

CITY OF BOYNTON BEACH MUNICIPAL POLICE OFFICERS' RETIREMENT FUND
ACTUARIAL VALUATION REPORT AS OF OCTOBER 1, 2015

ANNUAL EMPLOYER CONTRIBUTION IS DETERMINED BY THIS VALUATION FOR THE
PLAN YEAR ENDING SEPTEMBER 30, 2017



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February 8, 2016

Board of Trustees
City of Boynton Beach Municipal
Police Officers' Retirement Fund
Boynton Beach, Florida

Dear Board Members:

The results of the October 1, 2015 Annual Actuarial Valuation of the City of Boynton Beach Municipal Police Officers' Retirement 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. GRS is not responsible for unauthorized use of this report.

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, 2017, and to determine the actuarial information for Governmental Accounting Standards Board (GASB) Statement No. 67. This report also includes estimated GASB Statement No. 67 information for the fiscal year ending September 30, 2016. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

The findings in this report are based on data or other information through September 30, 2015. 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 scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The valuation was based upon information furnished by the Plan Administrator concerning Retirement Plan 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.

In addition, this report was prepared using assumptions approved by the Board as described in the section of this report entitled Actuarial Assumptions and Methods.

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 Plan 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.

Peter N. Strong and Jeffrey Amrose are members of the American Academy of Actuaries. These actuaries meet the Academy's Qualification Standards to render the actuarial opinions contained herein.

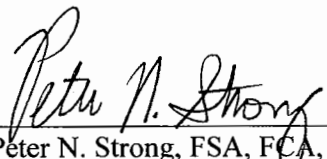
The signing actuaries are independent of the plan sponsor.

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 our knowledge, the results are complete and accurate. In our 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.

Gabriel, Roeder, Smith & Company will be pleased to review this valuation report with the Board of Trustees and to answer any questions pertaining to the valuation.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By 
Peter N. Strong, FSA, FCA, MAAA
Enrolled Actuary No. 14-06975

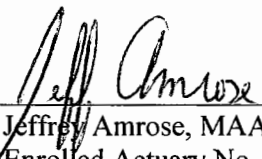
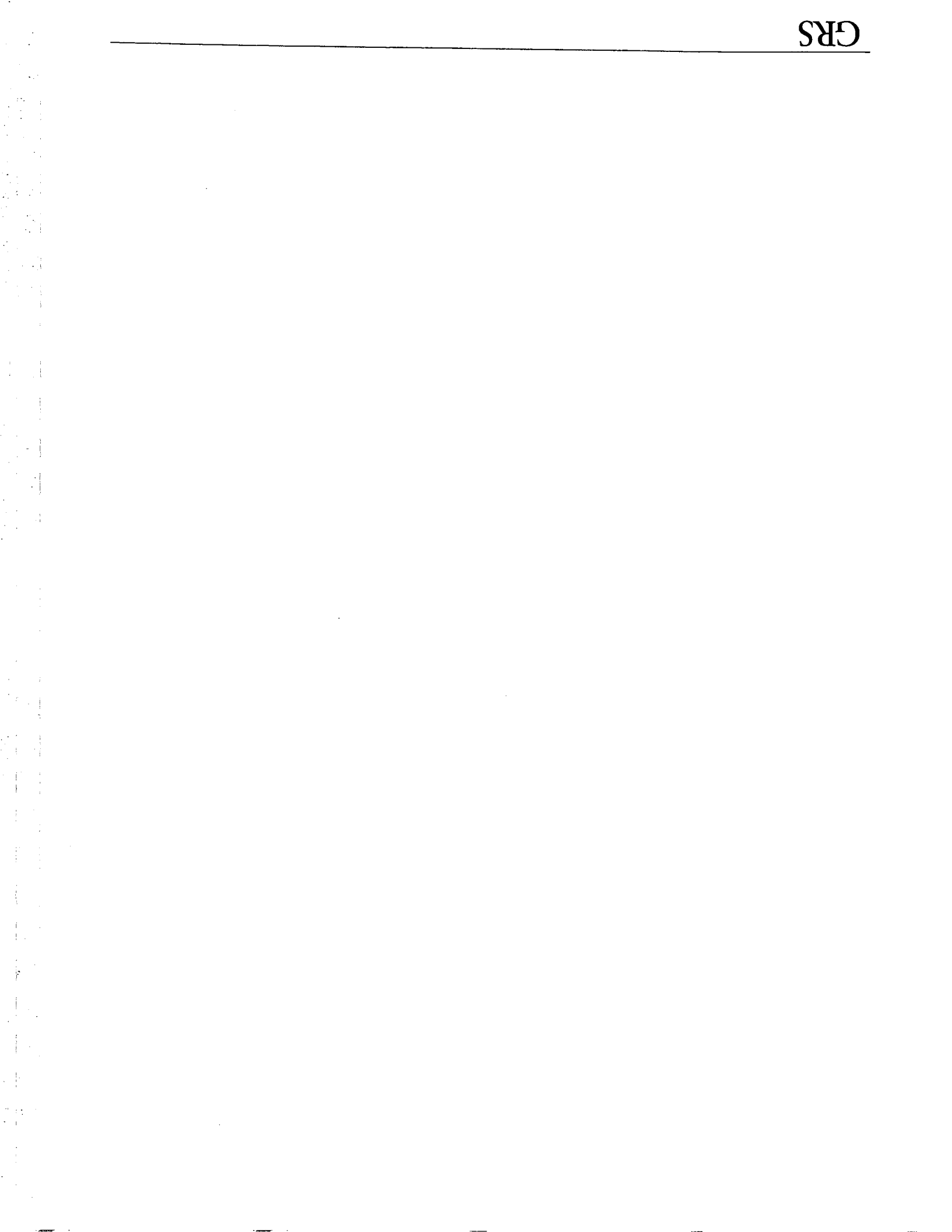
By 
Jeffrey Amrose, MAAA
Enrolled Actuary No. 14-06599

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DISCUSSION OF VALUATION RESULTS

SECTION A

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 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.

	For FYE 9/30/17 Based on 10/1/2015 Valuation	For FYE 9/30/16 Based on 10/1/2014 Valuation	Increase (Decrease)
Required Employer/State Contribution	\$ 5,256,615	\$ 4,856,392	\$ 400,223
As % of Covered Payroll	43.16 %	42.26 %	0.90 %
Estimated State Contribution	\$ 465,087	\$ 465,087	\$ 0
As % of Covered Payroll	3.82 %	4.05 %	(0.23) %
Required Employer Contribution	\$ 4,791,528	\$ 4,391,305	\$ 400,223
As % of Covered Payroll	39.34 %	38.21 %	1.13 %

The required employer contribution has been computed under the assumption that the amount to be received from the State next year will be at least \$465,087. The City may not take credit for State revenue in excess of \$465,087. If the next payment from the State falls below \$465,087, the City must raise its contribution by the difference.

The employer contribution listed above is for the City's fiscal year ending September 30, 2017 and has been calculated assuming the employer contribution is made on October 1, 2016. The actual City contribution for the fiscal year ending September 30, 2015 was \$4,365,259, which equals the required contribution.

Revisions in Benefits

Ordinance 15-022 was passed after second reading on September 3, 2015. Pursuant to the adoption of this Ordinance, the benefit accrual rate for all Members hired on or after October 1, 2015 will be 3.0% per year of Credited Service. The benefit accrual rate for all Members hired prior to October 1, 2015 continues to be 3.5% per year of Credited Service. The adoption of this Ordinance does not have an immediate impact on the Plan's funding requirement.

Revisions in Actuarial Assumptions and Methods

The following revisions in actuarial assumptions have been approved by the Board and incorporated into this report:

- The assumed withdrawal rates, which were initially updated four years ago (please see the actuarial assumptions and methods section), have been fully phased in this year. This revision was phased in over a five-year period, which began with the October 1, 2011 actuarial valuation. In the previous year's actuarial valuation, 80% of the revised rates and 20% of the prior rates were used.
- In addition, a change in the mortality assumption to the RP-2000 Combined Healthy Participant Mortality Tables for males and females, including projections for future improvement in mortality rates to all future years using scale AA, was due to be fully phased in this year. Pursuant to Florida House Bill 1309, the Plan will be required to implement the same Mortality Tables used by the Florida Retirement System (FRS) by October 1, 2016 Actuarial Valuation. The Board has elected to implement this requirement effective October 1, 2015 (one year early).

The combination of the phased in withdrawal rates and the early implementation of the FRS mortality tables caused the employer contribution rate to increase by 0.27% of covered payroll.

We recommend lowering the investment return assumption. Currently, the assumption is 7.75% net of investment related expenses which translates to an approximate gross rate of 8.5% (gross of investment expenses). We believe this is at the high end of the reasonable range for this assumption and strong

consideration should be given to reducing it. Lowering this assumption will decrease the probability of incurring future actuarial experience losses (and higher required employer contributions) due to investment performance in future years.

Actuarial Experience

There was a net actuarial loss of \$1,896,466 for the year, which means that actual experience was less favorable than expected. The actuarial loss was primarily due to higher than expected salary increases, the occurrence of a disability retirement, and lower mortality experience than expected amongst retirees. Average salary increases were 8.6%, versus 5.8% expected. The loss was also partially due to recognized investment earnings being less than assumed. The return on the actuarial value of assets was 7.54%, versus 7.75% expected. The return on the market value of assets was 1.87%.

The net actuarial loss for the year caused an increase in the annual required employer contribution of 0.86% of covered payroll (or \$104,743).

Funded Ratio

The funded ratio is 63.3% as of October 1, 2015 compared to 62.3% as of October 1, 2014. Before the change in assumptions described above, the funded ratio as of October 1, 2015 was 62.9%. 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	38.21 %
Actuarial Experience	0.86
Change in Administrative Expense	0.14
Amortization Payment on UAL	(0.41)
Change in State Contribution	0.23
Change in Normal Cost Rate	0.04
Change in Assumptions and Methods	0.27
Contribution Rate This Year	39.34

Required Contributions in Later Years

The current calculated City contribution requirement is 39.34% of payroll starting October 1, 2016. It is important to keep in mind that under the asset smoothing method, gains and losses are recognized over five

years. As of September 30, 2015, the actuarial value of assets exceeded the market value of assets by \$702,517. Once all the gains and losses through September 30, 2015 are fully recognized in the actuarial asset values, the contribution rate will increase by roughly 0.3% of payroll before any other changes are taken into account, unless there are offsetting gains.

Another important factor to consider is the annual payment on the unfunded accrued 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 actual payroll growth during the last ten years, which is currently 4.16%. Therefore, the UAL is being amortized with a 4.00% payroll growth assumption. However, over the next few years, the ten-year average payroll growth rate is expected to decline due to flat or negative payroll increases in recent years. This will put upward pressure on the city contribution rate. If the payroll growth assumption was 0.0%, the city contribution rate would increase by approximately 8.1% of covered payroll (approximately \$988,000).

Relationship to Market Value

If Market Value had been the basis for the valuation, the City contribution rate would have been 39.66% (\$4,830,502) for the fiscal year ending September 30, 2016 and the funded ratio would have been 62.6%.

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.

Actuarial Confirmation of the Use of State Chapter Money	
1. Base Amount Previous Plan Year	\$ 465,087
2. Amount Received for Previous Plan Year	675,227
3. Benefit Improvements Made in Previous Plan Year	0
4. Excess Funds for Previous Plan Year: (2) - (1) - (3)	210,140
5. Accumulated Excess at Beginning of Previous Year	69,784
6. Prior Excess Used in Previous Plan Year	185,320
7. Accumulated Excess as of Valuation Date (Available for Benefit Improvements)	94,604
8. Base Amount This Plan Year	465,087

VALUATION RESULTS

SECTION B

PARTICIPANT DATA		
	October 1, 2015	October 1, 2014
ACTIVE MEMBERS		
Number	137	139
Covered Annual Payroll	\$ 11,774,623	\$ 11,142,832
Average Annual Payroll	\$ 85,946	\$ 80,164
Average Age	39.2	38.7
Average Past Service	10.6	10.3
Average Age at Hire	28.6	28.4
RETIREEES & BENEFICIARIES & DROP		
Number	106	102
Annual Benefits	\$ 5,053,753	\$ 4,806,738
Average Annual Benefit	\$ 47,677	\$ 47,125
Average Age	58.9	58.3
DISABILITY RETIREEES		
Number	14	14
Annual Benefits	\$ 305,130	\$ 288,518
Average Annual Benefit	\$ 21,795	\$ 20,608
Average Age	62.4	63.9
TERMINATED VESTED MEMBERS		
Number	10	7
Annual Benefits	\$ 234,356	\$ 157,128
Average Annual Benefit	\$ 23,436	\$ 22,447
Average Age	36.5	38.6

ACTUARIALLY DETERMINED EMPLOYER CONTRIBUTION (ADEC)			
A. Valuation Date	October 1, 2015 <i>Current Assumptions (FRS Mortality with 100% phase-in of Termination Rates)</i>	October 1, 2015 <i>Prior Assumptions (with 80% phase-in of New Mortality and Termination rates)</i>	October 1, 2014
B. ADEC to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2017	9/30/2016
C. Assumed Date of Employer Contrib.	10/1/2016	10/1/2016	10/1/2015
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 2,656,247	\$ 2,687,561	\$ 2,493,837
E. Employer Normal Cost	2,425,913	2,362,336	2,214,983
F. ADEC if Paid on the Valuation Date: D+E	5,082,160	5,049,897	4,708,820
G. ADEC Adjusted for Frequency of Payments	5,082,160	5,049,897	4,708,820
H. ADEC as % of Covered Payroll	43.16 %	42.89 %	42.26 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	N/A %	N/A %	N/A %
J. Covered Payroll for Contribution Year	12,179,367 *	12,179,367 *	11,491,698 *
K. ADEC for Contribution Year: H x J	5,256,615	5,223,731	4,856,392
L. Estimate of State Revenue in Contribution Year	465,087	465,087	465,087
M. Actuarially Determined Employer Contribution (ADEC) in Contribution Year	4,791,528	4,758,644	4,391,305
N. ADEC as % of Covered Payroll in Contribution Year: M ÷ J	39.34 %	39.07 %	38.21 %

*Estimate provided by the City, but adjusted to reflect average overtime during the last three years.

ACTUARIAL VALUE OF BENEFITS AND ASSETS			
A. Valuation Date	October 1, 2015 <i>Current Assumptions (FRS Mortality with 100% phase-in of Termination Rates)</i>	October 1, 2015 <i>Prior Assumptions (with 80% phase-in of New Mortality and Termination rates)</i>	October 1, 2014
B. Actuarial Present Value of All Projected Benefits for			
1. Active Members			
a. Service Retirement Benefits	\$ 63,650,705	\$ 64,629,189	\$ 60,644,027
b. Vesting Benefits	2,335,667	2,411,993	2,511,817
c. Disability Benefits	3,651,662	4,019,693	3,855,663
d. Preretirement Death Benefits	2,140,193	827,455	815,796
e. Return of Member Contributions	34,565	35,646	30,799
f. Total	71,812,792	71,923,976	67,858,102
2. Inactive Members			
a. Service Retirees & Beneficiaries	57,155,204	56,894,370	54,468,058
b. Disability Retirees	2,793,859	2,886,509	2,428,942
c. Terminated Vested Members	1,655,681	1,674,848	1,115,450
d. Total	61,604,744	61,455,727	58,012,450
3. Total for All Members	133,417,536	133,379,703	125,870,552
C. Actuarial Accrued (Past Service) Liability per GASB No. 25	106,464,806	107,053,667	99,965,363
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	94,104,420	94,089,533	88,601,310
E. Plan Assets			
1. Market Value	66,678,188	66,678,188	65,711,402
2. Actuarial Value	67,380,705	67,380,705	62,320,013
F. Unfunded Actuarial Accrued Liability: C - E2	39,084,101	39,672,962	37,645,350
G. Actuarial Present Value of Projected Covered Payroll	102,461,195	101,827,020	100,306,242
H. Actuarial Present Value of Projected Member Contributions	7,172,284	7,127,891	7,021,437
I. Accumulated Contributions of Active Members	7,050,516	7,050,516	6,800,856

ENTRY AGE NORMAL METHOD CALCULATION OF EMPLOYER NORMAL COST			
A. Valuation Date	October 1, 2015 <i>Current Assumptions (FRS Mortality with 100% phase-in of Termination Rates)</i>	October 1, 2015 <i>Prior Assumptions (with 80% phase-in of New Mortality and Termination rates)</i>	October 1, 2014
B. Normal Cost for			
1. Service Retirement Benefits	\$ 2,502,042	\$ 2,467,551	\$ 2,334,437
2. Vesting Benefits	191,879	210,639	200,531
3. Disability Benefits	265,460	291,581	270,505
4. Preretirement Death Benefits	125,338	43,997	42,125
5. Return of Member Contributions	<u>26,303</u>	<u>33,677</u>	<u>31,852</u>
6. Total for Future Benefits	3,111,022	3,047,445	2,879,450
7. Assumed Amount for Administrative Expenses	<u>139,115</u>	<u>139,115</u>	<u>115,531</u>
8. Total Normal Cost	3,250,137	3,186,560	2,994,981
C. Expected Member Contribution	824,224	824,224	779,998
D. Employer Normal Cost: B8-C	2,425,913	2,362,336	2,214,983
E. Employer Normal Cost as a % of Covered Payroll	20.60%	20.06%	19.88%

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

UAAL Amortization Period and Payments						
Original UAAL				Current UAAL		
Date Established	Type of Amortization Base	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/98	Fresh Start	30	\$ 1,331,353	13	\$ 1,406,846	\$ 132,678
10/1/99	Plan Amendment	30	1,656,722	14	1,781,933	158,614
10/1/00	Plan Amendment	30	185,619	15	200,933	16,966
10/1/01	Plan Amendment	30	46,601	16	51,340	4,130
10/1/04	Plan Amendment	30	1,166,935	19	1,333,480	94,743
10/1/05	Plan Amendment	30	2,985,574	20	3,424,980	234,830
10/1/05	Method/Assum Change	30	13,646,165	20	15,654,552	1,073,337
10/1/06	Experience Loss	30	2,307,394	21	2,651,994	175,893
10/1/07	Experience Loss	30	16,404	22	18,789	1,208
10/1/08	Experience Loss	30	3,582,504	23	4,059,562	253,543
10/1/09	Experience Loss	30	3,419,100	24	3,826,354	232,547
10/1/10	Experience Loss	30	1,404,570	25	1,549,770	91,803
10/1/11	Experience Loss	30	4,476,765	26	4,846,629	280,250
10/1/11	Assumption Change	30	1,634,520	26	1,769,561	102,323
10/1/12	Experience Gain	30	(2,249,576)	27	(2,369,266)	(133,917)
10/1/12	Assumption Change	30	412,194	27	434,125	24,538
10/1/12	Plan Amendment	30	(426,604)	27	(449,302)	(25,396)
10/1/13	Experience Gain	30	(794,394)	28	(824,387)	(45,606)
10/1/13	Assumption Change	30	430,545	28	446,801	24,717
10/1/14	Experience Gain	30	(2,463,259)	29	(2,507,808)	(135,945)
10/1/14	Assumption Change	30	461,268	29	469,610	25,457
10/1/15	Experience Loss	30	1,896,466	30	1,896,466	100,848
10/1/15	Assumption Change	30	(588,861)	30	(588,861)	(31,314)
			\$ 34,538,005		\$ 39,084,101	\$ 2,656,247

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:

Amortization Schedule	
Year	Expected UAAL
2015	\$ 39,084,101
2016	39,251,009
2017	39,316,371
2018	39,267,736
2019	39,091,506
2020	38,772,838
2025	34,422,545
2030	24,161,402
2035	6,702,969
2040	(101,064)
2044	-

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:

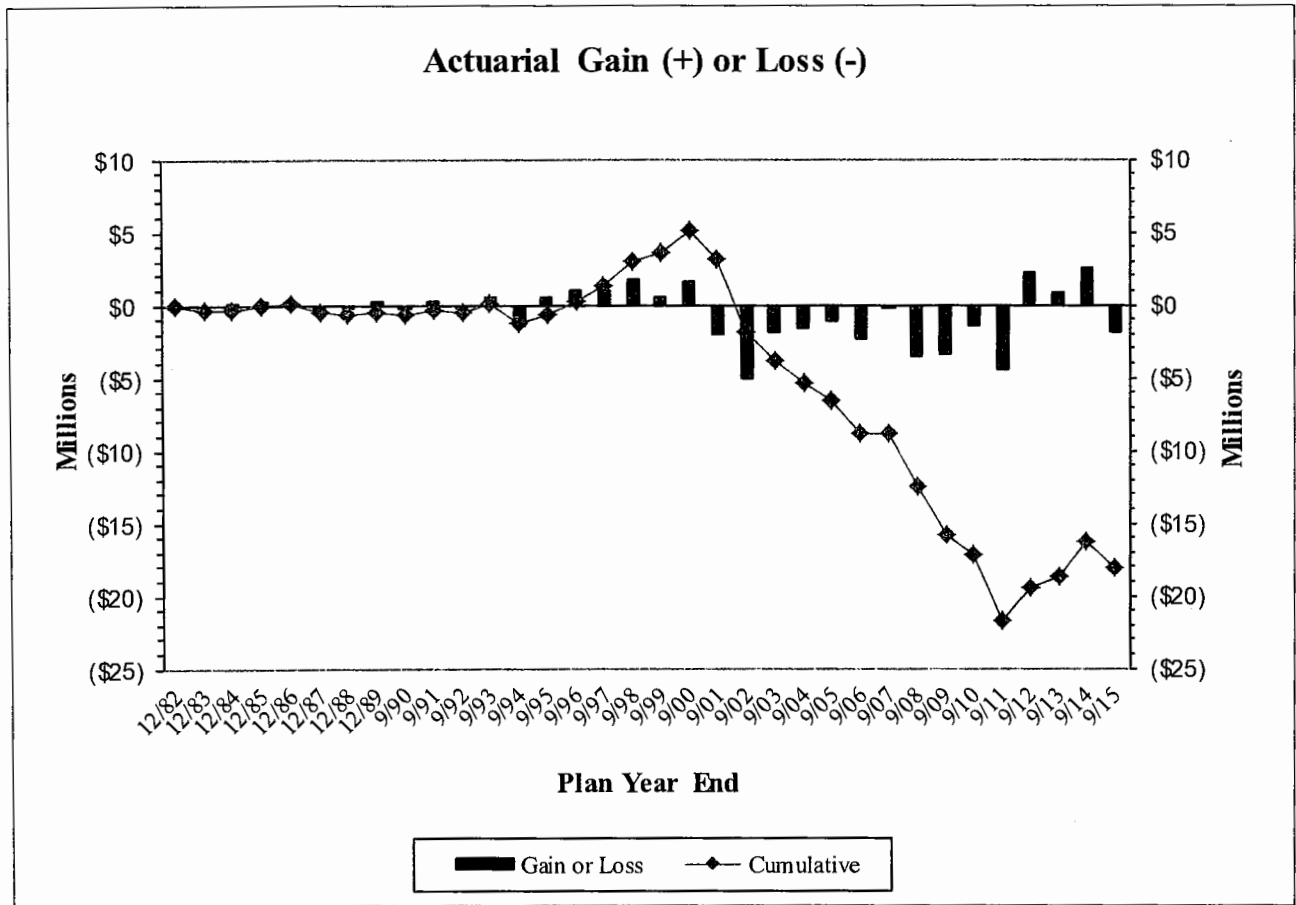
A. Derivation of the Current UAAL	
1. Last Year's UAAL	\$ 37,645,350
2. Last Year's Employer Normal Cost	2,214,983
3. Last Year's Contributions	4,830,346
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	3,089,176
b. 3 from dates paid	<u>342,667</u>
c. a - b	2,746,509
5. This Year's Expected UAAL: 1 + 2 - 3 + 4c	37,776,496
6. This Year's Actual UAAL (Before any changes in benefits and assumptions)	39,672,962
7. Net Actuarial Gain (Loss): (5) - (6)	(1,896,466)
8. Gain (Loss) due to investments	(150,739)
9. Gain (Loss) due to other sources	(1,745,727)

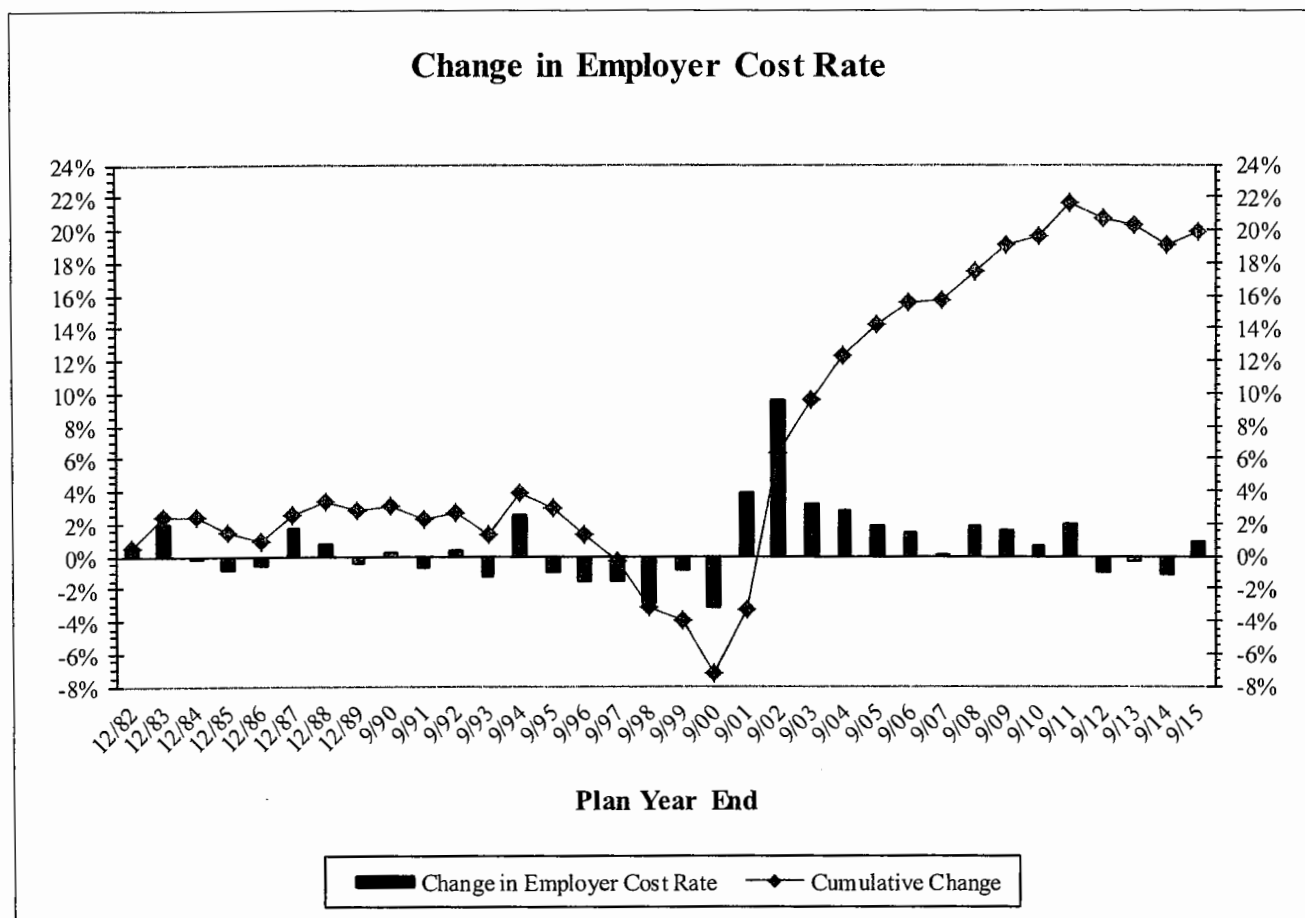
Net actuarial gains in previous years are detailed in the table on the next page.

HISTORY OF NET ACTUARIAL GAINS AND LOSSES

Year Ended	Change in Employer Cost Rate *	Gain (Loss)
12/31/82	0.46 %	\$ (56,551)
12/31/83	1.92	(265,213)
12/31/84	(0.04)	6,977
12/31/85	(0.85)	185,443
12/31/86	(0.59)	158,678
12/31/87	1.67	(516,444)
12/31/88	0.74	(254,892)
12/31/89	(0.52)	206,590
9/30/90	0.24	(94,609)
9/30/91	(0.74)	286,744
9/30/92	0.35	(142,237)
9/30/93	(1.34)	564,365
9/30/94	2.57	(1,370,604)
9/30/95	(1.01)	574,379
9/30/96	(1.56)	938,153
9/30/97	(1.60)	1,008,362
9/30/98	(2.85)	1,694,077
9/30/99	(0.88)	568,386
9/30/00	(3.16)	1,596,887
9/30/01	3.92	(1,978,307)
9/30/02	9.58	(5,069,210)
9/30/03	3.22	(1,870,014)
9/30/04	2.75	(1,615,637)
9/30/05	1.85	(1,083,369)
9/30/06	1.46	(2,307,394)
9/30/07	0.02	(16,404)
9/30/08	1.84	(3,582,504)
9/30/09	1.54	(3,419,100)
9/30/10	0.66	(1,404,570)
9/30/11	1.98	(4,476,765)
9/30/12	(1.01)	2,249,576
9/30/13	(0.38)	794,394
9/30/14	(1.18)	2,463,259
9/30/15	0.86	(1,896,466)

* Before 9/30/06, change in Employer Normal Cost.





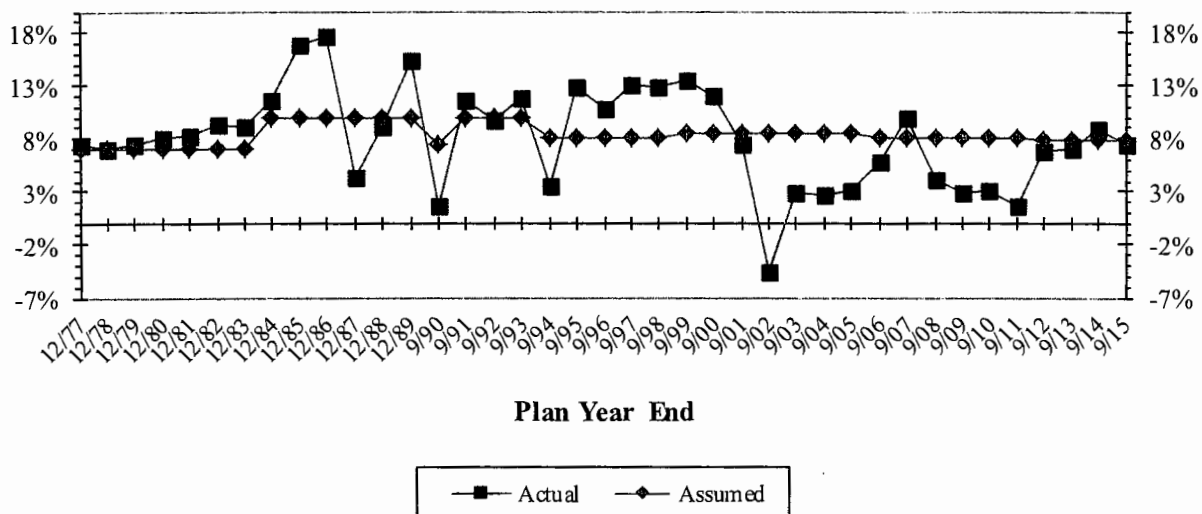
The fund earnings and salary increase assumptions have considerable impact on the cost of the Plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings and salary increase rates compared to the assumed rates for the last few years:

HISTORY OF INVESTMENT EARNINGS AND SALARY INCREASES

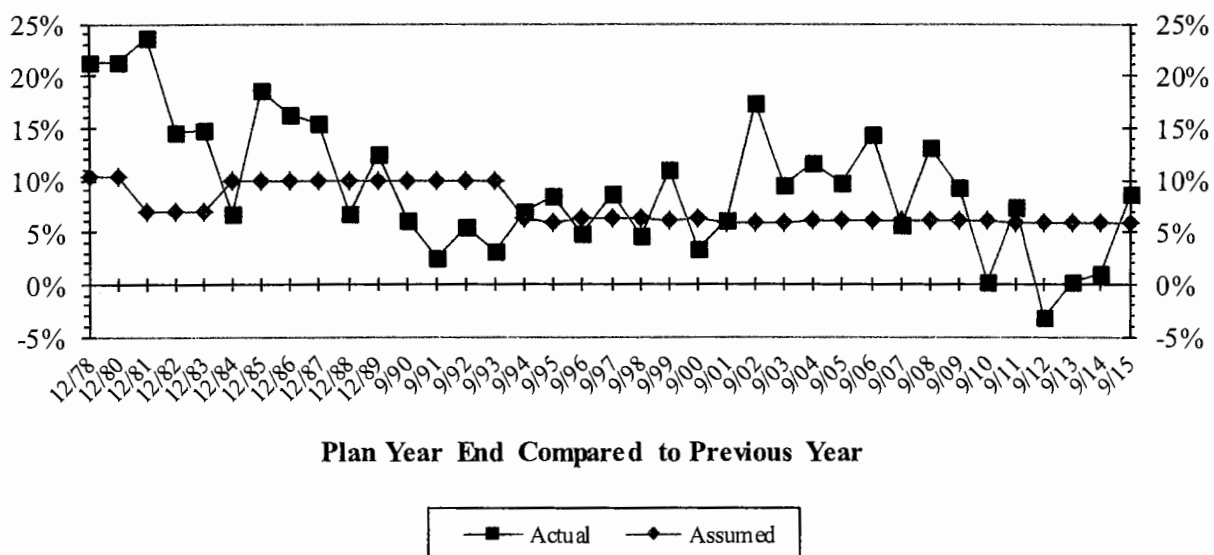
Year Ending	Investment Return		Salary Increases	
	Actual	Assumed	Actual	Assumed
12/31/1977	7.5 %	7.00 %		
12/31/1978	7.1	7.00	18.3 %	10.3% (2 yrs)
12/31/1979	7.5	7.00		
12/31/1980	8.0	7.00	21.2	10.3 (2 yrs)
12/31/1981	8.2	7.00	23.6	7.0
12/31/1982	9.3	7.00	14.6	7.0
12/31/1983	9.0	7.00	14.8	7.0
12/31/1984	11.5	10.00	6.8	10.0
12/31/1985	16.8	10.00	18.6	10.0
12/31/1986	17.6	10.00	16.3	10.0
12/31/1987	4.4	10.00	15.3	10.0
12/31/1988	9.0	10.00	6.7	10.0
12/31/1989	15.4	10.00	12.4	10.0
9/30/1990 (9 mos.)	1.7	7.50	6.1	10.0
9/30/1991	11.6	10.00	2.5	10.0
9/30/1992	9.7	10.00	5.4	10.0
9/30/1993	11.9	10.00	3.1	10.0
9/30/1994	3.5	8.00	7.0	6.3
9/30/1995	12.9	8.00	8.5	5.8
9/30/1996	10.8	8.00	4.9	6.3
9/30/1997	13.1	8.00	8.7 *	6.3
9/30/1998	12.9	8.00	4.6	6.3
9/30/1999	13.5	8.50	10.9	6.1
9/30/2000	12.1	8.50	3.4	6.3
9/30/2001	7.5	8.50	6.0	5.9
9/30/2002	(4.7)	8.50	17.2	5.9
9/30/2003	2.8	8.50	9.5	5.9
9/30/2004	2.6	8.50	11.5	6.0
9/30/2005	3.0	8.50	9.6	6.0
9/30/2006	5.7	8.00	14.4	6.0
9/30/2007	9.9	8.00	5.7	6.1
9/30/2008	4.2	8.00	13.1	6.1
9/30/2009	2.8	8.00	9.3	6.1
9/30/2010	3.0	8.00	0.2	6.1
9/30/2011	1.6	8.00	7.3	5.8
9/30/2012	6.9	7.75	(3.1)	5.9
9/30/2013	7.0	7.75	0.1	5.8
9/30/2014	8.9	7.75	1.0	5.8
9/30/2015	7.5	7.75	8.6	5.8
Averages	7.9 %	---	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



Actual (A) Compared to Expected (E) Decrements Among Active Employees													
Year Ended	Number Added During Year		Service & DROP Retirement		Disability Retirement		Death		Terminations				Active Members End of Year
	A	E	A	E	A	E	A	E	Vested	Other	Totals		
									A	A	A	E	
9/30/2002	14	17	1	1	0	0	0	0	1	15	16	8	119
9/30/2003	14	9	6	4	0	0	0	0	1	2	3	9	124
9/30/2004	8	23	14	0	0	0	0	0	2	7	9	9	109
9/30/2005	21	14	1	1	0	0	0	0	3	10	13	8	116
9/30/2006	25	10	3	2	0	0	0	0	1	6	7	9	131
9/30/2007	17	4	3	3	0	0	0	0	0	1	1	11	144
9/30/2008	14	9	2	1	0	0	0	0	0	7	7	12	149
9/30/2009	8	6	3	7	0	0	0	0	0	3	3	11	151
9/30/2010	5	8	4	2	0	0	0	0	1	3	4	11	148
9/30/2011	5	9	5	4	0	0	0	0	2	2	4	10	144
9/30/2012	9	7	3	1	0	0	0	0	2	2	4	4	146
9/30/2013	5	10	3	1	0	0	0	0	4	3	7	7	141
9/30/2014	5	7	2	1	0	0	0	0	2	3	5	6	139
9/30/2015	9	11	3	2	1	0	0	0	4	3	7	4	137
9/30/2016				1		0		0				4	
13 Yr Totals *	159	144	53	30	1	0	0	0	23	67	90	119	

* Totals are through current Plan Year only.

SUPPLEMENTAL PENSION DISTRIBUTION

Cumulative Actuarial Gains (Losses)					
Year Ending 9/30	Balance at Beginning of Year	Interest	Gain (Loss) for Year	Supplemental Payment	Balance at End of Year
2000	\$ 0	\$ 0	\$ 1,596,887	\$ 0	\$ 1,596,887
2001	1,596,887	135,735	(1,978,307)	0	(245,685)
2002	(245,685)	(20,883)	(5,069,210)	0	(5,335,778)
2003	(5,335,778)	(453,541)	(1,870,014)	0	(7,659,333)
2004	(7,659,333)	(651,043)	(1,615,637)	0	(9,926,013)
2005	(9,926,013)	(843,711)	(1,083,369)	0	(11,853,093)
2006	(11,853,093)	(948,247)	(2,307,394)	0	(15,108,735)
2007	(15,108,735)	(1,208,699)	(16,404)	0	(16,333,838)
2008	(16,333,838)	(1,306,707)	(3,582,504)	0	(21,223,049)
2009	(21,223,049)	(1,697,844)	(3,419,100)	0	(26,339,992)
2010	(26,339,992)	(2,107,199)	(1,404,570)	0	(29,851,762)
2011	(29,851,762)	(2,388,141)	(4,476,765)	0	(36,716,668)
2012	(36,716,668)	(2,845,542)	2,249,576	0	(37,312,634)
2013	(37,312,634)	(2,891,729)	794,394	0	(39,409,969)
2014	(39,409,969)	(3,054,273)	2,463,259	0	(40,000,983)
2015	(40,000,983)	(3,100,076)	(1,896,466)	0	(44,997,525)

Under certain conditions, participants in payment status can receive a supplemental distribution per Section 18-177 of the Plan. The cumulative actuarial gain for plan years beginning after 9/30/1999 must be a positive amount for a supplemental payment to occur.

RECENT HISTORY OF VALUATION RESULTS									
Valuation Date	Number of		Covered Annual Payroll	Actuarial Value of Assets	Actuarial Accrued Liability	UFAAL	Funded Ratio	Employer Normal Cost	
	Active Members	Inactive Members						Amount	% of Payroll
10/1/00	124	56	\$ 6,907,740	\$ 32,559,614	\$ 33,726,879	\$ 1,167,265	96.5 %	\$ 464,164	6.72 %
10/1/01	122	75	6,555,316	34,331,760	37,715,963	3,384,203	91.0	726,204	11.08
10/1/02	119	75	7,382,088	32,133,373	40,604,148	8,470,775	79.1	1,538,895	20.85
10/1/03	124	81	7,917,021	33,206,438	44,029,168	10,822,730	75.4	1,935,704	24.45
10/1/04	109	94	7,207,008	34,495,794	48,154,162	13,658,368	71.6	2,043,434	28.35
10/1/05	116	96	7,836,390	35,445,474	56,691,347	21,245,873	62.5	1,238,339	15.80
10/1/06	131	100	9,302,405	37,691,909	61,468,267	23,776,358	61.3	1,441,317	15.49
10/1/07	144	103	10,296,812	41,981,125	66,068,756	24,087,631	63.5	1,587,552	15.42
10/1/08	149	104	11,532,888	44,277,726	72,349,643	28,071,917	61.2	1,774,031	15.38
10/1/09	151	107	12,537,968	46,116,985	78,055,403	31,938,418	59.1	1,931,395	15.40
10/1/10	148	109	12,134,525	48,129,593	81,957,204	33,827,611	58.7	1,895,893	15.62
10/1/11	144	113	12,397,266	49,115,728	89,656,412	40,540,684	54.8	2,126,920	17.16
10/1/12	146	116	11,789,237	52,594,653	91,924,429	39,329,776	57.2	2,114,509	17.94
10/1/13	141	122	11,302,523	56,693,338	95,951,447	39,258,109	59.1	2,132,984	18.87
10/1/14	139	123	11,142,832	62,320,013	99,965,363	37,645,350	62.3	2,214,983	19.88
10/1/15	137	130	11,774,623	67,380,705	106,464,806	39,084,101	63.3	2,425,913	20.60

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				
		Amount	% of Payroll	Amount	% of Payroll	Amount	% of Payroll	Employer	State	Total
10/1/98	9/30/99	863,996	13.88	427,874	6.87	436,122	7.01	426,129	427,874	854,003
10/1/99	9/30/00	920,372	12.92	427,874	6.00	492,498	6.92	490,425	429,945	920,370
10/1/00	9/30/01	742,646	10.75	429,945	6.22	312,701	4.53	312,701	430,572	743,273
10/1/01	9/30/02	1,053,863	16.08	443,454	6.77	610,409	9.31	610,409	443,454	1,053,863
10/1/02	9/30/03	1,929,458	26.14	443,454	6.01	1,486,004	20.13	1,486,004	465,087	1,951,091
10/1/03	9/30/04	2,343,601	29.60	465,087	5.87	1,878,514	23.73	1,878,514	465,087	2,343,601
10/1/04	9/30/05	2,571,109	35.67	465,087	6.45	2,106,022	29.22	2,106,022	465,087	2,571,109
10/1/05	9/30/06	2,808,957	35.85	465,087	5.93	2,343,870	29.92	2,343,870	465,087	2,808,957
10/1/06	9/30/07	3,030,547	32.58	465,087	5.00	2,565,460	27.58	2,685,841	465,087	3,150,928
10/1/07	9/30/08	3,236,241	31.43	465,087	4.52	2,771,154	26.91	2,771,154	465,087	3,236,241
10/1/08	9/30/09	3,710,169	32.17	465,087	4.03	3,245,082	28.14	3,245,082	465,087	3,710,169
10/1/09	9/30/10	4,153,603	33.13	465,087	3.71	3,688,516	29.42	3,688,516	465,087	4,153,603
10/1/09	9/30/11	3,997,173	31.78	465,087	3.70	3,532,086	28.08	3,552,348	465,087	4,017,435
10/1/10	9/30/12	4,098,955	32.55	465,087	3.69	3,633,868	28.86	3,633,868	465,087	4,098,955
10/1/11	9/30/13	4,701,572	36.68	465,087	3.63	4,236,485	33.05	4,236,485	465,087	4,701,572
10/1/12	9/30/14	4,560,918	38.54	465,087	3.93	4,095,831	34.61	4,159,736	465,087	4,624,823
10/1/13	9/30/15	4,830,346	41.73	465,087	4.02	4,365,259	37.71	4,365,259	465,087	4,830,346
10/1/14	9/30/16	4,856,392	42.26	465,087	4.05	4,391,305	38.21	na	na	na
10/1/15	9/30/17	5,256,615	43.16	465,087	3.82	4,791,528	39.34	na	na	na

ACTUARIAL ASSUMPTIONS AND COST METHOD

Valuation Methods

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 phase in the difference between the expected actuarial value and actual market value of assets at the rate of 20% per year. 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 7.75% per year, compounded annually (net after investment expenses).

The **Wage Inflation Rate** assumed in this valuation was 3% per year. The Wage Inflation Rate is defined to be the portion of total pay increases for an individual that are due to macro economic 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 7.75% investment return rate translates to an assumed real rate of return over wage inflation of 4.75%.

The rates of salary increase are as follows:

Age	% Increase in Salary		
	Merit and Seniority	Base (Economic)	Total Increase
20	3.5%	3.0%	6.5%
25	3.5%	3.0%	6.5%
30	3.5%	3.0%	6.5%
35	3.5%	3.0%	6.5%
40	2.5%	3.0%	5.5%
45	2.0%	3.0%	5.0%
50	2.0%	3.0%	5.0%
55	2.0%	3.0%	5.0%

Projected service retirement benefits are increased to allow for the inclusion of unused sick and vacation pay in average final earnings. The increase amount is unique for each member based on the number of hours of accumulated sick and vacation time reported for each member as of June 18, 2013.

For purposes of financing the unfunded liabilities, total payroll is assumed to grow at 4% per year, but not exceeding the average annual increase over the most recent ten years. The most recent ten-year average is 4.16%.

Demographic Assumptions

The mortality table is the RP-2000 Mortality Table for annuitants with future improvements in mortality projected to all future years using Scale BB. For females, the base mortality rates include a 100% white collar adjustment. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS) (and they are based on a statewide experience study).

FRS Healthy Mortality for Special Risk Class Members

Sample Attained Ages (in 2015)	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.54	0.23	33.67	38.11
55	0.67	0.32	29.02	33.09
60	0.91	0.48	24.45	28.20
65	1.34	0.76	20.05	23.46
70	2.07	1.27	15.95	19.02
75	3.36	2.15	12.25	14.96
80	5.53	3.59	9.08	11.36

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 (75% of deaths are assumed to be service-connected).

For disabled retirees, the mortality table used was 60% of the RP-2000 mortality and 40% of the RP2000 Mortality with a White Collar adjustment for disabled annuitants, set-back 4 years for males and set-forward 2 years for females, with no provision being made for future mortality improvements. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS) (and they are based on a statewide experience study).

FRS Disabled Mortality for Special Risk Class Members

Sample Attained Ages	Probability of Dying Next Year			Future Life Expectancy (years)	
	Men	Women		Men	Women
50	1.67	0.91	%	23.74	27.06
55	2.03	1.26		20.77	23.37
60	2.47	1.67		17.91	19.90
65	3.07	2.24		15.15	16.62
70	3.90	3.18		12.52	13.58
75	5.30	4.60		10.02	10.86
80	7.59	6.66		7.80	8.48

For the prior year's valuation, the mortality assumption for healthy members was 80% of the RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years after 2000 using Scale AA, and 20% of the 1983 Group Annuity Mortality Table for males and females. For disabled members, the same tables were used with ages set forward 5 years to reflect impaired longevity.

The rates of retirement used to measure the probability of eligible members retiring under early retirement is 5% per year. For normal retirement these rates are as follows:

Number of Years After First Eligibility for Normal Retirement	Probability of Normal Retirement
0	40 %
1	10 %
2	10 %
3	10 %
4	10 %
5	10 %
6	10 %
7	100 %

Rates of separation from active membership are as shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability). These rates have now been fully phased in from the previous rates (shown below) after a five-year phase in. This assumption measures the probabilities of members remaining in employment.

Years of Service	Sample Ages	% of Active Members Separating Within Next Year
0 - 1	ALL	15.0%
1 - 2		10.0%
2 - 3		7.0%
3 - 4		5.0%
4 - 5		4.0%
At least 5	25	4.0%
	30	3.0%
	35	2.0%
	40	1.0%
	45	0.0%

Prior Rates (Fully Phased Out as of October 1, 2015)

Sample Ages	% of Active Members Separating Within Next Year
20	20.0%
25	17.0%
30	13.2%
35	8.0%
40	0.0%
45	0.0%
50	0.0%
55	0.0%

Rates of disability among active members (90% of disabilities are assumed to be service connected).

Sample Ages	% Becoming Disabled within Next Year
20	0.14 %
25	0.15 %
30	0.18 %
35	0.23 %
40	0.30 %
45	0.51 %
50	1.00 %
55	1.55 %

Miscellaneous and Technical Assumptions

<i>Administrative & Investment Expenses</i>	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.
<i>Benefit Service</i>	Exact fractional service is used to determine the amount of benefit payable.
<i>Decrement Operation</i>	Disability and mortality decrements operate during retirement eligibility.
<i>Decrement Timing</i>	Decrement of all types are assumed to occur at the beginning of the year.
<i>Eligibility Testing</i>	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.
<i>Forfeitures</i>	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.
<i>Incidence of Contributions</i>	Employer contributions are assumed to be made at the beginning of the year effective October 1, 2011. 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.
<i>Liability Load</i>	Projected normal and early 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 accumulated sick and vacation time reported for each member as of June 18, 2013.
<i>Marriage Assumption</i>	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.
<i>Normal Form of Benefit</i>	A 10-year certain and life annuity is the normal form of benefit.
<i>Pay Increase Timing</i>	Middle of fiscal year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.

GLOSSARY

<i>Actuarial Accrued Liability (AAL)</i>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
<i>Actuarial Assumptions</i>	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.
<i>Actuarial Cost Method</i>	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.
<i>Actuarial Equivalent</i>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<i>Actuarial Present Value (APV)</i>	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.
<i>Actuarial Present Value of Future Benefits (APVFB)</i>	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.
<i>Actuarial Valuation</i>	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 Actuarially Determined Contribution (ADC).
<i>Actuarial Value of Assets</i>	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 Determined contribution (ADC).
<i>Amortization Method</i>	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.

<i>Amortization Payment</i>	That portion of the plan contribution or ARC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
<i>Amortization Period</i>	The period used in calculating the Amortization Payment.
<i>Actuarially Determined Contribution (ADC)</i>	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.
<i>Closed Amortization Period</i>	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.
<i>Employer Normal Cost</i>	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
<i>Equivalent Single Amortization Period</i>	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.
<i>Experience Gain/Loss</i>	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.
<i>Funded Ratio</i>	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
<i>GASB</i>	Governmental Accounting Standards Board.
<i>GASB No. 68 and GASB No. 67</i>	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. 68 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.

<i>Normal Cost</i>	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
<i>Open Amortization Period</i>	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.
<i>Unfunded Actuarial Accrued Liability</i>	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
<i>Valuation Date</i>	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.

PENSION FUND INFORMATION

SECTION C

SUMMARY OF ASSETS

Item	September 30	
	2015	2014
A. Cash and Cash Equivalents (Operating Cash)	\$ 8,692	\$ 25,518
B. Receivables:		
1. Member Contributions	\$ -	\$ -
2. Employer Contributions	-	-
3. State Contributions	-	-
4. Buy-Back Installment Payments	62,976	59,307
5. Receivables for Securities Sold plus Prepaid Expenses	403,960	380,425
6. DROP Loans	299,439	238,163
7. Total Receivables	\$ 766,375	\$ 677,895
C. Investments		
1. Short-Term Investments	\$ -	\$ -
2. Domestic Equities (Large cap defensive)	20,005,118	19,631,376
3. Real Estate	6,259,818	4,181,355
4. Multi-Asset Core Fund (Equities)	29,668,247	29,300,544
5. Multi-Manager Bond Fund (Fixed Income)	21,709,238	22,669,808
6. Total Investments	\$ 77,642,421	\$ 75,783,083
D. Liabilities and Reserves		
1. Benefits Payable	\$ -	\$ -
2. Accrued Expenses and Other Payables	(144,804)	(145,124)
3. Total Liabilities and Reserves	\$ (144,804)	\$ (145,124)
E. Total Market Value of Assets Available for Benefits	\$ 78,272,684	\$ 76,341,372
F. Reserves		
1. State Contribution Reserve	\$ (94,604)	\$ (69,784)
2. DROP Accounts	(9,570,232)	(8,497,374)
3. Supplemental Benefit Reserve	(1,929,660)	(2,062,812)
	\$ (11,594,496)	\$ (10,629,970)
G. Market Value Net of Reserves	\$ 66,678,188	\$ 65,711,402
H. Allocation of Investments		
1. Short-Term Investments	0.00%	0.00%
2. Domestic Equities (Large cap defensive)	25.77%	25.90%
3. Real Estate	8.06%	5.52%
4. Multi-Asset Core Fund (Equities)	38.21%	38.67%
5. Multi-Manager Bond Fund (Fixed Income)	27.96%	29.91%
6. Total Investments	100.00%	100.00%

PENSION FUND DISBURSEMENTS & INCOME

Item	September 30	
	2015	2014
A. Market Value of Assets at Beginning of Year	\$ 76,341,372	\$ 69,081,790
B. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions	\$ 924,289	\$ 885,669
b. Employer Contributions	4,365,259	4,159,736
c. State Contributions	675,227	645,579
d. Buy Back Contributions	116,586	25,706
e. Health Subsidy Contributions	-	-
f. DROP Rollover	78,814	28,186
g. Change in Value of Remaining Buy Back Payments	3,669	5,483
h. Total	\$ 6,163,844	\$ 5,750,359
2. Investment Income		
a. Interest, Dividends, and Other Income	\$ 10,164	\$ 1,060
b. Net Realized Gains/(Losses)	1,752,200	1,142,185
c. Net Unrealized Gain/(Losses)	243,898	6,576,880
d. Investment Expenses	(577,798)	(565,922)
e. Net Investment Income	\$ 1,428,464	\$ 7,154,203
3. Benefits and Refunds		
a. Refunds	\$ (69,179)	\$ (42,665)
b. Regular Monthly Benefits to Retirees	(4,426,102)	(4,597,183)
c. Supplemental Distributions and DROP Loans	(486,239)	-
d. DROP Distributions	(526,372)	(880,006)
e. Total	\$ (5,507,892)	\$ (5,519,854)
4. Administrative and Miscellaneous Expenses	\$ (153,104)	\$ (125,126)
5. Transfers	\$ -	\$ -
C. Market Value of Assets at End of Year	\$ 78,272,684	\$ 76,341,372
D. Reserves		
1. State Contribution Reserve	\$ (94,604)	\$ (69,784)
2. DROP Accounts	(9,570,232)	(8,497,374)
3. Supplemental Benefit Reserve	(1,929,660)	(2,062,812)
4. Total Reserves	\$ (11,594,496)	\$ (10,629,970)
E. Market Value Net of Reserves	\$ 66,678,188	\$ 65,711,402

ACTUARIAL VALUE OF ASSETS

Valuation Date – September 30	2014	2015	2016	2017	2018	2019
A. Actuarial Value of Assets Beginning of Year	\$ 66,874,278	\$ 72,949,983	\$ -	\$ -	\$ -	\$ -
B. Market Value End of Year	76,341,372	78,272,684	-	-	-	-
C. Market Value Beginning of Year	69,081,790	76,341,372	-	-	-	-
D. Non-Investment/Administrative Net Cash Flow	105,379	502,848				
E. Investment Income						
E1. Actual Market Total: B-C-D	7,154,203	1,428,464	-	-	-	-
E2. Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
E3. Assumed Amount of Return	5,186,840	5,673,109	-	-	-	-
E4. Amount Subject to Phase-In: E1-E3	1,967,363	(4,244,645)	-	-	-	-
F. Phase-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	393,473	(848,929)	-	-	-	-
F2. First Prior Year	265,985	393,473	(848,929)	-	-	-
F3. Second Prior Year	980,811	265,985	393,473	(848,929)	-	-
F4. Third Prior Year	(942,079)	980,811	265,985	393,473	(848,929)	-
F5. Fourth Prior Year	85,296	(942,079)	980,811	265,985	393,472	(848,929)
F6. Total Phase-Ins	783,486	(150,739)	791,340	(189,471)	(455,457)	(848,929)
G. Actuarial Value of Assets End of Year						
G1. Preliminary Actuarial Value of Assets:	\$ 72,949,983	\$ 78,975,201	\$ -	\$ -	\$ -	\$ -
G2. Upper Corridor Limit: 120%*B	91,609,646	93,927,221	-	-	-	-
G3. Lower Corridor Limit: 80%*B	61,073,098	62,618,147	-	-	-	-
G4. Funding Value End of Year	72,949,983	78,975,201	-	-	-	-
G5. Less: State Contribution Reserve	(69,784)	(94,604)	-	-	-	-
G6. Less: DROP Account Balances	(8,497,374)	(9,570,232)	-	-	-	-
G7. Less: Supplemental Benefit Reserve	(2,062,812)	(1,929,660)	-	-	-	-
G8. Final Funding Value End of Year	62,320,013	67,380,705	-	-	-	-
H. Difference between Market & Actuarial Value	\$ 3,391,389	\$ (702,517)	\$ -	\$ -	\$ -	\$ -
I. Actuarial Rate of Return	8.92%	7.54%	0.00%	0.00%	0.00%	0.00%
J. Market Value Rate of Return	10.35%	1.87%	0.00%	0.00%	0.00%	0.00%
K Ratio of Actuarial Value to Market Value	95.56%	100.90%	0.00%	0.00%	0.00%	0.00%

RECONCILIATION OF DROP ACCOUNTS	
Value at beginning of year	\$ 8,497,374
Adjustment to beginning of year balances	+ 146,028
Payments credited to accounts	+ 778,851
Rollovers into DROP account	+ 78,814
Investment Earnings credited	+ 626,450
Withdrawals from accounts	- 526,372
Loan Proceeds	- 154,000
Loan Payments	+ <u>123,087</u>
Value at end of year	9,570,232

INVESTMENT RATE OF RETURN

Year Ended	Investment Rate of Return	
	Market Value	Actuarial Value
12/31/82	16.4 %	9.3 %
12/31/83	12.3	9.0
12/31/84	11.9	11.5
12/31/85	23.0	16.8
12/31/86	19.0	17.6
12/31/87	0.3	4.4
12/31/88	10.4	9.0
12/31/89	20.6	15.4
9/30/90 (9 mos.)	(1.9)	1.7
9/30/91	14.4	11.6
9/30/92	10.0	9.7
9/30/93	12.6	11.9
9/30/94	1.1	3.5
9/30/95	19.1	12.9
9/30/96	12.8	10.8
9/30/97	20.2	13.1
9/30/98	10.1	12.9
9/30/99	10.5	13.5
9/30/00	9.8	12.1
9/30/01	(9.1)	7.5
9/30/02	(9.2)	(4.7)
9/30/03	16.1	2.8
9/30/04	8.3	2.6
9/30/05	10.6	3.0
9/30/06	6.9	5.7
9/30/07	13.1	9.9
9/30/08	(15.1)	4.2
9/30/09	(0.8)	2.8
9/30/10	10.2	3.0
9/30/11	(0.6)	1.6
9/30/12	18.0	6.9
9/30/13	9.8	7.0
9/30/14	10.3	8.9
9/30/15	1.9	7.5
Average Returns:		
Last Five Years	7.7 %	6.4 %
Last Ten Years	5.0 %	5.7 %
All Years	8.5 %	8.0 %

FINANCIAL ACCOUNTING INFORMATION

SECTION D

FASB NO. 35 INFORMATION		
A. Valuation Date	October 1, 2015	October 1, 2014
B. Actuarial Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Members Currently Receiving Payments	\$ 59,949,063	\$ 56,897,000
b. Terminated Vested Members	1,655,681	1,115,450
c. Other Members	31,909,764	30,086,448
d. Total	93,514,508	88,098,898
2. Non-Vested Benefits	589,912	502,412
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	94,104,420	88,601,310
4. Accumulated Contributions of Active Members	7,050,516	6,800,856
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits		
1. Total Value at Beginning of Year	88,601,310	84,102,687
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendment	0	0
b. Change in Actuarial Assumptions	14,887	753,424
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	10,762,355	9,286,287
d. Benefits Paid (Net basis, including credits to DROP accounts)	(5,274,132)	(5,541,088)
e. Net Increase	5,503,110	4,498,623
3. Total Value at End of Period	94,104,420	88,601,310
D. Market Value of Assets	66,678,188	65,711,402
E. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods		

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

Fiscal year ending September 30,	2016*	2015	2014
Total pension liability			
Service Cost	\$ 3,047,445	\$ 2,767,701	\$ 2,809,815
Interest	9,090,156	8,679,595	8,234,704
Benefit Changes	-	-	-
Difference between actual & expected experience	1,820,086	(1,776,804)	(129,636)
Assumption Changes	(565,994)	617,426	-
Benefit Payments	(5,418,051)	(5,438,713)	(5,477,189)
Refunds	(10,154)	(69,179)	(42,665)
Other (Adjustments to Reserves)	-	395,891	255,655
Net Change in Total Pension Liability	7,963,488	5,175,917	5,650,684
Total Pension Liability - Beginning	116,958,988	111,783,071	106,132,387
Total Pension Liability - Ending (a)	<u>\$ 124,922,476</u>	<u>\$ 116,958,988</u>	<u>\$ 111,783,071</u>
Plan Fiduciary Net Position			
Contributions - Employer (from City)	\$ 4,391,305	\$ 4,365,259	\$ 4,159,736
Contributions - Employer (from State)	675,227	675,227	645,579
Contributions - Non-Employer Contributing Entity	-	-	-
Contributions - Member	824,224	1,040,875	911,375
Net Investment Income	6,224,325	1,428,464	7,154,203
Benefit Payments	(5,418,051)	(5,438,713)	(5,477,189)
Refunds	(10,154)	(69,179)	(42,665)
Administrative Expense	(139,115)	(153,104)	(125,126)
Other	-	78,814	28,186
Net Change in Plan Fiduciary Net Position	6,547,761	1,927,643	7,254,099
Plan Fiduciary Net Position - Beginning	78,209,708	76,282,065	69,027,966
Plan Fiduciary Net Position - Ending (b)	<u>\$ 84,757,469</u>	<u>\$ 78,209,708</u>	<u>\$ 76,282,065</u>
Net Pension Liability - Ending (a) - (b)	40,165,007	38,749,280	35,501,006
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	67.85 %	66.87 %	68.24 %
Covered Employee Payroll	\$ 13,000,000	12,919,713	\$ 12,478,996
Net Pension Liability as a Percentage of Covered Employee Payroll	308.96 %	299.92 %	284.49 %

* 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

<u>FY Ending September 30,</u>	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>	<u>Plan Net Position as a % of Total Pension Liability</u>	<u>Covered Payroll</u>	<u>Net Pension Liability as a % of Covered Payroll</u>
2014	\$111,783,071	\$ 76,282,065	\$ 35,501,006	68.24%	\$ 12,478,996	284.49%
2015	116,958,988	78,209,708	38,749,280	66.87%	12,919,713	299.92%
2016*	124,922,476	84,757,469	40,165,007	67.85%	13,000,000	308.96%

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

NOTES TO NET PENSION LIABILITY
GASB Statement No. 67

Valuation Date: October 1, 2015
 Measurement Date: September 30, 2016

Methods and Assumptions Used to Determine Net Pension Liability:

Actuarial Cost Method	Entry Age Normal
Inflation	3.0%
Salary Increases	5.0% to 6.5% depending on age, including inflation.
Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Mortality Table for Annuitants with mortality improvement projected to all future years using Scale BB. For females, the base mortality rates include a 100% white collar adjustment. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS).

Other Information:

Notes See Discussion of Valuation Results.

SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

<u>FY Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2014	\$ 4,560,918	\$ 4,624,823	\$ (63,905)	\$ 12,478,996	37.06%
2015	4,830,346	4,830,346	-	12,919,713	37.39%
2016*	4,856,392	4,856,392	-	13,000,000	37.36%

* 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	3.0%
Salary Increases	5.0% to 6.5% depending on age, including inflation.
Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	80% RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years after 2000 using Scale AA; 20% 1983 Group Annuity Mortality Table for males and females.

Other Information:

Notes See Discussion of Valuation Results in the October 1, 2014 Actuarial Valuation Report.

SINGLE DISCOUNT RATE
GASB Statement No. 67

A single discount rate of 7.75% 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 7.75%. 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 (7.75%) 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 7.75%, 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*

1% Decrease		Current Single Discount		1% Increase	
6.75%		Rate Assumption		8.75%	
		7.75%			
\$	53,657,499	\$	40,165,007	\$	28,906,647

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

MISCELLANEOUS INFORMATION

SECTION E

RECONCILIATION OF MEMBERSHIP DATA		
	From 10/1/14 To 10/1/15	From 10/1/13 To 10/1/14
A. Active Members		
1. Number Included in Last Valuation	139	141
2. New Members Included in Current Valuation	9	5
3. Non-Vested Employment Terminations	(3)	(3)
4. Vested Employment Terminations	(4)	(2)
5. DROP Participation	(3)	(2)
6. Service Retirements	0	0
7. Disability Retirements	(1)	0
8. Deaths	<u>0</u>	<u>0</u>
9. Number Included in This Valuation	137	139
B. Terminated Vested Members		
1. Number Included in Last Valuation	7	6
2. Additions from Active Members	4	2
3. Lump Sum Payments/Refund of Contributions	(1)	(1)
4. Payments Commenced	(1)	0
5. Deaths	0	0
6. Other--Data Correction	<u>1</u>	<u>0</u>
7. Number Included in This Valuation	10	7
C. DROP Plan Members		
1. Number Included in Last Valuation	11	12
2. Additions from Active Members	3	2
3. Retirements	(5)	(3)
4. Deaths Resulting in No Further Payments	0	0
5. Other	<u>0</u>	<u>0</u>
6. Number Included in This Valuation	9	11
D. Service Retirees, Disability Retirees and Beneficiaries		
1. Number Included in Last Valuation	105	104
2. Additions from Active Members	1	0
3. Additions from Terminated Vested Members	1	0
4. Additions from DROP Plan	5	3
5. Deaths Resulting in No Further Payments	(1)	(2)
6. Deaths Resulting in New Survivor Benefits	0	0
7. End of Certain Period - No Further Payments	0	0
8. Other -- Lump Sum Distributions	<u>0</u>	<u>0</u>
9. Number Included in This Valuation	111	105

ACTIVE PARTICIPANT SCATTER

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+	
20-24 NO.	0	0	0	0	0	0	0	0	0	0	0
TOT PAY	0	0	0	0	0	0	0	0	0	0	0
AVG PAY	0	0	0	0	0	0	0	0	0	0	0
25-29 NO.	5	0	1	2	4	2	0	0	0	0	14
TOT PAY	279,242	0	63,501	134,850	244,837	145,538	0	0	0	0	867,968
AVG PAY	55,848	0	63,501	67,425	61,209	72,769	0	0	0	0	61,998
30-34 NO.	1	1	0	2	0	17	4	0	0	0	25
TOT PAY	53,908	60,900	0	128,539	0	1,276,067	376,154	0	0	0	1,895,568
AVG PAY	53,908	60,900	0	64,270	0	75,063	94,039	0	0	0	75,823
35-39 NO.	1	0	1	1	1	9	14	2	0	0	29
TOT PAY	53,908	0	63,390	60,674	77,646	669,095	1,198,752	200,352	0	0	2,323,817
AVG PAY	53,908	0	63,390	60,674	77,646	74,344	85,625	100,176	0	0	80,132
40-44 NO.	2	1	0	0	0	2	14	16	0	0	35
TOT PAY	184,097	73,730	0	0	0	130,420	1,250,679	1,751,543	0	0	3,390,469
AVG PAY	92,049	73,730	0	0	0	65,210	89,334	109,471	0	0	96,871
45-49 NO.	0	0	0	0	0	3	12	8	0	0	23
TOT PAY	0	0	0	0	0	194,537	1,019,858	850,156	0	0	2,064,551
AVG PAY	0	0	0	0	0	64,846	84,988	106,270	0	0	89,763
50-54 NO.	0	1	0	0	0	2	3	2	0	0	8
TOT PAY	0	59,006	0	0	0	120,179	241,487	241,355	0	0	662,027
AVG PAY	0	59,006	0	0	0	60,090	80,496	120,678	0	0	82,753
55-59 NO.	0	0	0	0	0	1	0	2	0	0	3
TOT PAY	0	0	0	0	0	65,509	0	202,232	0	0	267,741
AVG PAY	0	0	0	0	0	65,509	0	101,116	0	0	89,247
60-64 NO.	0	0	0	0	0	0	0	0	0	0	0
TOT PAY	0	0	0	0	0	0	0	0	0	0	0
AVG PAY	0	0	0	0	0	0	0	0	0	0	0
TOT NO.	9	3	2	5	5	36	47	30	0	0	137
TOT AMT	571,155	193,636	126,891	324,063	322,483	2,601,345	4,086,930	3,245,638	0	0	11,472,141
AVG AMT	63,462	64,545	63,446	64,813	64,497	72,260	86,956	108,188	0	0	83,738

INACTIVE PARTICIPANT SCATTER

Age Group	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	4	79,656	-	-	-	-	-	-
35-39	4	90,805	-	-	-	-	-	-
40-44	2	63,895	1	41,698	1	69,648	-	-
45-49	-	-	-	-	13	835,855	-	-
50-54	-	-	-	-	21	1,111,175	1	23,843
55-59	-	-	4	83,217	31	1,561,526	-	-
60-64	-	-	3	61,035	15	626,161	-	-
65-69	-	-	3	78,232	12	506,659	1	9,397
70-74	-	-	3	40,948	8	206,460	-	-
75-79	-	-	-	-	2	75,392	-	-
80-84	-	-	-	-	1	27,637	-	-
85-89	-	-	-	-	-	-	-	-
90-94	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-
Total	10	234,356	14	305,130	104	5,020,513	2	33,240
Average Age		37		62		59		59

SUMMARY OF PLAN PROVISIONS

SECTION F

SUMMARY OF PLAN PROVISIONS

A. Ordinances

Plan established under the Code of Ordinances for the City of Boynton Beach, Florida, Chapter 18, Article III, and was most recently amended under Ordinance No.15-022 passed and adopted on its second reading on September 3, 2015. The Plan is also governed by certain provisions of Chapter 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

B. Effective Date

August 15, 1981

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 police officers are eligible to participate on the first day of employment.

F. Credited Service

Service is measured as the aggregate numbers of years and fractional parts of years of service for which a police officer 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

Total cash remuneration including up to 300 hours of overtime and lump sum payments for the lesser of the amount of sick and vacation leave accumulated as of June 18, 2013 or the amount cashed out at retirement, but exclusive of any payments for extra duty or special detail work.

H. Average Final Compensation (AFC)

The average of Compensation over the highest 5 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 earliest of:

- (1) age 55 and 10 years of Credited Service, or
- (2) age 50 and 15 years of Credited Service, or
- (3) 20 years of Credited Service regardless of age.

Benefit: 3.5% of AFC multiplied by years of Credited Service for Members hired before October 1, 2015. Benefit is limited to 100% of AFC and the provisions of Internal Revenue Code Section 415.

All Members hired on or after October 1, 2015 will receive 3.0% of AFC multiplied by years of Credited Service. Benefit is limited to 100% of AFC and the provisions of the Internal Revenue Code Section 415.

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

COLA None

Supplemental Benefit: All retirees in pay status are entitled to a monthly supplemental pension benefit paid in a lump sum on October 1 of each year. The supplemental benefit is funded by a 1% of pay contribution from the members and a 1% of pay contribution from the Chapter 185 money. The benefit pool is divided according to the total number of shares of all eligible retirees on a pro-rata basis. The number of shares allotted to each eligible retiree is the sum of credited service at retirement (maximum of 20 years) and the number of years the participant has been retired (maximum of 20 years). An individual retiree's distribution is the number of shares multiplied by the share value. The benefit ceases upon the later of the death of the retired member or beneficiary.

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 1.5% for each year by which the Early Retirement date precedes the Normal Retirement date. For this purpose, the Normal Retirement date is the earlier of the date the member would have attained age 55 or completed 20 years of Credited Service had the member continued employment as a police officer.

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

COLA: None

Supplemental

Benefit: All retirees in pay status are entitled to a monthly supplemental pension benefit paid in a lump sum on October 1 of each year. The supplemental benefit is funded by a 1% of pay contribution from the members and a 1% of pay contribution from the Chapter 185 money. The benefit pool is divided according to the total number of shares of all eligible retirees on a pro-rata basis. The number of shares allotted to each eligible retiree is the sum of credited service at retirement (maximum of 20 years) and the number of years the participant has been retired (maximum of 20 years). An individual retiree's distribution is the number of shares multiplied by the share value. The benefit ceases upon the later of the death of the retired member or beneficiary.

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 and unable to render useful and efficient service as a police officer 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 the member's basic rate of earnings in effect on the date of disability, reduced by amounts payable under Worker's Compensation and Social Security PIA with a minimum benefit being the greater of the accrued Normal Retirement benefit on the date of disability or 42% of AFC.

**Normal Form
of Benefit:**

10 Years Certain and Life thereafter; other options are also available.

COLA: None

Supplemental

Benefit: All retirees in pay status are entitled to a monthly supplemental pension benefit paid in a lump sum on October 1 of each year. The supplemental benefit is funded by a 1% of pay contribution from the members and a 1% of pay contribution from the Chapter 185 money. The benefit pool is divided according to the total number of shares of all eligible retirees on a pro-rata basis. The number of shares allotted to each eligible retiree is the sum of credited service at retirement (maximum of 20 years) and the number of years the participant has been retired (maximum of 20 years). An individual retiree's distribution is the number of shares multiplied by the share value. The benefit ceases upon the later of the death of the retired member or beneficiary.

M. Non-Service Connected Disability

Eligibility: Any member with 10 years of Credited Service who becomes totally and permanently disabled and unable to render useful and efficient service as a police officer is eligible for a disability benefit.

Benefit: The accrued Normal Retirement Benefit taking into account compensation earned and service credited as of the date of disability with a minimum benefit equal to 25% of AFC and a maximum benefit equal to 60% of AFC.

Normal Form of Benefit:	10 years Certain and Life thereafter; other options are also available.
COLA:	None
Supplemental Benefit:	All retirees in pay status are entitled to a monthly supplemental pension benefit paid in a lump sum on October 1 of each year. The supplemental benefit is funded by a 1% of pay contribution from the members and a 1% of pay contribution from the Chapter 185 money. The benefit pool is divided according to the total number of shares of all eligible retirees on a pro-rata basis. The number of shares allotted to each eligible retiree is the sum of credited service at retirement (maximum of 20 years) and the number of years the participant has been retired (maximum of 20 years). An individual retiree's distribution is the number of shares multiplied by the share value. The benefit ceases upon the later of the death of the retired member or beneficiary.

N. Death in the Line of Duty

Eligibility:	Any member whose death is determined to be the result of a service incurred injury is eligible for survivor benefits regardless of Credited Service.
Benefit:	Spouse will receive the accrued Normal Retirement Benefit taking into account compensation earned and service credited as of the date of death with a minimum benefit equal to 30% of AFC. If there is no spouse, benefits will be paid to the deceased member's estate.
Normal Form of Benefit:	Paid until death of spouse.
COLA:	None
Supplemental Benefit:	All retirees and beneficiaries in pay status are entitled to a monthly supplemental pension benefit paid in a lump sum on October 1 of each year. The supplemental benefit is funded by a 1% of pay contribution from the members and a 1% of pay contribution from the Chapter 185 money. The benefit pool is divided according to the total number of shares of all eligible retirees on a pro-rata basis. The number of shares allotted to each eligible retiree is the sum of credited service at retirement (maximum of 20 years) and the number of years the participant has been retired (maximum of 20 years). An individual retiree's distribution is the number of shares multiplied by the share value. The benefit ceases upon the later of the death of the retired member or beneficiary.

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 the accrued Normal Retirement Benefit taking into account compensation earned and service credited as of the date of death. If there is no spouse, benefits will be paid to the deceased member's estate.

Normal Form
of Benefit: Paid until death or remarriage of spouse; or 10 years to the member's estate.

COLA: None

Supplemental
Benefit: All retirees and beneficiaries in pay status are entitled to a monthly supplemental pension benefit paid in a lump sum on October 1 of each year. The supplemental benefit is funded by a 1% of pay contribution from the members and a 1% of pay contribution from the Chapter 185 money. The benefit pool is divided according to the total number of shares of all eligible retirees on a pro-rata basis. The number of shares allotted to each eligible retiree is the sum of credited service at retirement (maximum of 20 years) and the number of years the participant has been retired (maximum of 20 years). An individual retiree's distribution is the number of shares multiplied by the share value. The benefit ceases upon the later of the death of the retired member or beneficiary.

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, the 50%, 66 2/3%, 75% and 100% Contingent Annuitant options and the 50%, 66 2/3%, 75% and 100% Survivor Annuity options.

R. Vested Termination

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 5 years of Credited Service if they elect to leave their accumulated contributions in the fund.

Benefit: The benefit is the member's accrued Normal Retirement Benefit as of the date of termination.

For members with at least 5 years of Credited Service, the benefit begins on the date that would have been the member's Normal Retirement date had they continued employment until attaining age 55 with 10 years of Credited Service or upon reaching what would have been 20 years of Credited Service. Alternatively, members with at least 10 years of Credited Service 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: None

Supplemental

Benefit: Once in pay status, all retirees are entitled to a monthly supplemental pension benefit paid in a lump sum on October 1 of each year. The supplemental benefit is funded by a 1% of pay contribution from the members and a 1% of pay contribution from the Chapter 185 money. The benefit pool is divided according to the total number of shares of all eligible retirees on a pro-rata basis. The number of shares allotted to each eligible retiree is the sum of credited service at retirement (maximum of 20 years) and the number of years the participant has been retired (maximum of 20 years). An individual retiree's distribution is the number of shares multiplied by the share value. The benefit ceases upon the later of the death of the retired member or beneficiary.

Members terminating employment with less than 5 years of Credited Service will receive a refund of their own accumulated contributions.

S. Refunds

Eligibility: All members terminating employment with less than 5 years of Credited Service are eligible. Optionally, vested members (those with 5 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

7% of Compensation

U. Employer Contributions

Chapter 185 Premium Tax Refunds and any additional amount determined by the actuary needed to fund the plan properly according to State laws.

V. Changes from Previous Valuation

There have been no changes since the last valuation.

W. 13th Check

As described under the Supplemental Benefit subsections, a thirteenth check will be paid to retirees on each October 1 of each year following December 1, 2006.

X. 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 and 10 years of Credited Service, or
- (2) age 50 and 15 years of Credited Service, or
- (3) 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. A percentage of the DROP credited at the same rate earned by the Plan and the remaining percentage credited with earnings at a guaranteed rate of 7%.

**Normal Form
of Benefit:**

Options include a lump sum, equal annual payments over 5 years, or monthly installments based upon actuarial tables until the balance is paid out.

COLA: None

**Supplemental
Benefit:**

DROP retirees are entitled to a monthly supplemental pension benefit paid in a lump sum on October 1 of each year. The supplemental benefit is funded by a 1% of pay contribution from the members and a 1% of pay contribution from the Chapter 185 money. The benefit pool is divided according to the total number of shares of all eligible retirees on a pro-rata basis. The number of shares allotted to each eligible retiree is the sum of credited service at retirement (maximum of 20 years) and the number of years the participant has been retired (maximum of 20 years). An individual retiree's distribution is the number of shares multiplied by the share value. The benefit ceases upon the later of the death of the retired member or beneficiary.

Y. Other Ancillary Benefits

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

