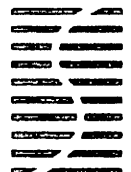
85% of participants who die prior to retirement are assumed to have a surviving spouse of the opposite gender; males are assumed to be three years older than females for this purpose.

**8. Expenses**

Administrative expenses are assumed to be 0.25% of future payroll. In addition, the interest rate set forth in item 3. above is assumed to be net of investment expenses and commissions.

**9. Cost-of-Living Adjustment**

We have assumed that all eligible retirees will receive an automatic cost-of-living adjustment equal to 1.50% per annum.



Changes in Actuarial Methods and Assumptions

Table IV-B

No assumptions or methods have been changed since the previous valuation was completed.





Summary of Plan Provisions

Table V-A

1. **Monthly Accrued Benefit**

*For individuals who were participants in the plan as of June 30, 1984:*

Greater of: (a) 2.00% of Average Monthly Compensation multiplied by Years of Service, offset by 1.50% of his Primary Social Security Benefit multiplied by up to 33 $\frac{1}{3}$  Years of Service; or (b) 1.52% of Average Monthly Compensation up to \$1,250.00 multiplied by Years of Service plus 1.90% of Average Monthly Compensation in excess of \$1,250.00 multiplied by Years of Service

*For all other participants:*

1.52% of Average Monthly Compensation up to \$1,250.00 multiplied by Years of Service plus 1.90% of Average Monthly Compensation in excess of \$1,250.00 multiplied by Years of Service

2. **Normal Retirement Age and Benefit**

- **Age**

Age 60 (participants hired after October 16, 2007 must have earned at least five Years of Service to be eligible for a normal retirement benefit)

- **Amount**

Monthly Accrued Benefit

- **Form of Payment**

Five-year certain and life annuity (normal form of payment);  
Actuarially equivalent 10-year certain and life annuity (optional);  
Actuarially equivalent 66 $\frac{2}{3}$ % joint and contingent annuity (optional);  
Actuarially equivalent 100% joint and contingent annuity (optional);  
Actuarially equivalent social security level income annuity (optional); or  
Actuarially equivalent single lump sum payment (mandatory if the monthly pension benefit is less than \$25.00)

3. **Early Retirement Age and Benefit**

- **Age**

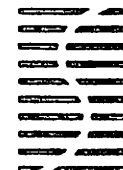
Age 55 (participants hired after October 16, 2007 must have earned at least five Years of Service to be eligible for an early retirement benefit)

- **Amount**

Monthly Accrued Benefit (*payable at age 60*); or  
Monthly Accrued Benefit reduced 5% for each year by which the participant's Early Retirement Age precedes age 60 (*payable at Early Retirement Age*)

- **Form of Payment**

Same as for Normal Retirement



Summary of Plan Provisions

Table V-A

(continued)

4. **Delayed Retirement Age and Benefit**

- **Age**  
After Normal Retirement Age
- **Amount**  
Monthly Accrued Benefit
- **Form of Payment**  
Same as for Normal Retirement

5. **Disability Retirement Eligibility and Benefit**

- **Eligibility**  
Any age with at least five Years of Service
- **Condition**  
The participant must be determined to be totally and permanently disabled by the Social Security Administration; alternatively, the Retirement Committee may determine that the participant is totally and permanently disabled.
- **Amount**  
Greater of: (a) 50% of Average Monthly Compensation minus 50% of the participant's Social Security disability benefit, increased by 0.50% of Average Monthly Compensation for each completed Year of Service in excess of five years; or (b) Monthly Accrued Benefit
- **Form of Payment**  
Same as for Normal Retirement

6. **Deferred Vested Benefit**

- **Age**  
Any age with at least five Years of Service
- **Amount**  
Monthly Accrued Benefit multiplied by the participant's Vested Percentage and payable at age 60 or at age 55 with a 5% annual reduction for the earlier commencement of the benefit
- **Form of Payment**  
Same as for Normal Retirement



Summary of Plan Provisions

Table V-A

(continued)

7. **Pre-Retirement Death Benefit**

*For married participants who die prior to retirement and who have earned at least five Years of Service:*  
50% of the Monthly Accrued Benefit payable immediately for the life of the spouse

*For all other participants who die prior to retirement, but who are eligible for early or normal retirement, and who have earned at least five Years of Service:*  
Monthly Accrued Benefit, reduced for early retirement if applicable, payable immediately for five years

8. **Vested Percentage**

Retirement benefits become vested in accordance with the following schedule:

Years of Creditable Service	Vested Percentage
Less than five	0%
At least five, but less than six	25%
At least six, but less than seven	30%
At least seven, but less than eight	35%
At least eight, but less than nine	40%
At least nine, but less than 10	45%
At least 10, but less than 11	50%
At least 11, but less than 12	60%
At least 12, but less than 13	70%
At least 13, but less than 14	80%
At least 14, but less than 15	90%
At least 15	100%

9. **Average Monthly Compensation**

The participant's Average Monthly Compensation is equal to the average of the participant's W-2 compensation (including deferred compensation) for the highest 36 consecutive months during his period of service.



Summary of Plan Provisions

Table V-A

(continued)

**10. Employee Contribution**

Prior to July 1, 1985, all participating employees were required to make an employee contribution to the plan; a participant who terminates his employment for any reason (or his eligible beneficiary) and who is not otherwise entitled to a monthly benefit will receive a refund of his Employee Contribution.

**11. Years of Service**

Years of Service are equal to the years and completed calendar months of employment.

**12. Participation Requirement**

All regular employees hired prior to 2014 by the City of Macon who work at least 30 hours per week are eligible to participate in the plan, including employees of the Planning and Zoning Commission, but excluding police officers, firefighters, the mayor, County Commission members, the judge of the municipal court, management interns, and employees who are not classified as full-time and permanent.

**13. Automatic Cost-of-Living Adjustment (COLA)**

A participant who is entitled to a monthly annuity receives an automatic annual compounded COLA based on the Consumer Price Index, but limited to 1.50%, as of each January 1 after one year of retirement, unless such COLA is suspended by an act of the County Commission based on the financial condition of the pension fund.

**14. Primary Social Security Benefit**

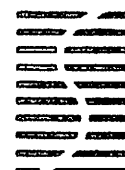
The monthly social security benefit that is payable at age 65 without regard to subsequent employment after the employee's termination of employment with Macon-Bibb County

**15. Actuarial Equivalence**

Based on 7.00% interest per annum and the mortality table promulgated by the Internal Revenue Commissioner for purposes of determining lump sum distributions pursuant to IRC section 417(e)(3)

**16. Original Effective Date of the Amended Plan**

July 1, 1972



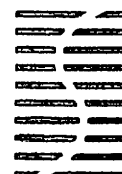
Summary of Plan Provisions

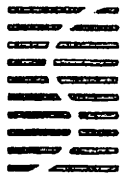
Table V-A

(continued)

**17. Early Retirement Window**

An early retirement window was adopted effective May 31, 2015. Under the window, employees who attained age 58 by December 31, 2015 with at least three years of service were eligible for an enhanced normal retirement benefit. Alternatively, employees who attained age 55 by December 31, 2015 with at least three years of service were eligible for an enhanced early retirement benefit. The enhanced retirement benefit is based on a 2.00% benefit formula multiplier. Eligible employees also receive a \$200.00 monthly supplemental pension payable for their lifetime. Eligible employees had to elect by July 31, 2015 to retire under the early retirement window by September 30, 2015.





## Summary of Plan Amendments

Table V-B

There were no significant plan changes adopted since the completion of the previous valuation.