

**CITY OF BOYNTON BEACH MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
ACTUARIAL VALUATION REPORT AS OF OCTOBER 1, 2014

ANNUAL EMPLOYER CONTRIBUTION IS DETERMINED BY THIS VALUATION FOR THE  
FISCAL YEAR ENDING SEPTEMBER 30, 2016





February 20, 2015

Board of Trustees  
City of Boynton Beach Municipal  
Firefighters Pension Fund  
Boynton Beach, Florida

Dear Board Members:

The results of the October 1, 2014 Annual Actuarial Valuation of the City of Boynton Beach Municipal Firefighters Pension Fund are presented in this report.

This report was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board.

The purpose of the valuation is to measure the System's funding progress, to determine the employer contribution rate for the fiscal year ending September 30, 2016, and to determine the actuarial information for Governmental Accounting Standards Board (GASB) Statement No. 27 and No. 67. This report also includes estimated GASB Statement No. 67 information for the fiscal year ending September 30, 2015.

This report should not be relied on for any purpose other than the purpose described above.

The findings included in this report are based on data or other information through September 30, 2014. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

The valuation was based upon information furnished by the Plan Administrator concerning Retirement System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the Plan Administrator. This report was prepared using certain assumptions prescribed by the Board as described in Section B.

The undersigned actuaries are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement System as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

This actuarial valuation and/or cost determination was prepared and completed 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. In my opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices. 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 increase in plan costs or required contribution rates have been taken into account in the valuation.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY



Peter N. Strong, FSA, MAAA, FCA  
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**SECTION A**  
**DISCUSSION OF VALUATION RESULTS**

## DISCUSSION OF VALUATION RESULTS

### Comparison of Required Employer Contributions

A comparison of the required employer contribution developed in this and the last actuarial valuation is shown below. The required contribution dollar amounts shown below are estimates only. The contribution policy of the City is to contribute the dollar amount determined by multiplying the required percentage of payroll determined as of the valuation date by the projected pensionable payroll for the year.

	<b>For FYE 9/30/16 Based on 10/1/2014 Valuation if contributed on 10/1/2015</b>	<b>For FYE 9/30/15 Based on 10/1/2013 Valuation if contributed on 10/1/2014</b>	<b>Increase (Decrease)</b>
Required Employer/State Contribution	\$ 4,856,683	\$ 4,635,318	\$ 221,365
As % of Covered Payroll	49.44 %	48.78 %	0.66 %
Estimated State Contribution	\$ 704,322	\$ 704,322	\$ 0
As % of Covered Payroll	7.17 %	7.41 %	(0.24) %
Required Employer Contribution	\$ 4,152,361	\$ 3,930,996	\$ 221,365
As % of Covered Payroll	42.27 %	41.37 %	0.90 %

The required employer contribution has been computed under the assumption that the amount to be received from the State this year will be at least \$704,322. If the State revenue is less than this amount, the City will have to make up the difference.

The employer contribution listed above is for the City's fiscal year ending September 30, 2016 and has been calculated as though payment is made in a single lump sum on October 1, 2015. The actual employer contribution for the fiscal year ending September 30, 2014 was \$3,522,147. The minimum required employer contribution was \$3,522,147.

### Revisions in Benefits

There have been no changes in benefits since the prior valuation.

### **Revisions in Actuarial Assumptions or Methods**

The investment return assumption has been reduced by 0.15% from 7.65% last year to 7.50% this year. This change caused the employer contribution rate to increase by 1.54% of covered payroll.

The Actuarial Standard of Practice (ASOP) with regard to the mortality assumption, ASOP No. 35 Section 4.1.1, states *“The disclosure of the mortality assumption should contain sufficient detail to permit another qualified actuary to understand the provision made for future mortality improvement. If the actuary assumes zero mortality improvement after the measurement date, the actuary should state that no provision was made for future mortality improvement.”* There is currently no margin for future mortality improvement in the current mortality assumption. We recommend an update to the mortality assumption to reflect increased longevity and to reflect future mortality improvements.

### **Actuarial Experience**

There was a net actuarial gain of \$408,227 for the year, which means that overall actual experience was more favorable than expected. The actuarial gain is primarily due to a higher than expected return on the actuarial value of assets. The net investment return on the actuarial value of assets was 8.84% versus an assumed return of 7.65%. The net investment return on the market value of assets was 10.23%. The gain was offset somewhat by salary increases that were greater than expected. Average salary increases were 7.2% versus 6.0% expected.

The net actuarial gain for the year has caused a decrease in the annual required employer contribution of 0.22% of covered payroll.

### **Funded Ratio**

The funded ratio was 57.7% this year compared to 56.6% last year. Before recognizing the revisions in benefits and changes in assumptions described above, the funded ratio would have been 58.7%. The funded ratio is equal to the actuarial value of assets divided by the actuarial accrued liability.



### **Analysis of Change in Employer Contribution**

The components of change in the required employer contribution are as follows:

Contribution rate last year	41.37 %
Revision in Benefits	0.00
Experience (Gains) or Losses	(0.22)
Revision in Assumptions/Methods	1.53
Amortization Payment on UAAL	(0.78)
Normal Cost Rate	0.05
Administrative Expense	0.08
State Contribution	<u>0.24</u>
Contribution rate this year	42.27 %

According to Florida Administrative Code (Statute 112), the payroll growth assumption may not exceed the average payroll growth during the last ten years. The ten year average rate this year was equal to 4.82% compared to the assumed rate of 4.0%.

### **Required Contributions in Later Years**

The current calculated City contribution requirement is 42.27% of payroll starting October 1, 2015. Under the asset smoothing method, market value gains and losses are recognized over five years. As of September 30, 2014, the market value of assets exceeded the actuarial value by \$4,382,212. Once all the gains and losses through September 30, 2014 have been fully recognized in the actuarial value of assets, the employer contribution rate will decrease by roughly 2.3% of payroll unless there are offsetting losses.

Another important factor to consider looking down the road is the annual payment on the unfunded actuarial liability (UAL). This payment is computed as a level percentage of covered payroll under the assumption that covered payroll will rise by 4.0% per year. According to Florida Administrative Code (Statute 112), this payroll growth assumption may not exceed the average payroll growth during the last ten years, which is currently 4.82%. Once the average payroll growth rate over the trailing ten years falls below 4.0%, which is expected to take place either next year (2015) or in 2016, the actual ten-year average payroll growth rate will need to be used instead of 4.0%. This will cause an increase in the employer contribution rate. If the current rate this year had been 2.0% instead of 4.0%, for instance, the employer contribution rate would have increased by approximately 5.4% of covered pay (or nearly \$530,000). The average rate of payroll growth during the past six years has been less than 0%. If this trend continues through 2018, then the UAL will have to

be amortized as a level dollar amount. If the UAL were amortized as a level dollar amount this year, the employer contribution would have increased by approximately 11.3% of covered pay (or more than \$1.1 million.)

### **Relationship to Market Value**

If Market Value had been the basis for the valuation, the City contribution rate would have been 39.96% and the funded ratio would have been 61.9%.

### **13<sup>th</sup> Check Provision**

The Plan provides for a 13<sup>th</sup> check if there is a net actuarial gain for the previous year. The Plan experienced a loss during the prior plan year, and the cumulative balance of actuarial gains and losses is negative (a net loss), so no funds are available to provide 13<sup>th</sup> checks in 2014.

### **Conclusion**

The remainder of this Report includes detailed actuarial valuation results, financial information, miscellaneous information and statistics, and a summary of plan provisions.

## CHAPTER REVENUE

Increments in Chapter revenue over that received in 1998 must first be used to fund the cost of compliance with minimum benefits. Once minimums are met, any subsequent additional Chapter revenue must be used to provide extra benefits.

As of the valuation date, all minimum Chapter requirements have been met.

<b>Actuarial Confirmation of the Use of State Chapter Money</b>	
1. Fire Regular	\$ 704,322
Fire Supplemental	<u>0</u>
Total Base Amount Previous Plan Year	704,322
2. Fire Regular	1,016,561
Fire Supplemental	<u>0</u>
Total Amount Received for Previous Plan Year	1,016,561
3. Adjustment to Base Amount due to reevaluation of COLA cost	0
4. Excess Funds for Previous Plan Year	312,239
5. Accumulated Excess at Beginning of Previous Year	2,517,628
6. Prior Excess Used in Previous Plan Year	105,951
7. Accumulated Excess as of Valuation Date (Available for Benefit Improvements)	2,723,916
8. Fire Regular	704,322
Fire Supplemental	<u>0</u>
Base Amount This Plan Year - Fire	704,322

**SECTION B**  
**VALUATION RESULTS**

<b>PARTICIPANT DATA</b>		
	<b>October 1, 2014</b>	<b>October 1, 2013</b>
<b>ACTIVE MEMBERS</b>		
Number	119	118
Covered Annual Payroll	\$ 9,823,480	\$ 9,128,801
Average Annual Payroll	\$ 82,550	\$ 77,363
Average Age	37.9	36.9
Average Past Service	10.1	9.2
Average Age at Hire	27.8	27.7
<b>RETIREES &amp; BENEFICIARIES &amp; DROP</b>		
Number	97	98
Annual Benefits	\$ 5,315,085	\$ 5,313,047
Average Annual Benefit	\$ 54,795	\$ 54,215
Average Age	60.2	59.4
<b>DISABILITY RETIREES</b>		
Number	1	1
Annual Benefits	\$ 40,963	\$ 40,160
Average Annual Benefit	\$ 40,963	\$ 40,160
Average Age	49.3	48.3
<b>TERMINATED VESTED MEMBERS</b>		
Number	1	1
Annual Benefits	\$ 35,771	\$ 35,771
Average Annual Benefit	\$ 35,771	\$ 35,771
Average Age	46.1	45.1

<b>ANNUAL REQUIRED CONTRIBUTION (ARC)</b>			
A. Valuation Date	October 1, 2014 <i>7.50% Interest Rate</i>	October 1, 2014 <i>7.65% Interest Rate</i>	October 1, 2013
B. ARC to Be Paid During Fiscal Year Ending	9/30/2016	9/30/2016	9/30/2015
C. Assumed Date of Employer Contrib.	10/1/2015	10/1/2015	10/1/2014
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 2,842,385	\$ 2,786,520	\$ 2,680,143
E. Employer Normal Cost	2,014,298	1,920,204	1,772,505
F. ARC if Paid on the Valuation Date: D+E	4,856,683	4,706,724	4,452,648
G. ARC Adjusted for Frequency of Payments	4,856,683	4,706,724	4,452,648
H. ARC as % of Covered Payroll	49.44 %	47.91 %	48.78 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	N/A %	N/A %	N/A %
J. Covered Payroll for Contribution Year	9,469,072 *	9,469,072 *	9,502,496 *
K. Covered Payroll per Valuation	9,823,480	9,823,480	9,128,801
L. ARC for Contribution Year: H x J, but not less than G	4,856,683	4,706,724	4,635,318
M. Estimate of State Revenue in Contribution Year	704,322	704,322	704,322
N. Required Employer Contribution (REC) in Contribution Year	4,152,361	4,002,402	3,930,996
O. REC as % of Covered Payroll: $N \div (\text{Max of J and K})$	42.27 %	40.74 %	41.37 %

\*Estimated payroll from Finance Department. Actual contributions should be no less than the listed percentage of payroll multiplied by actual covered payroll.

<b>ACTUARIAL VALUE OF BENEFITS AND ASSETS</b>			
A. Valuation Date	October 1, 2014 <i>7.50% Interest Rate</i>	October 1, 2014 <i>7.65% Interest Rate</i>	October 1, 2013
<b>B. Actuarial Present Value of All Projected Benefits for</b>			
1. Active Members			
a. Service Retirement Benefits	\$ 60,332,290	\$ 58,670,356	\$ 52,624,528
b. Vesting Benefits	4,061,247	3,942,064	3,835,356
c. Disability Benefits	1,795,467	1,753,393	1,675,867
d. Preretirement Death Benefits	820,258	797,995	735,458
e. Return of Member Contributions	136,592	136,082	161,400
f. Total	<u>67,145,854</u>	<u>65,299,890</u>	<u>59,032,609</u>
2. Inactive Members			
a. Service Retirees & Beneficiaries	63,037,423	62,172,374	62,664,931
b. Disability Retirees	686,532	673,349	664,201
c. Terminated Vested Members	371,166	362,313	336,459
d. Total	<u>64,095,121</u>	<u>63,208,036</u>	<u>63,665,591</u>
3. Total for All Members	131,240,975	128,507,926	122,698,200
C. Actuarial Accrued (Past Service) Liability per GASB No. 25	105,309,014	103,555,517	98,003,969
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	93,844,530	92,253,650	88,311,151
E. Plan Assets			
1. Market Value	65,148,932	65,148,932	58,604,435
2. Actuarial Value	60,766,720	60,766,720	55,474,480
F. Unfunded Actuarial Accrued Liability: C-E2	44,542,294	42,788,797	42,529,489
G. Actuarial Present Value of Projected Covered Payroll	83,474,543	82,869,618	81,961,453
H. Actuarial Present Value of Projected Member Contributions	10,016,945	9,944,354	9,835,374
I. Accumulated Value of Member Contributions	8,732,736	8,732,736	7,626,681
J. Funded Ratio: E2/C	57.7%	58.7%	56.6%

<b>ENTRY AGE NORMAL METHOD CALCULATION OF EMPLOYER NORMAL COST</b>			
A. Valuation Date	October 1, 2014 <i>7.50% Interest Rate</i>	October 1, 2014 <i>7.65% Interest Rate</i>	October 1, 2013
B. Normal Cost for			
1. Service Retirement Benefits	\$ 2,618,928	\$ 2,536,240	\$ 2,353,792
2. Vesting Benefits	234,861	227,570	211,578
3. Disability Benefits	146,701	143,699	133,234
4. Preretirement Death Benefits	43,429	42,172	38,146
5. Return of Member Contributions	<u>38,711</u>	<u>38,855</u>	<u>35,974</u>
6. Total for Future Benefits	3,082,630	2,988,536	2,772,724
7. Assumed Amount for Administrative Expenses	<u>110,486</u>	<u>110,486</u>	<u>95,237</u>
8. Total Normal Cost	3,193,116	3,099,022	2,867,961
C. Expected Member Contribution	1,178,818	1,178,818	1,095,456
D. Employer Normal Cost: B8-C	2,014,298	1,920,204	1,772,505
E. Employer Normal Cost as a % of Covered Payroll	20.50%	19.55%	19.42%



**LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY**

<b>A. UAAL Amortization Period and Payments</b>					
<b>Original UAAL</b>			<b>Current UAAL</b>		
<b>Date Established</b>	<b>Amortization Period (Years)</b>	<b>Amount</b>	<b>Years Remaining</b>	<b>Amount</b>	<b>Payment</b>
10/1/1992	30	\$ 415,550	8	\$ 284,668	\$ 39,839
10/1/1992	30	795,483	8	544,416	76,191
10/1/1996	26	807,234	8	631,042	88,315
10/1/1997	30	1,201,102	13	1,223,381	113,905
10/1/1999	30	613,865	15	687,723	57,216
10/1/2000	30	(1,240,378)	16	(1,375,246)	(108,901)
10/1/2001	30	857,564	17	975,041	73,770
10/1/2003	30	4,337,161	19	5,123,649	357,345
10/1/2004	30	4,373,725	20	5,182,441	348,487
10/1/2005	30	(1,004,416)	21	(1,191,758)	(77,452)
10/1/2005	30	3,040,117	21	3,607,158	234,428
10/1/2006	30	2,426,747	22	2,860,796	180,082
10/1/2006	30	1,889,229	22	2,227,137	140,194
10/1/2007	30	(12,675)	23	(14,730)	(900)
10/1/2007	30	(1,424,046)	23	(1,657,593)	(101,265)
10/1/2008	30	4,046,900	24	4,646,612	275,993
10/1/2009	30	3,681,910	25	4,162,836	240,796
10/1/2010	30	1,249,043	26	1,389,398	78,387
10/1/2010	30	2,256,012	26	2,509,522	141,581
10/1/2010	30	(43,572)	26	(48,468)	(2,734)
10/1/2011	30	1,378,822	27	1,496,667	82,471
10/1/2011	30	3,739,943	27	4,059,589	223,695
10/1/2012	30	1,446,560	28	1,508,057	81,266
10/1/2012	30	(161,237)	28	(168,091)	(9,058)
10/1/2013	30	199,486	29	204,624	10,796
10/1/2013	30	818,309	29	839,386	44,288
10/1/2013	30	3,401,164	29	3,488,767	184,076
10/1/2014	30	(408,227)	30	(408,227)	(21,113)
10/1/2014	30	1,753,497	30	1,753,497	90,687
		<u>\$ 40,434,872</u>		<u>\$ 44,542,294</u>	<u>\$ 2,842,385</u>

**B. Amortization Schedule**

The UAAL is being amortized as a level percent of payroll over the number of years remaining in the amortization period. The expected amortization schedule is as follows:

<b>Amortization Schedule</b>	
<b>Year</b>	<b>Expected UAAL</b>
2014	\$ 44,542,294
2015	44,827,357
2016	45,011,625
2017	45,082,600
2018	45,026,702
2019	44,829,126
2024	41,735,047
2029	34,083,773
2034	19,340,946
2039	6,041,093

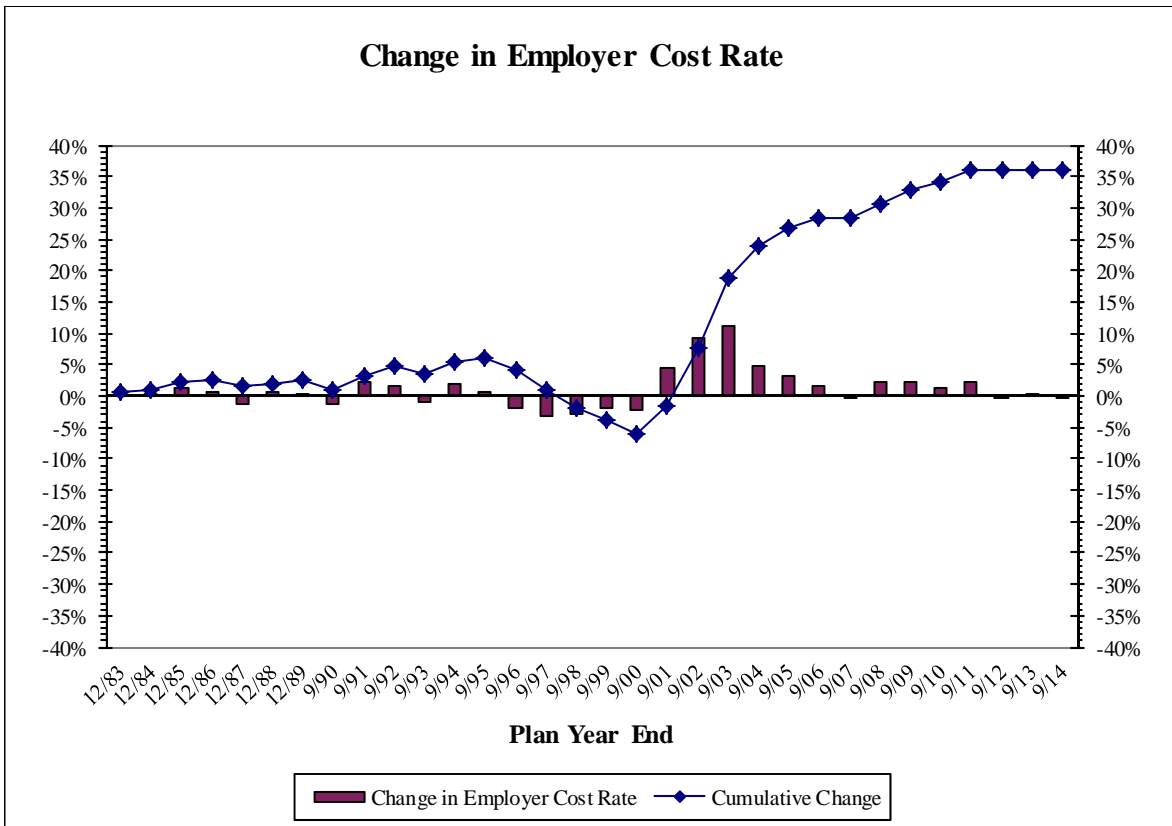
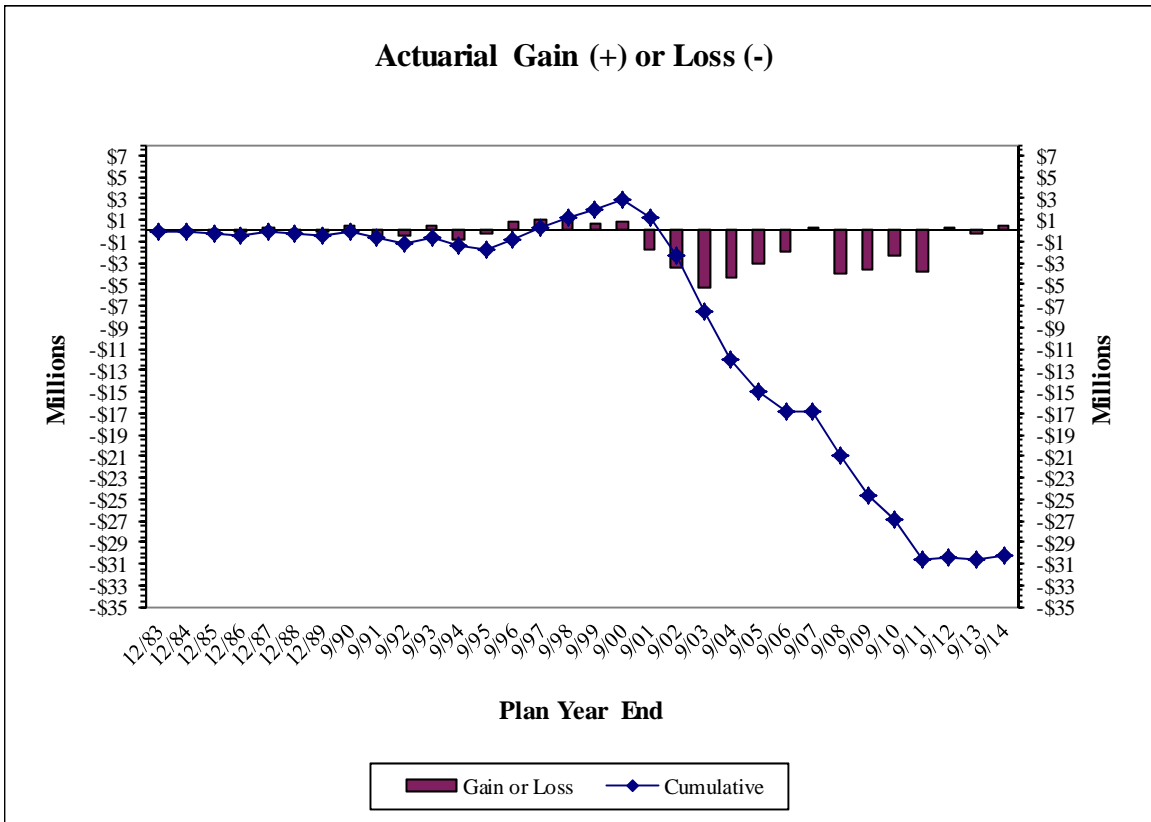
## ACTUARIAL GAINS AND LOSSES

The assumptions used to anticipate mortality, employment turnover, investment income, expenses, salary increases, and other factors have been based on long range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the period involved. If significant long term experience reveals consistent deviation from what has been expected and that deviation is expected to continue, the assumptions should be modified. The net actuarial gain (loss) for the past year is computed as follows:

<b>A. Derivation of the Current UAAL</b>	
1. Last Year's UAAL	\$ 42,529,489
2. Last Year's Employer Normal Cost	1,772,505
3. Last Year's Contributions	4,226,469
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	3,389,103
b. 3 from dates paid	<u>267,604</u>
c. a - b	3,121,499
5. This Year's Expected UAAL: 1 + 2 - 3 + 4c	43,197,024
6. This Year's Actual UAAL (Before any changes in benefits and/or assumptions)	42,788,797
7. Net Actuarial Gain (Loss): (5) - (6)	408,227
8. Gain (Loss) due to investments	801,641
9. Gain (Loss) due to other sources	(393,414)

Net actuarial gains in previous years have been as follows:

<b>Year Ended</b>	<b>Change in Employer Cost Rate</b>	<b>Gain (Loss)</b>
12/31/83	0.77 %	\$ (111,129)
12/31/84	0.13	(20,619)
12/31/85	1.27	(227,011)
12/31/86	0.50	(99,006)
12/31/87	(1.18)	279,837
12/31/88	0.52	(128,401)
12/31/89	0.41	(106,588)
9/30/90	(1.42)	371,790
9/30/91	2.09	(638,650)
9/30/92	1.61	(476,505)
9/30/93	(1.07)	483,965
9/30/94	1.76	(800,443)
9/30/95	0.56	(270,698)
9/30/96	(1.95)	895,789
9/30/97	(3.08)	1,049,747
9/30/98	(2.78)	1,020,121
9/30/99	(1.89)	722,161
9/30/00	(2.21)	891,463
9/30/01	4.44	(1,682,484)
9/30/02	9.11	(3,495,525)
9/30/03	11.31	(5,238,993)
9/30/04	4.88	(4,373,725)
9/30/05	3.04	(3,040,117)
9/30/06	1.44	(1,889,229)
9/30/07	(0.01)	12,675
9/30/08	2.33	(4,056,993)
9/30/09	2.16	(3,681,910)
9/30/10	1.25	(2,256,012)
9/30/11	2.12	(3,739,943)
9/30/12	(0.09)	161,237
9/30/13	0.12	(199,486)
9/30/14	(0.22)	408,227

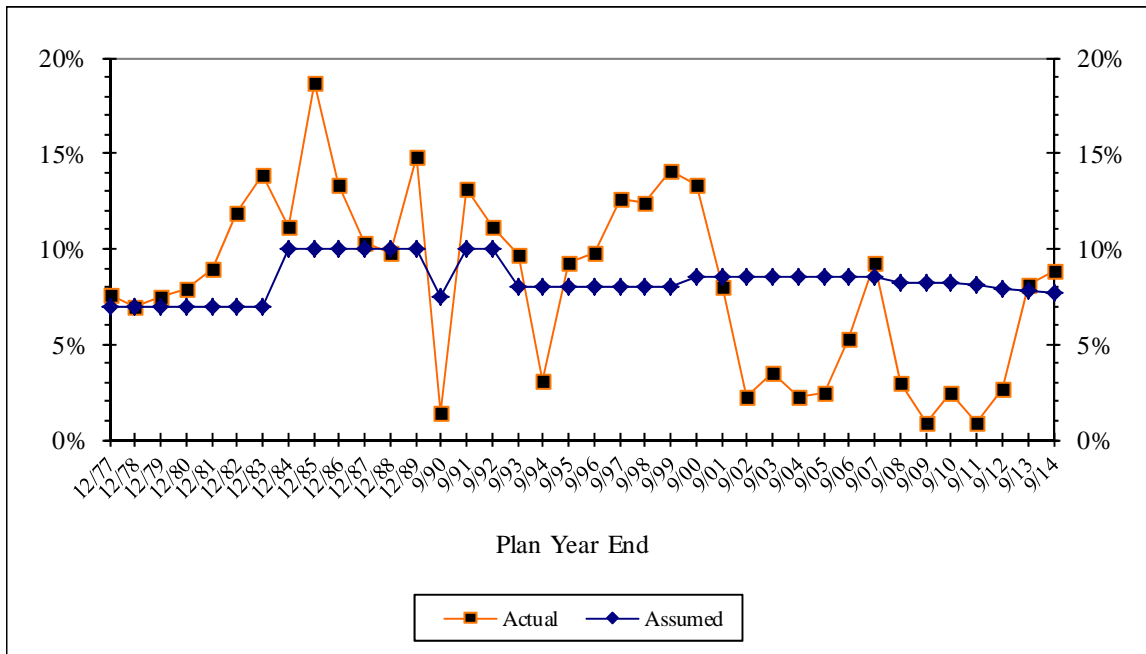


The fund earnings and salary increase assumptions have considerable impact on the cost of the Plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings and salary increase rates compared to the assumed rates for the last few years:

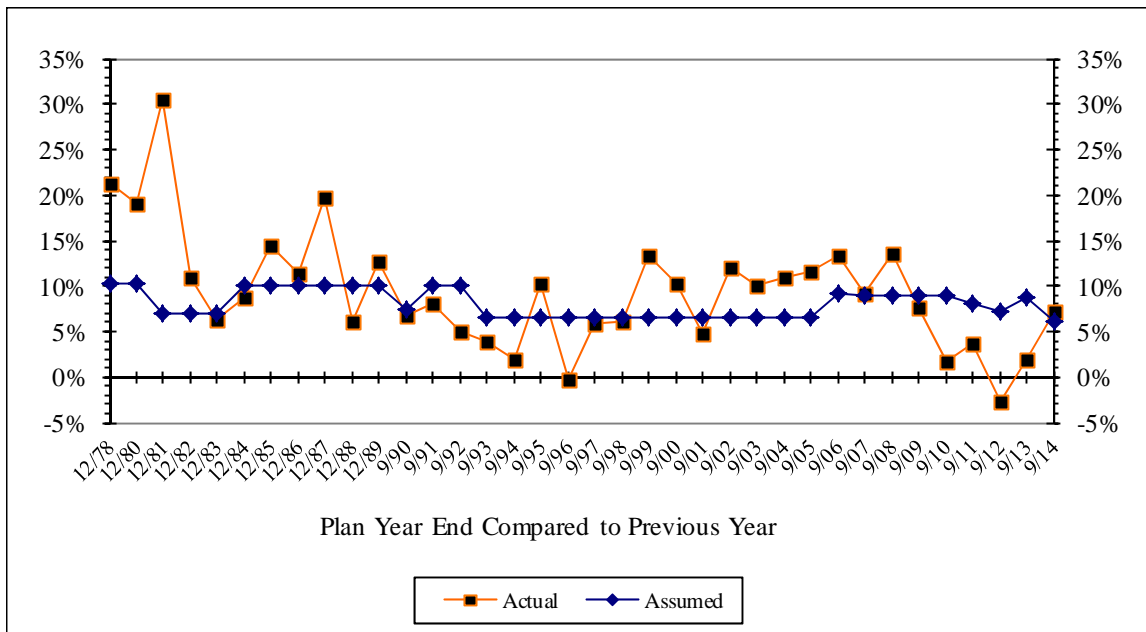
Year Ending	Investment Return		Salary Increases	
	Actual	Assumed	Actual	Assumed
12/31/1977	7.6 %	7.0 %		10.3 %
12/31/1978	7.0	7.0	21.3 %	(2 years)
12/31/1979	7.5	7.0		10.3
12/31/1980	7.9	7.0	19.0	(2 years)
12/31/1981	9.0	7.0	30.5	7.0
12/31/1982	11.9	7.0	11.0	7.0
12/31/1983	13.9	7.0	6.4	7.0
12/31/1984	11.1	10.0	8.8	10.0
12/31/1985	18.7	10.0	14.5	10.0
12/31/1986	13.4	10.0	11.4	10.0
12/31/1987	10.3	10.0	19.7	10.0
12/31/1988	9.8	10.0	6.1	10.0
12/31/1989	14.8	10.0	12.8	10.0
9/30/1990 (9 mos.)	1.4	7.5	6.7	7.5
9/30/1991	13.1	10.0	8.0	10.0
9/30/1992	11.2	10.0	4.9	10.0
9/30/1993	9.7	8.0	4.0	6.5
9/30/1994	3.1	8.0	2.0	6.5
9/30/1995	9.3	8.0	10.3	6.5
9/30/1996	9.8	8.0	(0.2)	6.5
9/30/1997	12.6	8.0	5.9	6.5
9/30/1998	12.4	8.0	6.1	6.5
9/30/1999	14.1	8.0	13.3	6.5
9/30/2000	13.3	8.5	10.3	6.5
9/30/2001	8.0	8.5	4.8	6.5
9/30/2002	2.3	8.5	12.1	6.5
9/30/2003	3.5	8.5	10.0	6.5
9/30/2004	2.2	8.5	11.0	6.5
9/30/2005	2.5	8.5	11.7	6.5
9/30/2006	5.3	8.5	13.3	9.2
9/30/2007	9.3	8.50	9.2	8.9
9/30/2008	3.0	8.25	13.6	8.9
9/30/2009	0.9	8.25	7.6	8.9
9/30/2010	2.5	8.25	1.8	8.9
9/30/2011	0.9	8.10	3.7	8.1
9/30/2012	2.7	7.95	(2.8)	7.1
9/30/2013	8.1	7.80	1.9	8.7
9/30/2014	8.8	7.65	7.2	6.0
Averages	8.2 %	---	8.7 %	---

The actual investment return rates shown above are based on the actuarial value of assets. The actual salary increase rates shown above are the increases received by those active members who were included in the actuarial valuations both at the beginning and the end of each year.

### History of Investment Return Based on Actuarial Value of Assets



### History of Salary Increases



<b>Actual (A) Compared to Expected (E) Decrements Among Active Employees</b>													
<b>Year Ended</b>	<b>Number Added During Year</b>		<b>Service &amp; DROP Retirement</b>		<b>Disability Retirement</b>		<b>Death</b>		<b>Terminations</b>				<b>Active Members End of Year</b>
	<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>	<b>A</b>	<b>E</b>	<b>Vested</b>	<b>Other</b>	<b>Totals</b>		
									<b>A</b>	<b>A</b>	<b>A</b>	<b>E</b>	
9/30/2002	1	10	6	5	0	0	0	0	1	3	4	3	<b>83</b>
9/30/2003	15	1	1	5	0	0	0	0	0	0	0	3	<b>97</b>
9/30/2004	22	14	13	4	0	0	0	0	0	1	1	3	<b>105</b>
9/30/2005	1	4	2	1	0	0	0	0	0	2	2	4	<b>102</b>
9/30/2006	19	3	0	2	0	0	0	0	1	2	3	4	<b>118</b>
9/30/2007	5	4	1	3	0	0	0	0	0	3	3	4	<b>119</b>
9/30/2008	5	1	0	5	1	0	0	0	0	0	0	4	<b>123</b>
9/30/2009	1	6	5	6	0	0	0	0	0	1	1	4	<b>118</b>
9/30/2010	11	4	3	3	0	0	0	0	0	1	1	4	<b>125</b>
9/30/2011	0	11	10	8	0	0	0	0	1	0	1	4	<b>114</b>
9/30/2012	3	2	1	2	0	0	0	0	1	0	1	4	<b>115</b>
9/30/2013	10	7	6	2	0	0	0	0	0	1	1	4	<b>118</b>
9/30/2014	3	2	0	1	0	0	0	0	0	2	2	2	<b>119</b>
9/30/2015				1		0		0				2	
13 Yr Totals *	96	69	48	47	1	0	0	0	4	16	20	47	

\* Totals are through current Plan Year only.

**Cumulative Actuarial Gains (Losses)**

The Plan provides for a 13<sup>th</sup> check if there is a net actuarial gain for the previous year. There was an actuarial gain during the prior plan year. However, there is a limitation on 13<sup>th</sup> checks tied to actuarial gains provided in Chapter 112.61, Florida Statutes. The cumulative amount used to pay for 13<sup>th</sup> checks may not exceed the cumulative amount of actuarial gains. Since the cumulative amount of gains is negative (a net loss), no 13<sup>th</sup> check is payable.

<b>Cumulative Actuarial Gains (Losses)</b>					
<b>Year Ending 9/30</b>	<b>Balance at Beginning of Year</b>	<b>Interest</b>	<b>Gain (Loss) for Year</b>	<b>13th Check</b>	<b>Balance at End of Year</b>
2001	0	0	(1,682,484)	0	(1,682,484)
2002	(1,682,484)	(143,011)	(3,495,525)	0	(5,321,020)
2003	(5,321,020)	(452,287)	(5,238,993)	0	(11,012,300)
2004	(11,012,300)	(936,045)	(4,373,725)	0	(16,322,070)
2005	(16,322,070)	(1,387,376)	(3,040,117)	0	(20,749,563)
2006	(20,749,563)	(1,763,713)	(1,889,229)	0	(24,402,505)
2007	(24,402,505)	(2,074,213)	12,675	0	(26,464,043)
2008	(26,464,043)	(2,183,284)	(4,056,993)	0	(32,704,320)
2009	(32,704,320)	(2,698,106)	(3,681,910)	0	(39,084,336)
2010	(39,084,336)	(3,224,458)	(2,256,012)	0	(44,564,806)
2011	(44,564,806)	(3,609,749)	(3,739,943)	0	(51,914,498)
2012	(51,914,498)	(4,127,203)	161,237	0	(55,880,464)
2013	(55,880,464)	(4,358,676)	(199,486)	0	(60,438,626)
2014	(60,438,626)	(4,623,555)	408,227	0	(64,653,954)



RECENT HISTORY OF VALUATION RESULTS									
Valuation Date	Number of		Covered Annual Payroll	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UFAAL)	Funded Ratio	Employer Normal Cost	
	Active Members	Inactive Members						Amount	% of Payroll
10/1/91	87	14	\$ 4,140,245	\$ 10,146,641	\$ 11,062,660	\$ 916,019	91.7 %	\$ 524,296	12.66 %
10/1/92	85	15	4,161,027	11,900,656	13,491,102	1,590,446	88.2	455,150	10.94
10/1/93	89	15	4,423,684	13,756,391	14,807,586	1,051,195	92.9	437,594	9.89
10/1/94	89	16	4,481,528	14,804,836	16,168,850	1,364,014	91.6	539,543	12.04
10/1/95	89	19	4,839,178	16,884,081	18,482,980	1,598,899	91.3	604,768	12.50
10/1/96	90	22	4,695,354	19,269,217	20,604,396	1,335,179	93.5	527,257	11.23
10/1/97	88	39	4,238,988	22,220,848	23,723,850	1,503,002	93.7	361,957	8.54
10/1/98	90	39	4,543,670	24,978,058	25,301,177	323,119	98.7	258,961	5.70
10/1/99	92	40	5,083,063	28,290,983	28,286,754	(4,229)	100.0	217,814	4.29
10/1/00	90	46	5,305,002	31,629,211	29,402,853	(2,226,358)	107.6	72,822	1.37
10/1/01	92	53	5,201,958	33,397,848	34,916,820	1,518,972	95.6	475,187	9.13
10/1/02	83	60	5,143,446	33,877,028	39,432,154	5,555,126	85.9	956,733	18.60
10/1/03	97	60	6,079,095	34,694,072	42,431,717	7,737,645	81.8	979,363	16.11
10/1/04	105	73	6,135,813	35,118,847	47,240,329	12,121,482	74.3	995,918	16.23
10/1/05	102	75	6,763,318	35,386,328	49,620,257	14,233,929	71.3	1,186,288	17.54
10/1/06	118	75	8,152,400	36,863,141	55,565,182	18,702,041	66.3	1,256,931	15.42
10/1/07	119	76	8,806,744	43,503,237	61,054,498	17,551,261	71.3	1,490,649	16.93
10/1/08	123	77	10,130,185	45,330,615	67,141,898	21,811,283	67.5	1,711,705	16.90
10/1/09	118	82	10,350,054	46,448,767	72,211,379	25,762,612	64.3	1,724,525	16.66
10/1/10	125	84	10,506,008	48,521,964	78,046,241	29,524,277	62.2	1,831,347	17.43
10/1/11	114	93	9,781,772	49,140,415	84,384,761	35,244,346	58.2	1,793,275	18.33
10/1/12	115	94	9,375,520	50,548,749	88,420,130	37,871,381	57.2	1,787,181	19.06
10/1/13	118	100	9,128,801	55,474,480	98,003,969	42,529,489	56.6	1,772,505	19.42
10/1/14	119	99	9,823,480	60,766,720	105,309,014	44,542,294	57.7	2,014,298	20.50

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS										
Valuation	End of Year To Which Valuation Applies	Required Contributions						Actual Contributions		
		Employer & State		Estimated State		Net Employer		Employer	State	Total
		Amount	% of Payroll	Amount	% of Payroll	Amount	% of Payroll			
10/1/91	9/30/92	634,614	15.33	158,161	3.82	476,453	11.51	467,841	166,773	634,614
10/1/92	9/30/93	647,325	15.56	166,773	4.01	480,552	11.55	489,303	158,022	647,325
10/1/93	9/30/94	626,697	14.17	158,022	3.57	468,675	10.59	423,653	203,044	626,697
10/1/94	9/30/95	737,247	16.45	195,089	4.35	542,158	12.10	518,847	218,401	737,248
10/1/95	9/30/96	807,150	16.68	218,401	4.51	588,749	12.17	521,707	285,443	807,150
10/1/96	9/30/97	776,723	16.54	285,443	6.08	491,280	10.46	422,898	353,826	776,724
10/1/97	9/30/98	710,387	16.76	349,086	8.24	361,301	8.52	349,375	361,012	710,387
10/1/98	9/30/99	597,198	13.14	351,241	7.73	245,957	5.41	245,957	361,012	606,969
10/1/99	9/30/00	512,235	10.08	351,241	6.91	160,994	3.17	80,559	365,934	446,493
10/1/00	9/30/01	292,146	5.51	365,934	6.90	0	0.00	0	365,715	365,715
10/1/01	9/30/02	825,167	15.86	384,640	7.39	440,527	8.47	361,877	463,290	825,167
10/1/02	9/30/03	1,359,690	26.44	463,290	9.01	896,400	17.43	922,724	499,520	1,422,244
10/1/03	9/30/04	1,655,219	27.23	499,520	8.22	1,155,699	19.01	1,155,699	549,804	1,705,503
10/1/04	9/30/05	1,988,852	32.41	549,804	8.96	1,439,048	23.45	1,439,048	589,543	2,028,591
10/1/05	9/30/06	2,339,568	34.59	589,543	8.72	1,750,025	25.87	1,750,025	589,543	2,339,568
10/1/06	9/30/07	2,664,373	32.68	589,543	7.23	2,074,830	25.45	2,074,830	589,543	2,664,373
10/1/07	9/30/08	2,845,292	32.31	589,543	6.70	2,255,749	25.61	2,255,749	589,543	2,845,292
10/1/08	9/30/09	3,380,771	33.37	579,772	5.73	2,800,384	27.64	2,800,384	579,772	3,380,156
10/1/09	9/30/10	3,678,119	35.54	589,543	5.60	3,088,576	29.94	3,098,347	633,115	3,731,462
10/1/09	9/30/11	3,606,278	34.04	633,115	5.98	2,973,163	28.06	3,026,506	623,344	3,649,850
10/1/10	9/30/12	3,771,466	35.16	623,344	5.81	3,148,122	29.35	3,148,122	623,344	3,771,466
10/1/11	9/30/13	4,272,215	40.87	704,322	6.74	3,567,893	34.13	3,648,871	704,322	4,353,193
10/1/12	9/30/14	4,226,469	44.58	704,322	7.43	3,522,147	37.15	3,522,147	704,322	4,226,469
10/1/13	9/30/15	4,635,318	48.78	704,322	7.41	3,930,996	41.37	N/A	N/A	N/A
10/1/14	9/30/16	4,856,683	49.44	704,322	7.17	4,152,361	42.27	N/A	N/A	N/A

## ACTUARIAL ASSUMPTIONS AND COST METHOD

**Actuarial Cost Method** - Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an **Individual Entry-Age Actuarial Cost Method** having the following characteristics:

- (i) the annual normal cost for each individual active member, payable from the date of employment to the date of retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement;
- (ii) each annual normal cost is a constant percentage of the member's year by year projected covered pay.

Actuarial gains/(losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

**Financing of Unfunded Actuarial Accrued Liabilities** - Unfunded Actuarial Accrued Liabilities (full funding credit if assets exceed liabilities) were amortized by level (principal & interest combined) percent-of-payroll contributions over a reasonable period of future years.

**Actuarial Value of Assets** - The Actuarial Value of Assets phases in the difference between the actual and expected investment earnings over a period of 5 years. The Actuarial Value of Assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

### Valuation Assumptions

*The actuarial assumptions used* in the valuation are shown in this Section.

### Economic Assumptions

**The investment return rate** assumed in the valuation is 7.50% per year, compounded annually (net after investment expenses). This rate was 7.65% in the previous valuation.

The **Wage Inflation Rate** assumed in this valuation was 3.5% per year. The Wage Inflation Rate is defined to be the portion of total pay increases for an individual that are due to macroeconomic forces including productivity, price inflation, and labor market conditions. The wage inflation rate does not include pay changes related to individual merit and seniority effects.

The assumed **real rate of return** over wage inflation is defined to be the portion of total investment return that is more than the assumed wage inflation rate. Considering other economic assumptions, the 7.50% investment return rate translates to an assumed real rate of return over wage inflation of 4.00%.

The active member population is assumed to remain constant. For purposes of financing the unfunded liabilities, total payroll is assumed to grow at 4% per year. The average increase over the most recent ten years is 4.82%. Florida administrative code requires using the lesser of the two rates for purposes of amortizing unfunded liabilities as a level percent of pay, but not less than zero.

**Pay increase assumptions** for individual active members are shown below. Part of the assumption for each age is for merit and/or seniority increase, and the other 3.5% recognizes wage inflation, including price inflation, productivity increases, and other macroeconomic forces.

*The rates of salary increase* used for individual members are in accordance with the following table. This assumption is used to project a member's current salary to the salaries upon which benefits will be based.

Years of Service	% Increase in Salary		
	Merit and Seniority	Base (Economic)	Total Increase
1	11.0%	3.5%	14.5%
2	8.5%	3.5%	12.0%
3	8.5%	3.5%	12.0%
4	6.0%	3.5%	9.5%
5	1.5%	3.5%	5.0%
6	4.0%	3.5%	7.5%
7	1.5%	3.5%	5.0%
8	1.5%	3.5%	5.0%
9	4.0%	3.5%	7.5%
10-15	0.5%	3.5%	4.0%
16-19	5.0%	3.5%	8.5%
20 & Over	0.0%	3.5%	3.5%

#### Demographic Assumptions

*The mortality table* was the 1983 Group Annuity Mortality.

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.39 %	0.16 %	29.23	34.96
55	0.61	0.25	24.87	30.28
60	0.92	0.42	20.68	25.71
65	1.56	0.71	16.73	21.33
70	2.75	1.24	13.22	17.17
75	4.46	2.40	10.20	13.42
80	7.41	4.30	7.68	10.24

This assumption is used to measure the probabilities of each benefit payment being made after retirement. For active members, the probabilities of dying before retirement were based upon the same mortality table as members dying after retirement. This table does not include any margin for future mortality improvements.

For disabled retirees, the regular mortality tables are set forward 5 years in ages to reflect impaired longevity.

*The rates of retirement* used to measure the probability of eligible members retiring during the next year were as follows:

S e r v i c e	Retirement Rates					
		Age				
		<50	50 - 54	55	56 - 59	60+
	10 - 19	N/A	10.0%	40.0%	40.0%	100.0%
	20	40.0%	80.0%	80.0%	100.0%	100.0%
	21 - 24	40.0%	80.0%	100.0%	100.0%	100.0%
	25+	50.0%	80.0%	100.0%	100.0%	100.0%

The rate of retirement is 10% for each year of eligibility for early retirement.

*Rates of separation from active membership* were as shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members remaining in employment.

Sample Ages	% of Active Members Separating Within Next Year
20	1.5 %
25	1.5
30	1.5
35	1.5
40	2.5
45	1.5
50	1.0
55	0.0

*Rates of disability* among active members (75% of disabilities are assumed to be service-connected).

Sample Ages	% Becoming Disabled within Next Year
20	0.09 %
25	0.10
30	0.12
35	0.15
40	0.20
45	0.34
50	0.67
55	1.03

## Miscellaneous and Technical Assumptions

<b><i>Administrative &amp; Investment Expenses</i></b>	The investment return assumption is intended to be the return net of investment expenses. Annual administrative expenses are assumed to be equal to the average of the prior two years' expenses. Assumed administrative expenses are added to the Normal Cost.
<b><i>Benefit Service</i></b>	Exact fractional service is used to determine the amount of benefit payable.
<b><i>Cost of Living Increases</i></b>	Benefits are increased by 2% per year beginning five years after benefit commencement.
<b><i>Decrement Operation</i></b>	Disability and mortality decrements operate during retirement eligibility.
<b><i>Decrement Timing</i></b>	Decrements of all types are assumed to occur at the beginning of the year.
<b><i>Eligibility Testing</i></b>	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
<b><i>Forfeitures</i></b>	For vested separations from service, it is assumed that 0% of members separating will withdraw their contributions and forfeit an employer financed benefit. It was further assumed that the liability at termination is the greater of the vested deferred benefit (if any) or the member's accumulated contributions.
<b><i>Incidence of Contributions</i></b>	The employer contribution is assumed to be made in one full payment on October 1 <sup>st</sup> of each year (at the beginning of the fiscal year). Member contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.
<b><i>Liability Load</i></b>	Projected retirement benefits are loaded by a unique amount for each member to allow for the inclusion of unused sick and vacation pay in final average earnings. These individual loads are based on the number of hours of unused sick and vacation reported for each member as of September 27, 2013.
<b><i>Marriage Assumption</i></b>	100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.
<b><i>Normal Form of Benefit</i></b>	A ten year certain and life thereafter annuity is the Normal Form of Benefit.
<b><i>Pay Increase Timing</i></b>	Beginning of fiscal year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.
<b><i>Service Credit Accruals</i></b>	It is assumed that members accrue one year of service credit per year.

## GLOSSARY

<b><i>Actuarial Accrued Liability (AAL)</i></b>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
<b><i>Actuarial Assumptions</i></b>	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members; and other items.
<b><i>Actuarial Cost Method</i></b>	A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.
<b><i>Actuarial Equivalent</i></b>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<b><i>Actuarial Present Value (APV)</i></b>	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made.
<b><i>Actuarial Present Value of Future Benefits (APVFB)</i></b>	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits, and inactive, nonretired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
<b><i>Actuarial Valuation</i></b>	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB, such as the Funded Ratio and the Annual Required Contribution (ARC).
<b><i>Actuarial Value of Assets</i></b>	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially required contribution (ARC).

<b><i>Amortization Method</i></b>	A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the rate at which total covered payroll of all active members is assumed to increase.
<b><i>Amortization Payment</i></b>	That portion of the plan contribution or ARC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
<b><i>Amortization Period</i></b>	The period used in calculating the Amortization Payment.
<b><i>Annual Required Contribution (ARC)</i></b>	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under GASB. The ARC consists of the Employer Normal Cost and Amortization Payment.
<b><i>Closed Amortization Period</i></b>	A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.
<b><i>Employer Normal Cost</i></b>	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
<b><i>Equivalent Single Amortization Period</i></b>	For plans that do not establish separate amortization bases (separate components of the UAAL), this is the same as the Amortization Period. For plans that do establish separate amortization bases, this is the period over which the UAAL would be amortized if all amortization bases were combined upon the current UAAL payment.
<b><i>Experience Gain/Loss</i></b>	A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two actuarial valuations. To the extent that actual experience differs from that assumed, Unfunded Actuarial Accrued Liabilities emerge which may be larger or smaller than projected. Gains are due to favorable experience, e.g., the assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.



<b><i>Funded Ratio</i></b>	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
<b><i>GASB</i></b>	Governmental Accounting Standards Board.
<b><i>GASB No. 27 and GASB No. 67</i></b>	These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 27 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
<b><i>Normal Cost</i></b>	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
<b><i>Open Amortization Period</i></b>	An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. In other words, if the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never completely disappear, but will become smaller each year, either as a dollar amount or in relation to covered payroll.
<b><i>Unfunded Actuarial Accrued Liability</i></b>	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
<b><i>Valuation Date</i></b>	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

**SECTION C**  
**PENSION FUND INFORMATION**

## SUMMARY OF ASSETS

Item	September 30	
	2014	2013
A. Cash and Cash Equivalents (Operating Cash)	\$ 37,728	\$ 76,188
B. Receivables:		
1. Member Contributions	\$ -	\$ -
2. Employer Contributions	29,486	29,486
3. State Contributions	-	-
4. Investment Income and Other Receivables	426,840	529,123
5. Prepaid Expenses	4,891	4,770
6. Total Receivables	\$ 461,217	\$ 563,379
C. Investments		
1. Short Term Investments	\$ 1,117,490	\$ 883,526
2. Domestic Equities	40,676,697	34,703,133
3. International Equities	10,796,441	10,843,168
4. Domestic Fixed Income	14,633,139	12,675,332
5. International Fixed Income	3,814,078	3,586,194
6. Real Estate	6,992,603	6,256,541
7. Private Equity	-	-
8. Total Investments	\$ 78,030,448	\$ 68,947,894
D. Liabilities		
1. Benefits Payable	\$ -	\$ -
2. Accrued Expenses and Other Payables	(250,302)	(205,141)
3. Total Liabilities	\$ (250,302)	\$ (205,141)
E. Total Market Value of Assets Available for Benefits	\$ 78,279,091	\$ 69,382,320
F. Reserves		
1. State Contribution Reserve	\$ (2,723,916)	\$ (2,517,628)
2. DROP Accounts	(10,406,243)	(8,260,257)
3. Total Reserves	\$ (13,130,159)	\$ (10,777,885)
G. Market Value Net of Reserves	\$ 65,148,932	\$ 58,604,435
F. Allocation of Investments		
1. Short Term Investments	1.43%	1.28%
2. Domestic Equities	52.13%	50.33%
3. International Equities	13.84%	15.73%
4. Domestic Fixed Income	18.75%	18.38%
5. International Fixed Income	4.89%	5.20%
6. Real Estate	8.96%	9.08%
7. Private Equity	0.00%	0.00%
8. Total Investments	100.00%	100.00%

## PENSION FUND INCOME & DISBURSEMENTS

<u>Item</u>	<u>September 30</u>	
	<u>2014</u>	<u>2013</u>
A. Market Value of Assets at Beginning of Year	\$ 69,382,320	\$ 59,915,233
B. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions	\$ 1,191,111	\$ 1,118,336
b. Employer Contributions	3,522,147	3,648,871
c. State Contributions	1,016,561	897,536
d. Service Purchase	100,662	50,056
e. Rollover to DROP	343,843	112,892
f. Total	<u>\$ 6,174,324</u>	<u>\$ 5,827,691</u>
2. Investment Income		
a. Interest, Dividends, and Other Income	\$ 2,043,910	\$ 1,524,894
b. Net Realized Gains/(Losses)	1,768,311	2,787,785
c. Net Unrealized Gains/(Losses)	3,650,979	4,225,407
d. Investment Expenses	(275,620)	(280,622)
e. Net Investment Income	<u>\$ 7,187,580</u>	<u>\$ 8,257,464</u>
3. Benefits and Refunds		
a. Refunds	\$ (50,673)	\$ (47,760)
b. Regular Monthly Benefits	(4,067,370)	(4,053,777)
c. DROP Distributions	(224,700)	(417,950)
d. Total	<u>\$ (4,342,743)</u>	<u>\$ (4,519,487)</u>
4. Administrative and Miscellaneous Expenses	\$ (122,390)	\$ (98,581)
5. Transfers	\$ -	\$ -
C. Market Value of Assets at End of Year	\$ 78,279,091	\$ 69,382,320
D. Reserves		
1. State Contribution Reserve	\$ (2,723,916)	\$ (2,517,628)
2. DROP Accounts	<u>\$ (10,406,243)</u>	<u>\$ (8,260,257)</u>
3. Total Reserves	\$ (13,130,159)	\$ (10,777,885)
E. Market Value Net of Reserves	\$ 65,148,932	\$ 58,604,435

## ACTUARIAL VALUE OF ASSETS

Valuation Date - September 30	2013	2014	2015	2016	2017	2018
A. Actuarial Value of Assets Beginning of Year	\$ 60,109,236	\$ 66,252,365	\$ -	\$ -	\$ -	\$ -
B. Market Value End of Year	69,382,320	78,279,091	-	-	-	-
C. Market Value Beginning of Year	59,915,233	69,382,320	-	-	-	-
D. Non-Investment/Administrative Net Cash Flow	1,209,623	1,709,191	-	-	-	-
E. Investment Income						
E1. Actual Market Total: B-C-D	8,257,464	7,187,580	-	-	-	-
E2. Assumed Rate of Return	7.80%	7.65%	7.50%	7.50%	7.50%	7.50%
E3. Assumed Amount of Return	4,735,696	5,133,682	-	-	-	-
E4. Amount Subject to Phase-In: E1-E3	3,521,768	2,053,898	-	-	-	-
F. Phase-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	704,354	410,780	-	-	-	-
F2. First Prior Year	814,394	704,354	410,780	-	-	-
F3. Second Prior Year	(1,002,756)	814,394	704,354	410,780	-	-
F4. Third Prior Year	(125,131)	(1,002,756)	814,394	704,354	410,780	-
F5. Fourth Prior Year	(862,790)	(125,131)	(1,002,756)	814,394	704,354	410,778
F6. ASOP No. 44 Compliance Adjustment*	669,739	-	-	-	-	-
F7. Total Phase-Ins	197,810	801,641	926,772	1,929,528	1,115,134	410,778
<b>G. Actuarial Value of Assets End of Year</b>						
G1. Preliminary Actuarial Value of Assets End of Year:	\$ 66,252,365	\$ 73,896,879	\$ -	\$ -	\$ -	\$ -
G2. Upper Corridor Limit: 120% *B	83,258,784	93,934,909	-	-	-	-
G2. Lower Corridor Limit: 80% *B	55,505,856	62,623,273	-	-	-	-
G4. Funding Value End of Year	66,252,365	73,896,879	-	-	-	-
G5. Less: State Contribution Reserve	(2,517,628)	(2,723,916)	-	-	-	-
G6. Less: DROP Account Balance	(8,260,257)	(10,406,243)	-	-	-	-
G7. Final Funding Value End of Year	55,474,480	60,766,720	-	-	-	-
G8. Final Market Value End of Year	58,604,435	65,148,932	-	-	-	-
H. Difference between Market & Actuarial Value of Assets	3,129,955	4,382,212	-	-	-	-
<b>I. Actuarial Rate of Return</b>	8.13%	8.84%	0.00%	0.00%	0.00%	0.00%
<b>J. Market Value Rate of Return</b>	13.64%	10.23%	0.00%	0.00%	0.00%	0.00%
<b>K. Ratio of Actuarial Value of Assets to Market Value</b>	95.49%	94.40%	0.00%	0.00%	0.00%	0.00%

\*Per ASOP #44, a total adjustment of \$2,291,974 was required on a prospective basis beginning October 1, 2010. The final remaining amount recognized in fiscal year 2013 was \$669,739.

<b>RECONCILIATION OF DROP ACCOUNTS</b>	
Value at beginning of year	\$ 8,260,257
Payments credited to accounts	+ 1,946,289
Investment Earnings credited	+ 660,371
Withdrawals from accounts	- <u>460,674</u>
Value at end of year	10,406,243

## INVESTMENT RATE OF RETURN

Year Ended	Investment Rate of Return	
	Market Value	Actuarial Value
12/31/1982	NA %	11.9 %
12/31/1983	15.2	13.9
12/31/1984	11.7	11.1
12/31/1985	23.1	18.7
12/31/1986	11.8	13.4
12/31/1987	5.3	10.3
12/31/1988	10.9	9.8
12/31/1989	15.9	14.8
9/30/1990 (9 mos.)	(1.6)	1.4
9/30/1991	19.6	13.1
9/30/1992	12.7	11.2
9/30/1993	13.1	9.7
9/30/1994	0.2	3.1
9/30/1995	18.8	9.3
9/30/1996	13.1	9.8
9/30/1997	24.5	12.6
9/30/1998	11.4	12.4
9/30/1999	11.8	14.1
9/30/2000	9.4	13.3
9/30/2001	(7.7)	8.0
9/30/2002	(5.6)	2.3
9/30/2003	15.3	3.5
9/30/2004	6.4	2.2
9/30/2005	7.9	2.5
9/30/2006	5.2	5.3
9/30/2007	12.3	9.3
9/30/2008	(17.1)	3.0
9/30/2009	(0.2)	0.9
9/30/2010	8.5	2.5
9/30/2011	(0.9)	0.9
9/30/2012	17.1	2.7
9/30/2013	13.6	8.1
9/30/2014	10.2	8.8
<b>Average Returns:</b>		
<b>Last Five Years</b>	9.5 %	4.6 %
<b>Last Ten Years</b>	5.2 %	4.4 %
<b>All Years</b>	8.7 %	8.2 %

**SECTION D**  
**FINANCIAL ACCOUNTING INFORMATION**



<b>FASB NO. 35 INFORMATION</b>		
A. Valuation Date	October 1, 2014	October 1, 2013
<b>B. Actuarial Present Value of Accumulated Plan Benefits</b>		
1. Vested Benefits		
a. Members Currently Receiving Payments	\$ 63,723,955	\$ 63,329,132
b. Terminated Vested Members	371,166	336,459
c. Other Members	27,809,934	21,537,438
d. Total	<u>91,905,055</u>	<u>85,203,029</u>
2. Non-Vested Benefits	1,939,475	3,108,122
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	93,844,530	88,311,151
4. Accumulated Contributions of Active Members	8,732,736	7,626,681
<b>C. Changes in the Actuarial Present Value of Accumulated Plan Benefits</b>		
1. Total Value at Beginning of Year	88,311,151	81,842,921
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendment	0	548,633
b. Change in Actuarial Assumptions	1,590,880	635,143
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	10,006,831	10,438,785
d. Benefits Paid net of DROP activity	<u>(6,064,332)</u>	<u>(5,154,331)</u>
e. Net Increase	5,533,379	6,468,230
3. Total Value at End of Period	93,844,530	88,311,151
D. Market Value of Assets	65,148,932	58,604,435
E. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods		

**SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER  
AND THE STATE OF FLORIDA  
(GASB Statement No. 27)**

<b>Year Ended September 30</b>	<b>Annual Required Contribution</b>	<b>Actual Contribution</b>	<b>Percentage Contributed</b>
1991	\$ 671,784	\$ 676,466	100.7 %
1992	634,614	634,614	100.0
1993	647,325	647,325	100.0
1994	626,697	626,697	100.0
1995	737,247	737,248	100.0
1996	807,150	807,150	100.0
1997	776,723	776,724	100.0
1998	710,387	710,387	100.0
1999	597,198	597,198	100.0
2000	512,235	446,493	87.2
2001	292,146	365,715	125.2
2002	825,167	825,167	100.0
2003	1,359,690	1,422,244	104.6
2004	1,655,219	1,705,503	103.0
2005	1,988,852	2,028,591	102.0
2006	2,339,568	2,339,568	100.0
2007	2,664,373	2,664,373	100.0
2008	2,845,292	2,845,292	100.0
2009	3,380,156	3,380,156	100.0
2010	3,678,119	3,688,496	100.3
2011	3,606,278	3,649,850	101.2
2012	3,771,466	3,771,466	100.0
2013	4,272,215	4,353,193	101.9
2014	4,226,469	4,226,469	100.0

**ANNUAL PENSION COST AND NET PENSION OBLIGATION  
(GASB STATEMENT NO. 27)**

Employer FYE September 30	2014	2013	2012
Annual Required Contribution (ARC)	\$ 4,226,469	\$ 4,272,215	\$ 3,771,466
Interest on Net Pension Obligation (NPO)	(19,539)	(14,171)	(14,935)
Adjustment to ARC	(28,447)	(21,422)	(21,118)
Annual Pension Cost (APC)	4,235,377	4,279,466	3,777,649
Contributions made	4,226,469	4,353,193	3,771,466
Increase (decrease) in NPO	8,908	(73,727)	6,183
NPO at beginning of year	(255,411)	(181,684)	(187,867)
NPO at end of year	(246,503)	(255,411)	(181,684)

**THREE YEAR TREND INFORMATION**

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
9/30/2012	\$ 3,777,649	3,771,466	99.8	(181,684)
9/30/2013	4,279,466	4,353,193	101.7	(255,411)
9/30/2014	4,235,377	4,226,469	99.8	(246,503)

**REQUIRED SUPPLEMENTARY INFORMATION**  
**GASB Statement No. 27**

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation:

Valuation date:	October 1, 2014
Contribution Rates:	
Employer (and State)	49.44%
Plan members	12.00%
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent, Closed
Remaining Amortization Period	30 years
Asset Valuation Method	5-yr smoothed market
Actuarial Assumptions:	
Investment rate of return	7.50%
Projected salary increases	See Table in Actuarial Assumptions Section
Includes inflation and other general increases at	3.5%
Cost of Living adjustments	2.0% starting 5 years after retirement.

**SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
GASB Statement No. 67**

Fiscal year ending September 30,	<b>2015*</b>	<b>2014</b>
<b>Total pension liability</b>		
Service Cost	\$ 3,082,630	\$ 2,772,724
Interest	8,525,733	8,188,369
Benefit Changes	-	-
Difference between actual & expected experience	707,084	(28,363)
Assumption Changes	1,885,009	-
Benefit Payments	(5,386,887)	(4,292,070)
Refunds	(33,508)	(50,673)
Other (Increase in Excess State Reserve)	312,239	312,239
Other (Rollovers into DROP)	-	343,843
<b>Net Change in Total Pension Liability</b>	<b>9,092,300</b>	<b>7,246,069</b>
<b>Total Pension Liability - Beginning</b>	<b>116,027,923</b>	<b>108,781,854</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 125,120,223</b>	<b>\$ 116,027,923</b>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 3,930,996	\$ 3,522,147
Contributions - Non-Employer Contributing Entity (State)	1,016,561	1,016,561
Contributions - Members	1,178,818	1,291,773
Net Investment Income	6,012,084	7,187,580
Benefit Payments	(5,386,887)	(4,292,070)
Refunds	(33,508)	(50,673)
Administrative Expense	(110,486)	(122,390)
Other (Rollovers into DROP)	-	343,843
<b>Net Change in Plan Fiduciary Net Position</b>	<b>6,607,578</b>	<b>8,896,771</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>78,279,091</b>	<b>69,382,320</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 84,886,669</b>	<b>\$ 78,279,091</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>40,233,554</b>	<b>37,748,832</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>67.84 %</b>	<b>67.47 %</b>
<b>Covered Employee Payroll</b>	<b>\$ 9,823,480</b>	<b>\$ 9,925,925</b>
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	<b>409.57 %</b>	<b>380.31 %</b>

\* These figures are estimates only. Actual figures will be provided after the end of the fiscal year.

**SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY**  
**GASB Statement No. 67**

FY Ending September 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2014	\$ 116,027,923	\$ 78,279,091	\$ 37,748,832	67.47%	\$ 9,925,925	380.31%
2015*	125,120,223	84,886,669	40,233,554	67.84%	9,823,480	409.57%

**\* These figures are estimates only. Actual figures will be provided after the end of the fiscal year.**

**SCHEDULE OF CONTRIBUTIONS**  
**GASB Statement No. 67**

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	\$ 4,226,469	\$ 4,226,469	\$ -	\$ 9,925,925	42.58%
2015*	4,635,318	4,635,318	-	9,823,480	47.19%

**\* These figures are estimates only. Actual figures will be provided after the end of the fiscal year.**

**NOTES TO SCHEDULE OF CONTRIBUTIONS**  
**GASB Statement No. 67**

**Valuation Date:** October 1, 2014  
**Notes** Actuarially determined contribution rates are calculated as of October 1, which is two year(s) prior to the end of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 years
Asset Valuation Method	5-year smoothed market
Inflation	3.5%
Salary Increases	Varies by years of service from 3.5% to 14.5% (see Table in Actuarial Assumptions Section)
Investment Rate of Return	7.50%
Retirement Age	Rates vary by age and years of service (see Table in Actuarial Assumptions Section)
Mortality	1983 Group Annuity Mortality Table for males and females

**Other Information:**

**Notes** See Discussion of Valuation Results on Page 1



**SINGLE DISCOUNT RATE**  
**GASB Statement No. 67**

A single discount rate of 7.50% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.50%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension 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 (7.50%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

**Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption**

	<b>Current Single Discount</b>	
<b>1% Decrease</b>	<b>Rate Assumption</b>	<b>1% Increase</b>
<b>6.50%</b>	<b>7.50%</b>	<b>8.50%</b>
\$ 53,722,691	\$ 40,233,554	\$ 29,010,275

**\* These figures are estimates only. Actual figures will be provided after the end of the fiscal year.**

**SECTION E**  
**MISCELLANEOUS INFORMATION**

<b>RECONCILIATION OF MEMBERSHIP DATA</b>		
	<b>From 10/1/13 To 10/1/14</b>	<b>From 10/1/12 To 10/1/13</b>
<b>A. Active Members</b>		
1. Number Included in Last Valuation	118	115
2. New Members Included in Current Valuation	3	10
3. Non-Vested Employment Terminations	(2)	(1)
4. Vested Employment Terminations	0	0
5. DROP Participation	0	(5)
6. Service Retirements	0	(1)
7. Disability Retirements	0	0
8. Deaths	0	0
9. Number Included in This Valuation	<u>119</u>	<u>118</u>
<b>B. Terminated Vested Members</b>		
1. Number Included in Last Valuation	1	2
2. Additions from Active Members	0	0
3. Lump Sum Payments/Refund of Contributions	0	0
4. Payments Commenced	0	(1)
5. Deaths	0	0
6. Other	0	0
7. Number Included in This Valuation	<u>1</u>	<u>1</u>
<b>C. DROP Plan Members</b>		
1. Number Included in Last Valuation	15	11
2. Additions from Active Members	0	5
3. Retirements	0	(1)
4. Deaths Resulting in No Further Payments	0	0
5. Other (Death Resulting in Survivor Benefits)	(1)	0
6. Number Included in This Valuation	<u>14</u>	<u>15</u>
<b>D. Service Retirees, Disability Retirees and Beneficiaries</b>		
1. Number Included in Last Valuation	84	81
2. Additions from Active Members	0	1
3. Additions from Terminated Vested Members	0	1
4. Additions from DROP Plan	1	1
5. Deaths Resulting in No Further Payments	(1)	0
6. Deaths Resulting in New Survivor Benefits	0	0
7. End of Certain Period - No Further Payments	0	0
8. Other -- Lump Sum Distributions	0	0
9. Number Included in This Valuation	<u>84</u>	<u>84</u>

### ACTIVE PARTICIPANT DISTRIBUTION

Age Group	Years of Service to Valuation Date										Totals	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25+		
15-19 NO.	0	0	0	0	0	0	0	0	0	0	0	0
TOT PAY	0	0	0	0	0	0	0	0	0	0	0	0
AVG PAY	0	0	0	0	0	0	0	0	0	0	0	0
20-24 NO.	0	2	0	0	0	0	0	0	0	0	0	2
TOT PAY	0	99,434	0	0	0	0	0	0	0	0	0	99,434
AVG PAY	0	49,717	0	0	0	0	0	0	0	0	0	49,717
25-29 NO.	0	3	3	0	1	1	0	0	0	0	0	8
TOT PAY	0	144,296	169,068	0	62,988	78,658	0	0	0	0	0	455,010
AVG PAY	0	48,099	56,356	0	62,988	78,658	0	0	0	0	0	56,876
30-34 NO.	2	4	0	0	4	14	6	0	0	0	0	30
TOT PAY	78,438	190,116	0	0	266,145	997,889	510,211	0	0	0	0	2,042,799
AVG PAY	39,219	47,529	0	0	66,536	71,278	85,035	0	0	0	0	68,093
35-39 NO.	1	0	0	0	4	8	16	0	0	0	0	29
TOT PAY	39,219	0	0	0	243,004	582,681	1,398,283	0	0	0	0	2,263,187
AVG PAY	39,219	0	0	0	60,751	72,835	87,393	0	0	0	0	78,041
40-44 NO.	0	0	0	0	1	1	15	15	0	0	0	32
TOT PAY	0	0	0	0	63,940	72,320	1,312,833	1,492,270	0	0	0	2,941,363
AVG PAY	0	0	0	0	63,940	72,320	87,522	99,485	0	0	0	91,918
45-49 NO.	0	0	0	0	0	2	5	5	0	0	0	12
TOT PAY	0	0	0	0	0	137,543	446,175	499,123	0	0	0	1,082,841
AVG PAY	0	0	0	0	0	68,772	89,235	99,825	0	0	0	90,237
50-54 NO.	0	0	0	0	0	0	0	5	0	0	0	5
TOT PAY	0	0	0	0	0	0	0	508,158	0	0	0	508,158
AVG PAY	0	0	0	0	0	0	0	101,632	0	0	0	101,632
55-59 NO.	0	0	0	0	0	0	0	0	0	0	0	0
TOT PAY	0	0	0	0	0	0	0	0	0	0	0	0
AVG PAY	0	0	0	0	0	0	0	0	0	0	0	0
60-64 NO.	0	0	0	0	0	0	1	0	0	0	0	1
TOT PAY	0	0	0	0	0	0	132,545	0	0	0	0	132,545
AVG PAY	0	0	0	0	0	0	132,545	0	0	0	0	132,545
TOT NO.	3	9	3	0	10	26	43	25	0	0	0	119
TOT AMT	117,657	433,846	169,068	0	636,077	1,869,091	3,800,047	2,499,551	0	0	0	9,525,337
AVG AMT	39,219	48,205	56,356	0	63,608	71,888	88,373	99,982	0	0	0	80,045

**INACTIVE PARTICIPANT DISTRIBUTION**

Age	<u>Terminated Vested</u>		<u>Disabled</u>		<u>Retired</u>		<u>Deceased with Beneficiary</u>	
	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-
40-44	-	-	-	-	1	90,426	-	-
45-49	1	35,771	1	40,963	9	769,715	-	-
50-54	-	-	-	-	17	1,197,488	2	87,659
55-59	-	-	-	-	21	952,526	-	-
60-64	-	-	-	-	24	1,364,586	-	-
65-69	-	-	-	-	8	358,317	1	38,736
70-74	-	-	-	-	5	241,865	3	67,809
75-79	-	-	-	-	2	44,018	1	14,517
80-84	-	-	-	-	1	53,573	-	-
85-89	-	-	-	-	1	17,708	1	16,142
90-94	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1</b>	<b>35,771</b>	<b>1</b>	<b>40,963</b>	<b>89</b>	<b>5,090,222</b>	<b>8</b>	<b>224,863</b>
Average Age		46		49		59		69
Liability		371,166		686,532		60,778,990		2,258,433

**SECTION F**  
**SUMMARY OF PLAN PROVISIONS**

## SUMMARY OF PLAN PROVISIONS

### A. Ordinances

Plan established under the Code of Ordinances for the City of Boynton Beach, Florida, Chapter 18, Article IV, and was most recently amended under Ordinance No. 10-016 passed and adopted on its second reading on August 3, 2010. The Plan is also governed by certain provisions of Chapter 175, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

### B. Effective Date

Date was not provided.

### C. Plan Year

October 1 through September 30

### D. Type of Plan

Qualified, governmental defined benefit retirement plan; for GASB purposes it is a single employer plan.

### E. Eligibility Requirements

All full-time firefighters are eligible to participate.

### F. Credited Service

Service is measured as the total length of employment for which the firefighter received Compensation from the City and made Member Contributions to the plan. No service is credited for any periods of employment for which the member received a refund of their contributions.

### G. Compensation

Cash compensation exclusive of bonuses and incentive pay, but including overtime earnings not to exceed 300 hours and lump sum payment of accumulated unused sick and vacation hours, but not to exceed the number of accumulated sick and vacation hours as of September 27, 2013.

### H. Final Average Compensation (FAC)

The average of Compensation over the highest 3 years during the last 10 years of Credited Service.

### I. Normal Retirement

Eligibility: A member may retire on the first day of the month coincident with or next following the earlier of:

- (1) age 55 and 10 years of Credited Service, or
- (2) 20 years of Credited Service regardless of age.

Benefit: 3.00% of FAC multiplied by years of Credited Service.

Normal Form  
of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: Each retiree, beneficiary and disability retiree who retires or enters the DROP on or after December 1, 2006 will receive a 2.0% increase in benefits on October 1<sup>st</sup> of each year beginning 5 years after retirement.

#### **J. Early Retirement**

Eligibility: A member may elect to retire earlier than the Normal Retirement Eligibility upon attainment of age 50 and 10 years of Credited Service.

Benefit: The Normal Retirement Benefit is reduced by 3.0% for each year by which the Early Retirement date precedes the Normal Retirement date.

Normal Form  
of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: Each retiree, beneficiary and disability retiree who retires or enters the DROP on or after December 1, 2006 will receive a 2.0% increase in benefits on October 1<sup>st</sup> of each year beginning 5 years after retirement.

#### **K. Delayed Retirement**

Same as Normal Retirement taking into account compensation earned and service credited until the date of actual retirement.

#### **L. Service Connected Disability**

Eligibility: Any member who becomes totally and permanently disabled as a result of an act occurring in the performance of service for the City is immediately eligible for a disability benefit.

Benefit: 66 2/3% of Compensation in effect on the date of disability, reduced by amounts payable under Social Security PIA with a minimum benefit equal to 42% of FAC.

Normal Form  
of Benefit: Payable until death or recovery from disability; other options are also available.

COLA: Each disability retiree who retires on or after December 1, 2006 will receive a 2.0% increase in benefits on October 1<sup>st</sup> of each year beginning 5 years after retirement.

#### **M. Non-Service Connected Disability**

Eligibility: Any member with 10 years of Credited Service who becomes totally and permanently disabled is immediately eligible for a disability benefit.

Benefit: 2.5% of FAC multiplied by years of Credited Service with a minimum benefit equal to 25% of FAC.



Normal Form  
of Benefit: Payable until death or recovery from disability; other options are also available.

COLA: Each disability retiree who retires on or after December 1, 2006 will receive a 2.0% increase in benefits on October 1<sup>st</sup> of each year beginning 5 years after retirement.

#### **N. Death in the Line of Duty**

Eligibility: Members are eligible for survivor benefits after the completion of 10 or more years of Credited Service.

Benefit: Spouse will receive 2.5% of the member's FAC multiplied by years of Credited Service.

Normal Form  
of Benefit: Paid until death or remarriage of spouse.

COLA: Each surviving spouse whose benefits began on or after December 1, 2006 will receive a 2.0% increase in benefits on October 1<sup>st</sup> of each year beginning 5 years after benefits began.

The beneficiary of a plan member with less than 10 years of Credited Service at the time of death will receive a refund of the member's accumulated contributions.

#### **O. Other Pre-Retirement Death**

Eligibility: Members are eligible for survivor benefits after the completion of 10 or more years of Credited Service.

Benefit: Spouse will receive 2.5% of the member's FAC multiplied by years of Credited Service.

Normal Form  
of Benefit: Paid until death or remarriage of spouse.

COLA: Each surviving spouse whose benefits began on or after December 1, 2006 will receive a 2.0% increase in benefits on October 1<sup>st</sup> of each year beginning 5 years after benefits began.

The beneficiary of a plan member with less than 10 years of Credited Service at the time of death will receive a refund of the member's accumulated contributions.

#### **P. Post Retirement Death**

Benefit determined by the form of benefit elected upon retirement.

#### **Q. Optional Forms**

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are a Single Life Annuity or the 50%, 66 2/3%, 75% and 100% Joint and Survivor options. A Social Security option is also available for members retiring prior to the time they are eligible for Social Security retirement benefits.

**R. Vested Termination**

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 10 years of Credited Service.

Benefit: The benefit is the member's accrued Normal Retirement Benefit as of the date of termination. Benefit begins on the date that would have been the member's Normal Retirement date had they continued employment. Alternatively, members can elect a reduced Early Retirement benefit any time after age 50.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: Each member who retires on or after December 1, 2006 will receive a 2.0% increase in benefits on October 1<sup>st</sup> of each year beginning 5 years after retirement.

Members terminating employment with less than 10 years of Credited Service will receive a refund of their own accumulated contributions.

**S. Refunds**

Eligibility: All members terminating employment with less than 10 years of Credited Service are eligible. Optionally, vested members (those with 10 or more years of Credited Service) may elect a refund in lieu of the vested benefits otherwise due.

Benefit: Refund of the member's contributions.

**T. Member Contributions**

12% of compensation

**U. Employer Contributions**

Chapter 175 Premium Tax Refunds and any additional amount determined by the actuary needed to fund the plan properly according to State laws.

**V. Cost of Living Increases**

Each retiree, beneficiary and disability retiree who retires or enters the DROP on or after December 1, 2006 will receive a 2.0% increase in benefits on October 1<sup>st</sup> of each year beginning 5 years after retirement.

**W. Changes from Previous Valuation**

There have been no changes since the prior valuation.

**X. 13<sup>th</sup> Check**

In years in which a cumulative net actuarial gain has been determined, there shall be payable an ad-hoc thirteenth check paid in December.

## Y. Deferred Retirement Option Plan

**Eligibility:** Plan members who have less than 30 years of Credited Service but have met one of the following criteria are eligible for the DROP:

- (1) age 55 with 10 years of Credited Service, or
- (2) 20 years of Credited Service regardless of age.

Members who meet eligibility must submit a written election to participate in the DROP.

**Benefit:** The member's Credited Service and FAC are frozen upon entry into the DROP. The monthly retirement benefit as described under Normal Retirement is calculated based upon the frozen Credited Service and FAC.

**Maximum**

**DROP Period:** The earlier of 5 years of participation in the DROP or 30 years of employment.

**Interest**

**Credited:** The member's DROP account is credited at an interest rate based upon the option chosen by the member. Members must elect from 1 of the 3 following options:

1. Gain or loss at the same rate earned by the Plan, or
2. Guaranteed rate of 7%, or
3. The rate earned by a self-directed account utilizing mutual funds selected by the Board.

**Normal Form**

**of Benefit:** Options include a lump sum or equal periodic payments.

**COLA:** Each member who enters the DROP on or after December 1, 2006 will receive a 2.0% increase in benefits on October 1<sup>st</sup> of each year beginning 5 years after retirement.

## Z. Other Ancillary Benefits

There are no ancillary retirement type benefits not required by statutes but which might be deemed a City of Boynton Beach Municipal Firefighters' Pension Trust Fund liability if continued beyond the availability of funding by the current funding source.