

July 7, 2014

## CERTIFICATION

We, the undersigned Officers of the Bloomington Fire Department Relief Association in accordance with the provisions of Section 69.77 of the Minnesota Statutes, as amended, herewith certify to the City Council of the City of Bloomington that our estimate of the necessary appropriation for the 2015 budget to meet the current normal cost and to retire any accumulated deficit within the Legislative time period designated, is \$1,715,281. This estimate is based on information contained in the Actuarial Valuation as of January 1, 2014 (copy attached Table 11).

### Calculation

<b>A. NORMAL COST</b>	
a. Retirement Benefits	\$ 2,310,120
b. Disability Benefits	575,743
c. Survivors' Benefits	42,087
d. Deferred Retirement Benefits	21,770
e. Total	<u>\$ 2,949,720</u>
f. Estimated Member Contributions	-
g. Net Normal Cost	<u>\$ 2,949,720</u>
<b>B. SUPPLEMENTAL CONTRIBUTION AMORTIZATION</b>	<u>\$ (1,417,476)</u>
<b>C. ALLOWANCE FOR ADMINISTRATIVE EXPENSES (\$97,929@ 1.035)</b>	<u>\$ 101,356.52</u>
<b>D. TOTAL (A(g) + B + C) =</b>	<u><u>\$ 1,633,601</u></u>
<b>E. PAYABLE AS OF DECEMBER 31, 2015 (@1.05)</b>	<u>\$ 1,715,281</u>
Less: Estimated State Aid to be received in 2015	<u>\$ (401,714)</u>
<b>NET AMOUNT OBLIGATED FOR 2015</b>	<u><u>\$ 1,313,567</u></u>

  
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John Bayard, President  
Bloomington Fire Department Relief Association

7/24/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Chris Morrison, Secretary  
Bloomington Fire Department Relief Association

7/24/14  
\_\_\_\_\_  
Date

**Bloomington Fire Department Relief Association  
Determination of Minimum Bloomington Obligation**

January 1, 2014

	<u>Percent of Benchmark Payroll</u>	<u>Dollar Amount</u>
<b>A. RELIEF ASSOCIATION FINANCIAL REQUIREMENTS - SECTION 69.77</b>		
1. Normal Cost		
a. Retirement Benefits	22.86%	\$ 2,310,120
b. Disability Benefits	5.69%	575,743
c. Surviving Spouse and Child Benefits	0.42%	42,087
d. Deferred Retirements	0.22%	21,770
e. Refund Liability Due to Death or Withdrawal	-	-
f. Total	<u>29.19%</u>	<u>\$ 2,949,720</u>
2. Supplemental Contribution Amortization	(14.02%)	(1,417,476)
3. Allowance for Administrative Expenses	0.97%	97,929
4. Total	<u>16.14%</u>	<u>\$ 1,630,173</u>
<b>B. MINIMUM BLOOMINGTON OBLIGATION - SECTION 69.77</b>		
1. State of Minnesota Contributions	3.97%	401,714
2. City of Bloomington Contributions (A.4 - B.1)	<u>12.15%</u>	<u>1,228,459</u>
Projected Annual Payroll for Fiscal Year Beginning on the Valuation Date:		\$ 10,110,384