

**FORMER CITY OF NASHVILLE  
PENSION PLAN**

**VALUATION AND REPORT  
AS OF  
JUNE 30, 2015**

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## A. SUMMARY OF REPORT

An actuarial valuation of the former City of Nashville Pension System was performed as of June 30, 2015. The purpose of the valuation was to examine the liabilities and cost implications of the two funds (the Civil Service Employees' Fund and the Firemen's and Policemen's Fund) which together comprise this closed pension system. Prior to June 30, 2005, the plan was being funded on a pay-as-you-go basis. The closed pension system is actuarially funded through the Guaranteed Payment Plan.

The former City of Nashville Pension System is larger than the former Davidson County System, because fewer members transferred to the successor Metro plan in 1963. In particular, no firemen or policemen transferred from the City plan to that Metro plan. However, all but one of the remaining actives transferred to Division B of the Metro plan when it became available in 1995. As of the valuation date, there were no active employees in either the Civil Service or Fire and Police plan. There were 115 retired employees in the Civil Service plan and 247 retired employees in the Fire and Police plan as of June 30, 2015.

The present value of future benefits under the City system was \$37,777,737 as of the valuation date. All of this amount would be classified as "past service liability" if the entry age normal method (the method used for the valuation of the Metro plan) were applied to the City system. The amount listed includes the effect of the cost-of-living adjustment effective July 1, 2014.

Since the plan is a closed system with no active employees, funding had traditionally been conducted on a pay-as-you-go basis without following a fixed amortization schedule. However, commencing with the plan year beginning July 1, 2004, some prefunding of the plan has been undertaken through the Guaranteed Payment Plan. The Guaranteed Payment Plan is an umbrella plan created by the Metro Council to ensure actuarially sound funding for a group of five closed plans supervised by the Metro Employee Benefit Board and the Board of Education.

The table below shows the unfunded liabilities of the plan as of June 30, 2015.

Present Value of Benefits	\$37,777,737
Accumulated Assets	(0)
Unfunded Liability as of June 30, 2015	<u>\$37,777,737</u>

## Former City of Nashville Pension Plan

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The following table shows the results of applying the usual "normal cost plus amortization of past service liabilities" approach to the funding of the closed system.

	<u>Annual Contribution</u>
40-Year Amortization	\$2,894,938
30-Year Amortization	3,087,108
20-Year Amortization	3,576,450

Under the GPP, unfunded liabilities of the aggregate plan are amortized over a period of no more than thirty years commencing July 1, 2000. Payments for the City System move to a payment account from which distributions are paid to the constituent plans of the GPP as necessary to satisfy current benefits and to satisfy funding objectives of the GPP. During the 2014-2015 year, payments of \$14,297,691 were paid into the GPP on behalf of the plan. \$6,688,827 was transferred from the GPP account to the plan during this period for the payment of benefits. Funding issues that are specific to the GPP are addressed in a separate report. The following is a summary of GPP transfers for the City of Nashville Pension Plan.

GPP Appropriation for the Plan	\$14,297,691
Transfer for Benefit Payments	\$6,688,827
Transfer to the other GPP Plans	\$7,608,864
Transfer to the Open Plan Separate Account for Future Payments	\$0

Table III-4 of the Appendix illustrates the annual payout which could be expected from the entire City System during the next twenty calendar years. The annualized payout as of the beginning of the 2015-2016 fiscal year is expected to be approximately \$6,020,087.

The actuarial valuation underlying this report has been made utilizing employee data furnished by Metro and the actuarial assumptions summarized in Table VII of the Appendix. Quantities called for by Statement 25 of the Governmental Standards Accounting Board are set out in Table VI of the Appendix. Since the system was funded on a pay-as-you-go basis prior to June 30, 2005, no assets are shown for those dates.

## B. SUMMARY OF PLAN PROVISIONS

### CITY OF NASHVILLE PENSION PLANS

1. Eligibility

All employees of the former City of Nashville who were employed prior to April 1, 1963, who elected not to transfer to the Metropolitan Government Employee Benefit System on that date or on a later open enrollment date and who also (if still active) elected not to transfer to Division B of the Metro plan in 1995, are participants in the former City of Nashville Pension Plan, which included the Civil Service Employee's Pension Plan and the Policemen's and Firemen's Pension Plan.

2. Normal Retirement

(a) Condition

Except for firemen and policemen, the normal retirement date is the date the member completes 25 years of service and attains age 60. For firemen and policemen, the normal retirement date is the date the member completes 25 years of service. Retirement may be delayed, but not later than age 75.

(b) Benefit

The normal retirement benefit, payable monthly for life, is 50% of the member's final monthly salary.

3. Disability Retirement

A member who becomes disabled is eligible to receive a disability retirement benefit equal to 50% of the member's final monthly salary.

4. Survivor Benefits

If the death of a member occurs while he is an active member or after he has retired on service or disability retirement, his surviving widow while unmarried, or dependent mother, will receive a life income equal to \$675 per month. If no widow survives, any surviving dependent children under 16 years of age will receive such survivorship benefit, instead of the mother, for a period not to exceed 10 years.

5. Other Termination of Employment

If a member other than a fireman or policeman terminates his service after 25 years of service but before attaining age 60, he is eligible to receive a deferred vested benefit, commencing at age 60, equal to 50% of the member's final monthly salary.

6. Escalation Provision

Effective July 1, 2002, benefits under the provisions above are increased annually by the increase in the Consumer Price Index during the previous year.

7. Member Contributions

Prior to January 1, 1987, each member contributed by payroll deduction an amount equal to 5% of annual earnings for a period of 25 years, even after retirement (except that policemen or firemen disabled in the line of duty no longer had to make contributions). Contributions for females who elected not to have survivor benefits under paragraph 4 above were 2-1/2%. Thereafter, members no longer contribute toward the cost of the plan.

8. Employer Contributions

The Metropolitan Government provides such additional amounts as are necessary to pay benefits as they become due.

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**TABLE I-1**  
**DISTRIBUTION OF ANNUAL BENEFITS BY AGE GROUPS**  
**CITY WIDOWS**

Age Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
1-20	0	0	0	0	0	0	0	0	0
21-25	0	0	0	0	0	0	0	0	0
26-30	0	0	0	0	0	0	0	0	0
31-35	0	0	0	0	0	0	0	0	0
36-40	0	0	0	0	0	0	0	0	0
41-45	0	0	0	0	0	0	0	0	0
46-50	0	0	0	0	0	0	0	0	0
51-55	0	0	0	0	0	0	0	0	0
56-60	0	0	0	1	11,696	11,696	1	11,696	11,696
61-65	0	0	0	1	11,696	11,696	1	11,696	11,696
66-70	0	0	0	4	46,499	11,625	4	46,499	11,625
71-75	3	76,319	25,440	7	81,872	11,696	10	158,191	15,819
76-80	14	390,163	27,869	14	163,744	11,696	28	553,907	19,782
81-85	16	392,335	24,521	13	152,048	11,696	29	544,383	18,772
86-90	4	98,525	24,631	35	409,360	11,696	39	507,885	13,023
<b>TOTAL</b>	<b>37</b>	<b>957,342</b>	<b>25,874</b>	<b>75</b>	<b>876,915</b>	<b>11,692</b>	<b>112</b>	<b>1,834,257</b>	<b>16,377</b>

TABLE I-2

DISTRIBUTION OF ANNUAL BENEFITS BY AGE GROUPS

CITY SERVICE RETIREMENTS

Age Group	Male			Female			Total		
	No	Total Earnings	Average Earnings	No	Total Earnings	Average Earnings	No	Total Earnings	Average Earnings
1-20	0	0	0	0	0	0	0	0	0
21-25	0	0	0	0	0	0	0	0	0
26-30	0	0	0	0	0	0	0	0	0
31-35	0	0	0	0	0	0	0	0	0
36-40	0	0	0	0	0	0	0	0	0
41-45	0	0	0	0	0	0	0	0	0
46-50	0	0	0	1	11,696	11,696	1	11,696	11,696
51-55	0	0	0	0	0	0	0	0	0
56-60	0	0	0	2	23,392	11,696	2	23,392	11,696
61-65	0	0	0	4	46,784	11,696	4	46,784	11,696
66-70	0	0	0	5	58,480	11,696	5	58,480	11,696
71-75	0	0	0	19	222,224	11,696	19	222,224	11,696
76-80	4	78,680	19,670	36	421,056	11,696	40	499,736	12,493
81-85	5	126,213	25,243	38	494,386	13,010	43	620,599	14,433
86-90	9	205,424	22,825	56	759,675	13,566	65	965,099	14,848
<b>TOTAL</b>	<b>18</b>	<b>410,317</b>	<b>22,795</b>	<b>161</b>	<b>2,037,693</b>	<b>12,656</b>	<b>179</b>	<b>2,448,010</b>	<b>13,676</b>

TABLE I-3

DISTRIBUTION OF ANNUAL BENEFITS BY AGE GROUPS

CITY DISABLED LIVES

Age Group	Male			Female			Total		
	No	Total Earnings	Average Earnings	No	Total Earnings	Average Earnings	No	Total Earnings	Average Earnings
1-20	0	0	0	0	0	0	0	0	0
21-25	0	0	0	0	0	0	0	0	0
26-30	0	0	0	0	0	0	0	0	0
31-35	0	0	0	0	0	0	0	0	0
36-40	0	0	0	0	0	0	0	0	0
41-45	0	0	0	0	0	0	0	0	0
46-50	0	0	0	0	0	0	0	0	0
51-55	0	0	0	0	0	0	0	0	0
56-60	0	0	0	0	0	0	0	0	0
61-65	0	0	0	0	0	0	0	0	0
66-70	0	0	0	0	0	0	0	0	0
71-75	14	362,000	25,857	1	11,696	11,696	15	373,696	24,913
76-80	20	507,017	25,351	2	35,063	17,532	22	542,080	24,640
81-85	11	241,226	21,930	0	0	0	11	241,226	21,930
86-90	21	557,176	26,532	2	23,634	11,817	23	580,810	25,253
<b>TOTAL</b>	<b>66</b>	<b>1,667,419</b>	<b>25,264</b>	<b>5</b>	<b>70,393</b>	<b>14,079</b>	<b>71</b>	<b>1,737,812</b>	<b>24,476</b>

TABLE I-4

DISTRIBUTION OF ANNUAL BENEFITS BY AGE GROUPS

CITY TOTALS - RETIRED LIVES

Age Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
1-20	0	0	0	0	0	0	0	0	0
21-25	0	0	0	0	0	0	0	0	0
26-30	0	0	0	0	0	0	0	0	0
31-35	0	0	0	0	0	0	0	0	0
36-40	0	0	0	0	0	0	0	0	0
41-45	0	0	0	0	0	0	0	0	0
46-50	0	0	0	1	11,696	11,696	1	11,696	11,696
51-55	0	0	0	0	0	0	0	0	0
56-60	0	0	0	3	35,088	11,696	3	35,088	11,696
61-65	0	0	0	5	58,480	11,696	5	58,480	11,696
66-70	0	0	0	9	104,979	11,664	9	104,979	11,664
71-75	17	438,319	25,783	27	315,792	11,696	44	754,111	17,139
76-80	38	975,860	25,681	52	619,863	11,920	90	1,595,723	17,730
81-85	32	759,774	23,743	51	646,434	12,675	83	1,406,208	16,942
86-90	34	861,125	25,327	93	1,192,669	12,824	127	2,053,794	16,172
<b>TOTAL</b>	<b>121</b>	<b>3,035,078</b>	<b>25,083</b>	<b>241</b>	<b>2,985,001</b>	<b>12,386</b>	<b>362</b>	<b>6,020,079</b>	<b>16,630</b>

TABLE II-1

DISTRIBUTION OF ANNUAL BENEFITS BY YEARS SINCE RETIREMENT

CITY WIDOWS

Service Group	Male			Female			Total		
	No	Total Earnings	Average	No	Total Earnings	Average	No	Total Earnings	Average
0	0	0	0	3	35,088	11,696	3	35,088	11,696
1	0	0	0	1	11,696	11,696	1	11,696	11,696
2	0	0	0	1	11,696	11,696	1	11,696	11,696
3	0	0	0	0	0	0	0	0	0
4	0	0	0	5	58,195	11,639	5	58,195	11,639
0-4	0	0	0	10	116,675	11,668	10	116,675	11,668
5-9	0	0	0	15	175,440	11,696	15	175,440	11,696
10-14	0	0	0	10	116,960	11,696	10	116,960	11,696
15-19	0	0	0	14	163,744	11,696	14	163,744	11,696
20-24	15	446,372	29,758	5	58,480	11,696	20	504,852	25,243
25-29	13	376,059	28,928	11	128,656	11,696	24	504,715	21,030
30-34	1	20,335	20,335	2	23,392	11,696	3	43,727	14,576
35-39	2	35,161	17,581	1	11,696	11,696	3	46,857	15,619
40-44	1	15,503	15,503	3	35,088	11,696	4	50,591	12,648
45-49	5	63,912	12,782	4	46,784	11,696	9	110,696	12,300
TOTAL	37	957,342	25,874	75	876,915	11,692	112	1,834,257	16,377

TABLE II-2

DISTRIBUTION OF ANNUAL BENEFITS BY YEARS SINCE RETIREMENT

CITY SERVICE RETIREMENTS

Service Group	Male			Female			Total		
	No	Total Earnings	Average Earnings	No	Total Earnings	Average Earnings	No	Total Earnings	Average Earnings
0	0	0	0	10	116,960	11,696	10	116,960	11,696
1	0	0	0	7	81,872	11,696	7	81,872	11,696
2	0	0	0	1	11,696	11,696	1	11,696	11,696
3	0	0	0	5	58,480	11,696	5	58,480	11,696
4	0	0	0	4	46,784	11,696	4	46,784	11,696
0-4	0	0	0	27	315,792	11,696	27	315,792	11,696
5-9	0	0	0	27	315,792	11,696	27	315,792	11,696
10-14	0	0	0	26	304,096	11,696	26	304,096	11,696
15-19	0	0	0	24	291,988	12,166	24	291,988	12,166
20-24	9	229,816	25,535	21	301,521	14,358	30	531,337	17,711
25-29	7	137,738	19,677	14	219,760	15,697	21	357,498	17,024
30-34	2	42,763	21,382	14	193,363	13,812	16	236,126	14,758
35-39	0	0	0	5	60,293	12,059	5	60,293	12,059
40-44	0	0	0	3	35,088	11,696	3	35,088	11,696
45-49	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>18</b>	<b>410,317</b>	<b>22,795</b>	<b>161</b>	<b>2,037,693</b>	<b>12,656</b>	<b>179</b>	<b>2,448,010</b>	<b>13,676</b>

TABLE II-3

DISTRIBUTION OF ANNUAL BENEFITS BY YEARS SINCE RETIREMENT

CITY DISABILITY RETIREMENTS

Service Group	Male			Female			Total		
	No	Total Earnings	Average Earnings	No	Total Earnings	Average Earnings	No	Total Earnings	Average Earnings
0	0	0	0	0	0	0	0	0	0
1	0	0	0	0	0	0	0	0	0
2	0	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0	0
4	0	0	0	0	0	0	0	0	0
0-4	0	0	0	0	0	0	0	0	0
5-9	0	0	0	0	0	0	0	0	0
10-14	0	0	0	1	11,696	11,696	1	11,696	11,696
15-19	0	0	0	0	0	0	0	0	0
20-24	6	214,948	35,825	0	0	0	6	214,948	35,825
25-29	40	1,061,757	26,544	2	29,037	14,519	42	1,090,794	25,971
30-34	13	283,534	21,810	1	17,722	17,722	14	301,256	21,518
35-39	5	82,453	16,491	0	0	0	5	82,453	16,491
40-44	1	12,950	12,950	0	0	0	1	12,950	12,950
45-49	1	11,777	11,777	1	11,938	11,938	2	23,715	11,858
<b>TOTAL</b>	<b>66</b>	<b>1,667,419</b>	<b>25,264</b>	<b>5</b>	<b>70,393</b>	<b>14,079</b>	<b>71</b>	<b>1,737,812</b>	<b>24,476</b>

TABLE II-4

DISTRIBUTION OF ANNUAL BENEFITS BY YEARS SINCE RETIREMENT

CITY TOTALS

Service Group	Male			Female			Total		
	No	Earnings		No	Earnings		No	Earnings	
		Total	Average		Total	Average		Total	Average
0	0	0	0	13	152,048	11,696	13	152,048	11,696
1	0	0	0	8	93,568	11,696	8	93,568	11,696
2	0	0	0	2	23,392	11,696	2	23,392	11,696
3	0	0	0	5	58,480	11,696	5	58,480	11,696
4	0	0	0	9	104,979	11,664	9	104,979	11,664
0-4	0	0	0	37	432,467	11,688	37	432,467	11,688
5-9	0	0	0	42	491,232	11,696	42	491,232	11,696
10-14	0	0	0	37	432,752	11,696	37	432,752	11,696
15-19	0	0	0	38	455,732	11,993	38	455,732	11,993
20-24	30	891,136	29,705	26	360,001	13,846	56	1,251,137	22,342
25-29	60	1,575,554	26,259	27	377,453	13,980	87	1,953,007	22,448
30-34	16	346,632	21,665	17	234,477	13,793	33	581,109	17,609
35-39	7	117,614	16,802	6	71,989	11,998	13	189,603	14,585
40-44	2	28,453	14,227	6	70,176	11,696	8	98,629	12,329
45-49	6	75,689	12,615	5	58,722	11,744	11	134,411	12,219
TOTAL	121	3,035,078	25,083	241	2,985,001	12,386	362	6,020,079	16,630

**TABLE III-1**  
**PROJECTION OF BENEFIT PAYOUT**  
**CITY WIDOWS**

<b>CALENDAR YEAR</b>	<b>NUMBER RETIRING</b>	<b>EMERGING BENEFITS</b>	<b>EMERGING LIABILITY</b>	<b>TOTAL PAYOUT</b>	<b>TOTAL LIABILITY</b>
2015	112	1,834,257	10,057,926	879,557	10,057,926
2016	0	0	0	1,596,634	8,859,096
2017	0	0	0	1,438,152	7,751,065
2018	0	0	0	1,285,313	6,736,020
2019	0	0	0	1,139,591	5,814,470
2020	0	0	0	1,002,224	4,985,321
2021	0	0	0	874,186	4,246,030
2022	0	0	0	756,198	3,592,804
2023	0	0	0	648,713	3,020,807
2024	0	0	0	551,902	2,524,385
2025	0	0	0	465,659	2,097,329
2026	0	0	0	389,664	1,733,133
2027	0	0	0	323,449	1,425,215
2028	0	0	0	266,415	1,167,055
2029	0	0	0	217,868	952,352
2030	0	0	0	176,935	774,873
2031	0	0	0	143,008	629,524
2032	0	0	0	115,171	511,066
2033	0	0	0	92,346	414,418
2034	0	0	0	74,045	336,347

**TABLE III-2**  
**PROJECTION OF BENEFIT PAYOUT**  
**CITY SERVICE RETIREMENTS**

<b>CALENDAR YEAR</b>	<b>NUMBER RETIRING</b>	<b>EMERGING BENEFITS</b>	<b>EMERGING LIABILITY</b>	<b>TOTAL PAYOUT</b>	<b>TOTAL LIABILITY</b>
2015	179	2,448,016	14,469,786	1,168,524	14,469,786
2016	0	0	0	2,101,978	12,828,566
2017	0	0	0	1,882,402	11,332,202
2018	0	0	0	1,678,543	9,974,530
2019	0	0	0	1,490,444	8,748,612
2020	0	0	0	1,317,947	7,646,869
2021	0	0	0	1,160,704	6,661,260
2022	0	0	0	1,018,194	5,783,460
2023	0	0	0	889,749	5,005,049
2024	0	0	0	774,569	4,317,653
2025	0	0	0	671,348	3,712,207
2026	0	0	0	579,972	3,182,787
2027	0	0	0	499,004	2,720,832
2028	0	0	0	427,836	2,320,056
2029	0	0	0	365,380	1,973,398
2030	0	0	0	310,818	1,674,778
2031	0	0	0	263,699	1,419,295
2032	0	0	0	223,016	1,201,087
2033	0	0	0	187,898	1,014,935
2034	0	0	0	158,018	857,204

**TABLE III-3**  
**PROJECTION OF BENEFIT PAYOUT**  
**CITY DISABILITY RETIREMENTS**

<b>CALENDAR YEAR</b>	<b>NUMBER RETIRING</b>	<b>EMERGING BENEFITS</b>	<b>EMERGING LIABILITY</b>	<b>TOTAL PAYOUT</b>	<b>TOTAL LIABILITY</b>
2015	71	1,737,814	9,403,565	826,847	9,403,565
2016	0	0	0	1,475,490	8,200,766
2017	0	0	0	1,309,338	7,110,372
2018	0	0	0	1,155,836	6,127,505
2019	0	0	0	1,015,057	5,246,210
2020	0	0	0	886,699	4,459,968
2021	0	0	0	770,131	3,762,070
2022	0	0	0	664,584	3,145,977
2023	0	0	0	569,283	2,605,479
2024	0	0	0	483,497	2,134,722
2025	0	0	0	406,554	1,728,194
2026	0	0	0	337,886	1,380,676
2027	0	0	0	277,043	1,087,156
2028	0	0	0	223,693	842,714
2029	0	0	0	177,564	642,398
2030	0	0	0	138,360	481,148
2031	0	0	0	105,744	353,883
2032	0	0	0	79,183	255,421
2033	0	0	0	58,051	180,835
2034	0	0	0	41,676	125,636

TABLE III-4

PROJECTION OF BENEFIT PAYOUT

CITY TOTALS - RETIRED LIVES

CALENDAR YEAR	NUMBER RETIRING	EMERGING BENEFITS	EMERGING LIABILITY	TOTAL PAYOUT	TOTAL LIABILITY
2015	362	6,020,087	33,931,277	2,874,928	33,931,277
2016	0	0	0	5,174,102	29,888,428
2017	0	0	0	4,629,892	26,193,639
2018	0	0	0	4,119,692	22,838,055
2019	0	0	0	3,645,092	19,809,292
2020	0	0	0	3,206,870	17,092,158
2021	0	0	0	2,805,021	14,669,360
2022	0	0	0	2,438,976	12,522,241
2023	0	0	0	2,107,745	10,631,335
2024	0	0	0	1,809,968	8,976,760
2025	0	0	0	1,543,561	7,537,730
2026	0	0	0	1,307,522	6,296,596
2027	0	0	0	1,099,496	5,233,203
2028	0	0	0	917,944	4,329,825
2029	0	0	0	760,812	3,568,148
2030	0	0	0	626,113	2,930,799
2031	0	0	0	512,451	2,402,702
2032	0	0	0	417,370	1,967,574
2033	0	0	0	338,295	1,610,188
2034	0	0	0	273,739	1,319,187

**TABLE IV**

CITY OF NASHVILLE PENSION PLAN

DETAILED CALCULATION OF FUNDING LEVELS

The contribution levels for the fiscal year beginning June 30, 2015 were derived as follows:

(1) Present Value of Benefits	\$37,777,737
(2) Past Service Liability	37,777,737
(3) Allocated Assets	<u>(0)</u>
(4) Unfunded Past Service Liability (2) - (3)	\$37,777,737
(5) Present Value of Future Normal Costs (1) - (2)	\$ 0
(6) Present Value of Future Salaries	0
(7) Normal Cost Pct (5)/(6)	0
(8) Eligible Payroll	0
(9) Normal Cost (7) x (8)	0
(10) Total Cost, Including Amortization of Unfunded Past Service Liability Over Specified Period (assuming payments made uniformly throughout plan year)	
40 Years	\$2,894,938
30 Years	3,087,108
20 Years	3,576,450

**TABLE V**

ROSTER OF FORMER PARTICIPANTS WITH DEFERRED VESTED BENEFITS

There are no former participants.

**TABLE VI**

**GOVERNMENTAL ACCOUNTING STANDARDS BOARD  
STATEMENT NO. 25 INFORMATION**

In 1994, the Governmental Accounting Standards Board revised the methodology to be used in presenting funding progress results to require reporting based upon the plan's unfunded past service liability (or "unfunded actuarial accrued liability"). The new GASB pronouncements relating to financial reporting standards are effective for fiscal years ending June 30, 1997. The statements provide that certain parameters are to be used in determining the unfunded liability position in each year, including a parameter for the measurement of plan assets. A schedule of funding progress based upon comparison to the unfunded past service liability is to be included in financial statements for the years in which the calculations are consistent with the parameters. The schedule presented herein is based upon valuation results for the current valuation period and the previous eight years. The schedule includes only years during which a valuation has been performed.

*Former City of Nashville Pension Plan  
Schedule of Funding Progress  
June 30, 2015*

<b>Plan Year</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability</b>	<b>Unfunded Actuarial Accrued Liability</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>Unfunded Actuarial Accrued Liability as a Pct of Covered Payroll</b>
<b>June 30, 1996</b>	\$ 0	\$103,380,560	\$103,380,560	0.00%	\$36,419	283,864.4%
<b>June 30, 1998</b>	0	101,792,628	101,792,628	0.00%	0	na
<b>June 30, 2000</b>	0	91,006,918	91,006,918	0.00%	0	na
<b>June 30, 2002</b>	0	106,725,860	106,725,860	0.00%	0	na
<b>June 30, 2004</b>	0	85,325,799	85,325,799	0.00%	0	na
<b>June 30, 2005</b>	1,637,445	79,815,871	78,178,426	2.05%	0	na
<b>June 30, 2006</b>	3,303,691	78,318,066	75,014,375	4.22%	0	na
<b>June 30, 2007</b>	5,239,396	74,125,552	68,886,156	7.07%	0	na
<b>June 30, 2008</b>	6,816,106	68,552,808	61,736,702	9.94%	0	na
<b>June 30, 2009</b>	5,540,723	63,040,366	57,499,643	8.79%	0	na
<b>June 30, 2010</b>	6,171,083	57,090,961	50,919,878	10.81%	0	na
<b>June 30, 2011</b>	7,274,892	55,674,185	48,399,293	13.07%	0	na
<b>June 30, 2012</b>	0	54,198,258	54,198,258	0.00%	0	na
<b>June 30, 2013</b>	0	47,300,784	47,300,784	0.00%	0	na
<b>June 30, 2014</b>	0	42,631,286	42,631,286	0.00%	0	na
<b>June 30, 2015</b>	0	37,777,737	37,777,737	0.00%	0	na

**TABLE VII**

**SUMMARY OF ACTUARIAL ASSUMPTIONS**  
(Sample Values per 1,000 Lives)

	<b>AGE</b>			
	<b>20</b>	<b>35</b>	<b>50</b>	<b>60</b>
<u>Mortality Rates</u>				
Male: 110% RP-2000 Healthy Annuitant Table	.38	.85	5.88	9.01
Female: 110% RP-2000 Healthy Annuitant Table	.21	.52	2.57	6.82
<u>Withdrawal Rates</u>	N/A	N/A	N/A	N/A
<u>Salary Scale</u>	N/A	N/A	N/A	N/A
<u>Disability Rates</u>	N/A	N/A	N/A	N/A
<u>Rate of Death and Recovery Among Disabled Lives</u>				
Pension Benefit Guaranty Corporation				
Male:	36.20	20.90	28.70	45.20
Female:	26.30	21.40	25.70	33.10
<u>Social Security Benefit Projection Rate</u>	N/A	N/A	N/A	N/A
<u>Rate of Normal Retirement</u>				
Assume retirement as soon as eligible.				
<u>Rate of Investment Return</u>				
7.50% per annum				
<u>Cost-of-Living Adjustment</u>				
2.50% per annum				
<u>Spouse Frequency and Ages</u>				
Assume 85% married, with husbands four years older than wives				
<u>Actuarial Valuation Method</u>				
Entry Age Normal				
<u>Asset Valuation Method</u>				
Market Value				

**TABLE VIII**

ACTUARIAL CERTIFICATION

This report has been prepared under my supervision; I am a member of the American Academy of Actuaries, a Fellow of the Society of Actuaries, and a consulting actuary with Bryan, Pendleton, Swats and McAllister, LLC of Brentwood, Tennessee, and have met the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions herein. To the best of our knowledge this report has been prepared in accordance with generally accepted actuarial standards, including the overall appropriateness of the analysis, assumptions, and results and conforms to appropriate Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis for the actuarial report. We are not aware of any direct or material indirect financial interest or relationship, including investment management or other services that could create, or appear to create, a conflict of interest that would impair the objectivity of our work.

May 11, 2016

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Date



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S. Kevin Sullivan, F.S.A.  
Enrollment Number 14-6235