

CITY OF DELRAY BEACH GENERAL EMPLOYEES' RETIREMENT PLAN
ACTUARIAL VALUATION REPORT AS OF OCTOBER 1, 2015

ANNUAL EMPLOYER CONTRIBUTION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2017



February 16, 2016

Board of Trustees
City of Delray Beach General
Employees' Retirement Plan
Delray Beach, Florida

**Re: City of Delray Beach General Employees' Retirement Plan Actuarial Valuation as of October 1, 2015
Actuarial Disclosures**

Dear Trustees:

The results of the October 1, 2015 Annual Actuarial Valuation of the City of Delray Beach General Employees' Retirement Plan 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 for the fiscal year ending September 30, 2015. 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 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 and City 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 and City.

In addition, this report was prepared using assumptions approved by the Board as described in the section of the 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.

Trisha Amrose 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.

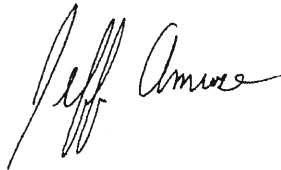
The signing actuaries are independent of the plan sponsor.

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 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.


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  _____

Jeffrey Amrose, MAAA
Enrolled Actuary No. 14-6599

By  _____

Trisha Amrose, MAAA
Enrolled Actuary No. 14-8010

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SECTION A
DISCUSSION OF VALUATION RESULTS

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

The required employer contribution developed in this year's valuation is compared below to last year's results:

	For FYE 9/30/2017 Based on 10/1/2015 Valuation	For FYE 9/30/2016 Based on 10/1/2014 Valuation	Increase (Decrease)
Required Employer Contribution			
If Paid on October 1			
Date of Payment	10/1/2016	10/1/2015	
Dollar Amount	\$ 1,885,352	\$ 2,011,323	\$ (125,971)
As % of Covered Payroll	11.94 %	12.65 %	(0.71) %
If Paid on December 31			
Date of Payment	12/31/2016	12/31/2015	
Dollar Amount	\$ 1,918,633	\$ 2,046,827	\$ (128,194)
As % of Covered Payroll	12.15 %	12.88 %	(0.73) %

This Report reflects an employer contribution of \$2,046,827 paid in December, 2015 for the fiscal year ending September 30, 2016. The required contribution was \$2,046,827 as determined in the October 1, 2014 Actuarial Valuation Report.

Revisions in Benefits

There have been no revisions in benefits since the last actuarial valuation.

Revisions in Actuarial Assumptions or Methods

There have been no revisions in actuarial assumptions or methods since the last actuarial valuation.

Actuarial Experience

There has been a net actuarial gain of \$1,180,685 for the year which means that actual experience was more favorable than expected. The gain is primarily due to lower than expected salary increases (3.4% compared to the assumed rate of 5.7%) and greater than expected employment terminations. The gain was slightly offset by losses from a recognized investment return below the assumed rate of 7.25%. The investment return was 0.4% based on the market value of assets and 7.1% based on the actuarial value of assets. The net gain caused the required employer contribution to decrease by 0.68% of covered payroll.

Funded Ratio

The funded ratio, one measure of the Plan's financial health, is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability. The funded ratio is 98.1% this year compared to 97.0% last year.

Analysis of Change in Employer Contributions

The components of change in the required contribution as a percent of payroll are as follows:

Contribution rate last year*	12.88 %
Changes in Benefits	0.00
Experience gain/loss	(0.68)
Change in Normal Cost rate	(0.07)
Amortization payment on UAAL	0.00
Change in administrative expense	<u>0.02</u>
Contribution rate this year*	12.15

* Assuming the contribution is paid on December 31.

Variability of Future Contribution Rates

The Actuarial Cost Method used to determine the contribution rate is intended to produce contribution rates which are generally level as a percent of payroll. Even so, when experience differs from the assumptions, as it often does, the employer's contribution rate can vary significantly from year-to-year. Over time, if the year-to-year gains and losses offset each other, the contribution rate would be expected to return to the current level, but this does not always happen.

The Actuarial Value of Assets exceeds the Market Value of Assets by \$683,944 as of the valuation date (see Section C). This difference will be recognized in the Actuarial Value of Assets over the next several years. In turn, the computed employer contribution rate will gradually increase by approximately 0.4% of covered payroll unless there are offsetting gains.

Relationship to Market Value

If Market Value had been the basis for the valuation, the City contribution rate would have been 12.54% (assuming a contribution payment date of December 31, 2016) and the funded ratio would have been 97.5%. In the absence of other gains and losses, the City contribution rate should increase to that level over the next several years.

Conclusion

The remainder of this Report includes detailed actuarial valuation results, information relating to the pension fund, financial accounting information, miscellaneous employee data and a summary of plan provisions.

SECTION B
VALUATION RESULTS

PARTICIPANT DATA		
	October 1, 2015	October 1, 2014
ACTIVE MEMBERS		
Number	335	342
Covered Annual Payroll	\$ 15,787,245	\$ 15,895,095
Average Annual Payroll	\$ 47,126	\$ 46,477
Average Age	48.0	48.2
Average Past Service	11.7	12.0
Average Age at Hire	36.3	36.2
RETIREEES, BENEFICIARIES & DROP		
Number	301	291
Annual Benefits	\$ 6,036,377	\$ 5,735,644
Average Annual Benefit	\$ 20,054	\$ 19,710
Average Age	69.3	68.8
DISABILITY RETIREEES		
Number	3	3
Annual Benefits	\$ 46,412	\$ 46,412
Average Annual Benefit	\$ 15,471	\$ 15,471
Average Age	57.4	56.4
TERMINATED VESTED MEMBERS		
Number	64	52
Annual Benefits	\$ 776,544	\$ 599,810
Average Annual Benefit	\$ 12,134	\$ 11,535
Average Age	49.5	49.5

ACTUARIALLY DETERMINED EMPLOYER CONTRIBUTION (ADEC)		
A. Valuation Date	October 1, 2015	October 1, 2014
B. ADEC to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2016
C. Assumed Date of Employer Contrib.	12/31/2016	12/31/2015
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 76,159	\$ 174,634
E. Employer Normal Cost	1,681,745	1,700,725
F. ADEC if Paid on the Valuation Date: D + E	1,757,904	1,875,359
G. ADEC if Paid on the First Day of the Next Fiscal Year	1,885,352	2,011,323
H. ADEC if Paid on December 31	1,918,633	2,046,827
I. ADEC as % of Covered Payroll*	12.15 %	12.88 %
J. Assumed Rate of Increase in Covered Payroll to Contribution Year	0.00 %	0.00 %
K. Covered Payroll for Contribution Year	15,787,245	15,895,095
L. ADEC for Contribution Year*	1,918,633	2,046,827
M. ADEC as % of Covered Payroll in Contribution Year: L ÷ K*	12.15 %	12.88 %

* Assuming the contribution is paid on the date in Item C.

ACTUARIAL VALUE OF BENEFITS AND ASSETS		
A. Valuation Date	October 1, 2015	October 1, 2014
B. Actuarial Present Value of All Projected Benefits for		
1. Active Members		
a. Service Retirement Benefits	\$ 55,082,495	\$ 55,924,270
b. Vesting Benefits	2,015,201	2,168,249
c. Disability Benefits	1,919,053	1,921,208
d. Preretirement Death Benefits	1,772,041	1,784,777
e. Return of Member Contributions	54,635	42,678
f. Total	60,843,425	61,841,182
2. Inactive Members		
a. Service Retirees & Beneficiaries	63,366,814	60,517,014
b. Disability Retirees	526,683	530,775
c. Terminated Vested Members	4,676,617	3,490,782
d. Total	68,570,114	64,538,571
3. Total for All Members	129,413,539	126,379,753
C. Actuarial Accrued (Past Service) Liability (Entry Age Normal)	112,619,687	109,549,049
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	100,993,143	97,528,455
E. Plan Assets		
1. Market Value	109,833,409	112,459,556
2. Actuarial Value	110,517,353	106,280,221
F. Unfunded Actuarial Accrued Liability	2,102,334	3,268,828
G. Actuarial Present Value of Projected Covered Payroll	127,193,637	127,717,996
H. Actuarial Present Value of Projected Member Contributions	4,479,917	4,444,718

CALCULATION OF EMPLOYER NORMAL COST		
A. Valuation Date	October 1, 2015	October 1, 2014
B. Normal Cost for		
1. Service Retirement Benefits	\$ 1,740,521	\$ 1,747,583
2. Vesting Benefits	194,371	201,401
3. Disability Benefits	117,276	115,503
4. Preretirement Death Benefits	99,874	98,526
5. Return of Member Contributions	<u>40,839</u>	<u>40,300</u>
6. Total for Future Benefits	2,192,881	2,203,313
7. Assumed Amount for Administrative Expenses	<u>76,366</u>	<u>73,963</u>
8. Total Normal Cost	2,269,247	2,277,276
C. Expected Member Contribution	587,502	576,551
D. Employer Normal Cost: B8-C	1,681,745	1,700,725
E. Employer Normal Cost as a % of Covered Payroll	10.65%	10.70%

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

UAAL Amortization Period and Payments						
Original UAAL				Current UAAL		
Years	Source	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/2009	Initial Unfunded	25	\$ 5,602,731	19	\$ 4,727,723	\$ 434,529
10/1/2009	Plan Amendment	10	(2,846,704)	4	(1,309,011)	(362,369)
10/1/2010	Experience Loss	25	394,904	20	341,330	30,627
10/1/2011	Experience Loss	25	1,799,033	21	1,608,865	141,237
10/1/2011	Assumption Change	25	(2,114,885)	21	(1,891,329)	(166,034)
10/1/2012	Experience Loss	25	539,648	22	498,157	42,866
10/1/2012	Plan Amendment	25	11,000	22	10,155	874
10/1/2013	Experience Loss	25	(1,043,610)	23	(354,414)	(29,945)
10/1/2013	Assumption Change	5	650,399	3	401,455	143,286
10/1/2014	Experience Gain	25	(769,762)	24	(749,912)	(62,308)
10/1/2015	Experience Gain	25	(1,180,685)	25	(1,180,685)	(96,604)
			\$ 1,042,069		\$ 2,102,334	\$ 76,159

The UAAL is being liquidated as a level dollar amount over the number of years remaining in the amortization period. The expected amortization schedule is as follows:

Amortization Schedule	
Year	Expected UAAL
2015	\$ 2,102,334
2016	2,173,047
2017	2,248,912
2018	2,330,278
2019	2,571,217
2020	2,440,983
2025	1,633,727
2030	488,220
2035	(671,237)
2040	-

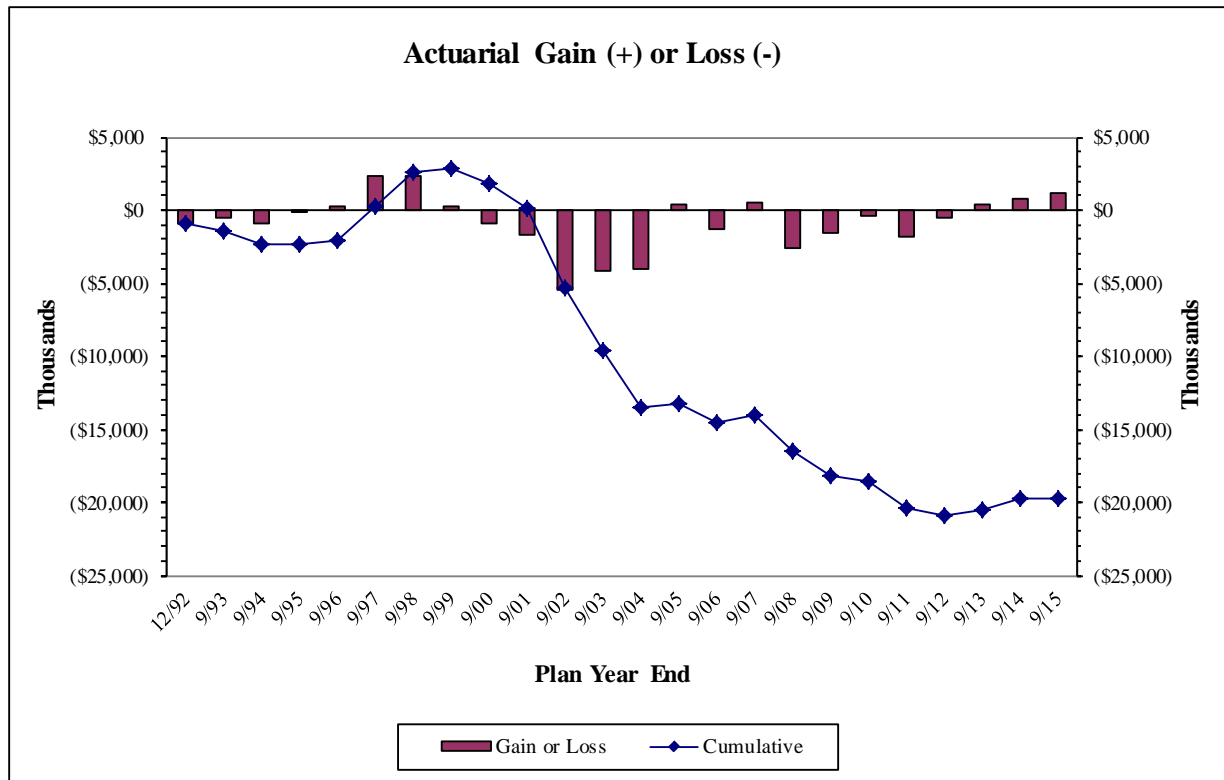
ACTUARIAL GAINS AND LOSSES

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:

1. Last Year's UAAL	\$ 3,268,828
2. Last Year's Employer Normal Cost	1,700,725
3. Last Year's Contributions	2,046,827
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	360,293
b. 3 from dates paid	0
c. a - b	360,293
5. This Year's Expected UAAL Prior to Revision: 1 + 2 - 3 + 4c	3,283,019
6. Change in UAAL Due to Plan Amendments and/or Changes in Actuarial Assumptions	0
7. This Year's Expected UAAL (after changes): 5 + 6	3,283,019
8. This Year's Actual UAAL (after changes)	2,102,334
9. Net Actuarial Gain/(Loss): 7 - 8	1,180,685
10. Gain/(Loss) Due to Investment	(170,986)
11. Gain/(Loss) Due to Other Sources	1,351,671

Net actuarial gains in previous years have been as follows:

Year Ended	Gain (Loss)
12/31/92	\$ (939,614)
9/30/93	(492,398)
9/30/94	(937,094)
9/30/95	(32,368)
9/30/96	260,299
9/30/97	2,354,556
9/30/98	2,333,750
9/30/99	246,466
9/30/00	(955,923)
9/30/01	(1,750,230)
9/30/02	(5,428,126)
9/30/03	(4,212,406)
9/30/04	(3,989,929)
9/30/05	351,084
9/30/06	(1,334,136)
9/30/07	563,904
9/30/08	(2,574,633)
9/30/09	(1,599,294)
9/30/10	(394,904)
9/30/11	(1,799,033)
9/30/12	(539,648)
9/30/13	373,386
9/30/14	769,762
9/30/15	1,180,685



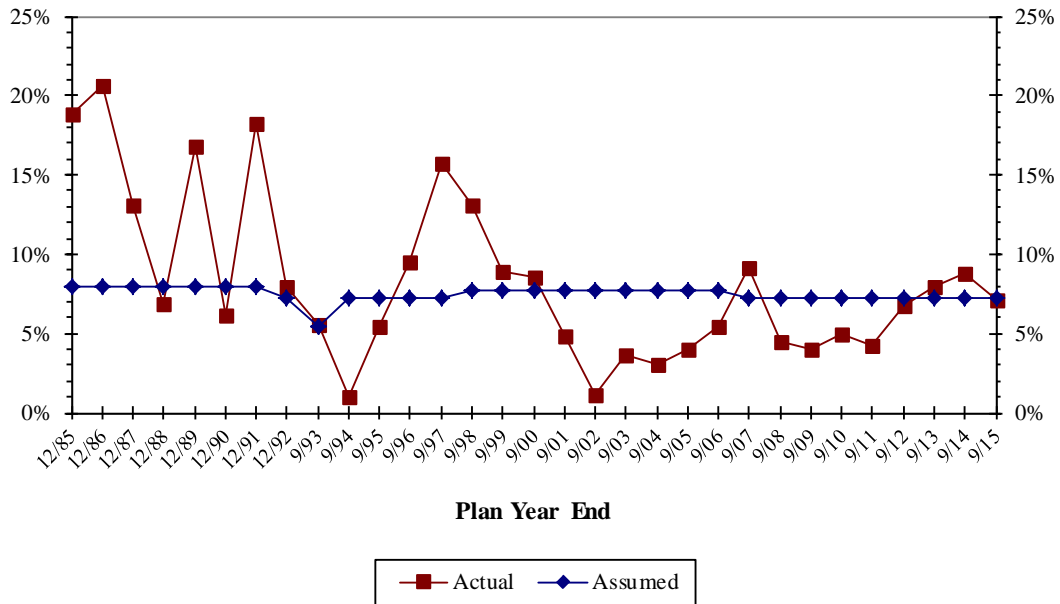
The fund earnings and salary increase assumptions have considerable impact on the cost of the Plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings and salary increase rates compared to the assumed rates for the last few years.

Year Ending	Investment Return		Salary Increases	
	Actual	Assumed	Actual	Assumed
12/31/1985	18.8 %	8.0 %	5.6 %	7.0 %
12/31/1986	20.6	8.0	9.7	7.0
12/31/1987	13.1	8.0	11.4	7.0
12/31/1988	6.9	8.0	4.6	7.0
12/31/1989	16.8	8.0	9.0	7.0
12/31/1990	6.2	8.0	9.7	7.0
12/31/1991	18.2	8.0	4.6	7.0
12/31/1992	7.9	7.25	5.9	5.0
9/30/1993 (9 mos.)	5.6	5.4	3.8	3.8
9/30/1994	1.0	7.25	3.3	5.0
9/30/1995	5.5	7.25	3.3	5.0
9/30/1996	9.5	7.25	3.5	5.0
9/30/1997	15.7	7.25	4.7	5.0
9/30/1998	13.1	7.75	3.0	5.0
9/30/1999	8.9	7.75	4.5	5.0
9/30/2000	8.6	7.75	5.2	5.0
9/30/2001	4.9	7.75	5.3	5.0
9/30/2002	1.1	7.75	5.9	5.0
9/30/2003	3.6	7.75	7.6	5.0
9/30/2004	3.1	7.75	4.5	5.0
9/30/2005	4.0	7.75	5.6	5.0
9/30/2006	5.5	7.75	5.3	5.0
9/30/2007	9.1	7.25	6.9	5.6
9/30/2008	4.5	7.25	4.8	5.8
9/30/2009	4.0	7.25	1.5	5.8
9/30/2010	5.0	7.25	0.9	5.7
9/30/2011	4.3	7.25	1.1	5.7
9/30/2012	6.7	7.25	0.5	2.0
9/30/2013	8.0	7.25	2.3	2.0
9/30/2014	8.8	7.25	4.0	2.0
9/30/2015	7.1	7.25	3.4	5.7
Averages	8.2 %	---	4.9 %	---

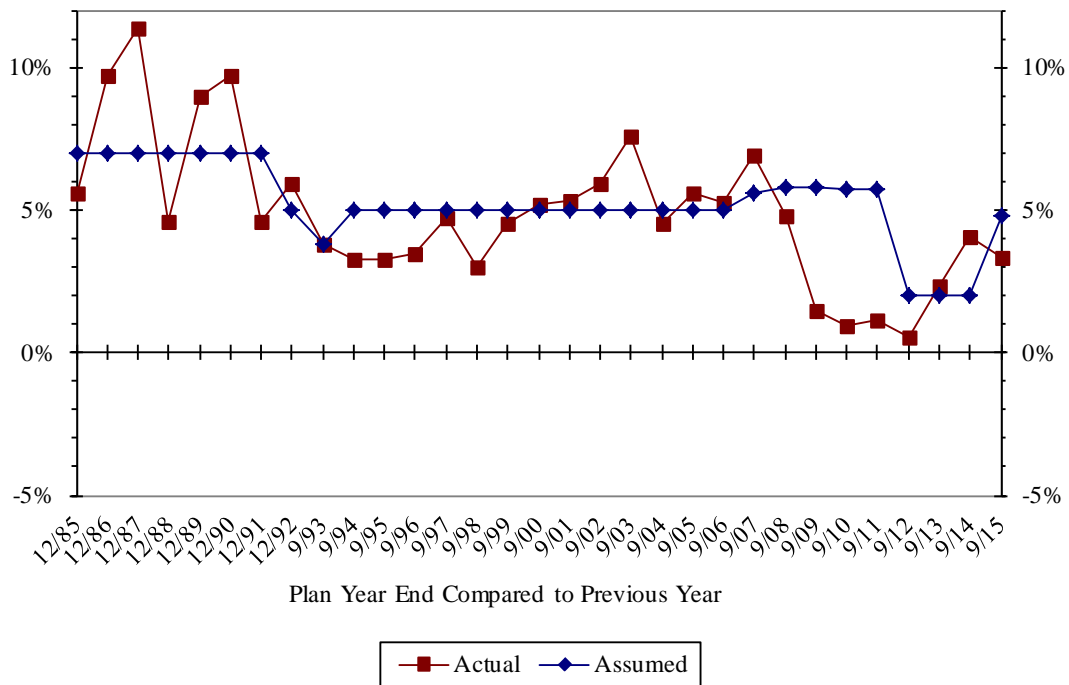
Note: Figures prior to 1990 were determined by the Wyatt Company.

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	46	20	8	15	0	1	0	1	6	6	12	15	379
9/30/2003	34	29	9	15	1	1	0	1	10	9	19	16	384
9/30/2004	41	28	9	13	2	1	0	1	8	9	17	15	397
9/30/2005	30	38	8	13	1	1	1	1	13	15	28	15	389
9/30/2006	44	40	13	15	0	1	1	1	13	13	26	15	393
9/30/2007	45	36	20 *	13	0	1	1	1	6	9	15	21	402
9/30/2008	40	27	13	11	0	1	0	1	8	6	14	22	415
9/30/2009	24	15	7	11	0	1	0	1	3	5	8	23	424
9/30/2010	21	28	11	13	1	1	0	1	4	12	16	22	417
9/30/2011	13	41	26	14	0	1	1	1	10	4	14	20	389
9/30/2012	17	34	17	13	0	1	2	1	10	5	15	17	372
9/30/2013	26	39	16 *	12	0	1	2	1	7	14	21	16	359
9/30/2014	17	34	15	12	0	1	0	1	9	10	19	16	342
9/30/2015	35	42	15	12	0	1	1	1	19	7	26	14	335
9/30/2016				13		1		1				16	
14 Yr Totals **	433	451	187	182	5	14	9	14	126	124	250	247	

* Reflects Early Retirement Incentive Program during the Plan Year.

RECENT HISTORY OF VALUATION RESULTS							
Valuation Date	Number of		Covered Annual Payroll	Actuarial Value of Assets	UAAL	Employer Normal Cost	
	Active Members	Inactive Members				Amount	% of Payroll
1/1/90	283	88	\$ 7,217,876	\$ 18,735,866	\$ (935,024)	\$ 742,838	10.3 %
1/1/91	309	90	8,119,144	19,989,234	(4,673,532)	1,136,638	14.0
1/1/92	324	101	8,653,137	23,834,584	0	425,248	4.9
1/1/93	337	101	9,402,160	25,545,873	0	590,537	6.3
10/1/93	350	103	9,976,616	29,169,341	0	698,784	7.0
10/1/94	350	108	10,140,270	29,541,506	0	703,611	6.9
10/1/95	343	112	10,123,923	31,138,947	0	707,347	7.0
10/1/96	352	121	10,483,367	33,939,706	0	705,909	6.7
10/1/97	354	132	10,838,339	39,004,018	0	0	---
10/1/98	350	137	10,830,498	47,654,038	0	0	---
10/1/99	351	145	11,221,039	51,167,747	0	0	---
10/1/00	352	158	11,683,131	54,085,492	0	76,657	0.7
10/1/01	353	167	12,166,399	55,160,299	0	299,443	2.5
10/1/02	379	173	13,369,199	54,452,798	0	638,906	4.8
10/1/03	384	183	14,807,342	56,610,019	0	1,313,414	8.9
10/1/04	397	197	15,844,035	58,552,571	0	1,832,201	11.6
10/1/05	389	215	16,203,652	61,455,670	0	1,829,172	11.3
10/1/06	393	232	16,839,131	70,326,850	0	2,088,750	12.4
10/1/07	399	252	17,817,350	77,436,230	0	2,293,259	12.9
10/1/08	415	261	18,990,051	80,987,834	0	2,745,258	14.5
10/1/09	424	267	19,359,146	84,476,640	2,756,027	2,073,422	10.7
10/1/10	417	272	18,988,947	87,826,931	3,269,096	2,059,007	10.8
10/1/11	389	292	17,817,131	90,513,860	3,032,918	1,869,059	10.5
10/1/12	372	311	16,937,526	94,643,819	3,679,352	1,792,979	10.6
10/1/13	359	326	16,527,919	99,910,051	4,040,481	1,746,728	10.6
10/1/14	342	346	15,895,095	106,280,221	3,268,828	1,700,725	10.7
10/1/15	335	368	15,787,245	110,517,353	2,102,334	1,681,745	10.7

RECENT HISTORY OF UAAL AND FUNDED RATIO

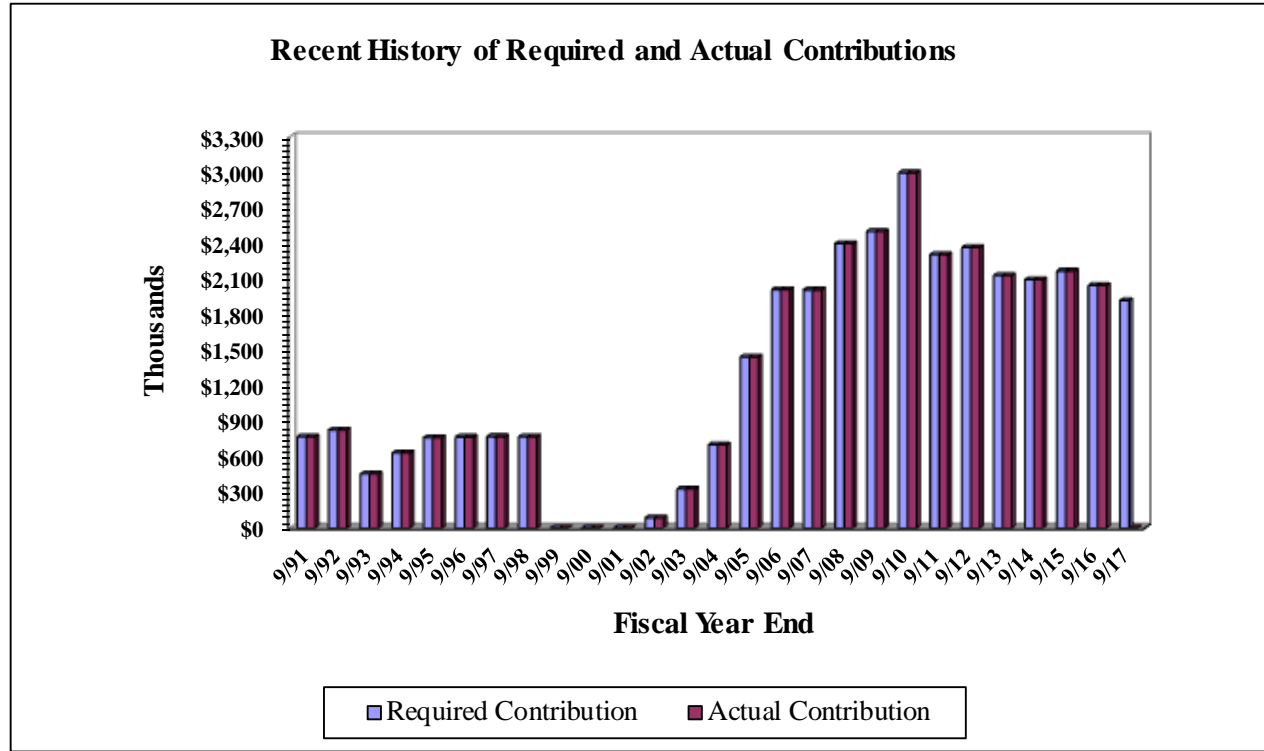
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) - Entry Age (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAAL As % of Covered Payroll (b - a) / c
1/1/1992	\$ 23,834,584	\$ 18,011,767	\$ (5,822,817)	132.3 %	\$ 8,653,137	(67.3) %
1/1/1993	25,545,873	20,033,614	(5,512,259)	127.5	9,402,160	(58.6)
10/1/1993	29,169,341	22,586,615	(6,582,726)	129.1	9,976,616	(66.0)
10/1/1994	29,541,506	24,655,939	(4,885,567)	119.8	10,140,270	(48.2)
10/1/1995	31,138,947	26,524,776	(4,614,171)	117.4	10,123,923	(45.6)
10/1/1996	33,939,706	27,354,746	(6,584,960)	124.1	10,483,367	(62.8)
10/1/1997	39,004,018	27,946,800	(11,057,218)	139.6	10,838,339	(102.0)
10/1/1998	43,376,078	30,159,065	(13,217,013)	143.8	10,830,498	(122.0)
10/1/1999	51,167,747	36,138,126	(15,029,621)	141.6	11,221,039	(133.9)
10/1/2000	54,085,492	41,859,407	(12,226,085)	129.2	11,683,131	(104.6)
10/1/2001	55,160,299	44,423,811	(10,736,488)	124.2	12,166,399	(88.2)
10/1/2002	54,452,798	48,000,804	(6,451,994)	113.4	13,369,199	(48.3)
10/1/2003	56,610,019	53,583,420	(3,026,599)	105.6	14,807,342	(20.4)
10/1/2004	58,552,571	59,247,630	695,059	98.8	15,844,035	4.4
10/1/2005	61,455,670	62,126,597	670,927	98.9	16,203,652	4.1
10/1/2006	70,326,850	71,373,310	1,046,460	98.5	16,839,131	6.2
10/1/2007	77,436,230	78,839,518	1,403,288	98.2	17,817,350	7.9
10/1/2008	80,987,834	84,913,592	3,925,758	95.4	18,990,051	20.7
10/1/2009	84,476,640	87,232,667	2,756,027	96.8	19,359,146	14.2
10/1/2010	87,826,931	91,096,027	3,269,096	96.4	18,988,947	17.2
10/1/2011	90,513,860	93,546,778	3,032,918	96.8	17,817,131	17.0
10/1/2012	94,643,819	98,323,171	3,679,352	96.3	16,937,526	21.7
10/1/2013	99,910,051	103,950,532	4,040,481	96.1	16,527,919	24.4
10/1/2014	106,280,221	109,549,049	3,268,828	97.0	15,895,095	20.6
10/1/2015	110,517,353	112,619,687	2,102,334	98.1	15,787,245	13.3

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS				
Valuation	End of Year To Which Valuation Applies	Required Contributions		Actual Contributions
		Amount	% of Payroll	
1/1/90	9/30/91	\$ 769,008	10.65 %	\$ 769,008
1/1/91	9/30/92	824,612	10.16	824,612
1/1/92	9/30/93	456,078	5.27	456,078
1/1/93	9/30/94	633,351	6.74	633,351
10/1/93	9/30/95	762,329	7.64	762,329
10/1/94	9/30/96	767,595	7.57	767,595
10/1/95	9/30/97	771,671	7.62	771,671
10/1/96	9/30/98	770,101	7.35	770,101
10/1/97	9/30/99	0	---	0
10/1/98	9/30/00	0	---	0
10/1/99	9/30/01	0	---	0
10/1/00	9/30/02	84,122	0.72	84,122
10/1/01	9/30/03	328,603	2.70	328,603
10/1/02	9/30/04	701,388	5.25	701,388
10/1/03	9/30/05	1,441,861	9.74	1,441,861
10/1/04	9/30/06	2,011,383	12.69	2,011,383
10/1/05	9/30/07	2,008,058	12.39	2,008,058
10/1/06 *	9/30/08	2,398,379	14.35	2,398,379
10/1/07	9/30/09	2,502,936	14.05	2,502,936
10/1/08	9/30/10	2,996,262	15.78	2,996,262
10/1/09 **	9/30/11	2,305,392	11.91	2,305,392
10/1/10	9/30/12	2,365,620	12.46	2,365,620
10/1/11	9/30/13	2,128,666	11.95	2,128,666
10/1/12 ***	9/30/14	2,093,769	12.36	2,093,769
10/1/13	9/30/15	2,168,192	13.12	2,168,192
10/1/14	9/30/16	2,046,827	12.88	2,046,827
10/1/15	9/30/17	1,918,633	12.15	---

* From October 19, 2007 Actuarial Impact Statement.

** From October 4, 2010 Actuarial Impact Statement.

*** From September 13, 2013 Actuarial Impact Statement.



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) dollar 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 valuations is 7.25% per year, compounded annually (net after investment expense).

The **Wage Inflation Rate** assumed in this valuation was 3.00% 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 7.25% investment return rate translates to an assumed real rate of return over wage inflation of 4.25%.

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 3.00% 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	4.2%	3.0%	7.2%
2	4.2%	3.0%	7.2%
3	4.1%	3.0%	7.1%
4	4.0%	3.0%	7.0%
5	3.8%	3.0%	6.8%
6	3.6%	3.0%	6.6%
7	3.4%	3.0%	6.4%
8	3.2%	3.0%	6.2%
9	2.8%	3.0%	5.8%
10 - 14	2.6%	3.0%	5.6%
15 - 19	2.0%	3.0%	5.0%
20 and higher	1.4%	3.0%	4.4%

* Used for salary increases starting in the fiscal year ending September 30, 2015.

Demographic Assumptions

The mortality table was the RP-2000 Combined Healthy Participant Mortality Tables for males and females. The provision for future mortality improvements is being made by using Scale AA after 2000.

Sample Attained Ages (in 2015)	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.16 %	0.13 %	34.35	35.68
55	0.27	0.24	29.23	30.71
60	0.53	0.47	24.29	25.93
65	1.03	0.90	19.68	21.44
70	1.77	1.55	15.48	17.32
75	3.06	2.49	11.68	13.59
80	5.54	4.13	8.45	10.28

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. (10% of future active member deaths are assumed to be service-connected.)

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:

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

The rate of retirement is 5% 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	Years of Service	% of Active Members Separating Within Next Year
ALL	0	16.0 %
	1	16.0
	2	12.0
	3	10.0
	4	8.0
20	5 & Over	8.0
25		8.0
30		7.4
35		6.5
40		5.4
45		3.8
50		3.0
55		2.7
60		0.0

Rates of disability among active members (20% of future disability retirements are assumed to be service-connected):

Sample Ages	% Becoming Disabled within Next Year	
	Male	Female
25	0.17 %	0.34 %
30	0.17	0.34
35	0.18	0.36
40	0.20	0.40
45	0.23	0.46
50	0.29	0.58
55	0.39	0.78
60	0.59	1.18

Miscellaneous and Technical Assumptions

<i>Administrative & Investment Expenses</i>	The investment return assumption is intended to be the return before considering investment expenses. Annual administrative and investment expenses are assumed to be equal to the average of the expenses over the previous 2 years. Assumed administrative and investment 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 in one payment at the end of December. 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>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>	Life Annuity. For married participants within ten years of attaining age 60 or 30 years of service as of October 5, 2010, a monthly income payable for life of member; upon death of member, 100% of member's benefit payable to spouse for one year and 60% thereafter until death or remarriage of spouse. Other optional forms are also available.
<i>Pay Increase Timing</i>	End of fiscal year. This is equivalent to assuming that reported pays represent the rate of pay on the valuation date.
<i>Service Credit Accruals</i>	It is assumed that members accrue one year of service credit per year.

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 No. 67.
<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 employer contribution (ADEC).

<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 ADEC 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 Employer Contribution (ADEC)</i>	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation. The ADEC 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. 67 and GASB No. 68</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.

SECTION C
PENSION FUND INFORMATION

Statement of Plan Assets at Market Value

Item	September 30	
	2015	2014
A. Cash and Cash Equivalents (Operating Cash)	\$ 888	\$ 862
B. Receivables		
1. Member Contributions	\$ 19,270	\$ 14,038
2. Employer Contributions	2,046,827	2,177,951
3. Investment Income and Other Receivables	365,394	109,641
4. Total Receivables	\$ 2,431,491	\$ 2,301,630
C. Investments*		
1. Short Term Investments	\$ -	\$ -
2. Domestic and International Equities	85,282,101	91,025,053
3. Domestic and International Fixed Income	22,266,122	19,285,795
4. Real Estate	-	-
5. DROP Accounts (ICMA)	5,337,909	4,736,415
6. Total Investments	\$ 112,886,132	\$ 115,047,263
D. Liabilities		
1. Benefits Payable	\$ -	\$ -
2. Accrued Expenses and Other Payables	(147,193)	(153,784)
3. Total Liabilities	\$ (147,193)	\$ (153,784)
E. Total Market Value of Assets Available for Benefits	\$ 115,171,318	\$ 117,195,971
F. DROP Accounts	\$ (5,337,909)	\$ (4,736,415)
G. Market Value Net of Reserves	\$ 109,833,409	\$ 112,459,556
H. Allocation of Investments*		
1. Short Term Investments	0.0%	0.0%
2. Domestic and International Equities	75.6%	79.1%
3. Domestic and International Fixed Income	19.7%	16.8%
4. Real Estate	0.0%	0.0%
5. DROP Accounts (ICMA)	4.7%	4.1%
6. Total Investments	100.0%	100.0%

* A detailed breakdown was not available.

Reconciliation of Plan Assets

Item	September 30	
	2015	2014
A. Market Value of Assets at Beginning of Year	\$ 112,459,556	\$102,484,189
B. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions*	\$ 948,466	\$ 1,126,054
b. Employer Contributions	2,046,827	2,168,192
c. Total	\$ 2,995,293	\$ 3,294,246
2. Investment Income		
a. Interest, Dividends, and Other Income	\$ 1,860,401	\$ 1,260,842
b. Net Realized/Unrealized Gains/(Losses)**	(1,131,200)	11,200,449
c. Investment Expenses	(283,189)	(264,842)
d. Net Investment Income	\$ 446,012	\$ 12,196,449
3. Benefits and Refunds		
a. Regular Monthly Benefits	\$ (5,882,586)	\$ (5,355,711)
b. Refunds	(111,160)	(80,592)
c. Lump Sum Benefits Paid	-	-
d. Total	\$ (5,993,746)	\$ (5,436,303)
4. Administrative and Miscellaneous Expenses	\$ (73,706)	\$ (79,025)
5. Transfers	\$ -	\$ -
C. Market Value of Assets at End of Year	\$ 109,833,409	\$112,459,556

* Includes buyback payments.

** The breakdown of this amount between realized gains/(losses) and unrealized gains/(losses) was not provided.

Actuarial Value of Assets

The Actuarial Value of Assets is determined by recognizing 20% of the difference between market value of assets and expected actuarial asset value.

Item	September 30	
	2015	2014
A. Beginning of Year Assets		
1. Market Value	\$ 112,459,556	\$ 102,484,189
2. Actuarial Value	106,280,221	99,910,051
B. End of Year Market Value of Assets	109,833,409	112,459,556
C. Net of Contributions Less Disbursements*	(3,072,159)	(2,221,082)
D. Actual Net Investment Earnings*	446,012	12,196,449
E. Expected Investment Earnings*	7,480,277	7,046,418
F. Expected Actuarial Value End of Year: A2 + C + E	110,688,339	104,735,387
G. End of Year Market Value Less Expected Actuarial Value: B - F	(854,930)	7,724,169
H. 20% of Difference	(170,986)	1,544,834
I. End of Year Assets		
1. Actuarial Value: F + H	110,517,353	106,280,221
2. Final Actuarial Value Within 80% to 120% of Market Value	110,517,353	106,280,221
J. Recognized Investment Earnings	7,309,291	8,591,252
K. Recognized Rate of Return	7.1%	8.8%

* Net of investment expenses.

Year Ended	Investment Rate of Return	
	Market Value Basis*	Actuarial Value Basis
12/31/85	24.0 %	18.8 %
12/31/86	21.1	20.6
12/31/87	5.8	13.1
12/31/88	8.6	6.9
12/31/89	24.2	16.8
12/31/90	3.3	6.2
12/31/91	28.3	18.2
12/31/92	6.3	7.9
9/30/93 (9 months)	4.3	5.6
9/30/94	(2.9)	1.0
9/30/95	21.1	5.5
9/30/96	14.8	9.5
9/30/97	23.3	15.7
9/30/98	5.6	13.1
9/30/99	12.2	8.9
9/30/00	8.7	8.6
9/30/01	(1.0)	4.9
9/30/02	(5.1)	1.1
9/30/03	13.8	3.6
9/30/04	6.4	3.1
9/30/05	8.1	4.0
9/30/06	6.2	5.5
9/30/07	11.3	9.1
9/30/08	(12.4)	4.5
9/30/09	1.9	4.0
9/30/10	9.6	5.0
9/30/11	1.2	4.3
9/30/12	18.1	6.7
9/30/13	13.0	8.0
9/30/14	12.0	8.8
9/30/15	0.4	7.1
Average Returns:		
Last 5 Years	8.7 %	7.0 %
Last 10 Years	5.8 %	6.3 %
All Years	9.1 %	8.2 %

* Net of investment expenses after 2005.

The above rates are based on the retirement system's financial information reported to the actuary. They may differ from figures that the investment consultant reports, in part because of differences in the handling of administrative and investment expenses, and in part because of differences in the handling of cash flows.

DROP Account Reconciliation

Year Ending 9/30	Beginning Balance	Credits	Investment Earnings	Distributions	Ending Balance
2007	\$1,188,609	\$ 435,466	\$ 92,530	\$ 264,147	\$1,452,458
2008	1,452,458	507,624	(33,856)	163,223	1,763,003
2009	1,763,003	558,740	98,242	249,723	2,170,262
2010	2,170,262	674,648	105,540	901,876	2,048,574
2011	2,048,574	778,292	51,293	524,993	2,353,166
2012	2,353,166	945,467	169,156	331,627	3,136,162
2013	3,136,162	1,199,170	148,168	282,268	4,201,232
2014	4,201,232	1,259,921	154,600	879,338	4,736,415
2015	4,736,415	1,445,136	66,143	909,785	5,337,909

SECTION D
FINANCIAL ACCOUNTING INFORMATION

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	\$ 63,893,497	\$ 61,047,789
b. Terminated Vested Members	4,676,617	3,490,782
c. Other Members	31,116,532	31,529,153
d. Total	<u>99,686,646</u>	<u>96,067,724</u>
2. Non-Vested Benefits	1,306,497	1,460,731
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	100,993,143	97,528,455
4. Accumulated Contributions of Active Members	5,228,851	4,890,372
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits		
1. Total Value at Beginning of Year	97,528,455	92,939,571
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendment	0	0
b. Change in Actuarial Assumptions	0	0
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	9,458,434	10,025,187
d. Benefits Paid	<u>(5,993,746)</u>	<u>(5,436,303)</u>
e. Net Increase	3,464,688	4,588,884
3. Total Value at End of Period	100,993,143	97,528,455
D. Market Value of Assets	109,833,409	112,459,556
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	\$ 2,192,881	\$ 2,203,313	\$ 2,249,595
Interest	8,164,155	7,791,771	7,502,443
Benefit Changes	-	-	-
Difference between actual & expected experience	(1,097,920)	1,375,784	-
Assumption Changes	-	-	-
Benefit Payments	(6,426,964)	(5,882,586)	(5,355,711)
Refunds	(27,505)	(111,160)	(80,592)
Net Change in Total Pension Liability	2,804,647	5,377,122	4,315,735
Total Pension Liability - Beginning	113,643,389	108,266,267	103,950,532
Total Pension Liability - Ending (a)	\$ 116,448,036	\$ 113,643,389	\$ 108,266,267
Plan Fiduciary Net Position			
Contributions - Employer	\$ 2,046,827	\$ 2,168,946	\$ 2,093,769
Contributions - Member (Including Buyback Contributions)	587,502	948,466	1,126,054
Net Investment Income	7,710,378	445,258	12,196,449
Benefit Payments	(6,426,964)	(5,882,586)	(5,355,711)
Refunds	(27,505)	(111,160)	(80,592)
Administrative Expense	(76,366)	(73,706)	(79,025)
Other	-	-	-
Net Change in Plan Fiduciary Net Position	3,813,872	(2,504,782)	9,900,944
Plan Fiduciary Net Position - Beginning	107,786,582	110,291,364	100,390,420
Plan Fiduciary Net Position - Ending (b)	\$ 111,600,454	\$ 107,786,582	\$ 110,291,364
Net Pension Liability - Ending (a) - (b)	4,847,582	5,856,807	(2,025,097)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	95.84 %	94.85 %	101.87 %
Covered Employee Payroll***	\$ 15,787,245	\$ 15,895,095	\$ 16,527,919
Net Pension Liability as a Percentage of Covered Employee Payroll	30.71 %	36.85 %	(12.25)%

* These figures were revised from the amounts reported previously based on the City's direction to exclude DROP balances from the Total Pension Liability and the Plan Fiduciary Net Position, i.e. to reflect the treatment of the DROP as a separate plan.

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

*** Estimated based on valuation payroll.

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 Employee Payroll***</u>	<u>Net Pension Liability as a % of Covered Employee Payroll</u>
2014*	\$108,266,267	\$110,291,364	\$ (2,025,097)	101.87%	\$ 16,527,919	(12.25)%
2015	113,643,389	107,786,582	5,856,807	94.85%	15,895,095	36.85%
2016**	116,448,036	111,600,454	4,847,582	95.84%	15,787,245	30.71%

* These figures were revised from the amounts reported previously based on the City's direction to exclude DROP balances from the Total Pension Liability and the Plan Fiduciary Net Position, i.e. to reflect the treatment of the DROP as a separate plan.

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

*** Estimated based on valuation payroll.

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

Valuation Date: October 1, 2014
Measurement Date: September 30, 2015

Methods and Assumptions Used to Determine Net Pension Liability:

Actuarial Cost Method	Entry Age Normal
Inflation	3.0%
Salary Increases	4.4% - 7.2% based on service, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years after 2000 using Scale AA

Other Information:

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

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 Employee Payroll**</u>	<u>Actual Contribution as a % of Covered Employee Payroll</u>
2014	\$ 2,093,769	\$ 2,093,769	\$ -	\$ 16,527,919	12.67%
2015	2,168,946	2,168,946	-	15,895,095	13.65%
2016*	2,046,827	2,046,827	-	15,787,245	12.97%

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

** Estimated based on valuation payroll.

NOTES TO SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

Valuation Date: October 1, 2013
Notes Actuarially determined contributions are calculated as of October 1, which is two years 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 Dollar, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	5-year smoothed market
Inflation	3.0%
Salary Increases	4.4% - 7.2% based on service (2% for next year), including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years after 2000 using Scale AA

Other Information:

Notes See Discussion of Valuation Results from the October 1, 2013 Actuarial Valuation Report

SINGLE DISCOUNT RATE
GASB Statement No. 67

A single discount rate of 7.25% 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 7.25%. 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 (7.25%) 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 7.25%, 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
for September 30, 2015 Reporting Date

1% Decrease		Current Single Discount		1% Increase	
6.25%		Rate Assumption		8.25%	
\$	18,868,557	\$	5,856,807	\$	(5,156,115)

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption
for September 30, 2016 Reporting Date*

1% Decrease		Current Single Discount		1% Increase	
6.25%		Rate Assumption		8.25%	
\$	18,008,468	\$	4,847,582	\$	(6,301,804)

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

SECTION E
MISCELLANEOUS INFORMATION

RECONCILIATION OF MEMBERSHIP DATA		
	From 10/01/14 To 10/01/15	From 10/01/13 To 10/01/14
A. Active Members		
1. Number Included in Last Valuation	342	359
2. New Members Included in Current Valuation	35	17
3. Non-Vested Employment Terminations	(7)	(9)
4. Vested Employment Terminations	(19)	(9)
5. Service Retirements	(3)	(1)
6. Disability Retirements	0	0
7. Deaths	(1)	0
8. Transfer to Police & Fire	0	(1)
9. DROP Retirements	(12)	(14)
10. ERIP Retirements	0	0
11. Number Included in This Valuation	335	342
B. Terminated Vested Members		
1. Number Included in Last Valuation	52	49
2. Additions from Active Members	19	9
3. Lump Sum Payments/Refund of Contributions	(7)	(4)
4. Payments Commenced	0	(2)
5. Deaths	0	0
6. Other - Data Correction	0	0
7. Number Included in This Valuation	64	52
C. DROP Plan Members		
1. Number Included in Last Valuation	47	43
2. Additions from Active Members	12	14
3. Retirements	(9)	(10)
4. Deaths Resulting in No Further Payments	0	0
5. Other	0	0
6. Number Included in This Valuation	50	47
D. Service Retirees, Disability Retirees and Beneficiaries		
1. Number Included in Last Valuation	247	234
2. Additions from Active Members	4	1
3. Additions from Terminated Vested Members	0	2
4. Additions from DROP Plan	9	10
5. Deaths Resulting in No Further Payments	(6)	0
6. Deaths Resulting in New Survivor Benefits	(3)	0
7. End of Certain Period - No Further Payments	0	0
8. Other-Beneficiaries of retiree deaths	3	0
9. Number Included in This Valuation	254	247

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	25-29	30 & Up	
20-24 NO.	0	3	0	0	0	0	0	0	0	0	0	3
TOT PAY	0	82,513	0	0	0	0	0	0	0	0	0	82,513
AVG PAY	0	27,504	0	0	0	0	0	0	0	0	0	27,504
25-29 NO.	0	5	2	2	0	5	0	0	0	0	0	14
TOT PAY	0	146,001	63,113	76,721	0	201,469	0	0	0	0	0	487,304
AVG PAY	0	29,200	31,556	38,360	0	40,294	0	0	0	0	0	34,807
30-34 NO.	0	6	2	4	1	6	2	0	0	0	0	21
TOT PAY	0	183,645	63,482	164,008	25,085	219,321	73,479	0	0	0	0	729,020
AVG PAY	0	30,608	31,741	41,002	25,085	36,554	36,740	0	0	0	0	34,715
35-39 NO.	0	6	3	1	2	9	8	2	0	0	0	31
TOT PAY	0	187,200	135,886	42,141	68,703	397,965	341,999	81,474	0	0	0	1,255,368
AVG PAY	0	31,200	45,295	42,141	34,352	44,218	42,750	40,737	0	0	0	40,496
40-44 NO.	0	4	0	1	1	15	12	7	1	0	0	41
TOT PAY	0	138,426	0	39,333	37,190	677,829	533,863	302,161	57,533	0	0	1,786,335
AVG PAY	0	34,606	0	39,333	37,190	45,189	44,489	43,166	57,533	0	0	43,569
45-49 NO.	0	2	2	2	2	10	19	10	4	5	0	56
TOT PAY	0	86,278	49,920	80,537	85,613	365,416	918,966	591,366	222,290	279,822	0	2,680,208
AVG PAY	0	43,139	24,960	40,268	42,806	36,542	48,367	59,137	55,572	55,964	0	47,861
50-54 NO.	0	4	2	2	0	13	19	13	9	7	1	70
TOT PAY	0	336,170	61,214	124,404	0	562,890	978,723	746,998	461,448	391,872	55,744	3,719,463
AVG PAY	0	84,042	30,607	62,202	0	43,299	51,512	57,461	51,272	55,982	55,744	53,135
55-59 NO.	0	3	3	3	4	13	14	6	6	11	2	65
TOT PAY	0	162,066	162,593	243,100	180,440	601,854	607,642	388,294	307,487	668,565	113,596	3,435,637
AVG PAY	0	54,022	54,198	81,033	45,110	46,296	43,403	64,716	51,248	60,779	56,798	52,856
60-64 NO.	0	1	2	1	0	9	7	5	1	1	1	28
TOT PAY	0	62,046	74,900	56,285	0	341,037	295,901	251,888	68,016	58,053	80,808	1,288,934
AVG PAY	0	62,046	37,450	56,285	0	37,893	42,272	50,378	68,016	58,053	80,808	46,033
65 & Up NO.	0	0	0	0	0	4	1	1	0	0	0	6
TOT PAY	0	0	0	0	0	214,323	40,498	67,642	0	0	0	322,463
AVG PAY	0	0	0	0	0	53,581	40,498	67,642	0	0	0	53,744
TOT NO.	0	34	16	16	10	84	82	44	21	24	4	335
TOT AMT	0	1,384,345	611,108	826,529	397,031	3,582,104	3,791,071	2,429,823	1,116,774	1,398,312	250,148	15,787,245
AVG AMT	0	40,716	38,194	51,658	39,703	42,644	46,233	55,223	53,180	58,263	62,537	47,126

INACTIVE PARTICIPANT DISTRIBUTION										
Age	Terminated Vested		Disabled		Retired		Beneficiary		Total	
	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits
Under 20	0	0	0	0	0	0	1	7,894	1	7,894
20 - 24	0	0	0	0	0	0	0	0	0	0
25 - 29	1	2,268	0	0	0	0	1	3,000	2	5,268
30 - 34	4	24,228	0	0	0	0	1	6,410	5	30,638
35 - 39	7	60,428	0	0	0	0	1	1,556	8	61,984
40 - 44	3	23,700	0	0	0	0	5	14,237	8	37,937
45 - 49	12	167,651	0	0	0	0	0	0	12	167,651
50 - 54	19	287,348	1	11,544	6	263,428	0	0	26	562,320
55 - 59	14	180,851	1	22,467	21	854,678	3	26,466	39	1,084,462
60 - 64	2	22,210	1	12,401	64	1,507,910	4	56,237	71	1,598,758
65 - 69	2	7,860	0	0	70	1,573,159	6	52,965	78	1,633,984
70 - 74	0	0	0	0	34	795,862	1	6,989	35	802,851
75 - 79	0	0	0	0	28	328,971	4	26,553	32	355,524
80 - 84	0	0	0	0	21	248,152	2	18,722	23	266,874
85 - 89	0	0	0	0	14	144,594	7	36,527	21	181,121
90 - 94	0	0	0	0	1	13,093	4	30,197	5	43,290
95 - 99	0	0	0	0	2	18,777	0	0	2	18,777
100 & Over	0	0	0	0	0	0	0	0	0	0
Total	64	776,544	3	46,412	261	5,748,624	40	287,753	368	6,859,333
Average Age		49		57		70		67		66

SECTION F
SUMMARY OF PLAN PROVISIONS

CITY OF DELRAY BEACH GENERAL EMPLOYEES' RETIREMENT PLAN

SUMMARY OF PLAN PROVISIONS

A. Ordinances

The Plan was established under the Code of Ordinances for the City of Delray Beach, Florida, Title 3, Chapter 35, Sections 35.085-35.110 and was most recently amended under Ordinance No. 22-13 passed and adopted on its second reading on September 17, 2013. The Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes (F.S.) and the Internal Revenue Code.

B. Effective Date

January 1, 1965; restated April 22, 1974

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

Full-time employees who are not police officers or firefighters are eligible upon completion of one year of service. City commissioners may not be included.

F. Credited Service

Service is measured as the period of continuous employment, expressed in years and tenths of a year, as a general employee from the employee's most recent date of hire to the date of termination. Credited service includes all periods of paid leave and all periods of unpaid leave up to a maximum of 30 days except as required by the Uniformed Services Employment and Reemployment Rights Act of 1994.

In the event that a member of this plan also has credited service with the City as a police officer or firefighter subsequent to membership in this plan, then such other credited service shall be used in determining vesting and eligibility for normal retirement. Such other credited service will not be considered in determining benefits under this system.

G. Compensation

Basic compensation paid to a participant for services rendered to the City excluding overtime, commissions, bonuses, expenses allowances and any other extraordinary compensation.

H. Final Monthly Compensation (FMC)

For members hired on or before October 5, 2010, the average of the highest 36 consecutive months of Compensation out of the last 120 months of Credited Service immediately preceding retirement or termination; the FMC will not be less than the 24-month average of Compensation as of October 5, 2010. For members hired after October 5, 2010, the average of the highest 60 consecutive months of Compensation out of the last 120 months of Credited Service immediately preceding retirement or termination. Payments for unused leave are not included.

I. Normal Retirement

Eligibility: Members within ten years of attaining age 60 or 30 years of service as of October 5, 2010 may retire on the first day of the month coincident with or next following the earlier of:

- (1) age 60 with 10 years of Credited Service, or
- (2) 30 years of Credited Service regardless of age.

Other members hired on or before October 5, 2010 may retire on the first day of the month coincident with or next following the earlier of:

- (1) age 62 with 10 years of Credited Service, or
- (2) 30 years of Credited Service regardless of age.

Members hired after October 5, 2010 may retire on the first day of the month coincident with or next following attainment of age 65 with 10 years of Credited Service.

Benefit: 2.50% of FMC multiplied by Credited Service with a maximum benefit of 75% of FMC. For members with 10 or more years of Credited Service, the minimum monthly benefit is \$500.

Members may elect to receive a 3% multiplier for future service (and a maximum benefit of 90% of Average Monthly Earnings) by contributing an additional 3.45% of pay. These members may also choose to purchase the 3% multiplier for past service by contributing the full actuarial cost.

Normal Form of Benefit: Life annuity. For married participants within ten years of attaining age 60 or 30 years of service as of October 5, 2010, a monthly income payable for life of member; upon death of member, 100% of member's benefit payable to spouse for one year and 60% thereafter until death or remarriage of spouse. Other optional forms are also available.

COLA: None

J. Early Retirement

Eligibility: A member may elect to retire earlier than the Normal Retirement Eligibility upon attainment of:

- (1) age 55 with 15 years of Credited Service, or
- (2) 20 years of Credited Service regardless of age.

Benefit: The Normal Retirement Benefit is actuarially reduced by 5% for each year by which the Early Retirement date precedes the Normal Retirement date.

Normal Form
of Benefit:

Life annuity. For married participants within ten years of attaining age 60 or 30 years of service as of October 5, 2010, a monthly income payable for life of member; upon death of member, 100% of member's benefit payable to spouse for one year and 60% thereafter until death or remarriage of spouse. Other optional forms are also available.

COLA: None

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 incurs a total and permanent disability arising out of and in the course of city employment is immediately eligible for a disability benefit.

Benefit: 60% of FMC in effect at date of disability, reduced by amounts payable from Social Security, and in certain cases, by compensation earned from other sources.

Benefit begins 5 months after the date of disability and is payable until the earlier of:

- (a) death
- (b) recovery from disability
- (c) age 65 for those who became disabled prior to age 60 or 5 years after the date of disability for those who became disabled after age 60.

Normal Form: Life annuity

COLA: None

M. Non-Service Connected Disability

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

Benefit: 2.0% of FMC in effect at date of disability multiplied by Credited Service with a maximum benefit of 50% of FMC. Benefits will be reduced by amounts payable from Social Security, and in certain cases, by compensation earned from other sources.

Benefit begins 5 months after the date of disability and is payable until the earlier of:

- (a) death
- (b) recovery from disability
- (c) age 65 for those who became disabled prior to age 60 or 5 years after the date of disability for those who became disabled after age 60.

Normal Form: Life annuity

COLA: None

N. Death in the Line of Duty

Eligibility: Any member whose death arises out of and in the course of city employment is immediately eligible for a survivor benefit.

Benefit: \$10,000 lump sum, plus a monthly income of 60% of FMC on the date of death payable to the spouse until death or remarriage, or in the case of a non-spouse beneficiary, the actuarial equivalent of the member's lifetime benefit of 60% of FMC payable for life, plus a monthly income of 7 1/2% of the FMC payable to each unmarried child under age 18 (age 22 if full-time student), subject to an overall limitation of 90% of FMC.

Normal Form of Benefit: Lump sum in addition to monthly benefits payable until death or the remarriage of a spouse. Children's benefits are payable until death, marriage or the attainment of age 18 (age 22 if a full-time student).

COLA: None

O. Other Pre-Retirement Death

Eligibility: Members are eligible for survivor benefits after the completion of 1 or more years of Credited Service.

Benefit: For those with less than 5 years of Credited Service, a \$5,000 lump sum is payable to the spouse or designated beneficiary.

For those with 5 or more years of Credited Service, a \$10,000 lump sum, plus a monthly income paid to the spouse until death or remarriage equal to 65% of the member's Normal Retirement Benefit accrued on the date of death with a minimum equal to 20% of the member's FMC, or in the case of a non-spouse beneficiary, the actuarial equivalent of the member's lifetime benefit of 65% of the member's Normal Retirement Benefit paid for life, plus a monthly income of 7 1/2% of the FMC payable to each unmarried child under age 18 (age 22 if full-time student), subject to an overall limitation of 50% of FMC.

Normal Form of Benefit: Lump sum in addition to monthly benefits payable until death or the remarriage of a spouse. Children's benefits are payable until death, marriage or the attainment of age 18 (age 22 if a full-time student).

COLA: None

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 retirees are the 10 Year Certain and Life option or the 50%, 66 2/3%, 75% or 100% Joint and Survivor options. Lump sums may be paid when the monthly benefit is less than \$50.

R. Vested Termination

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 5 years of Credited Service (See vesting table below).

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

Normal Form of Benefit: Life annuity. For married participants within ten years of attaining age 60 or 30 years of service as of October 5, 2010, a monthly income payable for life of member; upon death of member, 100% of member's benefit payable to spouse for one year and 60% thereafter until death or remarriage of spouse. Other optional forms are also available.

COLA: None

Vesting is determined in accordance with the following table.

YEARS OF CREDITED SERVICE	% OF NORMAL RETIREMENT BENEFITS
Less Than 5	None
5	50%
6	60
7	70
8	80
9	90
10 or more	100

S. Non-vested Termination

Eligibility: All members terminating employment with less than 5 years of Credited Service are eligible.

Benefit: Refund of the member's contributions.

T. Member Contributions

3.05%. Those members who elect to receive the 3% multiplier must contribute an additional 3.45%, for a total of 6.50%. Contributions cease upon attainment of 30 years of Credited Service.

U. Employer Contributions

The amount determined by the actuary needed to fund the plan properly according to State laws.

V. Cost of Living Increases

Not Applicable

W. 13th Check

Not Applicable

X. Deferred Retirement Option Plan

Eligibility: Members within ten years of attaining age 60 or 30 years of service as of October 5, 2010 who have met one of the following criteria are eligible for the DROP:

- (1) age 60 with 10 years of Credited Service, or
- (2) 30 years of Credited Service regardless of age.

Other members hired on or before October 5, 2010 who have met one of the following criteria are eligible for the DROP:

- (1) age 62 with 10 years of Credited Service, or
- (2) 30 years of Credited Service regardless of age.

Members hired after October 5, 2010 are eligible for the DROP upon attaining age 65 with 10 years of Credited Service.

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

Benefit: The member's Credited Service and FMC 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 FMC.

**Maximum
DROP Period:** 60 months

**Interest
Credited:** The member's DROP account is credited at an interest rate equal to the actual investment return earned by the pension plan or by the member's self directed investments.

**Normal Form
of Benefit:** Lump Sum, or equal quarterly or annual installments spread over a period of time designated by the retiree.

Y. Other Ancillary Benefits

There are no ancillary benefits-retirement type benefits not required by statutes but which might be deemed a City of Delray Beach General Employees' Retirement Plan liability if continued beyond the availability of funding by the current funding source.

Z. Changes from Previous Valuation

None