

August 31, 2017

Ms. Kimberly Groome
Coral Gables Retirement System
405 Biltmore Way
Coral Gables, Florida 33134

Re: City of Coral Gables Retirement System – Proposed Ordinance

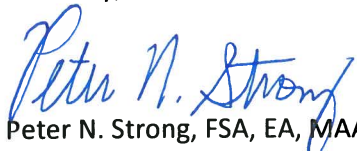
Dear Kimberly:

We have reviewed the proposed Emergency Ordinance which amends Section 50-26 of the Code of the City of Coral Gables regarding compulsory participation in the City of Coral Gables Retirement System (“Retirement System” or “Plan”), effective upon adoption. This proposed Ordinance removes the compulsory Plan participation requirements for any non-bargaining unit Police Officers and Firefighters hired from outside the City on or after August 29, 2017. Any non-bargaining unit Police Officer or Firefighter hired from outside the City on or after August 29, 2017 shall have the option of either participating in the Plan or in another retirement plan established by the City (i.e., the defined contribution pension plan). Such option must be exercised within 30 days following the date of hire with the City.

Since this proposed Ordinance does not affect current Plan members or current retirement benefits, it is our opinion that it does not have an actuarial impact on the current cost of the Retirement System. Therefore, a formal Actuarial Impact Statement is not required. However, to the extent that future hires elect to participate in the defined contribution plan instead of the Retirement System, the future cost of the Retirement System may be lower than it otherwise would have been prior to the passage and adoption of this Ordinance. We recommend you send a copy of this letter and the Ordinance to the Bureau of Local Retirement Systems.

Peter N. Strong 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. The undersigned actuary is independent of the plan sponsor.

Sincerely,



Peter N. Strong, FSA, EA, MAAA
Senior Consultant and Actuary

The above communication shall not be construed to provide tax advice, legal advice or investment advice.