GRS Gabriel Roeder Smith & Company
Consultants & Actuaries

CITY OF BOYNTON BEACH MUNICIPAL POLICE OFFICERS' RETIREMENT FUND
ACTUARIAL VALUATION REPORT AS OF OCTOBER 1, 2014

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

GRS

Gabriel Roeder Smith & Company
Consultants & Actuaries

One East Broward Blvd.
Suite 505
Ft. Lauderdale, FL 33301-1804

954.527.1616 phone
954.525.0083 fax
www.gabrielroeder.com

March 6, 2015

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

Dear Board Members:

The results of the October 1, 2014 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.

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

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

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

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

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

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

This actuarial valuation and/or cost determination was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate. In my opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

Peter N. Strong

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

Jeff Amrose

Jeffrey Amrose, MAAA
Enrolled Actuary No. 14-06599

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SECTION A

DISCUSSION OF VALUATION RESULTS

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

A comparison of the required employer contribution developed in this and the last actuarial valuation is shown below. The 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 9/30/16 Based on 10/1/2014 Valuation	For FYE 9/30/15 Based on 10/1/2013 Valuation	Increase (Decrease)
Required Employer/State Contribution	$ 4,856,392	$ 4,830,346	$ 26,046
As % of Covered Payroll	42.26 %	41.73 %	0.53 %
Estimated State Contribution	$ 465,087	$ 465,087	$ 0
As % of Covered Payroll	4.05 %	4.02 %	0.03 %
Required Employer Contribution	$ 4,391,305	$ 4,365,259	$ 26,046
As % of Covered Payroll	38.21 %	37.71 %	0.50 %

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, 2016 and has been calculated assuming the employer contribution is made on October 1, 2015. The actual City contribution for the fiscal year ending September 30, 2014 was $4,159,736, which slightly exceeded the required contribution.

Revisions in Benefits

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

Revisions in Actuarial Assumptions and Methods

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

- The mortality table, which was updated three years ago to the RP-2000 Combined Healthy Participant Mortality Tables for males and females, including projections for future improvements in mortality rates to all future years using Scale AA, continues to be phased in this year.
- The assumed withdrawal rates, which were updated three years ago (please see the actuarial assumptions and methods section), continue to be phased in this year.

These revisions are being phased in over a five-year period, which began with the October 1, 2011 actuarial valuation. In this year's actuarial valuation, 80% of the revised rates and 20% of the prior rates are used. In the previous year's actuarial valuation, 60% of the revised rates and 40% of the prior rates were used. This change caused an increase in the employer contribution of 1.22% 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). Lowering this assumption will decrease the probability of incurring future actuarial experience losses due to investment performance in future years.

Actuarial Experience

There was a net actuarial gain of $2,463,259 for the year which means that actual experience was more favorable than expected. The actuarial gain was primarily due to salary increases that were less than expected. Average salary increases were 1.0%, versus 5.8% expected. The gain was also partially due to recognized investment earnings being greater than assumed. The return on the actuarial value of assets was 8.92%, versus 7.75% expected. The return on the market value of assets was 10.35%.

The net actuarial gain for the year has caused a decrease in the annual required employer contribution of 1.18% of covered payroll.

Funded Ratio

The funded ratio was 62.3% this year compared to 59.1% last year. Before the change in assumptions described above, the funded ratio was 62.6%. 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	37.71 %
Actuarial Experience	(1.18)
Change in Administrative Expense	0.03
Amortization Payment on UAL	0.49
Change in State Contribution	(0.03)
Change in Normal Cost Rate	(0.03)
Change in Assumptions and Methods	1.22
Contribution Rate This Year	38.21

Required Contributions in Later Years

The current calculated City contribution requirement is 38.21% of payroll starting October 1, 2015. For future planning purposes, the City contribution rate is expected to increase by approximately 1.22% of payroll during the next year due to the continued phase in of the assumption changes, assuming there are no gains or losses.

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, 2014, the market value of assets exceeded the actuarial value of assets by $3,391,389. Once all the gains and losses through September 30, 2014 are fully recognized in the actuarial asset values, the contribution rate will decrease by roughly 1.6% of payroll before any other changes are taken into account, unless there are offsetting losses.

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 4.45%. 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 over the past several 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 8.3% of covered payroll (approximately $960,000).

Relationship to Market Value

If Market Value had been the basis for the valuation, the City contribution rate would have been 36.59% for the fiscal year ending September 30, 2016 and the funded ratio would have been 65.7%.

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	645,579
3. Benefit Improvements Made in Previous Plan Year	0
4. Excess Funds for Previous Plan Year: (2) - (1) - (3)	180,492
5. Accumulated Excess at Beginning of Previous Year	41,929
6. Prior Excess Used in Previous Plan Year	152,637
7. Accumulated Excess as of Valuation Date (Available for Benefit Improvements)	69,784
8. Base Amount This Plan Year	465,087

SECTION B

VALUATION RESULTS

PARTICIPANT DATA		
	October 1, 2014	**October 1, 2013**
ACTIVE MEMBERS		
Number	139	141
Covered Annual Payroll	$ 11,142,832	$ 11,302,523
Average Annual Payroll	$ 80,164	$ 80,160
Average Age	38.7	37.8
Average Past Service	10.3	9.5
Average Age at Hire	28.4	28.3
RETIREES & BENEFICIARIES & DROP		
Number	102	101
Annual Benefits	$ 4,806,738	$ 4,704,070
Average Annual Benefit	$ 47,125	$ 46,575
Average Age	58.3	57.7
DISABILITY RETIREES		
Number	14	15
Annual Benefits	$ 288,518	$ 311,885
Average Annual Benefit	$ 20,608	$ 20,792
Average Age	63.9	63.0
TERMINATED VESTED MEMBERS		
Number	7	6
Annual Benefits	$ 157,128	$ 129,803
Average Annual Benefit	$ 22,447	$ 21,634
Average Age	38.6	37.3

ANNUAL REQUIRED CONTRIBUTION (ARC)			
A. Valuation Date	October 1, 2014 *Current Assumptions (with 80% phase-in of New Mortality and Termination rates)*	October 1, 2014 *Prior Assumptions (with 60% phase-in of New Mortality and Termination rates)*	October 1, 2013
B. ARC to Be Paid During Fiscal Year Ending	9/30/2016	9/30/2016	9/30/2015
C. Assumed Date of Employer Contrib.	10/1/2015	10/1/2015	10/1/2014
D. Annual Payment to Amortize Unfunded Actuarial Liability	$ 2,493,837	$ 2,469,308	$ 2,583,189
E. Employer Normal Cost	2,214,983	2,103,234	2,132,984
F. ARC if Paid on the Valuation Date: D+E	4,708,820	4,572,542	4,716,173
G. ARC Adjusted for Frequency of Payments	4,708,820	4,572,542	4,716,173
H. ARC as % of Covered Payroll	42.26 %	41.04 %	41.73 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	N/A %	N/A %	N/A %
J. Covered Payroll for Contribution Year	11,491,698 *	11,491,698 *	11,575,236 *
K. ARC for Contribution Year: H x J	4,856,392	4,716,193	4,830,346
L. Estimate of State Revenue in Contribution Year	465,087	465,087	465,087
M. Required Employer Contribution (REC) in Contribution Year	4,391,305	4,251,106	4,365,259
N. REC as % of Covered Payroll in Contribution Year: M ÷ J	38.21 %	36.99 %	37.71 %

**Estimate provided by the City*

ACTUARIAL VALUE OF BENEFITS AND ASSETS

	October 1, 2014	October 1, 2014	October 1, 2013
A. Valuation Date	*Current Assumptions (with 80% phase-in of New Mortality and Termination rates)*	*Prior Assumptions (with 60% phase-in of New Mortality and Termination rates)*	
B. Actuarial Present Value of All Projected Benefits for			
1. Active Members			
a. Service Retirement Benefits	$ 60,644,027	$ 59,179,496	$ 57,644,897
b. Vesting Benefits	2,511,817	2,503,516	2,697,084
c. Disability Benefits	3,855,663	3,776,073	3,850,236
d. Preretirement Death Benefits	815,796	935,136	948,166
e. Return of Member Contributions	30,799	34,515	43,588
f. Total	67,858,102	66,428,736	65,183,971
2. Inactive Members			
a. Service Retirees & Beneficiaries	54,468,058	54,015,915	53,162,097
b. Disability Retirees	2,428,942	2,393,440	2,648,527
c. Terminated Vested Members	1,115,450	1,111,070	869,788
d. Total	58,012,450	57,520,425	56,680,412
3. Total for All Members	125,870,552	123,949,161	121,864,383
C. Actuarial Accrued (Past Service) Liability per GASB No. 25	99,965,363	99,504,095	95,951,447
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	88,601,310	87,847,886	84,102,687
E. Plan Assets			
1. Market Value	65,711,402	65,711,402	58,900,850
2. Actuarial Value	62,320,013	62,320,013	56,693,338
F. Unfunded Actuarial Accrued Liability: C - E2	37,645,350	37,184,082	39,258,109
G. Actuarial Present Value of Projected Covered Payroll	100,306,242	98,290,720	103,892,263
H. Actuarial Present Value of Projected Member Contributions	7,021,437	6,880,350	7,272,459
I. Accumulated Contributions of Active Members	6,800,856	6,800,856	6,247,797

ENTRY AGE NORMAL METHOD
CALCULATION OF EMPLOYER NORMAL COST

	October 1, 2014 *Current Assumptions (with 80% phase-in of New Mortality and Termination rates)*	October 1, 2014 *Prior Assumptions (with 60% phase-in of New Mortality and Termination rates)*	October 1, 2013
A. Valuation Date			
B. Normal Cost for			
1. Service Retirement Benefits	$ 2,334,437	$ 2,203,237	$ 2,235,630
2. Vesting Benefits	200,531	212,349	218,767
3. Disability Benefits	270,505	264,716	266,933
4. Preretirement Death Benefits	42,125	47,668	48,301
5. Return of Member Contributions	31,852	39,731	40,184
6. Total for Future Benefits	2,879,450	2,767,701	2,809,815
7. Assumed Amount for Administrative Expenses	115,531	115,531	114,346
8. Total Normal Cost	2,994,981	2,883,232	2,924,161
C. Expected Member Contribution	779,998	779,998	791,177
D. Employer Normal Cost: B8-C	2,214,983	2,103,234	2,132,984
E. Employer Normal Cost as a % of Covered Payroll	19.88%	18.88%	18.87%

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

A. UAAL Amortization Period and Payments

Original UAAL			Current UAAL		
Date Established	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/98	30	$ 1,331,353	14	$ 1,438,424	$ 128,037
10/1/99	30	1,656,722	15	1,812,453	153,034
10/1/00	30	185,619	16	203,451	16,366
10/1/01	30	46,601	17	51,777	3,983
10/1/04	30	1,166,935	20	1,332,290	91,347
10/1/05	30	2,985,574	21	3,413,391	226,392
10/1/05	30	13,646,165	21	15,601,580	1,034,770
10/1/06	30	2,307,394	22	2,637,069	169,558
10/1/07	30	16,404	23	18,645	1,164
10/1/08	30	3,582,504	24	4,020,977	244,375
10/1/09	30	3,419,100	25	3,783,544	224,124
10/1/10	30	1,404,570	26	1,530,043	88,473
10/1/11	30	4,476,765	27	4,778,077	270,069
10/1/11	30	1,634,520	27	1,744,531	98,605
10/1/12	30	(2,249,576)	28	(2,332,668)	(129,046)
10/1/12	30	412,194	28	427,419	23,645
10/1/12	30	(426,604)	28	(442,362)	(24,472)
10/1/13	30	(794,394)	29	(810,661)	(43,945)
10/1/13	30	430,545	29	439,361	23,817
10/1/14	30	(2,463,259)	30	(2,463,259)	(130,988)
10/1/14	30	461,268	30	461,268	24,529
		$ 33,230,400		$ 37,645,350	$ 2,493,837

B. Amortization Schedule

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

Amortization Schedule	
Year	Expected UAAL
2014	$ 37,645,350
2015	37,875,698
2016	38,016,471
2017	38,056,370
2018	37,983,106
2019	37,783,259
2024	34,323,763
2029	25,085,297
2034	9,624,756
2039	(362,936)
2043	-

ACTUARIAL GAINS AND LOSSES

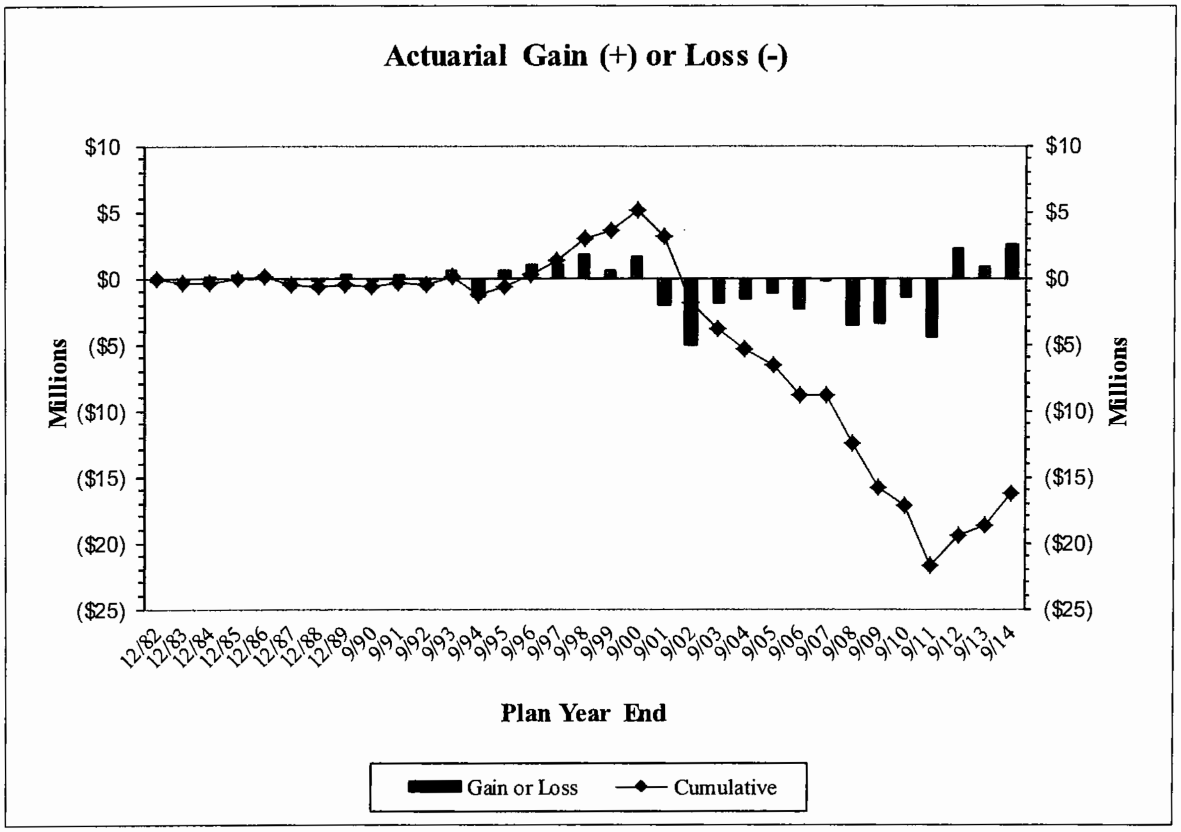
The assumptions used to anticipate mortality, employment turnover, investment income, expenses, salary increases, and other factors have been based on long range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the past year 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	$ 39,258,109
2. Last Year's Employer Normal Cost	2,132,984
3. Last Year's Contributions	4,624,823
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	3,207,810
b. 3 from dates paid	326,739
c. a - b	2,881,071
5. This Year's Expected UAAL: 1 + 2 - 3 + 4c	39,647,341
6. This Year's Actual UAAL (Before any changes in benefits and assumptions)	37,184,082
7. Net Actuarial Gain (Loss): (5) - (6)	2,463,259
8. Gain (Loss) due to investments	783,486
9. Gain (Loss) due to other sources	1,679,773

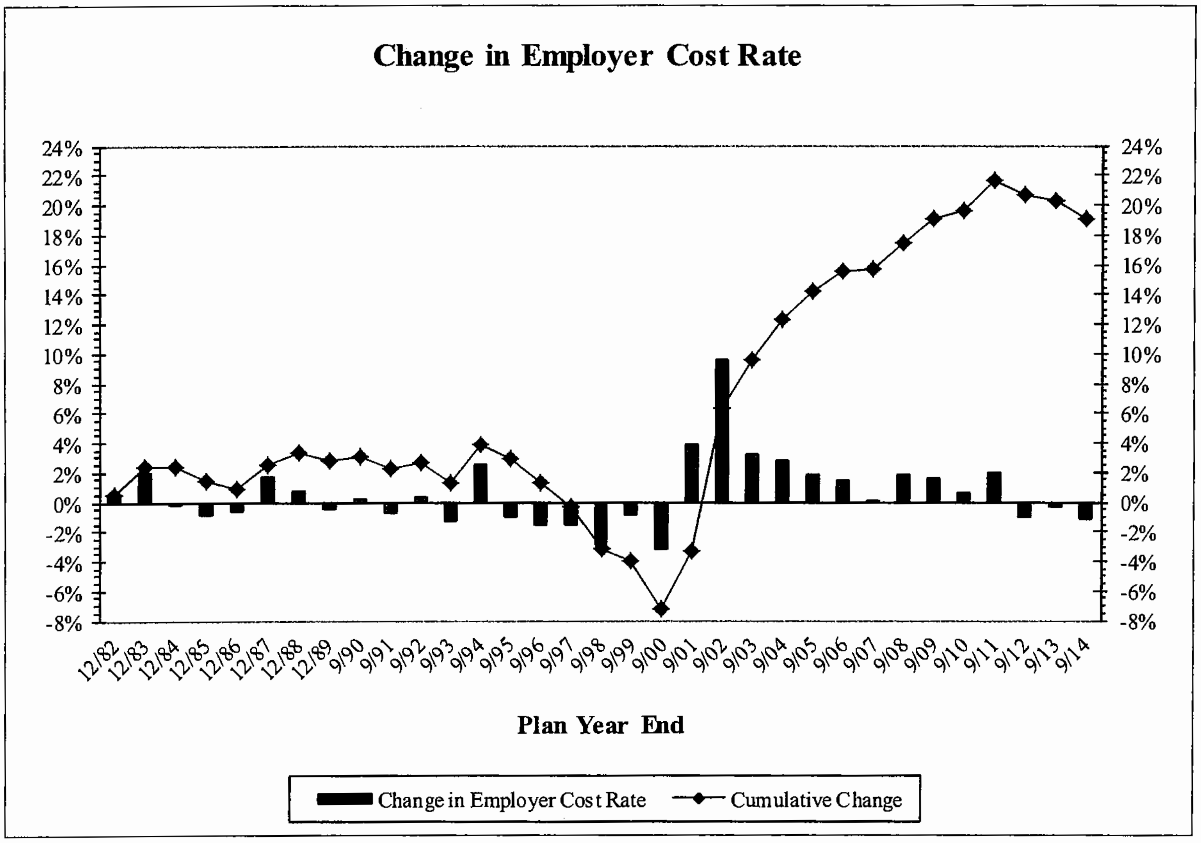
Net actuarial gains in previous years are detailed in the table on the next page.

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

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



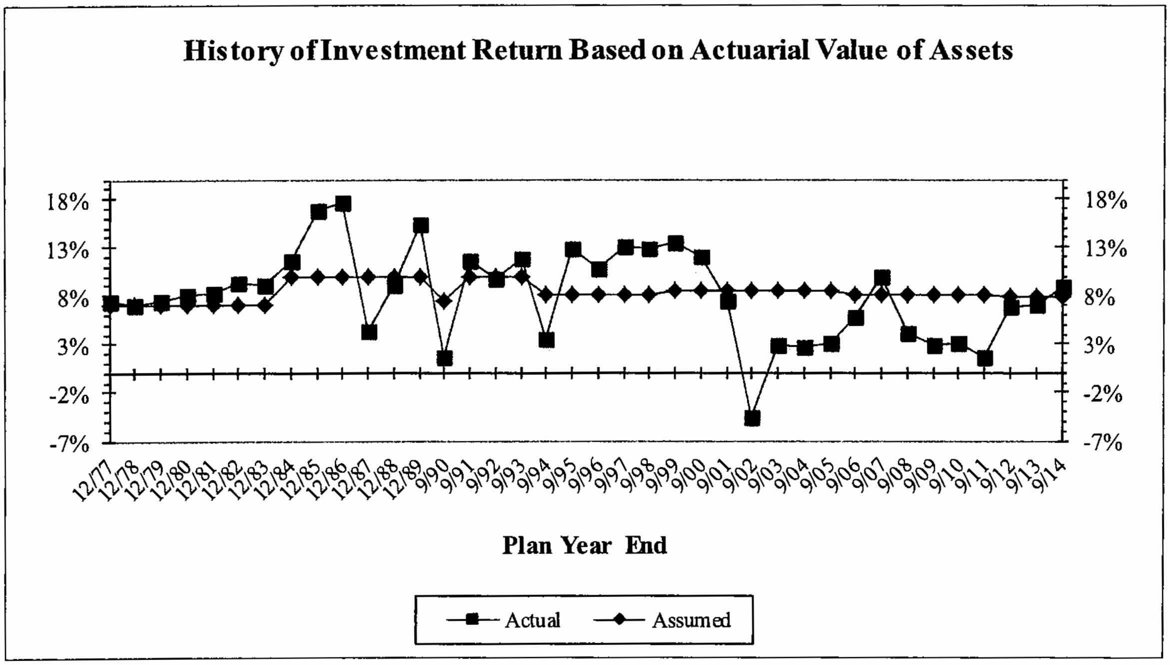
Actuarial Gain (+) or Loss (-)
$10
$5
$0
($5)
($10)
($15)
($20)
($25)
Millions
12/82 12/83 12/84 12/85 12/86 12/87 12/88 12/89 9/90 9/91 9/92 9/93 9/94 9/95 9/96 9/97 9/98 9/99 9/00 9/01 9/02 9/03 9/04 9/05 9/06 9/07 9/08 9/09 9/10 9/11 9/12 9/13 9/14
Plan Year End
Gain or Loss
Cumulative

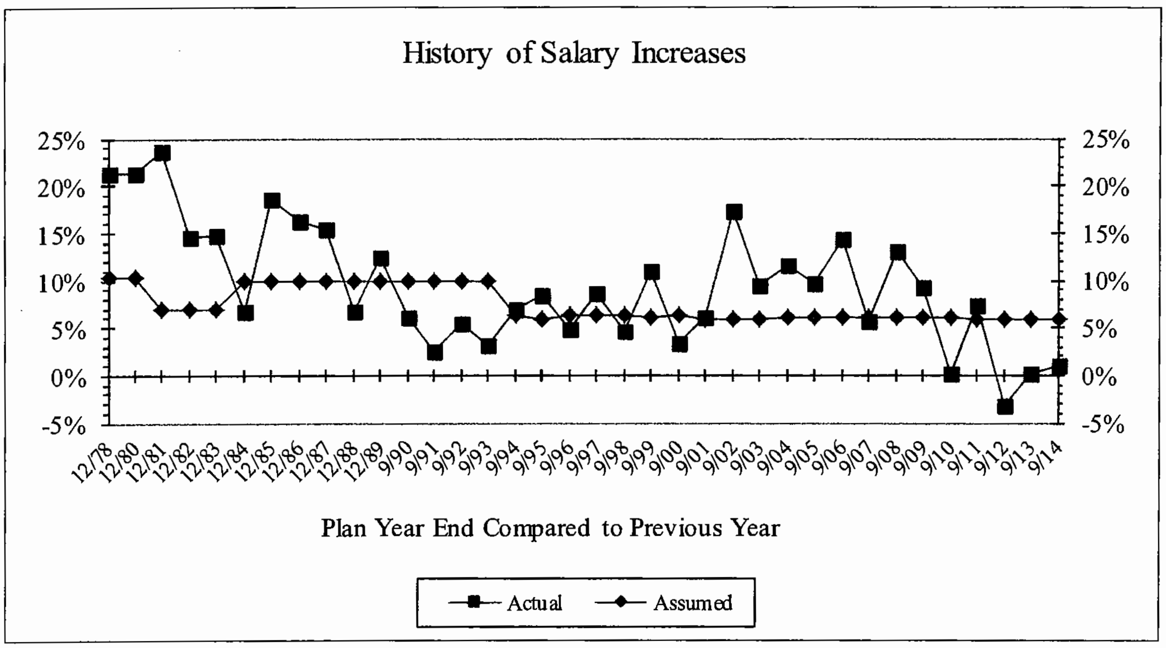


The fund earnings and salary increase assumptions have considerable impact on the cost of the Plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings and salary increase rates compared to the assumed rates for the last few years:

Year Ending	Investment Return		Salary Increases	
	Actual	Assumed	Actual	Assumed
12/31/1977	7.5 %	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
Averages	8.0 %	---	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
18%
13%
8%
3%
-2%
-7%
12/77 12/78 12/79 12/80 12/81 12/82 12/83 12/84 12/85 12/86 12/87 12/88 12/89 9/90 9/91 9/92 9/93 9/94 9/95 9/96 9/97 9/98 9/99 9/00 9/01 9/02 9/03 9/04 9/05 9/06 9/07 9/08 9/09 9/10 9/11 9/12 9/13 9/14
Plan Year End
Actual
Assumed


History of Salary Increases
25%
20%
15%
10%
5%
0%
-5%
12/78 12/80 12/81 12/82 12/83 12/84 12/85 12/86 12/87 12/88 12/89 9/90 9/91 9/92 9/93 9/94 9/95 9/96 9/97 9/98 9/99 9/00 9/01 9/02 9/03 9/04 9/05 9/06 9/07 9/08 9/09 9/10 9/11 9/12 9/13 9/14
Plan Year End Compared to Previous Year
Actual
Assumed

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
									Vested	Other	Totals		
	A	E	A	E	A	E	A	E	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				2		0		0				4	
13 Yr Totals *	150	133	50	28	0	0	0	0	19	64	83	115	

* 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)

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 Active Members	Number of Inactive Members	Covered Annual Payroll	Actuarial Value of Assets	Actuarial Accrued Liability	UFAAL	Funded Ratio	Employer Normal Cost Amount	Employer Normal Cost % 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

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	na	na	na
10/1/14	9/30/16	4,856,392	42.26	465,087	4.05	4,391,305	38.21	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 4% 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 3.75%.

The rates of salary increase are as follows:

Age	% Increase in Salary: Merit and Seniority	Base (Economic)	Total Increase
20	2.5%	4.0%	6.5%
25	2.5%	4.0%	6.5%
30	2.5%	4.0%	6.5%
35	2.5%	4.0%	6.5%
40	1.5%	4.0%	5.5%
45	1.0%	4.0%	5.0%
50	1.0%	4.0%	5.0%
55	1.0%	4.0%	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 4.45%.

Demographic Assumptions

The mortality table was the RP-2000 Combined Healthy Participant Mortality Tables for males and females with future improvements in mortality projected to all future years using Scale AA. These rates are being phased in from the table used previously (1983 Group Annuity Mortality table – rates shown on the next page) over a five year period, beginning October 1, 2011. As of October 1, 2014, 80% of the rates below are being applied along with 20% of the rates on the top of the next page.

RP-2000 Combined Healthy Participant Mortality

Sample Attained Ages (in 2014)	Probability of Dying Next Year: Men	Probability of Dying Next Year: Women	Future Life Expectancy (years): Men	Future Life Expectancy (years): Women
50	0.17 %	0.13 %	34.26	35.63
55	0.28	0.24	29.14	30.66
60	0.54	0.47	24.21	25.89
65	1.05	0.90	19.60	21.40
70	1.80	1.56	15.41	17.28
75	3.11	2.51	11.63	13.56
80	5.59	4.16	8.41	10.25

1983 GAM - Prior Mortality Table (Being Phased Out)

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

This assumption is used to measure the probabilities of each benefit payment being made after retirement. For active members, the probabilities of dying before retirement were based upon the same mortality table as members dying after retirement (75% of 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 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 were 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 are being phased in from the table used in the previous report (rates shown below) over a five year period. This assumption measures the probabilities of members remaining in employment. As of October 1, 2014, 80% of these rates are being applied along with 20% of the prior rates (being phased out).

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 (Being Phased Out)

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

Administrative & Investment Expenses	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.
Benefit Service	Exact fractional service is used to determine the amount of benefit payable.
Decrement Operation	Disability and mortality decrements operate during retirement eligibility.
Decrement Timing	Decrements of all types are assumed to occur at the beginning of the year.
Eligibility Testing	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.
Forfeitures	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.
Incidence of Contributions	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.
Liability Load	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.
Marriage Assumption	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.
Normal Form of Benefit	A 10-year certain and life annuity is the normal form of benefit.
Pay Increase Timing	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

Actuarial Accrued Liability (AAL)	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
Actuarial Assumptions	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.
Actuarial Cost Method	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.
Actuarial Equivalent	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
Actuarial Present Value (APV)	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.
Actuarial Present Value of Future Benefits (APVFB)	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.
Actuarial Valuation	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB, such as the Funded Ratio and the Annual Required Contribution (ARC).
Actuarial Value of Assets	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially required contribution (ARC).
Amortization Method	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.

Amortization Payment	That portion of the plan contribution or ARC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
Amortization Period	The period used in calculating the Amortization Payment.
Annual Required Contribution (ARC)	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.
Closed Amortization Period	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.
Employer Normal Cost	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
Equivalent Single Amortization Period	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.
Experience Gain/Loss	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.
Funded Ratio	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
GASB	Governmental Accounting Standards Board.
GASB No. 27 and GASB No. 67	These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 27 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.

Normal Cost	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
Open Amortization Period	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.
Unfunded Actuarial Accrued Liability	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
Valuation Date	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

SECTION C

PENSION FUND INFORMATION

SUMMARY OF ASSETS

Item	September 30 2014	September 30 2013
A. Cash and Cash Equivalents (Operating Cash)	$ 25,518	$ 25,894
B. Receivables:		
1. Member Contributions	$ -	$ -
2. Employer Contributions	-	-
3. State Contributions	-	-
4. Buy-Backs	59,307	53,824
5. Receivable for Securities Sold	380,425	354,781
6. DROP Loans	238,163	173,596
7. Total Receivables	$ 677,895	$ 582,201
C. Investments		
1. Short-Term Investments	$ -	$ -
2. Domestic Equities (Large cap defensive)	19,631,376	17,672,434
3. Real Estate	4,181,355	3,042,335
4. Multi-Asset Core Fund (Equities)	29,300,544	27,141,597
5. Multi-Manager Bond Fund (Fixed Income)	22,669,808	20,759,282
6. Total Investments	$ 75,783,083	$ 68,615,648
D. Liabilities and Reserves		
1. Benefits Payable	$ -	$ -
2. Accrued Expenses and Other Payables	(145,124)	(141,953)
3. Total Liabilities and Reserves	$ (145,124)	$ (141,953)
E. Total Market Value of Assets Available for Benefits	$ 76,341,372	$ 69,081,790
F. Reserves		
1. State Contribution Reserve	$ (69,784)	$ (41,929)
2. DROP Accounts	(8,497,374)	(8,058,513)
3. Supplemental Benefit Reserve	(2,062,812)	(2,080,498)
	$ (10,629,970)	$ (10,180,940)
G. Market Value Net of Reserves	$ 65,711,402	$ 58,900,850
H. Allocation of Investments		
1. Short-Term Investments	0.00%	0.00%
2. Domestic Equities (Large cap defensive)	25.90%	25.76%
3. Real Estate	5.52%	4.43%
4. Multi-Asset Core Fund (Equities)	38.67%	39.56%
5. Multi-Manager Bond Fund (Fixed Income)	29.91%	30.25%
6. Total Investments	100.00%	100.00%

PENSION FUND DISBURSEMENTS & INCOME

Item		September 30 2014		2013
A. Market Value of Assets at Beginning of Year	$	69,081,790	$	61,472,139
B. Revenues and Expenditures				
1. Contributions				
a. Employee Contributions	$	885,669	$	902,696
b. Employee Contributions (Back Pay Settlement)		-		-
c. Employer Contributions		4,159,736		4,236,485
d. State Contributions		645,579		619,853
e. Buy Back Contributions		25,706		88,220
f. Health Subsidy Contributions		-		-
g. DROP Rollover		28,186		126,821
h. Increase in Value of Future Buy Backs		5,483		10,295
i. Total	$	5,750,359	$	5,984,370
2. Investment Income				
a. Interest, Dividends, and Other Income	$	1,060	$	6,543
b. Net Realized Gains/(Losses)		1,142,185		3,476,520
c. Net Unrealized Gain/(Losses)		6,576,880		3,155,801
d. Investment Expenses		(565,922)		(519,021)
e. Net Investment Income	$	7,154,203	$	6,119,843
3. Benefits and Refunds				
a. Refunds	$	(42,665)	$	(67,665)
b. Regular Monthly Benefits		(4,597,183)		(3,931,713)
c. DROP Distributions		(880,006)		(389,249)
d. Total	$	(5,519,854)	$	(4,388,627)
4. Administrative and Miscellaneous Expenses	$	(125,126)	$	(105,935)
5. Transfers	$	-	$	-
C. Market Value of Assets at End of Year	$	76,341,372	$	69,081,790
D. Reserves				
1. Supplemental Benefit Reserve	$	(2,062,812)	$	(2,080,498)
2. State Contribution Reserve		(69,784)		(41,929)
3. DROP Accounts		(8,497,374)		(8,058,513)
4. Total Reserves	$	(10,629,970)	$	(10,180,940)
E. Market Value Net of Reserves	$	65,711,402	$	58,900,850

ACTUARIAL VALUE OF ASSETS

Valuation Date – September 30	2013	2014	2015	2016	2017	2018
A. Actuarial Value of Assets Beginning of Year	$ 61,060,471	$ 66,874,278	$ -	$ -	$ -	$ -
B. Market Value End of Year	69,081,790	76,341,372	-	-	-	-
C. Market Value Beginning of Year	61,472,139	69,081,790	-	-	-	-
D. Non-Investment/Administrative Net Cash Flow	1,489,808	105,379				
E. Investment Income						
E1. Actual Market Total: B-C-D	6,119,843	7,154,203	-	-	-	-
E2. Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
E3. Assumed Amount of Return	4,789,917	5,186,840	-	-	-	-
E4. Amount Subject to Phase-In: E1–E3	1,329,926	1,967,363	-	-	-	-
F. Phase-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	265,985	393,473	-	-	-	-
F2. First Prior Year	980,811	265,985	393,473	-	-	-
F3. Second Prior Year	(942,079)	980,811	265,985	393,473	-	-
F4. Third Prior Year	85,296	(942,079)	980,811	265,985	393,473	-
F5. Fourth Prior Year	(855,931)	85,296	(942,079)	980,811	265,985	393,472
F6. Total Phase-Ins	(465,918)	783,486	698,190	1,640,269	659,458	393,472
G. Actuarial Value of Assets End of Year						
G1. Preliminary Actuarial Value of Assets:	$ 66,874,278	$ 72,949,983	$ -	$ -	$ -	$ -
G2. Upper Corridor Limit: 120%*B	82,898,148	91,609,646	-	-	-	-
G3. Lower Corridor Limit: 80%*B	55,265,432	61,073,098	-	-	-	-
G4. Funding Value End of Year	66,874,278	72,949,983	-	-	-	-
G5. Less: State Contribution Reserve	(41,929)	(69,784)	-	-	-	-
G6. Less: DROP Account Balances	(8,058,513)	(8,497,374)	-	-	-	-
G7. Less: Supplemental Benefit Reserve	(2,080,498)	(2,062,812)	-	-	-	-
G8. Final Funding Value End of Year	56,693,338	62,320,013	-	-	-	-
H. Difference between Market & Actuarial Value	$ 2,207,512	$ 3,391,389	$ -	$ -	$ -	$ -
I. Actuarial Rate of Return	7.00%	8.92%	0.00%	0.00%	0.00%	0.00%
J. Market Value Rate of Return	9.84%	10.35%	0.00%	0.00%	0.00%	0.00%
K. Ratio of Actuarial Value to Market Value	96.80%	95.56%	0.00%	0.00%	0.00%	0.00%

RECONCILIATION OF DROP ACCOUNTS		
Value at beginning of year	$	8,058,513
Adjustment to beginning of year balances	+	0
Payments credited to accounts	+	901,240
Rollovers into DROP account	+	28,186
Investment Earnings credited	+	448,192
Withdrawals from accounts	-	880,006
Loan Proceeds	-	150,000
Loan Payments	+	91,249
Value at end of year		8,497,374

INVESTMENT RATE OF RETURN

Year Ended		Investment Rate of Return Market Value	Investment Rate of Return 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
Average Returns:			
Last Five Years		9.4 %	5.4 %
Last Ten Years		5.8 %	5.3 %
All Years		8.7 %	8.0 %

SECTION D

FINANCIAL ACCOUNTING INFORMATION

FASB NO. 35 INFORMATION

A. Valuation Date	October 1, 2014	October 1, 2013
B. Actuarial Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Members Currently Receiving Payments	$ 56,897,000	$ 55,810,624
b. Terminated Vested Members	1,115,450	869,788
c. Other Members	30,086,448	26,853,954
d. Total	88,098,898	83,534,366
2. Non-Vested Benefits	502,412	568,321
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	88,601,310	84,102,687
4. Accumulated Contributions of Active Members	6,800,856	6,247,797
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits		
1. Total Value at Beginning of Year	84,102,687	79,453,983
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendment	0	(287,739)
b. Change in Actuarial Assumptions	753,424	713,688
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	9,286,287	9,373,299
d. Benefits Paid (Net basis, including credits to DROP accounts)	(5,541,088)	(5,150,544)
e. Net Increase	4,498,623	4,648,704
3. Total Value at End of Period	88,601,310	84,102,687
D. Market Value of Assets	65,711,402	58,900,850
E. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods		

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

Employer FYE September 30	2014	2013
Annual Required Contribution (ARC)*	$4,560,918**	$ 4,701,572
Interest on Net Pension Obligation (NPO)	(11,300)	(11,671)
Adjustment to ARC	(15,814)	(16,458)
Annual Pension Cost (APC)	4,565,432	4,706,359
Contributions made	4,624,823	4,701,572
Increase (decrease) in NPO	(59,391)	4,787
NPO at beginning of year	(145,804)	(150,591)
NPO at end of year	(205,195)	(145,804)

* Includes expected State contribution
**From September 20, 2013 Actuarial Impact Statement

THREE YEAR TREND INFORMATION

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
9/30/2012	$ 4,106,793	$ 4,098,955	99.8%	$ (150,591)
9/30/2013	4,706,359	4,701,572	99.9%	(145,804)
9/30/2014	4,565,432	4,624,823	101.3%	(205,195)

REQUIRED SUPPLEMENTARY INFORMATION
GASB Statement No. 27

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

Valuation Date	October 1, 2014
Contribution Rates:	
Employer (and State)	42.26%
Plan Members	7.00%
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of payroll, closed
Remaining Amortization Period	30 years
Asset Valuation Method	5-year smoothed market
Actuarial Assumptions:	
Investment rate of return	7.75%
Projected salary increases	5.0% to 6.5% depending on age
Includes inflation and other general increases at	4.0%
Cost of Living adjustments	NA

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

Fiscal year ending September 30,	2015*	2014
Total pension liability		
Service Cost	$ 2,879,450	$ 2,809,815
Interest	8,682,102	8,234,704
Benefit Changes	-	-
Difference between actual & expected experience	(1,279,788)	(129,636)
Assumption Changes		-
Benefit Payments	(5,258,771)	(5,477,189)
Refunds	(12,013)	(42,665)
Other (Adjustments to Reserves)	-	255,655
Net Change in Total Pension Liability	5,010,980	5,650,684
Total Pension Liability - Beginning	111,783,071	106,132,387
Total Pension Liability - Ending (a)	$ 116,794,051	$ 111,783,071
Plan Fiduciary Net Position		
Contributions - Employer	$ 4,365,259	$ 4,159,736
Contributions - Non-Employer Contributing Entity	645,579	645,579
Contributions - Member	779,998	911,375
Net Investment Income	6,077,869	7,154,203
Benefit Payments	(5,258,771)	(5,477,189)
Refunds	(12,013)	(42,665)
Administrative Expense	(117,017)	(125,126)
Other	-	28,186
Net Change in Plan Fiduciary Net Position	6,480,904	7,254,099
Plan Fiduciary Net Position - Beginning	76,282,065	69,027,966
Plan Fiduciary Net Position - Ending (b)	$ 82,762,969	$ 76,282,065
Net Pension Liability - Ending (a) - (b)	34,031,082	35,501,006
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	70.86 %	68.24 %
Covered Employee Payroll	$ 11,142,832	$ 11,070,871
Net Pension Liability as a Percentage of Covered Employee Payroll	305.41 %	320.67 %

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

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

FY Ending September 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2014	$ 111,783,071	$ 76,282,065	$ 35,501,006	68.24%	$ 11,070,871	320.67%
2015*	116,794,051	82,762,969	34,031,082	70.86%	11,142,832	305.41%

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

SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	$ 4,560,918	$ 4,624,823	$ (63,905)	$ 11,070,871	41.77%
2015*	4,830,346	4,830,346	-	11,142,832	43.35%

*** 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	4.0%
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 on Page 1

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 6.75%	Current Single Discount Rate Assumption 7.75%	1% Increase 8.75%
$ 46,673,745	$ 34,031,082	$ 23,443,274

*** 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 10/1/13 To 10/1/14	From 10/1/12 To 10/1/13
A. Active Members		
1. Number Included in Last Valuation	141	146
2. New Members Included in Current Valuation	5	5
3. Non-Vested Employment Terminations	(3)	(3)
4. Vested Employment Terminations	(2)	(4)
5. DROP Participation	(2)	(2)
6. Service Retirements	0	(1)
7. Disability Retirements	0	0
8. Deaths	0	0
9. Number Included in This Valuation	139	141
B. Terminated Vested Members		
1. Number Included in Last Valuation	6	4
2. Additions from Active Members	2	4
3. Lump Sum Payments/Refund of Contributions	(1)	(1)
4. Payments Commenced	0	(1)
5. Deaths	0	0
6. Other--Return to Actives	0	0
7. Number Included in This Valuation	7	6
C. DROP Plan Members		
1. Number Included in Last Valuation	12	14
2. Additions from Active Members	2	2
3. Retirements	(3)	(4)
4. Deaths Resulting in No Further Payments	0	0
5. Other	0	0
6. Number Included in This Valuation	11	12
D. Service Retirees, Disability Retirees and Beneficiaries		
1. Number Included in Last Valuation	104	98
2. Additions from Active Members	0	1
3. Additions from Terminated Vested Members	0	1
4. Additions from DROP Plan	3	4
5. Deaths Resulting in No Further Payments	(2)	0
6. Deaths Resulting in New Survivor Benefits	0	0
7. End of Certain Period - No Further Payments	0	0
8. Other -- Lump Sum Distributions	0	0
9. Number Included in This Valuation	105	104

ACTIVE PARTICIPANT SCATTER

	Years of Service to Valuation Date										
Age Group	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25+	Totals
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.	1	1	3	3	2	1	0	0	0	0	11
TOT PAY	52,337	57,348	176,602	178,260	124,472	62,244	0	0	0	0	651,263
AVG PAY	52,337	57,348	58,867	59,420	62,236	62,244	0	0	0	0	59,206
30-34 NO.	2	2	1	0	1	25	2	0	0	0	33
TOT PAY	104,674	108,854	54,057	0	58,693	1,821,433	143,626	0	0	0	2,291,337
AVG PAY	52,337	54,427	54,057	0	58,693	72,857	71,813	0	0	0	69,434
35-39 NO.	0	0	1	1	1	12	11	3	0	0	29
TOT PAY	0	0	56,379	65,769	63,962	885,817	919,200	268,491	0	0	2,259,618
AVG PAY	0	0	56,379	65,769	63,962	73,818	83,564	89,497	0	0	77,918
40-44 NO.	1	0	0	0	0	5	18	15	0	0	39
TOT PAY	52,337	0	0	0	0	320,018	1,472,498	1,463,254	0	0	3,308,107
AVG PAY	52,337	0	0	0	0	64,004	81,805	97,550	0	0	84,823
45-49 NO.	1	0	0	0	1	1	10	5	0	0	18
TOT PAY	52,337	0	0	0	52,424	62,039	865,155	549,073	0	0	1,581,028
AVG PAY	52,337	0	0	0	52,424	62,039	86,516	109,815	0	0	87,835
50-54 NO.	0	0	0	0	0	2	3	3	0	0	8
TOT PAY	0	0	0	0	0	116,003	244,585	323,682	0	0	684,270
AVG PAY	0	0	0	0	0	58,002	81,528	107,894	0	0	85,534
55-59 NO.	0	0	0	0	0	1	0	0	0	0	1
TOT PAY	0	0	0	0	0	67,384	0	0	0	0	67,384
AVG PAY	0	0	0	0	0	67,384	0	0	0	0	67,384
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.	5	3	5	4	5	47	44	26	0	0	139
TOT AMT	261,685	166,202	287,038	244,029	299,551	3,334,938	3,645,064	2,604,500	0	0	10,843,007
AVG AMT	52,337	55,401	57,408	61,007	59,910	70,956	82,842	100,173	0	0	78,007

INACTIVE PARTICIPANT SCATTER

	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
Age Group	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	3	67,992	-	-	-	-	-	-
35-39	2	32,055	-	-	-	-	-	-
40-44	1	48,758	-	-	-	-	-	-
45-49	-	-	-	-	14	823,477	-	-
50-54	1	8,323	2	43,710	22	1,245,979	1	23,843
55-59	-	-	3	55,011	27	1,311,253	-	-
60-64	-	-	3	63,138	16	647,157	-	-
65-69	-	-	3	75,670	11	456,444	1	9,397
70-74	-	-	2	25,903	8	209,859	-	-
75-79	-	-	1	25,086	1	51,692	-	-
80-84	-	-	-	-	1	27,637	-	-
85-89	-	-	-	-	-	-	-	-
90-94	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-
Total	7	157,128	14	288,518	100	4,773,498	2	33,240
Average Age		39		64		58		58

SECTION F

SUMMARY OF PLAN PROVISIONS

SUMMARY OF PLAN PROVISIONS

A. Ordinances

Plan established under the Code of Ordinances for the City of Boynton Beach, Florida, Chapter 18, Article III, and was most recently amended under Ordinance No.11-011 passed and adopted on its second reading on December 16, 2010. The Plan is also governed by certain provisions of Chapter 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code. The Plan has also amended the definition of pensionable compensation effective June 18, 2013 in compliance with Senate Bill 1128.

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. Benefit is limited to 100% of AFC and the provisions of 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.