GRS Gabriel Roeder Smith & Company
Consultants & Actuaries

CITY OF SUNRISE POLICE OFFICERS' RETIREMENT SYSTEM
ACTUARIAL VALUATION REPORT AS OF OCTOBER 1, 2015

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

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May 3, 2016

Board of Trustees
City of Sunrise Police Officers'
Retirement System
Sunrise, Florida

Dear Board Members:

The results of the October 1, 2015 Annual Actuarial Valuation of the City of Sunrise Police Officers' Retirement System are presented in this report.

The computed contribution rate shown on page 1 may be considered as a minimum contribution rate that complies with the Board's funding policy. Users of this report should be aware that contributions made at that rate do not guarantee benefit security. Given the importance of benefit security to any retirement system, we suggest that contributions to the System in excess of those presented in this report be considered.

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 future measurements.

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

The valuation was based upon information furnished by the Plan Administrator 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 this report entitled Actuarial Assumptions and Methods.

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

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

The signing actuaries are independent of the plan sponsor.

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

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

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By Jeff Amrose

Jeffrey Amrose, MAAA
Enrolled Actuary No. 14-6599
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By Trisha Amrose

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TABLE OF CONTENTS

SECTION A

DISCUSSION OF VALUATION RESULTS

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

The required employer contribution this year compared with the preceding year is as follows:

	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 Contribution	$ 10,311,111	$ 9,899,972	$ 411,139
As % of Contr. Year Payroll	65.85 %	68.06 %	(2.21) %
Estimated State Contribution	639,176	639,176	0
As % of Contr. Year Payroll	4.08 %	4.39 %	(0.31) %
Net Employer Contribution	9,671,935	9,260,796	411,139
As % of Contr. Year Payroll	61.77 %	63.67 %	(1.90) %

Required Contribution Expressed as a Percentage of Payroll Including DROP Members

The following table shows the required contribution developed in this valuation as a percentage of payroll including the salaries of members who are participating in the DROP as of October 1, 2015.

	2015 Valuation	2014 Valuation
Required Contribution	56.60 %	56.30 %
Estimated State Contribution	3.51 %	3.63 %
Net Employer Contribution	53.09 %	52.67 %

Payment of Required Contribution

The contribution developed in this valuation has been calculated as though payments are made at the end of each biweekly pay period. If the full contribution for the fiscal year ending September 30, 2017 is paid on October 1, 2016, the net required employer contribution is $9,285,171 or 59.30% of covered payroll.

Further, the required Employer contribution has been computed with the assumption that the amount to be received from the State in 2017 will be equal to the amount received in 2015 of $639,176. If the actual payment from the State falls below this amount, then the Employer must increase its contribution by the difference.

Actual contributions for the last year were $8,194,759 from the City plus $639,176 of annual State revenue, for a total of $8,833,935. The total annual required contribution was $8,833,935 reflecting an expedited payment schedule.

Revisions in Benefits

Under Ordinance No. 124-X-15-B adopted on September 15, 2015, the following changes in benefit provisions were made:

- For police officers hired on or after September 30, 2015, with the exception of the three named candidates who must be hired on or before December 30, 2015 to obtain the first tier benefits, a second tier is created with the following benefit provisions:
    - The normal retirement date is age 55 with 10 years of service or age 52 with 25 years of service.
    - The early retirement date is age 50 with 10 years of service. The early retirement benefit is reduced by 3% for each year by which the member's age precedes age 55.
    - The benefit formula is 3% of average final compensation for the first 20 years of credited service plus 2% of average final compensation for each year thereafter, with a maximum benefit of 70% of average final compensation. The benefit shall not be less than 2.75% for each year of credited service.
    - There is no monthly supplemental benefit paid from the Plan.
    - The normal form of payment is a 10-year certain and life annuity.

- o The average final compensation is based on the best 5 consecutive years of the member's last 10 years of credited service.
- o Salary excludes all overtime pay.
- o The annual Cost of Living Adjustment is eliminated.
- o The member contribution rate is 8% of pay.
- o The maximum period of DROP participation is 4 years. If DROP participation is not elected within 6 months after reaching the member's earliest normal retirement date, the eligibility to elect DROP participation is forfeited.
- o The DROP interest crediting rate is 0% until the Plan is 100% funded. If the Plan is 100% funded, the DROP interest crediting rate shall be the same as the actual return of the Plan with a minimum of 0% and a maximum of 4%.
- o A 13th Check Benefit will be paid to retired police officers if the Plan is at least 100% funded. The amount distributed shall equal the amount of investment earnings that exceed the assumed rate of return for a plan year, limited to 100% of the monthly retirement benefits payable to the eligible retirees.
- o Service-connected disability benefits shall equal 70% of Salary less offsets, with a minimum of 42% of average final compensation.
- o Non-service connected disability benefits shall equal the accrued benefit, but not less than 25% nor more than 50% of average final compensation. The eligibility requirement for non-service connected disability benefits is 10 years of credited service.
- o Service-connected pre-retirement death benefits shall equal the accrued benefit, up to 75% of average final compensation, actuarially adjusted for the beneficiary's age, payable immediately.
- o Non-service connected pre-retirement death benefits shall equal the accrued benefit, actuarially adjusted for the beneficiary's age commencing on the date the member would have attained early or normal retirement age. The eligibility requirement for non-service connected pre-retirement death benefits is 10 years of credited service.

- ▪ Effective September 15, 2015, Salary for current members shall exclude all payments for accrued unused sick and annual leave.
- ▪ A Share Plan is created in accordance with Chapter 185. All Chapter 185 revenue received during each fiscal year up to $2,137,895 shall be used to reduce the City's actuarially determined employer contribution. Any Chapter 185 revenue in excess of $2,137,895 shall be held in reserve and may be used to provide defined contribution benefits through the Share Plan. The City and the Fraternal Order of Police shall negotiate the use of excess Chapter 185 revenue.
- ▪ Provisions are established for current members who leave employment and are subsequently rehired after September 30, 2015.

The financial impact of this Ordinance was discussed in the Actuarial Impact Statement dated September 4, 2015.

Revisions in Actuarial Assumptions and Methods

There have been no changes in actuarial assumptions or methods since the last valuation. It is important to note that under Florida Statutes, the Plan will be required to use the same mortality assumption used by the Florida Retirement System beginning with the October 1, 2016 Actuarial Valuation.

Actuarial Experience

There was a net actuarial loss of $749,184 since the last valuation which means that actual experience was less favorable than expected. The loss was primarily due to higher than expected average salary increases (6.3% compared to 5.2% expected). The investment return was 0.3% based on market value of assets and 7.8% based on actuarial value of assets. The net loss caused the required employer contribution to increase by 0.38% of covered payroll.

Funded Ratio

This year's funded ratio is 61.9% compared to 59.1% last year. The ratio is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability.

Analysis of Change in Employer Contribution

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

Contribution Rate Last Year	63.67	%
Experience (Gains) or Losses	0.38	
Revision in Assumptions/Methods	0.00	
Amortization Payment on UAAL	(2.57)	
Normal Cost Rate	0.00	
Administrative Expense	(0.02)	
Change in State Contribution Rate	0.31	
Contribution Rate This Year	61.77	

Variability of Future Contribution Rates

The Actuarial Cost Method used to determine the required contribution 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 $2,292,865 as of the valuation date (see Section C). This difference will be gradually recognized in the absence of offsetting gains. In turn, the computed employer contribution rate will increase by approximately 1.17% of covered payroll.

Relationship to Market Value

If Market Value had been the basis for the valuation, the City contribution rate would have been 62.94% and the funded ratio would have been 60.6%. In the absence of other gains and losses, the City contribution rate should increase to that level over the next several years.

Conclusion

It is important to note that system assets are barely sufficient to cover the liabilities for current retirees. As of October 1, 2015, the assets are $101.5 million and the liability for current retirees is $92.7 million. Additionally, the funded ratio has dropped from over 82% in 2000 to the current level of 61.9%. Some steps have been taken to address these issues, such as strengthening the actuarial assumptions and shortening the amortization period. Given the low funded ratio, it is advisable to consider further steps, such as a further shortening of the amortization period and/or further reductions in the investment return assumption. Any of these steps would result in higher contributions in the short-term for the City. For each additional $5 million contributed, the funded ratio will increase by 3%.

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.

CHAPTER REVENUE

Increments in Chapter revenue over that received in 1998 must first be used to fund the cost of compliance with minimum benefits. As of the valuation date, all minimum benefits of Chapter 185 have been adopted.

Actuarial Confirmation of the Use of State Chapter Money	
1. Base Amount Previous Plan Year	$ 620,714
2. Amount Received for Previous Plan Year	639,176
3. Benefit Improvements	0
4. Excess Funds for Previous Plan Year	0
5. Accumulated Excess at Beginning of Previous Year	0
6. Prior Excess Used in Previous Plan Year	0
7. Accumulated Excess as of Valuation Date (Available for Benefit Improvements): (4) + (5) - (6)	0
8. Base Amount This Plan Year	639,176

The Accumulated Excess shown in line 7 is being held in reserve and is subtracted from Plan assets (see Section C of this Report). The Base Amount in line 8 is the amount the employer may take as a credit against its required contribution; however, in no event may the employer take credit for more than the actual amount of Chapter revenue received.

The Base Amount will be updated each year based on actual Chapter revenue up to a maximum of $2,137,895.

SECTION B

VALUATION RESULTS

PARTICIPANT DATA		
	October 1, 2015	**October 1, 2014**
ACTIVE MEMBERS		
Number of non-DROP members	150	145
Number of DROP members	24	26
Covered Annual Non-DROP Payroll	$ 15,202,411	$ 14,122,280
Average Annual Non-DROP Salary	$ 101,349	$ 97,395
Total Payroll Including DROP Members	$ 17,760,147	$ 17,161,640
Average Age (Non-DROP Members)	38.6	38.1
Average Past Service (Non-DROP Members)	10.9	10.5
Average Age at Hire (Non-DROP Members)	27.7	27.6
RETIREES, BENEFICIARIES & DROP		
Number	123	123
Annual Benefits*	$ 6,384,051	$ 6,286,770
Average Annual Benefit	$ 51,903	$ 51,112
Average Age	59.5	58.8
DISABILITY RETIREES		
Number	9	9
Annual Benefits	$ 410,224	$ 409,696
Average Annual Benefit	$ 45,580	$ 45,522
Average Age	52.5	51.5
TERMINATED VESTED MEMBERS		
Number	1	1
Annual Benefits	$ 30,627	$ 30,627
Average Annual Benefit	$ 30,627	$ 30,627
Average Age	46.1	45.1

* *Does not include deferred supplemental benefits for DROP members.*

ACTUARIALLY DETERMINED CONTRIBUTION (ADC)

A. Valuation Date	October 1, 2015	October 1, 2014
B. ADC to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2016
C. Assumed Dates of Employer Contributions	Biweekly	Biweekly
D. Annual Payment to Amortize Unfunded Actuarial Liability	$ 6,488,493	$ 6,324,768
E. Employer Normal Cost	3,146,299	2,925,989
F. ADC if Paid on the Valuation Date: D+E	9,634,792	9,250,757
G. ADC Adjusted for Frequency of Payments	10,010,934	9,611,907
H. ADC as % of Covered Payroll	65.85 %	68.06 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	3.00 %	3.00 %
J. Covered Payroll for Contribution Year	15,658,483	14,545,948
K. ADC for Contribution Year: H x J	10,311,111	9,899,972
L. Estimated Credit for State Revenue in Contribution Year	639,176	639,176
M. Required Employer Contribution (REC) in Contribution Year	9,671,935	9,260,796
N. REC as % of Covered Payroll in Contribution Year: M/J	61.77 %	63.67 %
O. REC (Line M) as % of Total Payroll Including DROP Members	53.09 %	52.67 %
P. REC if Paid on First Day of Next Fiscal Year	9,285,171	8,888,420
Q. REC as % of Covered Payroll if Paid on First Day of Next Fiscal Year	59.30 %	61.11 %

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	$ 97,686,632	$ 87,693,735
b. Vesting Benefits	3,197,598	3,209,273
c. Disability Benefits	4,189,312	3,988,531
d. Preretirement Death Benefits	817,895	799,731
e. Return of Member Contributions	410,252	388,971
f. Total	106,301,689	96,080,241
2. Inactive Members		
a. Service Retirees & Beneficiaries	87,983,376	87,000,079
b. Disability Retirees	4,762,846	4,783,199
c. Terminated Vested Members	228,585	211,779
d. Total	92,974,807	91,995,057
3. Total for All Members	199,276,496	188,075,298
C. Actuarial Accrued (Past Service) Liability under Entry Age Normal	167,636,562	157,303,477
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	154,125,390	143,977,042
E. Plan Assets		
1. Market Value	101,549,566	98,289,845
2. Actuarial Value	103,842,431	92,954,855
F. Unfunded Actuarial Accrued Liability	63,794,131	64,348,622
G. Actuarial Present Value of Projected Covered Payroll	109,420,005	106,332,857
H. Actuarial Present Value of Projected Member Contributions	10,766,928	10,463,153
I. Accumulated Contributions of Active Members	11,992,877	10,659,660

CALCULATION OF EMPLOYER NORMAL COST		
A. Valuation Date	October 1, 2015	October 1, 2014
B. Normal Cost for		
1. Service Retirement Benefits	$ 3,621,163	$ 3,365,058
2. Vesting Benefits	237,248	220,429
3. Disability Benefits	360,406	333,158
4. Preretirement Death Benefits	70,452	66,009
5. Return of Member Contributions	125,974	117,096
6. Total for Future Benefits	4,415,243	4,101,750
7. Assumed Amount for Administrative Expenses	226,973	213,871
8. Total Normal Cost	4,642,216	4,315,621
C. Expected Member Contribution	1,495,917	1,389,632
D. Employer Normal Cost: B8-C	3,146,299	2,925,989
E. Employer Normal Cost as a % of Covered Payroll	20.70%	20.72%

A. UAAL AMORTIZATION PERIOD AND PAYMENTS					
Original UAAL			**Current UAAL**		
Date Established	**Amortization Period (Years)**	**Amount**	**Years Remaining**	**Amount**	**Payment**
10/1/1991	28	$ 1,878,178	4	$ 1,442,563	$ 385,696
10/1/1996	23	(242,141)	4	(169,925)	(45,433)
10/1/1997	22	(22,893)	4	(16,101)	(4,305)
10/1/1998	21	(712,664)	4	(494,362)	(132,177)
10/1/1998	21	4,937,922	4	3,425,342	915,828
10/1/1999	20	566,236	4	365,974	97,850
10/1/2000	19	1,077,845	4	695,775	186,028
10/1/2003	30	(1,528,469)	18	(1,931,531)	(153,823)
10/1/2005	30	7,739,078	20	9,439,113	703,536
10/1/2006	30	736,681	21	863,431	62,486
10/1/2008	30	1,493,880	23	1,712,579	117,559
10/1/2009	20	29,172,763	14	29,436,191	2,781,510
10/1/2010	20	912,239	15	919,259	82,737
10/1/2010	20	2,344,741	15	2,362,784	212,660
10/1/2010	20	(773,531)	15	(779,483)	(70,157)
10/1/2011	20	3,495,369	16	3,536,224	304,457
10/1/2011	20	2,623,230	16	2,653,891	228,491
10/1/2012	20	247,206	17	248,443	20,538
10/1/2012	20	2,912,111	17	2,926,668	241,941
10/1/2013	20	(1,666,097)	18	(1,668,901)	(132,908)
10/1/2013	20	3,211,480	18	3,216,884	256,185
10/1/2014	20	(1,812,870)	19	(1,815,382)	(139,682)
10/1/2014	20	6,666,275	19	6,675,511	513,636
10/1/2015	20	749,184	20	749,184	55,840
		$ 64,005,753		$ 63,794,131	$ 6,488,493

C. Amortization Schedule

The UAAL is being amortized as a level percentage of covered annual payroll over the number of years remaining in the amortization period. The following schedule illustrates the expected amortization of the UAAL:

Amortization Schedule	
Year	**Expected UAAL**
2015	$ 63,794,131
2016	61,775,445
2017	59,390,196
2018	56,603,505
2019	53,377,621
2020	51,373,841
2025	35,561,448
2030	10,845,665
2035	720,431
2038	-

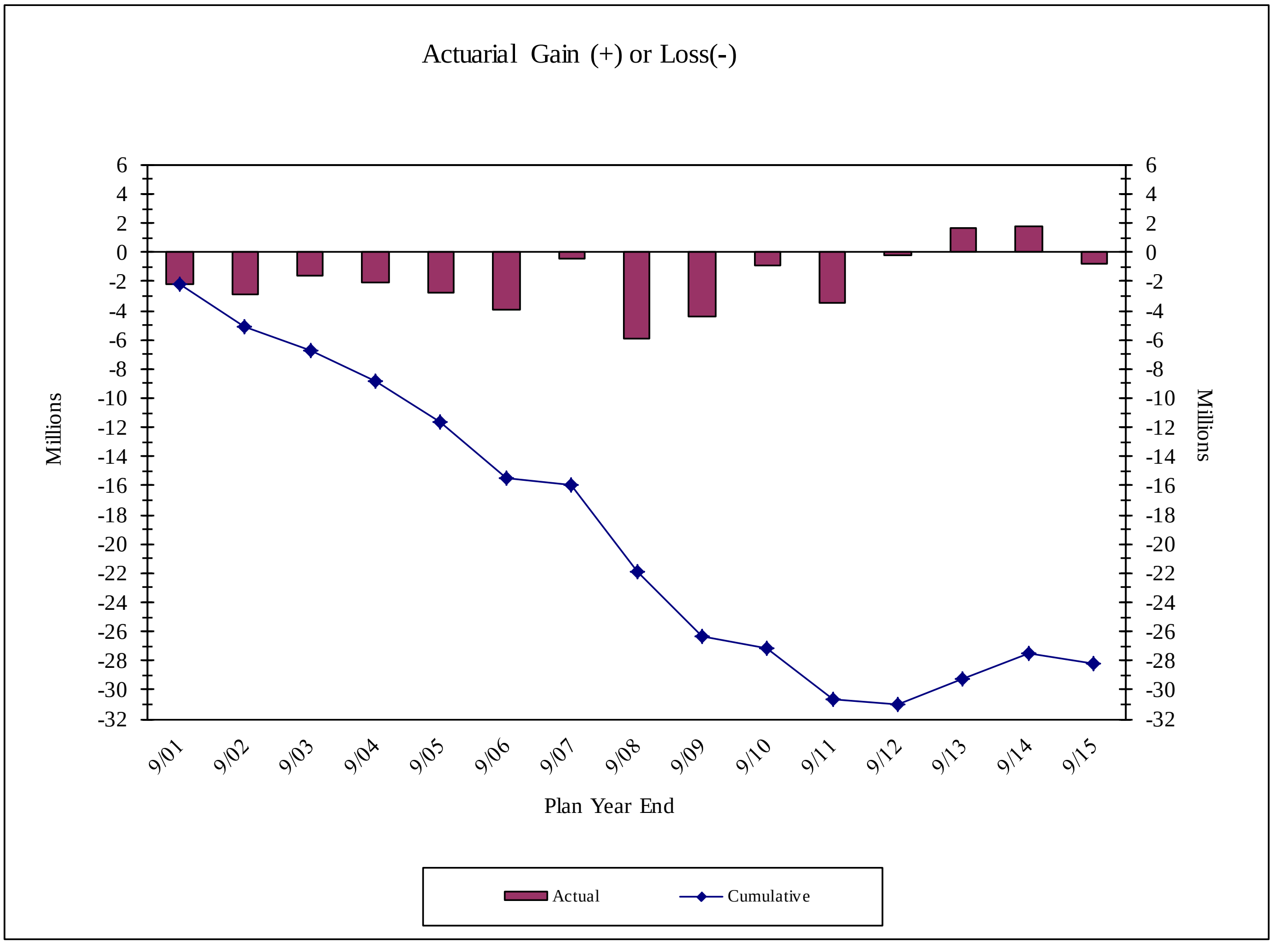
ACTUARIAL GAINS AND LOSSES

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	64,348,622
2. Last Year's Employer Normal Cost	2,925,989
3. Last Year's Contributions	8,833,935
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	5,247,420
b. 3 from dates paid	643,149
c. a - b	4,604,271
5. This Year's Expected UAAL Prior to Revision: 1 + 2 - 3 + 4c	63,044,947
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	63,044,947
8. This Year's Actual UAAL (after changes)	63,794,131
9. Net Actuarial Gain/(Loss): 7 - 8	(749,184)
10. Gain/(Loss) Due to Investment	8,080
11. Gain/(Loss) Due to Other Sources	(757,264)

Net actuarial gains/(losses) in previous years have been as follows:

Year Ending	Actuarial Gain / (Loss)
9/92	300,204
9/93	349,769
9/94	(235,263)
9/96	2,828,948
9/97	274,306
9/98	1,198,126
9/99	1,434,197
9/00	1,589,573
9/01	(2,225,048)
9/02	(2,912,478)
9/03	(1,617,825)
9/04	(2,097,257)
9/05	(2,791,395)
9/06	(3,884,844)
9/07	(445,973)
9/08	(5,873,241)
9/09	(4,445,762)
9/10	(912,239)
9/11	(3,495,369)
9/12	(247,206)
9/13	1,666,097
9/14	1,812,870
9/15	(749,184)



Actuarial Gain (+) or Loss(-)
Millions
Millions
6
4
2
0
-2
-4
-6
-8
-10
-12
-14
-16
-18
-20
-22
-24
-26
-28
-30
-32
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
9/15
Plan Year End
Actual
Cumulative

13th and/or 14th Checks are payable during years which there is a net actuarial gain and cumulative actuarial gains since October 1, 2000. Before are the net actuarial gains/(losses) since October 1, 2000:

Year Ending	Actuarial Gain / (Loss)	Cumulative Gain / (Loss)
9/01	(2,225,048)	(2,225,048)
9/02	(2,912,478)	(5,137,526)
9/03	(1,617,825)	(6,755,351)
9/04	(2,097,257)	(8,852,608)
9/05	(2,791,395)	(11,644,003)
9/06	(3,884,844)	(15,528,847)
9/07	(445,973)	(15,974,820)
9/08	(5,873,241)	(21,848,061)
9/09	(4,445,762)	(26,293,824)
9/10	(912,239)	(27,206,063)
9/11	(3,495,369)	(30,701,432)
9/12	(247,206)	(30,948,638)
9/13	1,666,097	(29,282,541)
9/14	1,812,870	(27,469,671)
9/15	(749,184)	(28,218,855)

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:

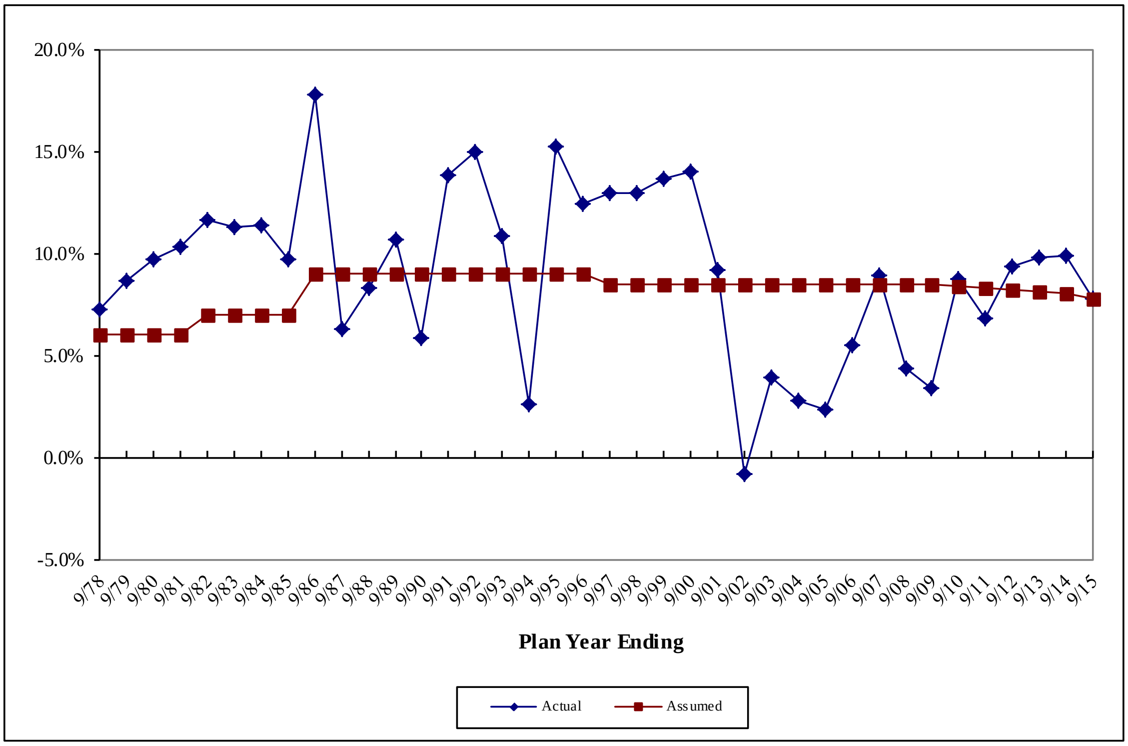
	Investment Return		Salary Increases	
Year Ending	**Actual***	**Assumed**	**Actual**	**Assumed**
9/30/1978	7.2 %	6.0 %	---	---
9/30/1979	8.6	6.0	---	---
9/30/1980	9.7	6.0	---	---
9/30/1981	10.3	6.0	---	---
9/30/1982	11.6	7.0	---	---
9/30/1983	11.3	7.0	---	---
9/30/1984	11.4	7.0	---	---
9/30/1985	9.7	7.0	---	---
9/30/1986	17.8	9.0	(1.8) %	9.0 %
9/30/1987	6.3	9.0	16.1	9.0
9/30/1988	8.3	9.0	24.6	9.0
9/30/1989	10.7	9.0	0.5	9.0
9/30/1990	5.8	9.0	9.4	9.0
9/30/1991	13.8	9.0	9.6	9.0
9/30/1992	15.0	9.0	8.4	9.0
9/30/1993	10.8	9.0	5.6	9.0
9/30/1994	2.6	9.0	6.5	9.0
9/30/1995	15.2	9.0	4.5	9.0
9/30/1996	12.4	9.0	4.8	9.0
9/30/1997	12.9	8.5	5.8	7.1
9/30/1998	12.9	8.5	4.9	6.8
9/30/1999	13.6	8.5	12.2 **	7.4
9/30/2000	14.0	8.5	6.9	7.1
9/30/2001	9.2	8.5	11.0	7.1
9/30/2002	(0.8)	8.5	5.1	7.1
9/30/2003	3.9	8.5	8.3	7.0
9/30/2004	2.8	8.5	7.1	7.0
9/30/2005	2.3	8.5	7.7	6.8
9/30/2006	5.5	8.5	10.7	6.7
9/30/2007	8.9	8.5	5.3	6.4
9/30/2008	4.3	8.5	12.8	6.6
9/30/2009	3.4	8.5	8.3	6.5
9/30/2010	8.7	8.4	5.4	6.5
9/30/2011	6.8	8.3	6.4	6.4
9/30/2012	9.3	8.2	3.2	6.4
9/30/2013	9.8	8.1	3.8	6.3
9/30/2014	9.9	8.0	3.2	6.2
9/30/2015	7.8	7.8	6.3	5.2
Average	9.0 %	---	7.3 %	---

* Figures through 1989 reflect the entire fund before separation of plans.

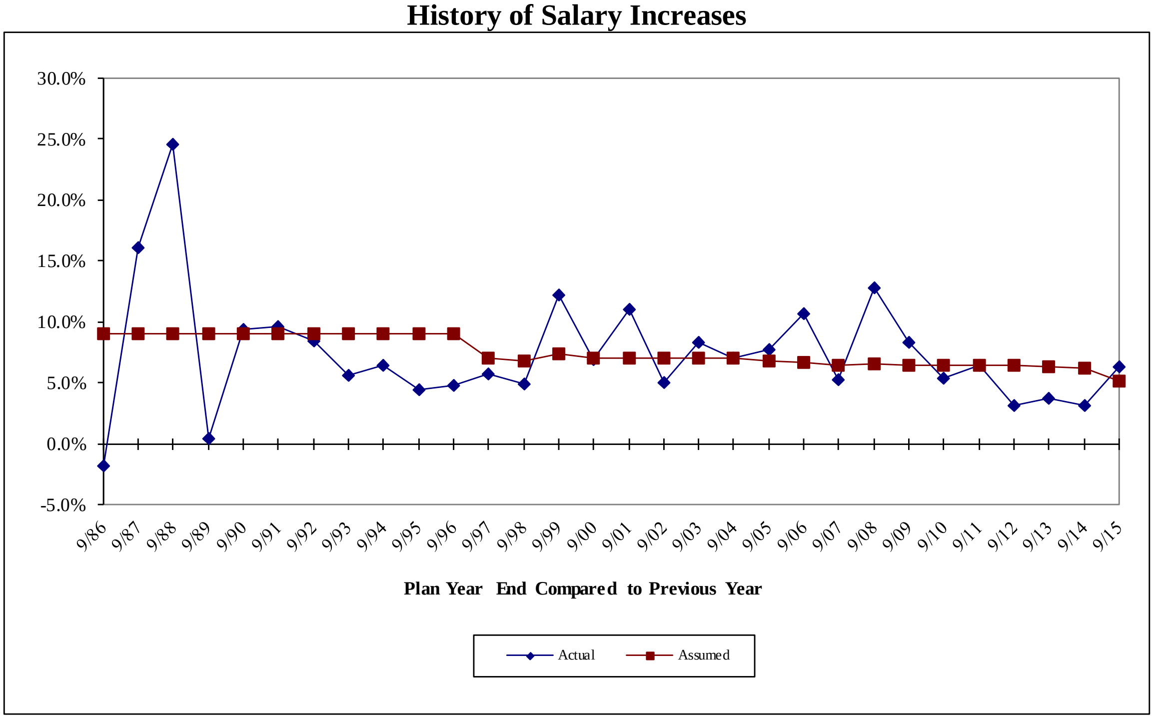
** Includes retroactive payments of salary increases per the collective bargaining agreement.

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 end of each period.

History of Investment Return
Based on Actuarial Value of Assets



History of Salary Increases



Number Added To and Removed from Active Participation

Year Ended	Number Added During Year		Service & DROP Retirement		Disability Retirement		Died In Service		Terminations				Active Members End of Year
									Vested	Other	Totals		
	A	E	A	E	A	E	A	E	A	A	A	E	
9/30/2002	15	16	5	3	0	1	0	0	1	10	11	6	159
9/30/2003	9	6	1	3	1	1	0	0	0	4	4	6	162
9/30/2004	6	5	0	1	0	1	0	0	0	5	5	6	163
9/30/2005	6	11	1	4	0	1	0	0	1	9	10	6	158
9/30/2006	17	21	10	3	0	1	0	0	1	10	11	5	154
9/30/2007	15	11	4	2	1	0	0	0	0	6	6	5	158
9/30/2008	11	12	9	2	0	1	0	0	0	3	3	5	157
9/30/2009	5	8	5	1	0	0	0	0	1	2	3	5	154
9/30/2010	0	12	11	2	0	0	0	0	0	1	1	5	142
9/30/2011	4	7	6	2	1	0	0	0	0	0	0	5	139
9/30/2012	12	12	8	2	1	0	0	0	0	3	3	4	139
9/30/2013	3	7	4	1	0	0	0	0	0	3	3	4	135
9/30/2014	12	2	1	1	1	0	0	0	0	0	0	4	145
9/30/2015	8	3	1	3	0	0	0	0	0	2	2	4	150
9/30/2016		0		4		0		0				4	
14 Yr Totals 2002 - 2015	123	133	66	30	5	6	0	0	4	58	62	70	

*Totals are through current plan year only.

RECENT HISTORY OF VALUATION RESULTS

Valuation Date	Number of Active Members	Number of Inactive Members	Covered Annual Payroll	Actuarial Value of Assets	Accrued Liability	Unfunded Accrued Liability	Funded Ratio	Employer Normal Cost Amount	Employer Normal Cost % of Payroll
10/1/1993	136	20	$6,267,523	$16,851,657	$18,823,880	$1,972,223	89.5 %	$627,218	10.01 %
10/1/1994	135	23	6,529,063	18,112,244	20,093,126	1,980,882	90.1	671,749	10.29
10/1/1996	132	30	6,613,181	24,322,087	26,135,593	1,813,506	93.1	475,798	7.19
10/1/1997	141	35	7,170,493	27,830,337	29,616,974	1,786,637	94.0	570,529	7.96
10/1/1998	153	36	7,837,902	31,671,180	32,769,924	1,098,744	96.6	471,685	6.02
10/1/1999	145	67	7,357,096	35,269,226	41,748,203	6,478,977	84.5	364,562	4.96
10/1/2000 [1]	143	68	7,770,678	37,512,699	45,644,494	8,131,795	82.2	305,271	3.93
10/1/2001	160	68	9,295,368	40,151,353	48,341,005	8,189,652	83.1	616,612	6.63
10/1/2002	159	72	9,383,281	39,137,722	47,650,933	8,513,211	82.1	966,444	10.30
10/1/2003 [2]	162	73	10,210,382	40,274,122	47,662,496	7,388,374	84.5	1,008,913	9.88
10/1/2004	163	73	10,894,352	41,494,126	48,949,314	7,455,188	84.8	1,328,531	12.19
10/1/2005	158	75	11,323,389	42,540,854	57,715,082	15,174,228	73.7	1,983,928	17.52
10/1/2006 [3]	154	86	11,686,231	45,227,418	61,786,401	16,558,983	73.2	2,556,952	21.88
10/1/2007	158	90	12,497,032	50,977,275	67,462,013	16,484,738	75.6	2,800,876	22.41
10/1/2008	157	97	13,475,617	54,724,468	72,562,321	17,837,853	75.4	3,738,725	27.74
10/1/2009	154	103	13,936,365	50,805,922	97,672,897	46,866,975	52.0	2,287,840	16.42
10/1/2010 [4]	142	112	13,027,405	57,735,928	107,600,348	49,864,420	53.7	2,265,775	17.39
10/1/2011	139	118	13,521,139	64,270,627	120,138,527	55,867,900	53.5	2,486,192	18.39
10/1/2012	139	127	13,359,510	72,267,056	131,526,358	59,259,302	54.9	2,609,560	19.53
10/1/2013	135	131	13,292,908	81,989,315	142,425,301	60,435,986	57.6	2,703,037	20.33
10/1/2014	145	133	14,122,280	92,954,855	157,303,477	64,348,622	59.1	2,925,989	20.72
10/1/2015	150	133	15,202,411	103,842,431	167,636,562	63,794,131	61.9	3,146,299	20.70

[1] From 6/30/2001 Actuarial Impact Statement
[2] From 12/10/2004 Actuarial Impact Statement
[3] From 1/10/2008 Actuarial Impact Statement
[4] From 7/27/2011 Actuarial Impact Statement

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS

Valuation Date	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
10/1/1985	9/30/1986	$407,519	13.22 %	$103,616	3.36 %	$303,903	9.86 %	$387,854	$124,762	$512,616
10/1/1985	9/30/1987	407,519	13.22	103,616	3.36	303,903	9.86	358,170	152,810	510,980
10/1/1987	9/30/1988	385,876	12.07	152,810	4.78	233,066	7.29	280,715	172,641	453,356
10/1/1987	9/30/1989	385,876	12.07	152,810	4.78	233,066	7.29	307,860	184,331	492,191
10/1/1989	9/30/1990	615,410	13.73	184,331	4.11	431,079	9.62	426,236	198,379	624,615
10/1/1989	9/30/1991	615,410	13.73	184,331	4.11	431,079	9.62	480,918	205,525	686,443
10/1/1991	9/30/1992	730,550	13.74	205,525	3.87	525,025	9.88	533,717	215,510	749,227
10/1/1992	9/30/1993	796,196	13.63	215,510	3.69	580,686	9.94	580,815	222,772	803,587
10/1/1993	9/30/1994	814,782	13.00	222,772	3.55	592,010	9.45	588,409	235,414	823,823
10/1/1994	9/30/1995	828,505	12.69	226,212	3.46	602,293	9.22	580,795	257,223	838,018
10/1/1995[1]	9/30/1996	860,550	12.69	257,223	3.79	603,327	9.22	597,981	281,695	879,676
10/1/1996	9/30/1997	623,056	9.42	281,695	4.26	341,361	5.16	343,282	311,098	654,380
10/1/1997	9/30/1998	723,467	10.09	311,098	4.34	412,369	5.75	413,775	307,312	721,087
10/1/1998	9/30/1999	573,363	7.32	307,312	3.92	266,051	3.40	277,685	295,625	573,310
10/1/1998	9/30/2000	1,010,905	13.33	307,312	4.05	703,593	9.28	746,594	264,311	1,010,905
10/1/1999	9/30/2001	916,278	11.85	295,625	3.82	620,653	8.03	652,379	280,803	933,182
10/1/2000[2]	9/30/2002	1,000,716	12.30	264,311	3.25	736,405	9.05	700,913	307,312	1,008,225
10/1/2001	9/30/2003	1,317,632	13.63	307,312	3.18	1,010,320	10.45	1,019,184	307,312	1,326,496
10/1/2002	9/30/2004	1,539,895	15.78	307,312	3.15	1,232,583	12.63	1,252,491	307,312	1,559,803
10/1/2003[3]	9/30/2005	1,694,795	15.96	352,973	3.32	1,341,822	12.64	1,341,822	352,973	1,694,795
10/1/2004	9/30/2006	2,017,275	17.81	352,973	3.12	1,664,302	14.69	1,664,302	352,973	2,017,275
10/1/2005[4]	9/30/2007	3,483,437	29.58	512,973	4.36	2,630,010	22.33	2,630,010	559,679	3,530,143
10/1/2006[5]	9/30/2008	4,227,050	34.78	559,679	4.60	3,507,371	28.86	3,452,721	567,623	4,180,344
10/1/2007	9/30/2009	4,547,620	34.99	559,679	4.31	3,987,941	30.68	3,968,694	578,926	4,547,620
10/1/2008	9/30/2010	5,705,361	40.71	552,722	3.94	5,152,639	36.77	5,152,639	552,722	5,705,361
10/1/2009	9/30/2011	6,462,794	44.59	552,722	3.81	5,910,072	40.78	5,954,543	508,251	6,462,794
10/1/2010[6]	9/30/2012	6,542,571	48.29	527,188	3.89	6,015,383	44.40	6,015,383	527,188	6,542,571
10/1/2011	9/30/2013	7,431,759	52.85	568,388	4.04	6,863,371	48.81	6,863,371	568,388	7,431,759
10/1/2012	9/30/2014	8,093,191	58.25	568,388	4.09	7,524,803	54.16	7,472,477	620,714	8,093,191
10/1/2013	9/30/2015	8,833,935	66.45	639,176	4.62	8,194,759	61.83	8,194,759	639,176	8,833,935
10/1/2014	9/30/2016	9,899,972	68.06	639,176	4.39	9,260,796	63.67	---	---	---
10/1/2015	9/30/2017	10,311,111	65.85	639,176	4.08	9,671,935	61.77	---	---	---

1 Rates from 10/1/1994 Valuation were applied to 10/1/1995 payroll

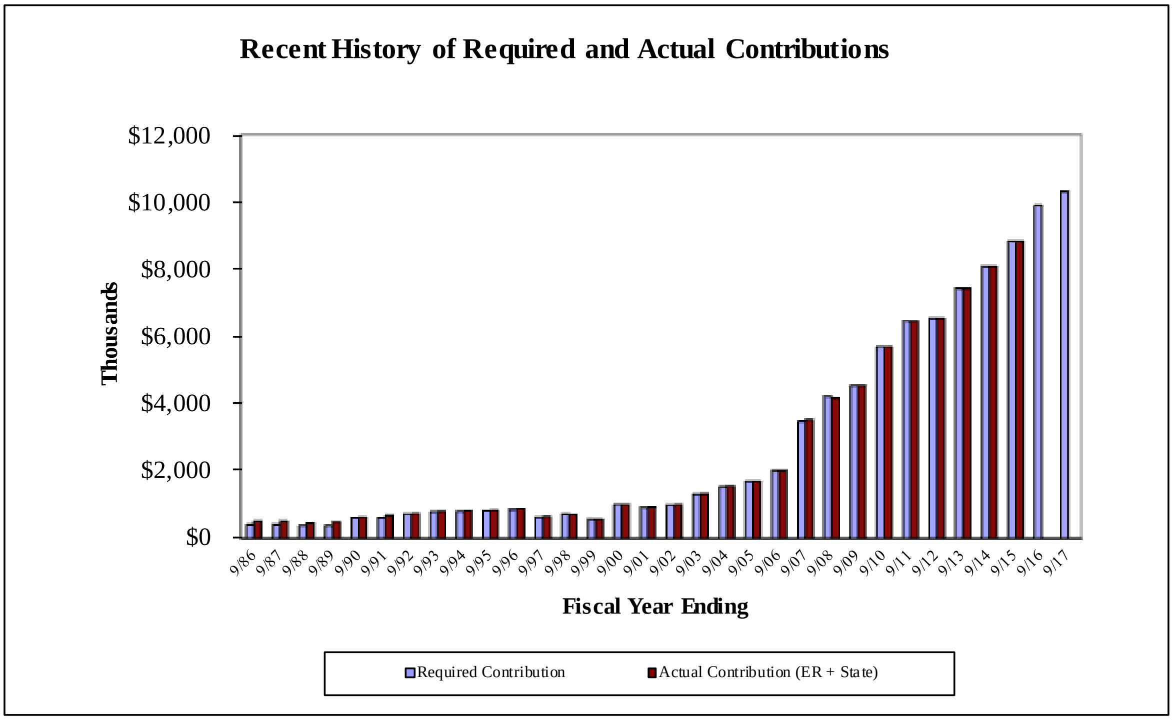
2 From 6/20/2001 Actuarial Impact Statement

3 From 12/10/2004 Actuarial Impact Statement

4 Reflects change in member contribution rate from 10.15% to 9.84%; additional contribution of $340,454 due to one-time use of State Reserve reflected in net employer contribution and actual total contribution but not shown separately

5 From 1/10/2008 Actuarial Impact Statement additional contribution of $160,000 due to one-time use of State Reserve reflected in net required contribution and actual total contribution but not shown separately

6 From 7/27/2011 Actuarial Impact Statement


Recent History of Required and Actual Contributions
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
Thousands
9/86 9/87 9/88 9/89 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 9/15 9/16 9/17
Fiscal Year Ending
Required Contribution
Actual Contribution (ER + State)

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 was written down to Market Value as of September 30, 2009.

Effective October 1, 2009, the Actuarial Value of Assets phases in the difference between the expected and actual return on actuarial value of assets at the rate of 20% per year. The Actuarial Value of Assets is 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 7.8% per year, compounded annually (net after investment expenses).

The **Wage Inflation Rate** assumed in this valuation was 2.5% per year. The Wage Inflation Rate is defined to be the portion of total pay increases for an individual that are due to macroeconomic forces including productivity, price inflation, and labor market conditions. The wage inflation rate does not include pay changes related to individual merit and seniority effects.

The assumed **real rate of return** over wage inflation is defined to be the portion of total investment return that is more than the assumed wage inflation rate. Considering other economic assumptions, the 7.8% investment return rate translates to an assumed real rate of return over wage inflation of 5.3%.

The active member population is assumed to remain constant. For purposes of financing the unfunded liabilities, total payroll is assumed to grow at 3% per year, limited to the average growth over the last ten years, which is 2.99%.

Pay increase assumptions for individual active members are shown below. Part of the assumption for each age for merit and/or seniority increase, and the other 2.5% recognizes wage inflation, including price inflation, productivity increases, and other macroeconomic forces.

The rates of salary increase used 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.

	% Increase in Salary		
Age	**Merit and Seniority**	**Base (Economic)**	**Total Increase**
20	5.0%	2.5%	7.5%
25	5.0%	2.5%	7.5%
30	4.8%	2.5%	7.3%
35	3.7%	2.5%	6.2%
40	1.7%	2.5%	4.2%
45	1.7%	2.5%	4.2%
50	1.7%	2.5%	4.2%
55	1.7%	2.5%	4.2%

Demographic Assumptions

The mortality table was the RP-2000 Combined Healthy Participant Mortality Tables for males and females. Future mortality improvements are projected to all future years from the year 2000 using Scale AA (on a fully generational basis).

Sample Attained	Probability of Dying Next Year		Future Life Expectancy (years)	
Ages (in 2015)	**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 (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 during the next year were as follows:

Annual Rate of Retirement for Those Eligible for Normal or Early Retirement

Retirement Rates

Service	Age 42 - 45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
10	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	25.0%	25.0%	100.0%	100.0%	100.0%	100.0%	100.0%
11	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	35.0%	35.0%	100.0%	100.0%	100.0%	100.0%	100.0%
12	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	35.0%	35.0%	100.0%	100.0%	100.0%	100.0%	100.0%
13	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	35.0%	35.0%	100.0%	100.0%	100.0%	100.0%	100.0%
14	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	35.0%	35.0%	100.0%	100.0%	100.0%	100.0%	100.0%
15	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	35.0%	35.0%	100.0%	100.0%	100.0%	100.0%	100.0%
16	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	35.0%	35.0%	100.0%	100.0%	100.0%	100.0%	100.0%
17	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	35.0%	35.0%	100.0%	100.0%	100.0%	100.0%	100.0%
18	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	35.0%	35.0%	100.0%	100.0%	100.0%	100.0%	100.0%
19	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	25.0%	35.0%	35.0%	100.0%	100.0%	100.0%	100.0%	100.0%
20	50.0%	60.0%	60.0%	60.0%	60.0%	60.0%	75.0%	75.0%	75.0%	75.0%	75.0%	100.0%	100.0%	100.0%	100.0%	100.0%
21	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
22	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
23	40.0%	40.0%	40.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
24	40.0%	40.0%	40.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
25	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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

Sample Ages	% of Active Members Separating Within Next Year
20	6.0 %
25	5.7
30	5.0
35	3.8
40	2.6
45	1.6
50	0.8
55	0.3

Rates of disability among active members (75% 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	Service calculated based on completed months is used to determine the amount of benefit payable.
Cost of Living Adjustment	The cost of living adjustment for members who receive future normal retirement benefits is 2.5% starting 5 years after retirement.
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 end of each biweekly pay period. 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.
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	Beginning of fiscal year. This is equivalent to assuming that reported pays represent amounts paid to members during the year ended on the valuation date.
Service Credit Accruals	It is assumed that members accrue one year of service credit per year.

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 No. 67, such as the Funded Ratio and the Actuarially Determined Contribution (ADC).
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 Determined Contribution (ADC).

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 ADC 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.
Actuarially Determined Contribution (ADC)	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under GASB No. 67. The ADC 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 the normal cost rate from last year and the normal cost rate from this year.
Funded Ratio	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
GASB	Governmental Accounting Standards Board.
GASB No. 67 and GASB No. 68	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.

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

Statement of Plan Assets at Market Value

Item	September 30 2015	September 30 2014
A. Cash and Cash Equivalents (Operating Cash)	$ -	$ -
B. Receivables		
1. Member Contributions	$ 92,194	$ 76,091
2. Employer Contributions	-	-
3. State Contributions	-	-
4. Investment Income and Other Receivables	939,394	1,101,896
5. Total Receivables	$ 1,031,588	$ 1,177,987
C. Investments		
1. Short Term Investments	$ 6,125,007	$ 1,626,664
2. Domestic Equities	56,064,834	56,446,580
3. International Equities	4,334,109	9,053,873
4. Domestic Fixed Income	42,966,786	37,589,251
5. International Fixed Income	-	-
6. Real Estate	-	-
7. Private Equity	-	-
8. Total Investments	$ 109,490,736	$ 104,716,368
D. Liabilities		
1. Benefits Payable	$ -	$ -
2. Accrued Expenses and Other Payables	(283,260)	(236,924)
3. Prepaid City Contribution	-	(93,526)
4. Total Liabilities	$ (283,260)	$ (330,450)
E. Total Market Value of Assets Available for Benefits	$ 110,239,064	$ 105,563,905
F. Reserves		
1. State Contribution Reserve	$ -	$ -
2. DROP Accounts	(8,689,498)	(7,274,060)
3. Total Reserves	$ (8,689,498)	$ (7,274,060)
G. Market Value Net of Reserves	$ 101,549,566	$ 98,289,845
H. Allocation of Investments		
1. Short Term Investments	5.6%	1.6%
2. Domestic Equities	51.2%	53.9%
3. International Equities	4.0%	8.6%
4. Domestic Fixed Income	39.2%	35.9%
5. International Fixed Income	0.0%	0.0%
6. Real Estate	0.0%	0.0%
7. Private Equity	0.0%	0.0%
8. Total Investments	100.0%	100.0%

Reconciliation of Plan Assets

Item	September 30 2015		September 30 2014	
A. Market Value of Assets at Beginning of Year	$	105,563,905	$	96,495,201
B. Revenues and Expenditures				
1. Contributions				
a. Member Contributions	$	1,524,051	$	1,293,252
b. Employer Contributions		8,194,759		7,472,477
c. State Contributions		639,176		620,714
d. Purchased Service Credit		-		-
e. Total	$	10,357,986	$	9,386,443
2. Investment Income				
a. Interest, Dividends, and Other Income	$	3,659,089	$	2,963,564
b. Net Realized Gains/(Losses)*		-		-
c. Net Unrealized Gains/(Losses)*		(2,705,464)		6,303,229
d. Investment Expenses		(587,493)		(561,146)
e. Net Investment Income	$	366,132	$	8,705,647
3. Benefits and Refunds				
a. Regular Monthly Benefits	$	(4,750,920)	$	(4,423,555)
b. Refunds		(56,610)		(40,078)
c. Lump Sum Benefits Paid		-		-
d. DROP Distributions		(1,010,331)		(4,336,905)
e. Total	$	(5,817,861)	$	(8,800,538)
4. Administrative and Miscellaneous Expenses	$	(231,098)	$	(222,848)
5. Transfers	$	-	$	-
C. Market Value of Assets at End of Year	$	110,239,064	$	105,563,905
D. Reserves				
1. State Contribution Reserve	$	-	$	-
2. DROP Accounts		(8,689,498)		(7,274,060)
3. Total Reserves	$	(8,689,498)	$	(7,274,060)
E. Market Value Net of Reserves	$	101,549,566	$	98,289,845

** Breakdown between realized and unrealized gains (losses) were not available.*

Reconciliation of DROP Accounts

Year Ended 9/30	Balance at Beginning of Year	Credits	Interest	Distributions	Balance at End of Year
2002	$ -	$ 148,006	$ 5,101	$ (16,178)	$ 136,929
2003	136,929	180,567	20,636	-	338,132
2004	338,132	180,567	38,421	-	557,120
2005	557,120	180,567	57,778	-	795,465
2006	795,465	422,350	69,061	(188,744)	1,098,132
2007	1,098,132	479,883	101,029	(1,020,132)	658,912
2008	658,912	682,875	78,772	(316,082)	1,104,477
2009	1,104,477	904,840	137,425	-	2,146,742
2010	2,146,742	1,428,932	249,854	(95,349)	3,730,179
2011	3,730,179	1,935,801	320,520	(197,552)	5,788,948
2012	5,788,948	2,219,679	476,027	(1,245,018)	7,239,636
2013	7,085,581 *	2,554,707	561,955	(1,311,925)	8,890,318
2014	8,890,318	2,155,050	565,597	(4,336,905)	7,274,060
2015	7,274,060	1,910,469	515,300	(1,010,331)	8,689,498

*Beginning of Year balance adjusted to match client's reconciliation and financial statements

Actuarial Value of Assets

	Valuation Date – September 30	2014	2015	2016	2017	2018	2019
A.	Actuarial Value of Assets Beginning of Year*	$90,879,633	$ 100,228,915				
B.	Market Value End of Year*	105,563,905	110,239,064				
C.	Market Value Beginning of Year*	96,495,201	105,563,905				
D.	Non-Investment/Administrative Net Cash Flow	363,057	4,309,027				
E.	Investment Income						
	E1. Actual Market Total: B-C-D	8,705,647	366,132				
	E2. Assumed Rate of Return	8.00%	7.80%	7.80%	7.80%	7.80%	7.80%
	E3. Assumed Amount of Return	7,284,893	7,985,907				
	E4. Amount Subject to Phase-In: E1–E3	1,420,754	(7,619,775)				
F.	Phased-In Recognition of Investment Income						
	F1. Current Year: 0.2 x E4	284,151	(1,523,955)				
	F2. First Prior Year	602,319	284,151	(1,523,955)			
	F3. Second Prior Year	1,745,863	602,319	284,151	(1,523,955)		
	F4. Third Prior Year	(1,100,298)	1,745,863	602,319	284,151	(1,523,955)	
	F5. Fourth Prior Year	169,297	(1,100,298)	1,745,863	602,319	284,151	(1,523,955)
	F6. Total Phase-Ins	1,701,332	8,080	1,108,378	(637,485)	(1,239,804)	(1,523,955)
G.	**Actuarial Value of Assets End of Year**						
	G1. Preliminary Actuarial Value of Assets End of Year: A+D+E3+F6	100,228,915	112,531,929				
	G2. Upper Corridor Limit: 120%*B	126,676,686	132,286,877				
	G3. Lower Corridor Limit: 80%*B	84,451,124	88,191,251				
	G4. Actuarial Value of Assets End of Year	100,228,915	112,531,929				
	G5. State Contribution Reserve	-	-				
	G6. DROP Accounts	(7,274,060)	(8,689,498)				
	G7. Final Actuarial Value of Assets End of Year	92,954,855	103,842,431				
H.	Difference between Market & Actuarial Value of Assets	5,334,990	(2,292,865)				
I.	**Actuarial Rate of Return**	9.9%	7.8%				
J.	**Market Value Rate of Return**	9.0%	0.3%				
K.	**Ratio of Actuarial Value of Assets to Market Value**	94.9%	102.1%				

** Before offset of State Contribution Reserve and DROP Accounts.*

The Actuarial Value of Assets recognizes assumed investment return (line E3) fully each year. Differences between actual and assumed investment income (Line E4) are phased-in over a closed 5-year period. 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 the assumed rate, Actuarial Value of Assets will tend to be greater than Market Value. If assumed rates are exactly realized for 5 consecutive years, Actuarial Value of Assets will become equal to Market Value.

Year Ending September 30th	Investment Rate of Return	
	Market Value *	Actuarial Value
1978	7.2 %	7.2 %
1979	8.6	8.6
1980	9.7	9.7
1981	10.3	10.3
1982	11.6	11.6
1983	11.3	11.3
1984	11.4	11.4
1985	9.7	9.7
1986	17.8	17.8
1987	6.3	6.3
1988	8.3	8.3
1989	10.7	10.7
1990	5.8	5.8
1991	13.8	13.8
1992	15.0	15.0
1993	11.4	10.8
1994	3.0	2.6
1995	15.8	15.2
1996	13.0	12.4
1997	27.7	12.9
1998	10.3	12.9
1999	13.5	13.6
2000	11.8	14.0
2001	(9.8)	9.2
2002	(6.9)	(0.8)
2003	14.6	3.9
2004	7.9	2.8
2005	9.0	2.3
2006	6.4	5.5
2007	11.9	8.9
2008	(11.7)	4.3
2009	1.2	3.4
2010	9.9	8.7
2011	(0.3)	6.8
2012	21.6	9.3
2013	11.3	9.8
2014	9.0	9.9
2015	0.3	7.8
Average Returns:		
Last 5 Years	8.1 %	8.7 %
Last 10 Years	5.6 %	7.4 %
All Years	8.6 %	9.0 %

**Net of investment expenses starting in 2006.*

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.

History of Premium Tax Refunds

Year Received	Amount
1973	162.73
1974	969.40
1975	5,140.84
1976	11,554.80
1977	29,468.92
1978	29,787.49
1979	32,251.00
1980	39,792.00
1981	45,645.00
1982	60,336.53
1983	72,150.14
1984	83,242.99
1985	103,615.68
1986	124,761.71
1987	152,810.22
1988	172,640.89
1989	184,331.26
1990	198,379.19
1991	205,524.75
1992	215,510.42
1993	222,771.55
1994	235,414.53
1995	257,223.00
1996	281,695.14
1997	311,097.66
1998	307,311.95
1999	295,625.18
2000	264,310.96
2001	280,803.49
2002	323,403.51
2003	374,159.74
2004	497,444.66
2005	503,294.47
2006	512,972.82
2007	559,678.84
2008	567,622.66
2009	578,925.89
2010	552,721.74
2011	508,250.66
2012	527,188.24
2013	568,387.94
2014	620,714.25
2015	639,175.78
	11,558,270.62

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	$ 92,746,222	$ 91,783,278
b. Terminated Vested Members	228,585	211,779
c. Other Members	57,023,922	48,480,471
d. Total	149,998,729	140,475,528
2. Non-Vested Benefits	4,126,661	3,501,514
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	154,125,390	143,977,042
4. Accumulated Contributions of Active Members	11,992,877	10,659,660
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits		
1. Total Value at Beginning of Year	143,977,042	126,935,091
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendment	0	0
b. Change in Actuarial Assumptions	0	9,275,146
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	16,866,347	14,385,488
d. Benefits Paid	(6,717,999)	(6,618,683)
e. Net Increase	10,148,348	17,041,951
3. Total Value at End of Period	154,125,390	143,977,042
D. Market Value of Assets	101,549,566	98,289,845
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	$ 4,415,243	$ 4,068,061	$ 3,784,863
Interest	13,772,841	12,756,539	12,056,017
Benefit Changes	-	-	-
Difference between actual & expected experience	560,558	(417,253)	(58,354)
Assumption Changes	-	6,918,969	-
Benefit Payments	(7,210,642)	(5,761,251)	(8,760,460)
Refunds	(82,192)	(56,610)	(40,078)
Net Change in Total Pension Liability	11,455,808	17,508,455	6,981,988
Total Pension Liability - Beginning	175,806,062	158,297,607	151,315,619
Total Pension Liability - Ending (a)	$ 187,261,870	$ 175,806,062	$ 158,297,607
Plan Fiduciary Net Position			
Contributions - Employer	$ 9,260,796	$ 8,194,759	$ 7,472,477
Contributions - Employer (from State)	639,176	639,176	620,714
Contributions - Non-Employer Contributing Entity	-	-	-
Contributions - Member	1,495,917	1,524,051	1,293,252
Net Investment Income	8,730,732	366,132	8,705,647
Benefit Payments	(7,210,642)	(5,761,251)	(8,760,460)
Refunds	(82,192)	(56,610)	(40,078)
Administrative Expense	(236,875)	(231,098)	(222,848)
Other	-	-	-
Net Change in Plan Fiduciary Net Position	12,596,912	4,675,159	9,068,704
Plan Fiduciary Net Position - Beginning	110,239,064	105,563,905	96,495,201
Plan Fiduciary Net Position - Ending (b)	$ 122,835,976	$ 110,239,064	$ 105,563,905
Net Pension Liability - Ending (a) - (b)	64,425,894	65,566,998	52,733,702
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	65.60 %	62.70 %	66.69 %
Covered Employee Payroll	$ 15,202,411	$ 20,624,275	$ 18,525,964
Net Pension Liability as a Percentage of Covered Employee Payroll	423.79 %	317.91 %	284.65 %

***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 Employee Payroll	Net Pension Liability as a % of Covered Employee Payroll
2014	$158,297,607	$105,563,905	$ 52,733,702	66.69%	$ 18,525,964	284.65%
2015	175,806,062	110,239,064	65,566,998	62.70%	20,624,275	317.91%
2016*	187,261,870	122,835,976	64,425,894	65.60%	15,202,411	423.79%

***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 Employee Payroll	Actual Contribution as a % of Covered Employee Payroll
2006	$ 2,017,275	$ 2,017,275	$ -	$ 11,323,389	17.82%
2007	3,483,437	3,530,143	(46,706)	11,686,231	30.21%
2008	4,227,050	4,180,344	46,706	12,497,032	33.45%
2009	4,547,620	4,547,620	-	13,475,617	33.75%
2010	5,705,361	5,705,361	-	13,936,365	40.94%
2011	6,462,794	6,462,794	-	13,027,405	49.61%
2012	6,542,571	6,542,571	-	13,521,139	48.39%
2013	7,431,759	7,431,759	-	13,359,510	55.63%
2014	8,093,191	8,093,191	-	18,525,964	43.69%
2015	8,833,935	8,833,935	-	20,624,275	42.83%
2016*	9,899,972	9,899,972	-	15,202,411	65.12%

***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 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 Percent of Pay, Closed
Remaining Amortization Period	24 years
Asset Valuation Method	5-year smoothed market
Inflation	2.5%
Salary Increases	4.2% to 7.5% depending on age, including inflation
Investment Rate of Return	7.80%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years using Scale AA

Other Information:

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

SINGLE DISCOUNT RATE

GASB Statement No. 67

A single discount rate of 7.80% 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 7.80%. 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 (7.80%) 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 7.80%, 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 6.80%	Current Single Discount Rate Assumption 7.80%	1% Increase 8.80%
$88,811,822	$64,425,894	$44,517,104

***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 10/1/14 To 10/1/15	From 10/1/13 To 10/1/14
A.	**Active Members**		
1.	Number Included in Last Valuation	145	135
2.	New Members Included in Current Valuation	8	12
3.	Non-Vested Employment Terminations	(2)	0
4.	Vested Employment Terminations	0	0
5.	DROP Retirement	(1)	(1)
6.	Service Retirements	0	0
7.	Disability Retirements	0	(1)
8.	Deaths	0	0
9.	Other - Transfer/Rehire	0	0
10.	Number Included in This Valuation	150	145
B.	**Terminated Vested Members**		
1.	Number Included in Last Valuation	1	1
2.	Additions from Active Members	0	0
3.	Lump Sum Payments/Refund of Contributions	0	0
4.	Payments Commenced	0	0
5.	Deaths	0	0
6.	Other - Rehire	0	0
7.	Number Included in This Valuation	1	1
C.	**DROP Plan Members**		
1.	Number Included in Last Valuation	26	35
2.	Addition from Active Members	1	1
3.	Retirements	(3)	(10)
4.	Deaths Resulting in No Further Payments	0	0
5.	Other	0	0
6.	Number Included in This Valuation	24	26
D.	**Service Retirees, Disability Retirees and Beneficiaries**		
1.	Number Included in Last Valuation	106	95
2.	Additions from Active Members	0	1
3.	Additions from DROP	3	10
4.	Additions from Terminated Vested Members	0	0
5.	Deaths Resulting in No Further Payments	(1)	0
6.	Deaths Resulting in New Survivor Benefits	0	0
7.	End of Certain Period - No Further Payments	0	0
8.	Other	0	0
9.	Number Included in This Valuation	108	106

ACTIVE MEMBERS AS OF OCTOBER 1, 2015

	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 & Up	**Totals**
20-24 NO	-	2	-	1	-	-	-	-	-	-	3
TOT PAY	-	129,055	-	73,037	-	-	-	-	-	-	202,092
AVG PAY	-	64,528	-	73,037	-	-	-	-	-	-	67,363
25-29 NO	3	6	2	5	2	-	-	-	-	-	18
TOT PAY	185,841	400,355	145,893	408,037	178,600	-	-	-	-	-	1,318,726
AVG PAY	61,947	66,726	72,946	81,607	89,300	-	-	-	-	-	73,263
30-34 NO	2	5	-	2	-	13	1	-	-	-	23
TOT PAY	124,406	328,244	-	164,642	-	1,172,125	88,193	-	-	-	1,877,610
AVG PAY	62,203	65,649	-	82,321	-	90,163	88,193	-	-	-	81,635
35-39 NO	-	1	1	-	1	12	13	4	-	-	32
TOT PAY	-	61,891	68,882	-	76,515	1,084,157	1,351,147	436,747	-	-	3,079,339
AVG PAY	-	61,891	68,882	-	76,515	90,346	103,934	109,187	-	-	96,229
40-44 NO	-	-	1	3	-	4	8	24	1	-	41
TOT PAY	-	-	75,403	280,652	-	373,201	818,339	2,839,699	157,895	-	4,545,189
AVG PAY	-	-	75,403	93,551	-	93,300	102,292	118,321	157,895	-	110,858
45-49 NO	-	-	-	-	-	2	6	15	5	-	28
TOT PAY	-	-	-	-	-	180,884	595,264	1,550,609	623,846	-	2,950,603
AVG PAY	-	-	-	-	-	90,442	99,211	103,374	124,769	-	105,379
50-54 NO	-	-	-	-	-	1	1	2	-	-	4
TOT PAY	-	-	-	-	-	82,314	112,811	202,039	-	-	397,164
AVG PAY	-	-	-	-	-	82,314	112,811	101,020	-	-	99,291
55-59 NO	-	-	-	-	-	-	-	-	-	-	-
TOT PAY	-	-	-	-	-	-	-	-	-	-	-
AVG PAY	-	-	-	-	-	-	-	-	-	-	-
60-64 NO	-	-	-	-	-	1	-	-	-	-	1
TOT PAY	-	-	-	-	-	88,646	-	-	-	-	88,646
AVG PAY	-	-	-	-	-	88,646	-	-	-	-	-
65 & Up NO	-	-	-	-	-	-	-	-	-	-	-
TOT PAY	-	-	-	-	-	-	-	-	-	-	-
AVG PAY	-	-	-	-	-	-	-	-	-	-	-
TOT NO	5	14	4	11	3	33	29	45	6	-	150
TOT AMT	310,248	919,545	290,178	926,368	255,115	2,981,327	2,965,754	5,029,094	781,741	-	14,459,370
AVG AMT	62,050	65,682	72,545	84,215	85,038	90,343	102,267	111,758	130,290	-	96,396

INACTIVE MEMBERS AS OF OCTOBER 1, 2015

	Terminated Vested		Disabled		Retired*		Beneficiaries		Grand Total	
Age	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	0	-	0	-	0	-	0	-	0	0
20 - 24	0	-	0	-	0	-	0	-	0	0
25 - 29	0	-	0	-	0	-	0	-	0	0
30 - 34	0	-	0	-	0	-	0	-	0	0
35 - 39	0	-	0	-	0	-	0	-	0	0
40 - 44	0	-	3	154,671	1	62,409	0	-	4	217,080
45 - 49	1	30,627	2	117,085	20	1,624,371	0	-	23	1,772,083
50 - 54	0	-	0	-	21	1,550,252	0	-	21	1,550,252
55 - 59	0	-	0	-	25	1,121,143	1	24,429	26	1,145,572
60 - 64	0	-	3	95,330	22	1,043,098	0	-	25	1,138,428
65 - 69	0	-	1	43,138	18	616,487	0	-	19	659,625
70 - 74	0	-	0	-	9	234,491	2	49,484	11	283,975
75 - 79	0	-	0	-	0	-	0	-	0	0
80 - 84	0	-	0	-	1	18,566	2	32,163	3	50,729
85 - 89	0	-	0	-	0	-	1	7,158	1	7,158
90 - 94	0	-	0	-	0	-	0	-	0	0
95 - 99	0	-	0	-	0	-	0	-	0	0
100 & Over	0	-	0	-	0	-	0	-	0	0
Total	1	30,627	9	410,224	117	6,270,817	6	113,234	133	6,824,902
Average Age		46		52		59		75		59

* Does not include deferred supplemental benefits for DROP members.

SECTION F

SUMMARY OF PLAN PROVISION

SUMMARY OF PLAN PROVISIONS

A. Ordinances

The Plan was established under the Code of Ordinances for the City of Sunrise, Florida, Chapter 11, Article II, and was most recently amended under Ordinance No. 124-X-15-B passed and adopted on its second reading on September 15, 2015. The Plan is also governed by certain provisions of Chapter 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

B. Effective Date

July 1, 1972

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 participate as a condition of employment. The police chief may elect not to participate.

F. Credited Service

Years and completed months of full-time service with the City during which time prescribed employee contributions are made. Under certain conditions, military service is includable. No service is credited for any periods of employment for which the member received a refund of their contributions.

G. Compensation

For Members hired prior to September 30, 2015:

Compensation is the total actual fixed cash compensation including overtime, holiday and other payroll cash incentives and general monthly expense allowances, but excluding lump sum payouts of accrued benefits upon termination of employment, auto and uniform allowances, travel reimbursements and special detail pay. Effective August 9, 2011, overtime pay for hours earned after August 9, 2011 in excess of 300 hours of overtime per year is not included. Effective September 15, 2015, all payments for unused sick and annual leave are excluded.

For Members hired on or after September 30, 2015:

Compensation is the total actual fixed cash compensation including holiday and other payroll cash incentives and general monthly expense allowances, but excluding overtime pay, lump sum payouts of accrued benefits upon termination of employment, auto and uniform allowances, travel reimbursements, special detail pay and all payments for unused sick and annual leave.

H. Final Average Compensation (FAC)

For Members hired prior to September 30, 2015:

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

For Members hired on or after September 30, 2015:

The average of Compensation over the highest 5 consecutive years out of the last 10 years of Credited Service.

I. Normal Retirement

For Members hired prior to September 30, 2015:

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

(1) age 53 and 10 years of Credited Service, or
(2) 20 years of Credited Service regardless of age.

Benefit: (a) 3.0% of FAC for each of the first 10 years of Credited Service, plus 4.0% of FAC for the next 10 years of Credited Service, plus 2.0% of FAC for each year of Credited Service thereafter; subject to a maximum benefit equal to 80% of FAC.

(b) Any Police Officer who was actively employed on October 1, 2003, and retires or enters the DROP on or after January 1, 2006 will receive the greater of (a) above and:

4.0% of FAC for each of first 10 years of Credited Service, plus 2.0% of FAC for each year thereafter. 2.0% of FAC will be added to the total percentage for officers who were vested as of January 1, 2006. An additional 2.0% of FAC will be added to the total percentage for officers who are actively employed until age 53 with 10 or more years of Credited Service.

(c) In addition, police officers who terminate and begin receiving Early or Normal Retirement Benefits will receive a monthly supplemental benefit payable for life and ceasing upon the retiree's death according to the following table:

Termination or DROP Exit Date	Monthly Supplemental Benefit	
	Until Age 65	Age 65 and later
8/14/01 – 12/31/05	$10.00 * Service (max $200)	$6.25 * Service (max $125)
1/1/06 – 9/30/07	$16.25 * Service (max $325)	$10.00 * Service (max $200)
On or after 10/1/07	$25.00 * Service (max $500)	$15.00 * Service (max $300)

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

COLA: Cost of living increases are paid according to the following table:

Termination or DROP Entry Date	Annual COLA[1]	COLA Start Date
Before 1/1/06	0.0%	No COLA is payable
1/1/06 – 9/30/08	2.0%	Fifth anniversary of the commencement date
On or after 10/1/08	2.5%	Fifth anniversary of the commencement date

[1] The COLA is payable for the lifetime of the retiree and continues to the retiree's survivor upon the retiree's death.

<u>For Members hired on or after September 30, 2015:</u>

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

(1) age 55 and 10 years of Credited Service, or
(2) age 52 with 25 years of Credited Service.

Benefit: 3.0% of FAC for each of the first 20 years of Credited Service, plus 2.0% of FAC for each year of Credited Service thereafter; subject to a maximum benefit equal to 70% of FAC. Benefit is guaranteed to be no less than 2.75% of FAC for each year of Credited Service.

Supplemental Benefit: None

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

COLA: None

J. Early Retirement

<u>For Members hired prior to September 30, 2015:</u>

Eligibility: A member may elect to retire earlier than the Normal Retirement Eligibility upon attainment of age 47 and 10 years of Credited Service.

Benefit: The Normal Retirement Benefit is reduced by 3.0% for each year by which the Early Retirement date precedes the Normal Retirement date. In addition, police officers who terminate and begin receiving Early Retirement Benefits will receive the monthly supplemental benefit.

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

COLA: None

<u>For Members hired on or after September 30, 2015:</u>

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

Benefit: The Normal Retirement Benefit is reduced by 3.0% for each year by which the Early Retirement date precedes age 55. There is no supplemental benefit.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options 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

<u>For Members hired prior to September 30, 2015:</u>

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

Benefit: The disability benefit is equal to 75% of the member's salary in effect on the date of disability subject to the offsets described below. However, the offsets shall not reduce the benefit below the greater of the member's accrued benefit or 42% of the member's FAC.

Offsets:
To determine whether there will be an offset against the disability benefit, the first step is to add the following four items for a particular year.

1. Service incurred disability benefit paid from the plan
2. Workers' compensation disability benefit
3. Any salary received in excess of $50,000 as evidenced by federal tax returns
4. Any net earnings from self-employment in excess of $50,000

If the sum of these four items is greater than the pre-disability salary, the service disability benefit shall be reduced. The annual reduction shall be equal to 50% of the first $50,000 of excess plus 100% of the remaining excess, if any.

Normal Form of Benefit: Payable until death or recovery from disability or until the member reaches Early or Normal Retirement Age and elects to receive Early or Normal Retirement Benefits in lieu of disability benefits. Other options are also available.

COLA: None

For Members hired on or after September 30, 2015:

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

Benefit: The disability benefit is equal to 70% of the member's salary in effect on the date of disability subject to the offsets described below. However, the offsets shall not reduce the benefit below the greater of the member's accrued benefit or 42% of the member's FAC.

Offsets:
To determine whether there will be an offset against the disability benefit, the first step is to add the following four items for a particular year.

5. Service incurred disability benefit paid from the plan
6. Workers' compensation disability benefit
7. Any salary received in excess of $50,000 as evidenced by federal tax returns
8. Any net earnings from self-employment in excess of $50,000

If the sum of these four items is greater than the pre-disability salary, the service disability benefit shall be reduced. The annual reduction shall be equal to 50% of the first $50,000 of excess plus 100% of the remaining excess, if any.

Normal Form of Benefit: Payable until death or recovery from disability or until the member reaches Early or Normal Retirement Age and elects to receive Early or Normal Retirement Benefits in lieu of disability benefits. Other options are also available.

COLA: None

M. Non-Service Connected Disability

For Members hired prior to September 30, 2015:

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

Benefit: The accrued Normal Retirement Benefit with a minimum equal to 25% of FAC and a maximum equal to 50% of FAC. If employed by the City on or after September 13, 2004 the 50% of FAC maximum is ignored.

Normal Form of Benefit: Payable until death or recovery from disability or until the member reaches Early or Normal Retirement Age and elects to receive Early or Normal Retirement Benefits in lieu of disability benefits. Other options are also available.

COLA: None

For Members hired on or after September 30, 2015:

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

Benefit: The accrued Normal Retirement Benefit with a minimum equal to 25% of FAC and a maximum equal to 50% of FAC.

Normal Form of Benefit: Payable until death or recovery from disability or until the member reaches Early or Normal Retirement Age and elects to receive Early or Normal Retirement Benefits in lieu of disability benefits. Other options are also available.

COLA: None

N. Death in the Line of Duty

For Members hired prior to September 30, 2015:

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: Beneficiary will receive a benefit equal to the greater of 75% of the member's FAC or the accrued Normal Retirement Benefit.

Normal Form of Benefit: Payable for the life of beneficiary, or if no designated beneficiary, payable for 10 years to the member's estate.

COLA: None

For Members hired on or after September 30, 2015:

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: Beneficiary will receive a benefit equal to the accrued benefit up to 75% of the member's FAC actuarially adjusted for the beneficiary's age.

Normal Form of Benefit: Payable for the life of beneficiary, or if no designated beneficiary, payable for 10 years to the member's estate.

COLA: None

O. Other Pre-Retirement Death

For Members hired prior to September 30, 2015:

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

Benefit: The beneficiary shall be entitled to receive an amount equal to the benefit that would have been payable at early or normal retirement age based upon Credited Service and FAC on the date of death, but payable as if the member had died on the day after commencement of benefits. Benefits will be paid according to the member's written election of an optional form of payment and begin on the member's early or normal retirement date. If there is no designated beneficiary, benefits are paid to the member's estate.

Normal Form of Benefit: Payable according to the option elected or, if there was no option elected, 10 years.

COLA: None

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 regular contributions without interest.

For Members hired on or after September 30, 2015:

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

Benefit: The beneficiary shall be entitled to receive an amount equal to the member's accrued benefit on the date of death, actuarially adjusted for the beneficiary's age commencing on the date the member would have been eligible for Early or Normal Retirement.

Normal Form of Benefit: Payable according to the option elected or, if there was no option elected, 10 years.

COLA: None

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 regular contributions without interest.

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 the life annuity and the 50%, 66 2/3%, 75% and 100% Joint and Survivor options with or without the pop-up feature.

R. Vested Termination

For Members hired prior to September 30, 2015:

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

Benefit: The benefit is the member's accrued Normal Retirement Benefit. Benefit begins on the date that would have been the member's Normal Retirement date based on Credited Service at termination. Members can also elect a reduced Early Retirement Benefit any time after age 47.

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

COLA: Cost of living increases are paid according to the following table:

Termination or DROP Entry Date	Annual COLA[1]	COLA Start Date
Before 1/1/06	0.0%	No COLA is payable
1/1/06 – 9/30/08	2.0%	Fifth anniversary of the commencement date
On or after 10/1/08	2.5%	Fifth anniversary of the commencement date

[1] The COLA is payable for the lifetime of the retiree and continues to the retiree's survivor upon the retiree's death.

For Members hired on or after September 30, 2015:

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

Benefit: The benefit is the member's accrued Normal Retirement Benefit. Benefit begins on the date that would have been the member's Normal Retirement date based on Credited Service at termination. Members can also 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

S. Refunds

Eligibility: All members terminating employment with less than 10 years of Credited Service are eligible.

Benefit: Refund of the member's contributions without interest.

T. Member Contributions

9.84% of Compensation for members hired prior to September 30, 2015; and
8.00% of Compensation for members hired on or after September 30. 2015.

U. State Contributions

Chapter 185 Premium Tax Refunds.

V. Employer Contributions

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

W. Cost of Living Increases

For Members hired prior to September 30, 2015:

Cost of living increases are payable on Normal Retirement Benefits only, whether paid directly or through the DROP, and are paid according to the following table:

Termination or DROP Entry Date	Annual COLA[1]	COLA Start Date
Before 1/1/06	0.0%	No COLA is payable
1/1/06 – 9/30/08	2.0%	Fifth anniversary of the commencement date
On or after 10/1/08	2.5%	Fifth anniversary of the commencement date[2]

[1] The COLA is payable for the lifetime of the retiree and continues to the retiree's survivor upon the retiree's death.

[2] For DROP members, the COLA will start on the later of the fifth anniversary of the commencement date or the first of the month following termination of employment and will continue annually on the anniversary of that date.

For Members hired on or after September 30, 2015:

None

X. 13th / 14th Check

For Members hired prior to September 30, 2015:

A 13th and/or 14th Check may be payable during years in which there is a net actuarial gain and cumulative gains since October 1, 2000. Members who terminated employment with immediate eligibility for early or normal retirement on or after August 14, 2001 and retired before December 13, 2004 are eligible for the 13th or 14th Check.

For Members hired on or after September 30, 2015:

A 13th check benefit will be paid to retirees when the Plan is 100% funded. The benefit will be the amount of investment earnings that exceeded the Plan's assumed rate of return for the plan year, but it cannot exceed 100% of the monthly retirement benefits of the eligible retirees.

Y. Deferred Retirement Option Plan

For Members hired prior to September 30, 2015:

Eligibility: Plan members who have met one of the following criteria are eligible for the DROP:

(1) age 53 with 10 years of Credited Service, or
(2) 20 years of Credited Service regardless of age.

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

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

Maximum DROP Period: 84 months; for DROP members as of August 9, 2011 who did not elect to extend the maximum DROP participation period, 72 months.

Interest Credited: For members who enter the DROP on or after August 9, 2011, the member's DROP account is credited at a fixed rate of 6% per year. If the member elects a self-directed DROP, the investment return is determined by the self-directed investments. For DROP members as of August 9, 2011 who did not elect to extend the maximum period of DROP participation from 72 months to 84 months, the member's DROP account is credited at the same interest rate, compounded monthly, as the investment earnings assumption for the Pension Plan.

Normal Form of Benefit: Lump Sum, Direct Rollover, or Partial Lump Sum with a Direct Rollover of remaining balance.

COLA: Cost of living increases are paid to DROP participants according to the following table:

Termination or DROP Entry Date	Annual COLA[1]	COLA Start Date
Before 1/1/06	0.0%	No COLA is payable
1/1/06 – 9/30/08	2.0%	Fifth anniversary of the commencement date
On or after 10/1/08	2.5%	Fifth anniversary of the commencement date[2]

[1] The COLA is payable for the lifetime of the retiree and continues to the retiree's survivor upon the retiree's death.

[2] For DROP members, the COLA will start on the later of the fifth anniversary of the commencement date or the first of the month following termination of employment and will continue annually on the anniversary of that date.

For Members hired on or after September 30, 2015:

Eligibility: Plan members who have met one of the following criteria are eligible for the DROP:

(1) age 55 with 10 years of Credited Service, or
(2) age 52 with 25 years of Credited Service.

Members who meet eligibility must submit a written election to participate in the DROP within 6 months of being eligible for Normal Retirement.

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. The monthly supplemental benefit is payable once DROP participation ends.

Maximum DROP Period: 4 years

Interest Credited: 0% until the Pension Plan is 100% funded. If the Plan becomes 100% funded the DROP account is credited at the same interest rate, compounded monthly, as the investment earnings assumption for the Pension Plan with a minimum of 0% and a maximum of 4%.

Normal Form of Benefit: Lump Sum, Direct Rollover, or Partial Lump Sum with a Direct Rollover of remaining balance.

COLA: None

Z. Share Plan

Eligibility: All active plan members (including DROP participants) who have a least 1 full year of Credited Service on the last day of the fiscal year when funds are available to be shared. Share Plan funds are derived from any Chapter 185 revenue received by the City in excess of $2,137,895 which will be held in reserve and may be used provide benefits. The City and the Fraternal Order of police will negotiate the use of the excess Chapter 185 revenue.

Benefit: Each eligible member's share account will be credited with an equal share of the available funds.

Normal Form of Benefit: A lump sum payment of the Share Plan account balance payable within 60 days following retirement. Non-vested members or any member who terminates employment and elects to take a refund of their employee contributions will forfeit their Share Plan account balance.

COLA: None

AA. Other Ancillary Benefits

There are no ancillary retirement type benefits not required by statutes but which might be deemed a City of Sunrise Police Officers' Retirement System liability if continued beyond the availability of funding by the current funding source.

BB. Changes from Previous Valuation

See Discussion of Valuation Results section.