

TOWN OF PALM BEACH RETIREMENT SYSTEM
ACTUARIAL VALUATION REPORT AS OF SEPTEMBER 30, 2016

ANNUAL EMPLOYER CONTRIBUTION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2018



February 15, 2017

Board of Trustees
Town of Palm Beach Retirement System
Palm Beach, Florida

**Re: Town of Palm Beach Retirement System
Actuarial Valuation as of September 30, 2016**

Dear Trustees:

The results of the September 30, 2016 Annual Actuarial Valuation of the Town of Palm Beach Retirement System are presented in this report. The Town of Palm Beach Retirement System is treated as three separate benefit groups: General Employees including Ocean Rescue, Police Officers and Firefighters.

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 continue to be considered.

The contribution rate in this report is determined using the actuarial assumptions and methods disclosed in Section B of this report. This report includes risk metrics in Section A but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment. We encourage a review and assessment of investment and other significant risks that may have a material effect on the System's financial condition.

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, 2018. As requested, separate employer contribution rates have been prepared for General Employees including Ocean Rescue, Firefighters and Police Officers. 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, 2016. 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 Administrator concerning Retirement System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability 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 Administrator.

In addition, this report was prepared using certain assumptions prescribed by the Board and prescribed by the Florida Statutes as described in the section of this report entitled Actuarial Assumptions and Cost Method. The prescribed assumptions are the assumed mortality rates detailed in the Actuarial Assumptions and Cost Method section in accordance with Florida House Bill 1309 (codified in Chapter 2015-157).

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 Town of Palm Beach 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.

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

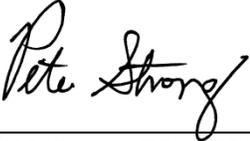
The signing actuaries are independent of the plan sponsor.

This actuarial valuation and/or cost determination was prepared and completed by us or under our direct supervision, and we 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 
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SECTION A
DISCUSSION OF VALUATION RESULTS

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

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

	For FYE 9/30/2018 Based on 9/30/2016 Valuation	For FYE 9/30/2017 Based on 9/30/15# Valuation
General Employees - General		
Member Portion	2.62 %	2.61 %
Town Portion	24.44	23.61
Illustrative \$	\$ 2,704,901	\$ 2,414,960
General Employees - Ocean Rescue		
Member Portion	2.47 %	2.47 %
Town Portion	103.25	109.09
Illustrative \$	\$ 178,909	\$ 163,443
General Employees - Aggregate		
Town Portion	25.66 %	24.84 %
Illustrative \$	\$ 2,883,810	\$ 2,578,403
Police Officers		
Member Portion	10.09 %	10.00 %
Town Portion	76.87	68.42
Illustrative \$	\$ 2,870,523	\$ 2,642,757
Firefighters		
Member Portion	6.65 %	6.24 %
Town Portion	86.06	77.00
Illustrative \$	\$ 3,121,907	\$ 2,629,230

Reflects all Actuarial Impact Statements through August 2016.

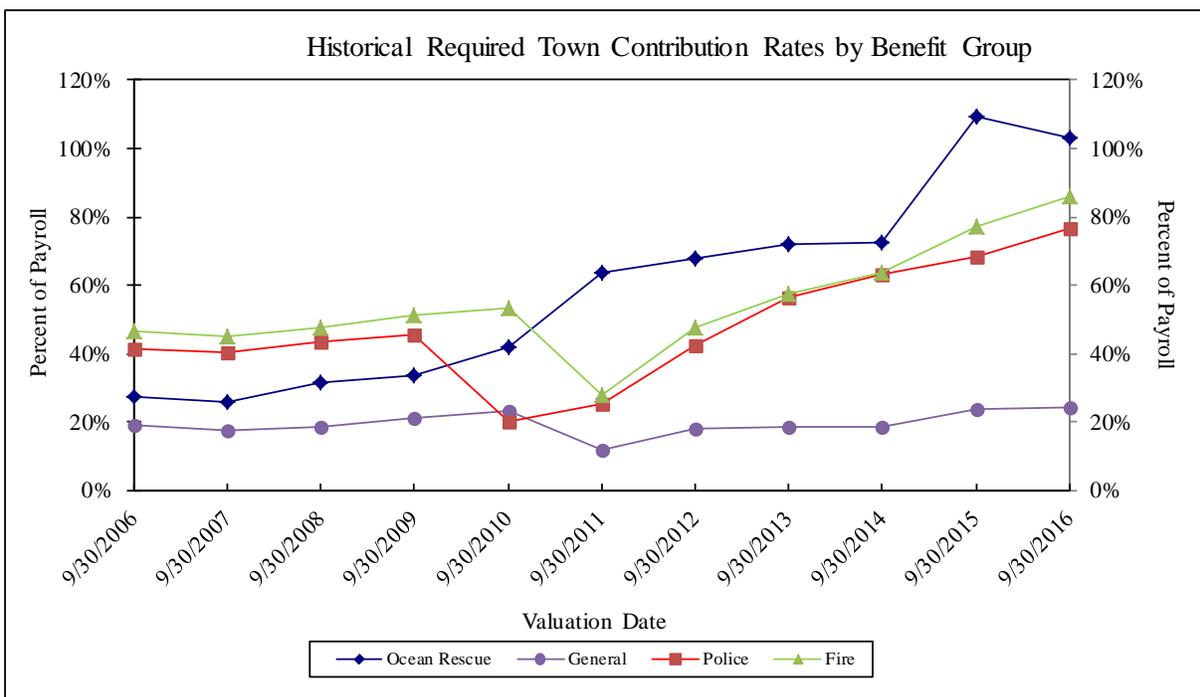
Payment of Required Contribution

The required employer contribution rates developed in this valuation have been calculated as though the payments are evenly distributed throughout the year.

The actual total employer contributions for the year ending September 30, 2016 were \$9,376,923.

This amount includes a \$2.5 million extra Town contribution toward the Unfunded Actuarial Accrued

Liability (UAAL) made just after the end of the year, as well as \$488,633 in prepaid contributions from the prior year. The supplemental contribution was allocated between the benefit groups based on the amount of unfunded actuarial accrued liability reported as of September 30, 2015 for each group. The total contributions for each group were \$2,991,908 for General and Ocean Rescue (including \$781,299 in extra town contributions and \$163,610 in prepaid contributions), \$3,114,935 for Police Officers (including \$808,140 in extra Town contributions and \$158,034 in prepaid contributions), and \$3,270,080 for Firefighters (including \$910,561 in extra town contributions and \$166,989 in prepaid contributions). The minimum employer contributions were \$2,066,276 for General and Ocean Rescue, \$2,233,214 for Police Officers, and \$2,285,579 for Firefighters. The total employer contribution met the minimum required payment for the year.



Revisions in Benefits

The following revisions in benefits for Police Officers and Non-Bargaining Firefighters occurred since the previous valuation:

- The Plan B benefit formula for Police Officers and non-bargaining Firefighters shall be 1.25% of Average Final Compensation (AFC) multiplied by years of credited service between May 1, 2012 and September 30, 2016 plus 2.75% of AFC multiplied by years of credited service on and after

October 1, 2016, payable upon attaining age 56 with ten or more years of credited service and entry into the DROP or termination of employment.

- The member contribution rate for Police Officers and non-bargaining Firefighters shall be 10% of compensation effective the first full pay period after October 1, 2016. The member contribution rate for such members shall be subject to adjustment the first full pay period following October 1, 2017 and the first full pay period following October 1 of each year thereafter based on the investment performance of the retirement system, as set forth below:
 - The annual actuarial valuation for the plan year ending September 30, 2016 and each plan year thereafter shall reflect an adjustment to the member contribution rate for the following plan year based on funding the difference between the assumed rate of investment return and the actual rate of investment return for the plan year ending on the valuation date, net of investment expenses, and such that the ratio of employer to member contributions for the plan year ending on the valuation date is maintained for the plan year following the adjustment; subject in any event to a minimum member contribution rate of 8% and a maximum member contribution rate of 12% of compensation.
- Deferred Vested Police Officers and non-bargaining Firefighters, shall be eligible to receive their accrued benefit based on credited service on and after May 1, 2012 upon attaining age 56 with ten or more years of credited service.

The effect of the above changes on plan liabilities and contribution requirements was determined in an Actuarial Impact Statement dated August 10, 2016, and is reflected in the prior year column of this report.

Revisions in Actuarial Assumptions and Methods

The investment return was reduced from 7.5% last year to 7.4% as of September 30, 2016¹. The investment return will continue to be reduced in the future by 0.1% per year until the target rate of 7.0% is reached.

The payroll growth rate assumption was decreased from 3.5% last year to 3.25% this year. The payroll growth rate will continue to be reduced in future years by 0.25% per year until the target rate of

¹ This assumption is forward-looking starting with the year beginning on the valuation date.

2.75% is reached. This change was made in compliance with the Bureau of Local Retirement Systems' letter dated January 5, 2017 requiring such a change as a condition of the State's acceptance of prior valuation reports.

Effective October 1, 2016, the mortality table was changed from the RP-2014 Healthy Annuitant Mortality Table for males and females projected to 2017 using the MP-2014 projection scale for General Employees and the RP-2014 Blue Collar Healthy Annuitant Mortality Table for males and females projected to 2017 using MP-2014 projection scale for Ocean Rescue, Police Officers and Firefighters, to the mortality assumption used by the Florida Retirement System (FRS) for Regular and Special Risk class members. The current FRS mortality rates are based on the RP-2000 Combined Healthy Participant Mortality Table for active members and the RP-2000 Mortality Table for Annuitants for inactive members, with white collar and blue collar adjustments, depending on gender and job classification. Mortality improvement is projected from the year 2000 to all future years using Scale BB. This change was made in compliance with Florida House Bill 1309, which requires all public pension plans in Florida to use the same mortality tables used in either of the last two actuarial valuation reports of FRS effective no later than October 1, 2016.

As a result of these changes, the employer contribution increased for the fiscal year ending September 30, 2018 by 1.89% of covered payroll for General Employees, 7.46% for Ocean Rescue, 6.49% for Police Officers and 6.69% of covered payroll for Firefighters.

Actuarial Experience

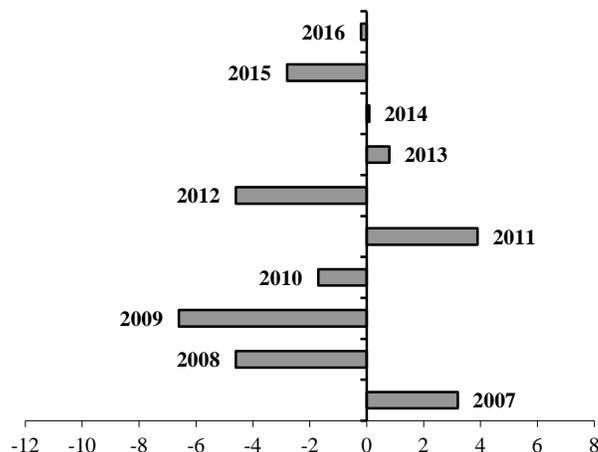
The aggregate Plan experience during the year resulted in a net actuarial loss of \$2,649,367. The loss is partially attributable to less than favorable investment experience. The total investment return based on the aggregate Market Value of Assets was 7.6%, but the investment return on the aggregate Actuarial Value of Assets was 7.1% (compared to the expected annual investment return of 7.5%). The return on the Actuarial Value of Assets was less than the return on the Market Value because past losses on the market value of assets are being phased in. Higher than expected salary increases also contributed to the experience loss (9.0% for General, 7.6% for Ocean Rescue, 10.0% for Police Officers, and 7.0% for Firefighters compared to expected increases of 3.5% for all benefit groups). Part of this experience was attributable to

the fact that there were 27 pay periods during fiscal year 2016 instead of the standard 26. Other demographic experience was unfavorable in the aggregate but varied by group. Police Officers experienced a larger than expected number of non-vested employment terminations and retiree deaths, fewer than expected retirements, and the recognition of a few refunds to deferred vested members (discovered through data questions), all of which resulted in experience gains for the year. Firefighters experienced a demographic loss, which resulted from more retirements than expected and from additional information gathered during a thorough data review process with the Plan Administrator. General Employees and Ocean Rescue had fewer than expected retirements, as well as refunds to deferred vested members and an active member death, all of which resulted in experience gains, which mostly offset the experience losses from higher than expected salary increases.

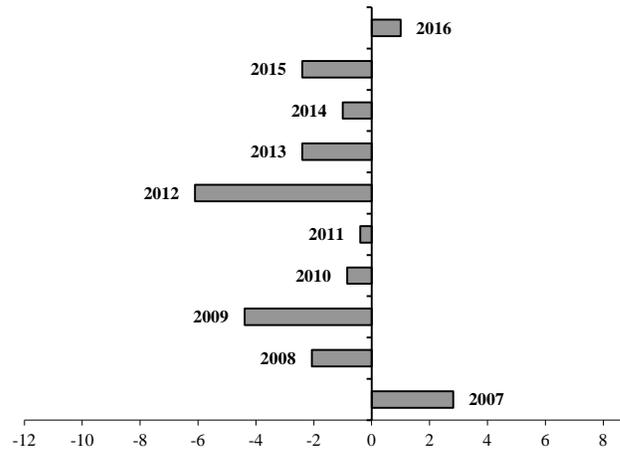
The actuarial experience loss for the year caused total required Town contribution for the fiscal year 2018 to increase by approximately \$156,000.

Year-to-year experience variations are expected and normal in the operation of a retirement system as members' demographic experience varies and economic conditions change. The expectation is that the positive and negative years will tend to cancel each other out over 20 to 30 year periods, as long as the actuarial assumptions used are reasonable. However, the majority of the last 10 years have been unfavorable.

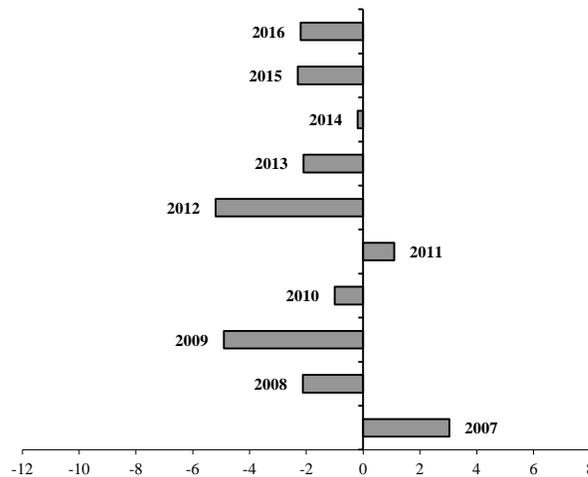
General Employees and Ocean Rescue Experience Gains and (Losses) (Amounts in Millions)



Police Officers
Experience Gains and (Losses)
 (Amounts in Millions)



Firefighters
Experience Gains and (Losses)
 (Amounts in Millions)



Funding Objective

The basic funding objective of the Retirement System is to avoid transfer of the cost of benefit obligations between generations of taxpayers. This objective is implemented by contributions sufficient to:

- Pay for costs allocated to the current year on account of service rendered by active non-DROP participants in the current year (Normal Cost).
- Pay for costs, in excess of the Funding Value of Assets, allocated to prior years on account of service rendered by participants in prior years (Unfunded Actuarial Accrued Liability) over 30-year closed periods.

The annual actuarial valuation measures the relationship between Retirement System obligations and assets and determines the contribution rates for the ensuing year. The Retirement System is supported by member contributions, Town contributions, and investment income from Retirement System assets.

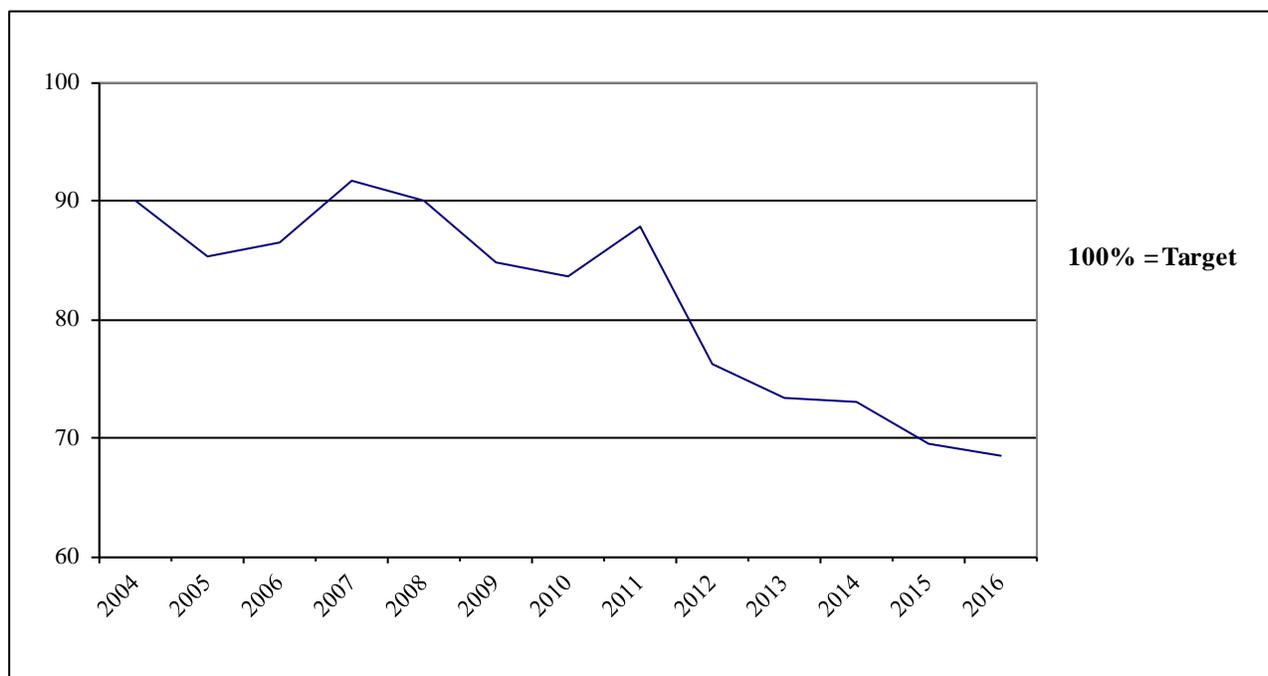
Funded Ratio

This year's combined overall funded ratio for the Town of Palm Beach Retirement System is 68.4% compared to 70.2% last valuation (after reflecting all Actuarial Impact Statements). The combined overall funded ratio was 70.5% this year prior to reflecting the assumption changes. The funded ratios for each group are 73.5% for General and Ocean Rescue, 68.6% for Police Officers, and 62.6% for Firefighters, compared to 74.5%, 69.5%, and 65.9%, respectively, in the previous valuation (after reflecting all Actuarial Impact Statements). Prior to reflecting the assumption changes, the funded ratios this year would have been 75.4%, 70.9%, and 64.7%, respectively. The funded ratio is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability.

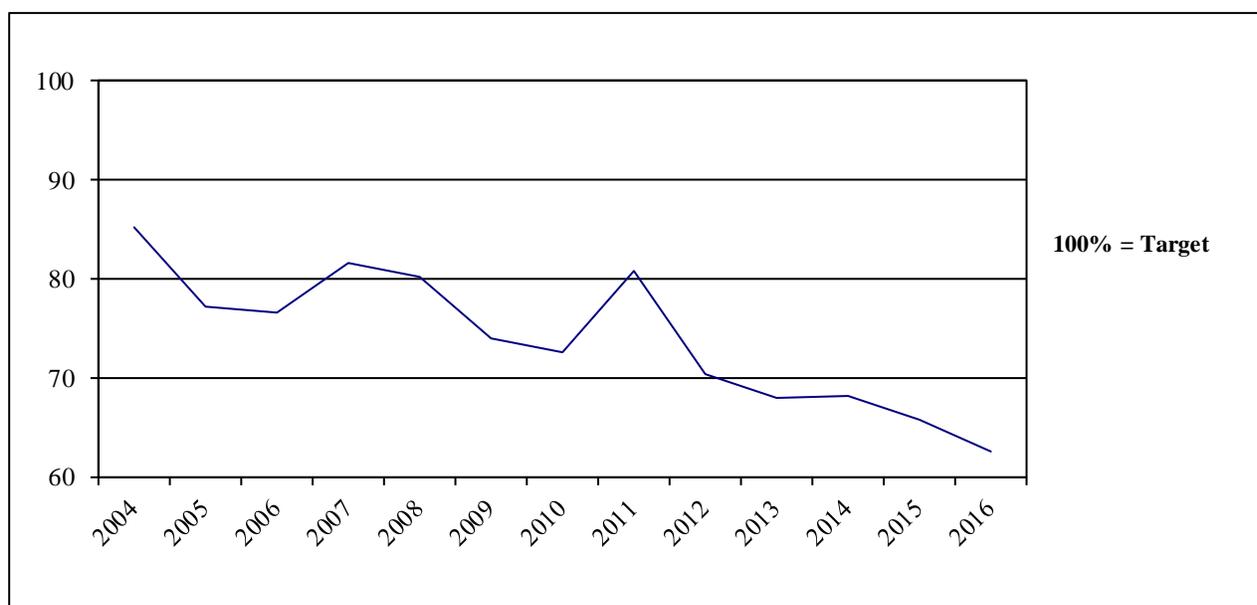
Funded Ratio for General (and Ocean Rescue)



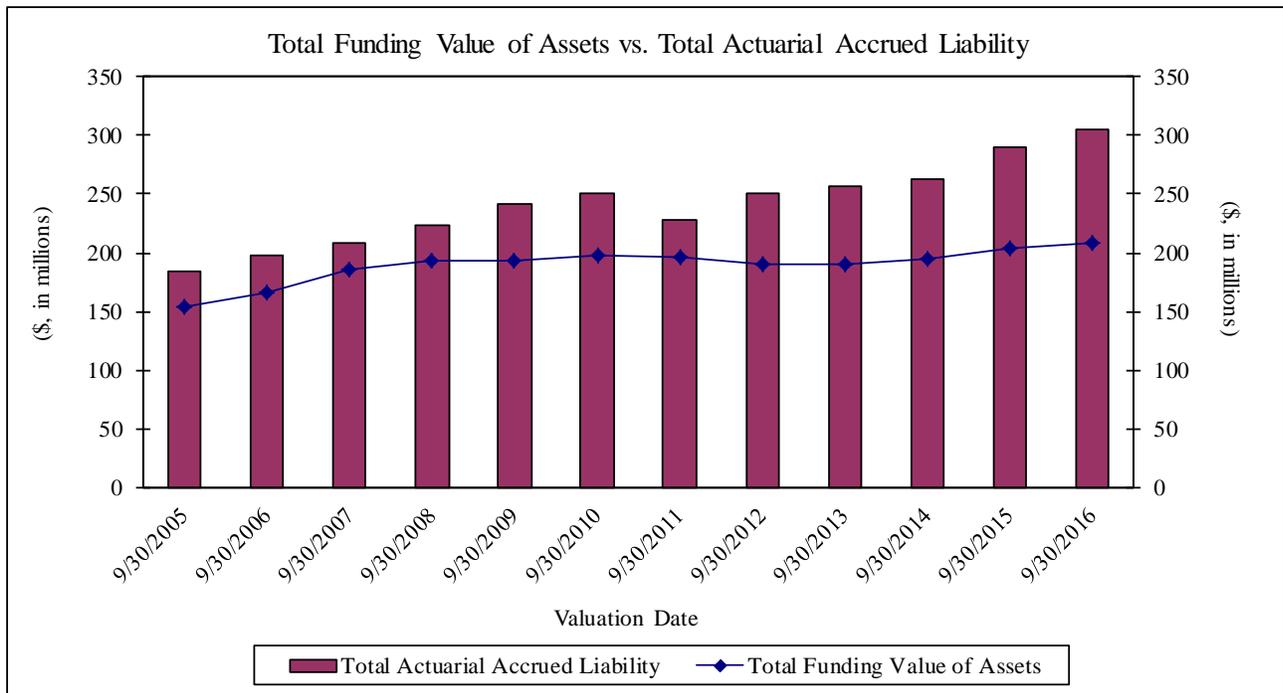
Funded Ratio for Police Officers



Funded Ratio for Firefighters



On the following page is a historical comparison of the total funding value of assets versus the total actuarial accrued liability.



Analysis of Retirement Plan Costs

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

	<u>General</u>	<u>Ocean Rescue</u>	<u>Police Officers</u>	<u>Firefighters</u>
Town Portion Contribution Rate Last Year	23.61 %	109.09 %	68.42 %	77.00 %
Experience (Gains) or Losses	0.02	(0.49)	(1.00)	5.20
Revision in Assumptions/Methods	1.89	7.46	6.49	6.69
Extra Town Contribution Towards UAAL	(0.57)	(3.16)	(2.70)	(2.29)
Amortization Payment on UAAL	(0.57)	(11.30)	5.81	(1.28)
Normal Cost Rate	0.19	1.78	(0.20)	1.25
Administrative Expense	(0.13)	(0.13)	0.14	(0.10)
Benefit Changes	0.00	0.00	0.00	0.00
Member Contribution	0.00	0.00	(0.09)	(0.41)
Contribution Rate This Year	24.44 %	103.25 %	76.87 %	86.06 %

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.

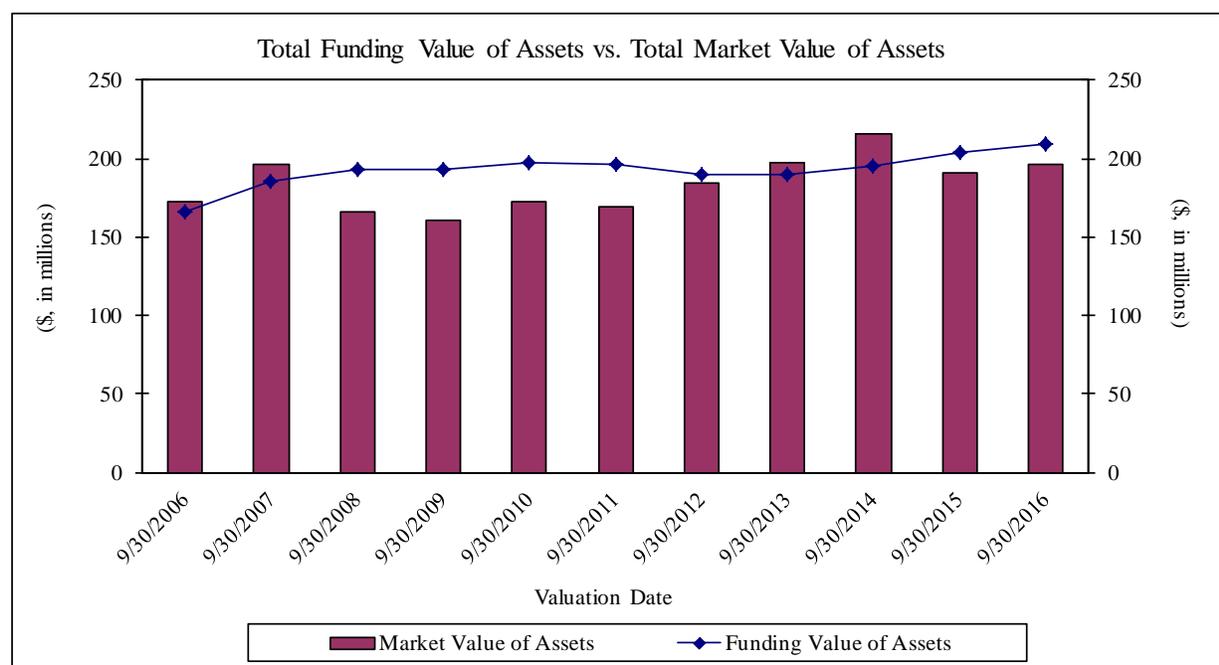
The total Funding Value of Assets exceeds the total Market Value of Assets by \$12,611,860 as of the valuation date (see Section C). This difference will be gradually recognized in the absence of offsetting gains. In turn, the computed employer contribution rate is expected to gradually increase by approximately 2.47% of covered payroll for General Employees, 7.84% for Ocean Rescue, 5.48% of covered payroll for Police Officers, and 5.68% of covered payroll for Firefighters.

Relationship to Market Value

If Market Value had been the basis for the valuation, the contribution rate and funded ratio would have been:

	<u>Contribution Rate</u>	<u>Funded Ratio</u>
General	26.91 %	69.6 %
Ocean Rescue	111.09	60.1
General Employees and Ocean Rescue	28.21	69.1
Police Officers	82.35	64.5
Firefighters	91.74	58.8

In the absence of other gains and losses, and before taking into account the impact of future assumption changes, the Employer contribution rate should increase to that level over the next four years.



Recommendations

The Retirement Ordinance requires reserve account transfers from the Employer Reserve Fund to the Retirement Reserve Fund which will establish a match between assets allocated to the Retirement Fund and liabilities associated with current retired lives. The balances in the Retirement Reserve Fund as of September 30, 2016 following the transfers should be as follows:

<u>Division</u>	<u>Retirement Reserve Fund</u>
General	\$78,390,087
Ocean Rescue	5,349,807
Police Officers	77,705,723
Firefighters	82,789,535
	<u>\$244,235,152</u>

Conclusion

It is important to note that the funded ratio has declined from over 100% in the year 2000 to the current level of 68.4%. This has mostly been caused by adverse overall investment experience during the 16-year period from 2000 to 2016. The average compound investment return on the Market Value of Assets during this period was 4.27% versus an assumed rate of mostly 8.0% (7.5% in recent years). Recent changes in assumptions (to the investment return assumption and the mortality rates) have also reduced the funded ratio, but to a much lesser extent than the investment experience. Some steps have been taken to address these issues, such as the \$2.5 million extra Town contribution toward the UAAL, strengthening the actuarial assumptions, and future planned reductions in the investment return and payroll growth rate assumptions, but it is advisable to consider further steps, such as shortening the UAAL amortization period and continuing to make “extra” Town contributions toward the UAAL. If the UAAL amortization period were shortened from 30 years to 25 years, the overall FY2018 Town contribution would increase by approximately \$240,000.

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

CHAPTER 99-1, LAWS OF FLORIDA

**MINIMUM COMPLIANCE AND EXTRA BENEFITS – CHAPTER 185
POLICE OFFICERS**

	<u>Prior Year</u>	<u>Cumulative</u>
A. Additional premium tax revenues as of 9/30/15	\$118,579	
B. Chapter 185 receipts during fiscal year ending 9/30/16	0	\$3,032,132
C. Chapter 185 "frozen" receipts during fiscal year ending 9/30/16	0	2,315,446
D. Qualifying benefit improvements since Chapter 99-1 effective date	118,579	1,593,026
E. Additional premium tax revenues as of 9/30/2016 A + [B - C - D]	0	0

CHAPTER 99-1, LAWS OF FLORIDA
MINIMUM COMPLIANCE AND EXTRA BENEFITS – CHAPTER 175
FIREFIGHTERS

	Prior Year			Cumulative		
	Premium Tax Distributions	Supplemental Compensation Fund	Total	Premium Tax Distributions	Supplemental Compensation Fund	Total
A. Additional premium tax revenues as of 9/30/15 after transfer			\$ -			
B. Chapter 175 receipts during fiscal year ending 9/30/16	\$ -	\$ -	0	\$5,302,770	\$ 2,501,137	\$7,803,907
C. Chapter 175 "frozen" receipts during fiscal year ending 9/30/16	201,787	50,247	252,034	3,632,166	854,199	4,486,365
D. Qualifying benefit improvements since Chapter 99-1 effective date			97,920			1,286,436
E. Additional premium tax revenues as of 9/30/2016 A + [B - C - D, not less than 0]			0 *			2,031,106

** Transferred to Share Accounts are not included in the remainder of this report.*

DETERMINING DOLLAR CONTRIBUTIONS

For any period of time, the percent-of-payroll contribution rate needs to be converted to dollar amounts. The Florida Division of Retirement has indicated the legislative intent in Section 112.61, F.S., is to apply the Town portion of the contribution requirement to emerging payroll. To accomplish this, the Town should contribute dollar amounts at the end of each payroll period which are equal to the percent-of-payroll contribution requirement multiplied by the unDROPed active member payroll for the period. Adjustments should be made as necessary to exclude items of pay that are not covered compensation for Retirement System benefits and to include non-payroll amounts that are covered compensation.

Illustrative Only. Included in these amounts is the projected salary increase between the valuation date and the fiscal year in which the contribution will be made. The projection factor used was 1.049144, (1.0325^{1.5}), which is consistent with the projection used to calculate actuarial liability.

General and Ocean Rescue

General	Ocean Rescue	Total
\$2,704,901	\$178,909	\$2,883,810 *

* This amount can be made by a combination of actual contributions and use of the Reserve for Employer Contributions, if any balance is remaining in the reserve.

Police Officers

Total Public Contribution Requirement	\$2,870,523
Chapter 185 Premium "frozen"	-
Funding from Add. Premium Tax Revenue	-
Base Town Contribution	\$2,870,523

Firefighters

Total Public Contribution Requirement	\$3,121,907
Chapter 175 Premium "frozen"	-
Chapter 175 Supplemental "frozen"	-
Funding from Add. Premium Tax Revenue	-
Base Town Contribution	\$3,121,907

The above amounts are assumed to be contributed, on average, halfway through the fiscal year. If contributions are made on a later schedule, interest should be added at the rate of 0.60% (.0060) for each month of delay.

SECTION B
VALUATION RESULTS

SUMMARY OF VALUATION RESULTS		
	September 30, 2016	September 30, 2015[#]
GENERAL & OCEAN RESCUE		
Active Members	169	162
Terminated Vested Members	31	21
Retired Members	<u>213</u>	<u>208</u>
Total Members	413	391
Covered Payroll	\$ 10,714,252	\$ 9,856,405
Retired Member Annual Benefits	\$ 6,778,690	\$ 6,433,630
Market Value of Assets	\$ 76,497,011	\$ 74,419,536
Actuarial Value of Assets	\$ 81,381,934	\$ 79,002,801
Unfunded Actuarial Liability	\$ 29,285,139	\$ 27,020,751
Town Contribution Rate		
General	24.44%	23.61%
Ocean Rescue	103.25%	109.09%
Aggregate	25.66%	24.84%
Town Contribution - Illustrative \$	\$ 2,883,810	\$ 2,578,403
POLICE OFFICERS		
Active Members	48	52
Terminated Vested Members	22	24
Retired Members	<u>98</u>	<u>95</u>
Total Members	168	171
Covered Payroll	\$ 3,559,337	\$ 3,668,289
Retired Member Annual Benefits	\$ 5,487,334	\$ 5,232,053
Market Value of Assets	\$ 61,488,263	\$ 59,516,573
Actuarial Value of Assets	\$ 65,428,417	\$ 63,672,679
Unfunded Actuarial Liability	\$ 29,929,159	\$ 27,949,011
Town Contribution Rate	76.87%	68.42%
Town Contribution - Illustrative \$	\$ 2,870,523	\$ 2,642,757
FIREFIGHTERS		
Active Members	51	49
Terminated Vested Members	35	29
Retired Members	<u>104</u>	<u>103</u>
Total Members	190	181
Covered Payroll	\$ 3,457,670	\$ 3,242,811
Retired Member Annual Benefits	\$ 5,837,861	\$ 5,601,576
Market Value of Assets	\$ 58,525,406	\$ 56,828,381
Actuarial Value of Assets	\$ 62,312,189	\$ 60,780,891
Unfunded Actuarial Liability	\$ 37,222,920	\$ 31,491,211
Town Contribution Rate	86.06%	77.00%
Town Contribution - Illustrative \$	\$ 3,121,907	\$ 2,629,230

Reflects all Actuarial Impact Statements through August 2016.

PARTICIPANT DATA						
	September 30, 2016					
	Total	General and Ocean Rescue			Police Officers	Firefighters
		General	Ocean Rescue	Subtotal		
ACTIVE MEMBERS						
Number	268	165	4	169	48	51
Total Current Payroll	\$ 17,731,259	\$ 10,549,091	\$ 165,161	\$ 10,714,252	\$ 3,559,337	\$ 3,457,670
Average Annual Salary	\$ 66,161	\$ 63,934	\$ 41,290	\$ 63,398	\$ 74,153	\$ 67,797
Average Age	43.4	46.4	46.6	46.4	39.0	37.7
Average Past Service	8.8	9.8	7.9	9.8	8.2	5.8
Average Age at Hire	34.7	36.6	38.7	36.6	30.8	31.9
RETIREES, BENEFICIARIES & DROP						
Number	391	192	10	202	94	95
Annual Benefits	\$ 17,319,485	\$ 6,078,969	\$ 366,373	\$ 6,445,342	\$ 5,366,813	\$ 5,507,329
Average Annual Benefit	\$ 44,295	\$ 31,661	\$ 36,637	\$ 31,908	\$ 57,094	\$ 57,972
Average Age	65.7	68.4	60.0	68.0	63.5	63.0
DISABILITY RETIREES						
Number	24	10	1	11	4	9
Annual Benefits	\$ 784,401	\$ 300,410	\$ 32,938	\$ 333,348	\$ 120,521	\$ 330,532
Average Annual Benefit	\$ 32,683	\$ 30,041	\$ 32,938	\$ 30,304	\$ 30,130	\$ 36,726
Average Age	60.1	60.5	66.4	61.1	54.4	61.3
TERMINATED VESTED MEMBERS						
Number	88	30	1	31	22	35
Annual Benefits	\$ 1,138,207	\$ 208,517	\$ 2,160	\$ 210,677	\$ 278,895	\$ 648,635
Average Annual Benefit	\$ 12,934	\$ 6,951	\$ 2,160	\$ 6,796	\$ 12,677	\$ 18,532
Average Age	45.1	51.2	47.7	51.1	43.1	41.0

PARTICIPANT DATA - PRIOR VALUATION						
	September 30, 2015					
	Total	General and Ocean Rescue			Police Officers	Firefighters
		General	Ocean Rescue	Subtotal		
ACTIVE MEMBERS						
Number	263	159	3	162	52	49
Total Current Payroll	\$ 16,767,505	\$ 9,714,116	\$ 142,289	\$ 9,856,405	\$ 3,668,289	\$ 3,242,811
Average Annual Salary	\$ 63,755	\$ 61,095	\$ 47,430	\$ 60,842	\$ 70,544	\$ 66,180
Average Age	43.0	45.9	45.0	45.9	40.3	36.6
Average Past Service	9.5	10.6	16.1	10.7	8.3	7.0
Average Age at Hire	33.5	35.3	28.9	35.2	31.9	29.6
RETIREES, BENEFICIARIES & DROP						
Number	380	186	9	195	91	94
Annual Benefits	\$ 16,426,418	\$ 5,705,087	\$ 333,168	\$ 6,038,255	\$ 5,113,000	\$ 5,275,163
Average Annual Benefit	\$ 43,227	\$ 30,673	\$ 37,019	\$ 67,692	\$ 56,187	\$ 56,119
Average Age	66.0	68.4	60.4	68.1	64.5	63.2
DISABILITY RETIREES						
Number	26	12	1	13	4	9
Annual Benefits	\$ 840,841	\$ 363,082	\$ 32,292	\$ 395,375	\$ 119,053	\$ 326,413
Average Annual Benefit	\$ 32,340	\$ 30,257	\$ 32,292	\$ 62,549	\$ 29,763	\$ 36,268
Average Age	60.0	61.4	65.4	61.7	53.4	60.3
TERMINATED VESTED MEMBERS						
Number	74	21	0	21	24	29
Annual Benefits	\$ 1,004,870	\$ 136,786	\$ 0	\$ 136,786	\$ 390,208	\$ 477,876
Average Annual Benefit	\$ 13,579	\$ 6,514	\$ 0	\$ 6,514	\$ 16,259	\$ 16,478
Average Age	41.8	48.1	0.0	48.1	39.1	39.6

ACTUARIALLY DETERMINED CONTRIBUTION (ADC)						
A. Valuation Date	September 30, 2016					
	<i>Total</i>	<i>General and Ocean Rescue</i>			<i>Police Officers</i>	<i>Firefighters</i>
		<i>General</i>	<i>Ocean Rescue</i>	<i>Subtotal</i>		
B. ADC to Be Paid During Fiscal Year Ending	9/30/2018	9/30/2018	9/30/2018	9/30/2018	9/30/2018	9/30/2018
C. Covered Annual Payroll (expected)	\$18,602,645	\$ 11,067,516	\$ 173,278	\$ 11,240,794	\$ 3,734,257	\$ 3,627,594
D. Annual Payment to Amortize Unfunded Actuarial Liability Rate As Illustrative \$	40.82 % 7,593,056	18.52 % 2,049,704	96.84 % 167,802	19.73 % 2,217,506	67.17 % 2,508,300	79.04 % 2,867,250
E. Total Employer Normal Cost Rate As Illustrative \$	6.93 % 1,288,359	5.92 % 655,197	6.41 % 11,107	5.93 % 666,304	9.79 % 365,584	7.07 % 256,471
F. Total Unadjusted Contribution Rate Employer Normal Cost Amortization Total	6.93 % 40.82 47.75	5.92 % <u>18.52</u> 24.44	6.41 % <u>96.84</u> 103.25	5.93 % <u>19.73</u> 25.66	9.79 % <u>67.17</u> 76.96	7.07 % <u>79.04</u> 86.11
G. Adjustments to Computed Contribution						
a. Town funding for additional premium tax revenue shortfall in prior fiscal year	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
b. Member Cost Sharing	(0.03)	0.00	0.00	0.00	(0.09)	(0.05)
c. Full funding credit	0.00	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
d. Total Adjustments As Illustrative \$	(0.03) (5,175)	0.00 0	0.00 0	0.00 0	(0.09) (3,361)	(0.05) (1,814)
H. Total Adjusted ADC as % of Covered Payroll	47.72 %	24.44 %	103.25 %	25.66 %	76.87 %	86.06 %
J. Total Adjusted ADC as Illustrative \$	\$ 8,876,240	\$ 2,704,901	\$ 178,909	\$ 2,883,810	\$ 2,870,523	\$ 3,121,907

FS 112.64 requires that Town contributions be deposited not less frequently than quarterly. FS185.11 requires that Chapter 185 monies be deposited within 5 days of receipt from the State. Member contributions, which are in addition to the Public contributions, must be deposited immediately after each pay period.

ACTUARIALLY DETERMINED CONTRIBUTION (ADC) - BEFORE CHANGES						
A. Valuation Date	September 30, 2016					
	<i>Total</i>	<i>General and Ocean Rescue</i>			<i>Police Officers</i>	<i>Firefighters</i>
		<i>General</i>	<i>Ocean Rescue</i>	<i>Subtotal</i>		
B. ADC to Be Paid During Fiscal Year Ending	9/30/2018	9/30/2018	9/30/2018	9/30/2018	9/30/2018	9/30/2018
C. Covered Annual Payroll (expected)	\$18,670,253	\$ 11,107,739	\$ 173,907	\$ 11,281,646	\$ 3,747,829	\$ 3,640,778
D. Annual Payment to Amortize Unfunded Actuarial Liability Rate As Illustrative \$	37.48 % 6,998,124	16.95 % 1,882,762	89.90 % 156,342	18.07 % 2,039,104	61.48 % 2,304,165	72.92 % 2,654,855
E. Total Employer Normal Cost Rate As Illustrative \$	6.46 % 1,205,857	5.60 % 622,033	5.89 % 10,243	5.60 % 632,276	8.99 % 336,930	6.50 % 236,651
F. Total Unadjusted Contribution Rate Employer Normal Cost Amortization Total	6.46 % 37.48 43.94	5.60 % <u>16.95</u> 22.55	5.89 % <u>89.90</u> 95.79	5.60 % <u>18.07</u> 23.67	8.99 % <u>61.48</u> 70.47	6.50 % <u>72.92</u> 79.42
G. Adjustments to Computed Contribution						
a. Town funding for additional premium tax revenue shortfall in prior fiscal year	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
b. Member Cost Sharing	(0.03)	0.00	0.00	0.00	(0.09)	(0.05)
c. Full funding credit	0.00	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
d. Total Adjustments As Illustrative \$	(0.03) (5,193)	0.00 0	0.00 0	0.00 0	(0.09) (3,373)	(0.05) (1,820)
H. Total Adjusted ADC as % of Covered Payroll	43.91 %	22.55 %	95.79 %	23.67 %	70.38 %	79.37 %
J. Total Adjusted ADC as Illustrative \$	\$ 8,198,789	\$ 2,504,795	\$ 166,586	\$ 2,671,381	\$ 2,637,722	\$ 2,889,686

ACTUARIALLY DETERMINED CONTRIBUTION (ADC) - PRIOR VALUATION						
A. Valuation Date	September 30, 2015 [#]					
	<i>Total</i>	<i>General and Ocean Rescue</i>			<i>Police Officers</i>	<i>Firefighters</i>
B. ADC to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2017	9/30/2017	9/30/2017	9/30/2017	9/30/2017
C. Covered Annual Payroll (expected)	\$17,655,461	\$ 10,228,546	\$ 149,824	\$ 10,378,370	\$ 3,862,550	\$ 3,414,541
D. Annual Payment to Amortize Unfunded Actuarial Liability Rate As Illustrative \$	38.13 % 6,732,810	18.07 % 1,848,298	104.85 % 157,090	19.32 % 2,005,388	59.37 % 2,293,196	71.29 % 2,434,226
E. Total Employer Normal Cost Rate As Illustrative \$	6.33 % 1,117,579	5.54 % 566,661	4.24 % 6,353	5.52 % 573,014	9.05 % 349,561	5.71 % 195,004
F. Total Contribution Rate Employer Normal Cost Amortization Total	6.33 % 38.13 44.46	5.54 % <u>18.07</u> 23.61	4.24 % <u>104.85</u> 109.09	5.52 % <u>19.32</u> 24.84	9.05 % <u>59.37</u> 68.42	5.71 % <u>71.29</u> 77.00
G. Adjustments to Computed Contribution						
a. Town funding for additional premium tax revenue shortfall in prior fiscal year	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
b. Additional Member Cost Sharing	0.00	0.00	0.00	0.00	0.00	0.00
c. Full funding credit	0.00	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
d. Total Adjustments As Illustrative \$	0.00 0	0.00 0	0.00 0	0.00 0	0.00 0	0.00 0
H. Total Adjusted ADC as % of Covered Payroll	44.46 %	23.61 %	109.09 %	24.84 %	68.42 %	77.00 %
J. Total Adjusted ADC as Illustrative \$	\$ 7,850,390	\$ 2,414,960	\$ 163,443	\$ 2,578,403	\$ 2,642,757	\$ 2,629,230

Reflects all Actuarial Impact Statements through August 2016.

ACTUARIAL VALUE OF BENEFITS AND ASSETS						
A. Valuation Date	September 30, 2016					
	Total	General and Ocean Rescue			Police Officers	Firefighters
General		Ocean Rescue	Subtotal			
B. Actuarial Present Value of All Projected Benefits for						
1. Active Members						
a. Service Retirement Benefits	\$ 50,184,738	\$ 25,719,503	\$ 348,117	\$ 26,067,620	\$ 16,691,531	\$ 7,425,587
b. Vesting Benefits	1,145,336	414,885	18,079	432,964	343,499	368,873
c. Disability Benefits	2,458,090	1,096,535	45,080	1,141,615	610,012	706,463
d. Preretirement Death Benefits	1,556,318	855,081	26,419	881,500	311,761	363,057
e. Return of Member Contributions	363,162	88,390	2,874	91,264	103,741	168,157
f. Reserve for Employer Contributions	-	-	-	-	-	-
g. Total	55,707,644	28,174,394	440,569	28,614,963	18,060,544	9,032,137
2. Inactive Members						
a. Retired Members & Beneficiaries	244,235,152	78,390,087	5,349,807	83,739,894	77,705,723	82,789,535
b. Terminated Vested Members	9,739,350	1,517,267	5,747	1,523,014	2,405,512	5,810,824
c. DROP and Share Account Balances	9,204,852	2,148,199	329,571	2,477,770	1,855,953	4,871,129
d. Total	263,179,354	82,055,553	5,685,125	87,740,678	81,967,188	93,471,488
3. Total for All Members	318,886,998	110,229,947	6,125,694	116,355,641	100,027,732	102,503,625
C. Actuarial Present Value of Future Normal Costs	13,327,240	5,593,338	95,230	5,688,568	4,670,156	2,968,516
D. Actuarial Accrued (Past Service) Liability per GASB No. 25	305,559,758	104,636,609	6,030,464	110,667,073	95,357,576	99,535,109
E. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	303,630,346	102,553,645	6,024,205	108,577,850	95,130,203	99,922,293
F. Plan Assets						
1. Market Value	196,510,680	72,869,851	3,627,160	76,497,011	61,488,263	58,525,406
2. Actuarial Value	209,122,540	77,523,152	3,858,782	81,381,934	65,428,417	62,312,189
G. Unfunded Actuarial Accrued Liability	96,437,218	27,113,457	2,171,682	29,285,139	29,929,159	37,222,920
H. Funded Ratio (F2 ÷ D)	68.4 %	74.1 %	64.0 %	73.5 %	68.6 %	62.6 %
I. Actuarial Present Value of Projected Covered Payroll	157,141,318	92,733,855	1,511,683	94,245,538	31,199,305	31,696,475
J. Actuarial Present Value of Projected Member Contributions	7,558,899	2,342,572	37,339	2,379,911	3,117,883	2,061,105
K. Accumulated Value of Active Member Contributions	8,879,428	5,463,252	79,256	5,542,508	1,998,905	1,338,015

ACTUARIAL VALUE OF BENEFITS AND ASSETS - BEFORE CHANGES						
A. Valuation Date	September 30, 2016					
	Total	General and Ocean Rescue			Police Officers	Firefighters
General		Ocean Rescue	Subtotal			
B. Actuarial Present Value of All Projected Benefits for						
1. Active Members						
a. Service Retirement Benefits	\$ 47,943,133	\$ 24,629,640	\$ 331,703	\$ 24,961,343	\$ 15,955,092	\$ 7,026,698
b. Vesting Benefits	1,065,599	382,737	16,479	399,216	323,456	342,927
c. Disability Benefits	2,486,754	1,167,353	43,802	1,211,155	590,915	684,684
d. Preretirement Death Benefits	1,239,171	638,866	22,910	661,776	264,892	312,503
e. Return of Member Contributions	358,727	85,848	2,859	88,707	102,757	167,263
f. Reserve for Employer Contributions	-	-	-	-	-	-
g. Total	53,093,384	26,904,444	417,753	27,322,197	17,237,112	8,534,075
2. Inactive Members						
a. Retired Members & Beneficiaries	237,496,240	76,919,890	5,196,201	82,116,091	75,227,481	80,152,668
b. Terminated Vested Members	9,346,725	1,452,544	5,341	1,457,885	2,309,390	5,579,450
c. DROP and Share Account Balances	9,204,852	2,148,199	329,571	2,477,770	1,855,953	4,871,129
d. Total	256,047,817	80,520,633	5,531,113	86,051,746	79,392,824	90,603,247
3. Total for All Members	309,141,201	107,425,077	5,948,866	113,373,943	96,629,936	99,137,322
C. Actuarial Present Value of Future Normal Costs	12,554,309	5,295,955	88,051	5,384,006	4,394,103	2,776,200
D. Actuarial Accrued (Past Service) Liability per GASB No. 25	296,586,892	102,129,122	5,860,815	107,989,937	92,235,833	96,361,122
E. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	294,940,714	100,204,159	5,856,580	106,060,739	92,090,408	96,789,567
F. Plan Assets						
1. Market Value	196,510,680	72,869,851	3,627,160	76,497,011	61,488,263	58,525,406
2. Actuarial Value	209,122,540	77,523,152	3,858,782	81,381,934	65,428,417	62,312,189
G. Unfunded Actuarial Accrued Liability	87,464,352	24,605,970	2,002,033	26,608,003	26,807,416	34,048,933
H. Funded Ratio (F2 ÷ D)	70.5 %	75.9 %	65.8 %	75.4 %	70.9 %	64.7 %
I. Actuarial Present Value of Projected Covered Payroll	156,550,119	92,479,581	1,504,915	93,984,496	31,042,217	31,523,406
J. Actuarial Present Value of Projected Member Contributions	7,526,331	2,336,491	37,171	2,373,662	3,102,174	2,050,495
K. Accumulated Value of Active Member Contributions	8,879,428	5,463,252	79,256	5,542,508	1,998,905	1,338,015

ACTUARIAL VALUE OF BENEFITS AND ASSETS - PRIOR VALUATION						
A. Valuation Date	September 30, 2015 [#]					
	Total	General and Ocean Rescue			Police Officers	Firefighters
		General	Ocean Rescue	Subtotal		
B. Actuarial Present Value of All Projected Benefits for						
1. Active Members						
a. Service Retirement Benefits	\$ 53,102,503	\$ 26,190,375	\$ 761,705	\$ 26,952,080	\$ 17,592,952	\$ 8,557,471
b. Vesting Benefits	1,020,375	353,082	18,857	371,939	285,880	362,556
c. Disability Benefits	2,443,064	1,133,028	46,974	1,180,002	580,506	682,556
d. Preretirement Death Benefits	1,192,263	598,884	22,119	621,003	267,046	304,214
e. Return of Member Contributions	310,487	72,994	203	73,197	104,075	133,215
f. Reserve for Employer Contributions	483,317	176,663	8,642	185,305	152,449	145,563
g. Total	58,552,009	28,525,026	858,500	29,383,526	18,982,908	10,185,575
2. Inactive Members						
a. Retired Members & Beneficiaries	226,681,747	73,677,689	4,733,218	78,410,907	71,588,959	76,681,881
b. Terminated Vested Members	7,273,620	909,734	-	909,734	3,009,451	3,354,435
c. DROP and Share Account Balances	9,292,879	2,097,273	248,467	2,345,740	2,430,429	4,516,710
d. Total	243,248,246	76,684,696	4,981,685	81,666,381	77,028,839	84,553,026
3. Total for All Members	301,800,255	105,209,722	5,840,185	111,049,907	96,011,747	94,738,601
C. Actuarial Present Value of Future Normal Costs	11,882,911	4,950,823	75,532	5,026,355	4,390,057	2,466,499
D. Actuarial Accrued (Past Service) Liability per GASB No. 25	289,917,344	100,258,899	5,764,653	106,023,552	91,621,690	92,272,102
E. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	289,275,713	98,588,966	5,733,445	104,322,411	92,163,079	92,790,223
F. Plan Assets						
1. Market Value	190,764,490	70,948,978	3,470,558	74,419,536	59,516,573	56,828,381
2. Actuarial Value	203,456,371	75,318,502	3,684,299	79,002,801	63,672,679	60,780,891
G. Unfunded Actuarial Accrued Liability	86,460,973	24,940,397	2,080,354	27,020,751	27,949,011	31,491,211
H. Funded Ratio (F2 ÷ D)	70.2 %	75.1 %	63.9 %	74.5 %	69.5 %	65.9 %
I. Actuarial Present Value of Projected Covered Payroll	152,432,237	88,403,590	1,557,531	89,961,121	30,707,983	31,763,133
J. Actuarial Present Value of Projected Member Contributions	7,308,254	2,235,110	38,471	2,273,581	3,068,914	1,965,759
K. Accumulated Value of Active Member Contributions	10,240,791	6,097,952	152,960	6,250,912	2,361,217	1,628,662

Reflects all Actuarial Impact Statements through August 2016.

CALCULATION OF EMPLOYER NORMAL COST									
A. Valuation Date	September 30, 2016								
B. Normal Cost for	Total	General and Ocean Rescue			Police Officers	Firefighters			
		General	Ocean Rescue	Subtotal					
1. Service Retirement Benefits	\$ 1,123,910	\$ 525,374 5.01%	\$ 4,256 2.59%	\$ 529,630 4.98%	\$ 410,901 11.61%	\$ 183,379 5.38%			
2. Vesting Benefits	87,630	28,186 0.27%	896 0.55%	29,082 0.27%	31,187 0.88%	27,361 0.80%			
3. Disability Benefits	176,665	68,961 0.66%	3,293 2.01%	72,254 0.68%	50,907 1.44%	53,504 1.57%			
4. Preretirement Death Benefits	104,955	48,267 0.46%	2,340 1.42%	50,607 0.47%	25,891 0.73%	28,457 0.83%			
5. Return of Member Contributions	132,347	51,072 0.49%	1,081 0.66%	52,153 0.49%	40,685 1.15%	39,509 1.16%			
6. Total for Future Benefits	1,625,507	721,860 6.89%	11,866 7.23%	733,726 6.89%	559,571 15.81%	332,210 9.74%			
7. Assumed Amount for Administrative Expenses	450,453	172,900 1.65%	2,710 1.65%	175,610 1.65%	140,802 3.98%	134,041 3.93%			
8. Total Normal Cost	2,075,960	894,760 8.54%	14,576 8.88%	909,336 8.54%	700,373 19.79%	466,251 13.67%			
C. Expected Member Contribution	857,481	274,544 2.62%	4,056 2.47%	278,600 2.61%	353,774 10.00%	225,107 6.60%			
D. Employer Normal Cost: B8-C	1,218,479	620,216 5.92%	10,520 6.41%	630,736 5.93%	346,599 9.79%	241,144 7.07%			
E. Employer Normal Cost as a % of Covered Payroll	6.93%	5.92%	6.41%	5.93%	9.79%	7.07%			

CALCULATION OF EMPLOYER NORMAL COST - BEFORE CHANGES									
A. Valuation Date	September 30, 2016								
	Total	General and Ocean Rescue			Police Officers	Firefighters			
General		Ocean Rescue	Subtotal						
B. Normal Cost for									
1. Service Retirement Benefits	\$ 1,067,025	\$ 502,614 4.79%	\$ 3,946 2.40%	\$ 506,560 4.76%	\$ 389,259 11.00%	\$ 171,206 5.02%			
2. Vesting Benefits	82,468	26,202 0.25%	817 0.50%	27,019 0.25%	29,755 0.84%	25,694 0.75%			
3. Disability Benefits	178,278	73,151 0.70%	3,225 1.96%	76,376 0.72%	49,616 1.41%	52,286 1.54%			
4. Preretirement Death Benefits	82,889	35,482 0.34%	1,955 1.19%	37,437 0.35%	21,548 0.61%	23,904 0.70%			
5. Return of Member Contributions	132,387	51,025 0.49%	1,082 0.66%	52,107 0.49%	40,719 1.15%	39,561 1.16%			
6. Total for Future Benefits	<u>1,543,047</u>	<u>688,474 6.57%</u>	<u>11,025 6.71%</u>	<u>699,499 6.57%</u>	<u>530,897 15.01%</u>	<u>312,651 9.17%</u>			
7. Assumed Amount for Administrative Expenses	450,540	172,952 1.65%	2,710 1.65%	175,662 1.65%	140,819 3.98%	134,059 3.93%			
8. Total Normal Cost	<u>1,993,587</u>	<u>861,426 8.22%</u>	<u>13,735 8.36%</u>	<u>875,161 8.22%</u>	<u>671,716 18.99%</u>	<u>446,710 13.10%</u>			
C. Expected Member Contribution	857,637	274,626 2.62%	4,057 2.47%	278,683 2.62%	353,817 10.00%	225,137 6.60%			
D. Employer Normal Cost: B8-C	1,135,950	586,800 5.60%	9,678 5.89%	596,478 5.60%	317,899 8.99%	221,573 6.50%			
E. Employer Normal Cost as a % of Covered Payroll	6.46%	5.60%	5.89%	5.60%	8.99%	6.50%			

CALCULATION OF EMPLOYER NORMAL COST - PRIOR VALUATION									
A. Valuation Date	September 30, 2015 [#]								
B. Normal Cost for	Total	General and Ocean Rescue			Police Officers	Firefighters			
		General	Ocean Rescue	Subtotal					
1. Service Retirement Benefits	\$ 972,187	\$ 440,252 4.55%	\$ 2,640 1.82%	\$ 442,892 4.51%	\$ 401,954 11.13%	\$ 127,341 3.96%			
2. Vesting Benefits	81,182	25,865 0.27%	859 0.59%	26,724 0.27%	28,796 0.80%	25,662 0.80%			
3. Disability Benefits	169,669	70,578 0.73%	1,898 1.30%	72,476 0.74%	53,082 1.47%	44,111 1.37%			
4. Preretirement Death Benefits	75,958	31,488 0.33%	909 0.62%	32,397 0.33%	23,792 0.66%	19,769 0.62%			
5. Return of Member Contributions	127,484	47,681 0.49%	871 0.60%	48,552 0.49%	41,405 1.15%	37,527 1.17%			
6. Total for Future Benefits	1,426,480	615,864 6.37%	7,177 4.93%	623,041 6.34%	549,029 15.21%	254,410 7.92%			
7. Assumed Amount for Administrative Expenses	443,212	172,342 1.78%	2,588 1.78%	174,930 1.78%	138,732 3.84%	129,550 4.03%			
8. Total Normal Cost	1,869,692	788,206 8.15%	9,765 6.71%	797,971 8.12%	687,761 19.05%	383,960 11.95%			
C. Expected Member Contribution	818,171	252,704 2.61%	3,592 2.47%	256,296 2.61%	361,281 10.00%	200,594 6.24%			
D. Employer Normal Cost: B8-C	1,051,521	535,502 5.54%	6,173 4.24%	541,675 5.51%	326,480 9.05%	183,366 5.71%			
E. Employer Normal Cost as a % of Covered Payroll	6.31%	5.54%	4.24%	5.51%	9.05%	5.71%			

[#] Reflects all Actuarial Impact Statements through August 2016.

ACTUARIAL BALANCE SHEET						
A. Valuation Date	September 30, 2016					
	<i>Total</i>	<i>General and Ocean Rescue</i>			<i>Police Officers</i>	<i>Firefighters</i>
		<i>General</i>	<i>Ocean Rescue</i>	<i>Subtotal</i>		
B. Present Resources and Expected Future Resources						
1. Funding Value of System Assets:						
a. Net assets from System financial statements (market value)	\$ 196,510,680	\$ 72,869,851	\$ 3,627,160	\$ 76,497,011	\$ 61,488,263	\$ 58,525,406
b. Funding value adjustment	12,611,860	4,653,301	231,622	4,884,923	3,940,154	3,786,783
c. Funding value of assets	209,122,540	77,523,152	3,858,782	81,381,934	65,428,417	62,312,189
2. Actuarial Present Value of Expected Future Employer Contributions						
a. For normal costs	5,768,341	3,250,766	57,891	3,308,657	1,552,273	907,411
b. For Unfunded Actuarial Accrued Liability (UAAL)	96,437,218	27,113,457	2,171,682	29,285,139	29,929,159	37,222,920
c. Total	102,205,559	30,364,223	2,229,573	32,593,796	31,481,432	38,130,331
3. Actuarial Present Value of Expected Future Member Contributions	7,558,899	2,342,572	37,339	2,379,911	3,117,883	2,061,105
4. Total Present and Expected Future Resources	318,886,998	110,229,947	6,125,694	116,355,641	100,027,732	102,503,625
C. Actuarial Present Value of Expected Future Benefit Payments and Reserves						
1. To Retirants, Beneficiaries and DROP members	253,440,004	80,538,286	5,679,378	86,217,664	79,561,676	87,660,664
2. To Vested Terminated Members	9,739,350	1,517,267	5,747	1,523,014	2,405,512	5,810,824
3. To Present Active Members:						
a. Allocated to service rendered prior to valuation date	42,380,404	22,581,056	345,339	22,926,395	13,390,388	6,063,621
b. Allocated to service likely to be rendered after valuation date	13,327,240	5,593,338	95,230	5,688,568	4,670,156	2,968,516
c. Total	55,707,644	28,174,394	440,569	28,614,963	18,060,544	9,032,137
4. Reserve for Employer Contributions	0	0	0	0	0	0
5. Total Actuarial Present Value of Expected Future Benefit Payments	318,886,998	110,229,947	6,125,694	116,355,641	100,027,732	102,503,625

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

UAAL AMORTIZATION PERIOD AND PAYMENTS - GENERAL									
Original UAAL				Current UAAL					
Date Established	Type of Amortization Base	Amortization Period (Years)	Initial Amount	Years Remaining	Amount	Contributions		Contributions - Before Changes	
						Dollars	Percent-of- Payroll	Dollars	Percent-of- Payroll
9/30/2010	(Gain)/Loss Experience	30	\$ 1,295,349	24	\$ 1,360,656	\$ 87,668	0.82 %	\$ 86,351	0.80 %
9/30/2010	Benefit Changes	30	(4,737,059)	24	(4,975,882)	(320,600)	(2.99)	(315,784)	(2.94)
9/30/2010	Assumption/Method Changes	30	(1,756,913)	24	(1,845,489)	(118,906)	(1.11)	(117,120)	(1.09)
9/30/2011	Initial Unfunded	21		16	16,888,850	1,423,065	13.28	1,407,938	13.12
9/30/2011	(Gain)/Loss Experience	30	(4,007,514)	25	(4,139,783)	(260,342)	(2.43)	(256,298)	(2.39)
9/30/2011	Assumption/Method Changes	30	(112,399)	25	(116,110)	(7,302)	(0.07)	(7,188)	(0.07)
9/30/2012	(Gain)/Loss Experience	30	4,290,077	26	4,542,559	279,242	2.61	274,766	2.56
9/30/2012	Assumption/Method Changes	30	4,353,476	26	4,609,690	283,369	2.64	278,826	2.60
9/30/2013	(Gain)/Loss Experience	30	(896,488)	27	(937,437)	(56,406)	(0.53)	(55,474)	(0.52)
9/30/2013	Benefit Changes	30	75,660	27	79,116	4,760	0.04	4,682	0.04
9/30/2014	(Gain)/Loss Experience	30	(78,156)	28	(80,605)	(4,753)	(0.04)	(4,672)	(0.04)
9/30/2014	Benefit Changes	30	39,795	28	41,043	2,420	0.02	2,379	0.02
9/30/2015	(Gain)/Loss Experience	30	2,702,752	29	2,746,266	158,899	1.48	156,122	1.45
9/30/2015	Assumption/Method Changes	30	6,295,183	29	6,396,535	370,104	3.45	363,636	3.39
9/30/2016	(Gain)/Loss Experience	30	36,561	30	36,561	2,078	0.02	2,041	0.02
9/30/2016	Assumption/Method Changes	30	2,507,487	30	<u>2,507,487</u>	<u>142,505</u>	<u>1.33</u>	<u>N/A</u>	<u>N/A</u>
					\$27,113,457	\$ 1,985,801	18.52 %	\$ 1,820,205	16.95 %

UAAL AMORTIZATION PERIOD AND PAYMENTS - OCEAN RESCUE									
Original UAAL				Current UAAL					
Date Established	Type of Amortization Base	Amortization Period (Years)	Initial Amount	Years Remaining	Amount	Contributions		Contributions Before Changes	
						Dollars	Percent-of-Payroll	Dollars	Percent-of-Payroll
9/30/2010	(Gain)/Loss Experience	30	\$ 72,569	24	\$ 79,454	\$ 5,119	3.05 %	\$ 5,042	3.00 %
9/30/2010	Benefit Changes	30	(224,972)	24	(246,314)	(15,870)	(9.46)	(15,632)	(9.30)
9/30/2010	Assumption/Method Changes	30	(47,583)	24	(52,097)	(3,357)	(2.00)	(3,306)	(1.97)
9/30/2011	Initial Unfunded	20		15	1,162,284	102,630	61.15	101,600	60.47
9/30/2011	(Gain)/Loss Experience	30	125,711	25	135,236	8,505	5.07	8,373	4.98
9/30/2011	Assumption/Method Changes	30	65,059	25	67,791	4,263	2.54	4,197	2.50
9/30/2012	(Gain)/Loss Experience	30	291,267	26	308,408	18,959	11.30	18,655	11.10
9/30/2012	Assumption/Method Changes	30	248,155	26	262,759	16,152	9.62	15,894	9.46
9/30/2013	(Gain)/Loss Experience	30	25,398	27	26,558	1,598	0.95	1,572	0.94
9/30/2014	(Gain)/Loss Experience	30	(19,591)	28	(20,205)	(1,191)	(0.71)	(1,171)	(0.70)
9/30/2014	Benefit Changes	30	1,650	28	1,702	100	0.06	99	0.06
9/30/2015	(Gain)/Loss Experience	30	105,415	29	107,112	6,198	3.69	6,089	3.62
9/30/2015	Assumption/Method Changes	30	181,090	29	184,006	10,647	6.34	10,461	6.23
9/30/2016	(Gain)/Loss Experience	30	(14,661)	30	(14,661)	(833)	(0.50)	(818)	(0.49)
9/30/2016	Assumption/Method Changes	30	169,649	30	<u>169,649</u>	<u>9,641</u>	<u>5.74</u>	<u>N/A</u>	<u>N/A</u>
					\$ 2,171,682	\$ 162,561	96.84 %	\$ 151,055	89.90 %

UAAL AMORTIZATION PERIOD AND PAYMENTS - POLICE OFFICERS									
Original UAAL				Current UAAL					
Date Established	Type of Amortization Base	Amortization Period (Years)	Initial Amount	Years Remaining	Amount	Contributions		Contributions Before Changes	
						Dollars	Percent-of-Payroll	Dollars	Percent-of-Payroll
9/30/2010	(Gain)/Loss Experience	30	\$ 876,056	24	\$ 959,168	\$ 61,800	1.71 %	\$ 60,872	1.68 %
9/30/2010	Benefit Changes	30	(4,060,736)	24	(4,445,975)	(286,458)	(7.92)	(282,154)	(7.79)
9/30/2010	Assumption/Method Changes	30	(611,648)	24	(669,674)	(43,148)	(1.19)	(42,499)	(1.17)
9/30/2011	Initial Unfunded	15		10	10,701,871	1,294,866	35.80	1,285,881	35.51
9/30/2011	(Gain)/Loss Experience	30	420,131	25	451,965	28,423	0.79	27,982	0.77
9/30/2011	Assumption/Method Changes	30	380,899	25	409,759	25,769	0.71	25,369	0.70
9/30/2012	(Gain)/Loss Experience	30	6,094,095	26	6,452,749	396,666	10.97	390,307	10.78
9/30/2012	Assumption/Method Changes	30	4,351,987	26	4,608,114	283,272	7.83	278,731	7.70
9/30/2013	(Gain)/Loss Experience	30	2,357,290	27	2,464,964	148,318	4.10	145,868	4.03
9/30/2014	(Gain)/Loss Experience	30	1,005,437	28	1,036,949	61,149	1.69	60,109	1.66
9/30/2014	Benefit Changes	30	86,796	28	89,516	5,279	0.15	5,189	0.14
9/30/2015	(Gain)/Loss Experience	30	2,602,412	29	2,644,311	153,000	4.23	150,326	4.15
9/30/2015	Assumption/Method Changes	30	1,813,280	29	1,842,474	106,606	2.95	104,743	2.89
9/30/2015	Benefit Changes	30	895,408	29	909,824	52,642	1.46	51,723	1.43
9/30/2016	(Gain)/Loss Experience	30	(648,599)	30	(648,599)	(36,861)	(1.02)	(36,200)	(1.00)
9/30/2016	Assumption/Method Changes	30	3,121,743	30	<u>3,121,743</u>	<u>177,414</u>	<u>4.91</u>	<u>N/A</u>	<u>N/A</u>
					\$29,929,159	\$ 2,428,737	67.17 %	\$ 2,226,247	61.48 %

UAAL AMORTIZATION PERIOD AND PAYMENTS - FIREFIGHTERS									
Original UAAL				Current UAAL					
Date Established	Type of Amortization Base	Amortization Period (Years)	Initial Amount	Years Remaining	Amount	Contributions		Contributions Before Changes	
						Dollars	Percent-of-Payroll	Dollars	Percent-of-Payroll
9/30/2010	(Gain)/Loss Experience	30	\$ 1,384,923	24	\$ 1,516,310	\$ 97,697	2.78 %	\$ 96,229	2.74 %
9/30/2010	Benefit Changes	30	(7,020,622)	24	(7,686,662)	(495,258)	(14.10)	(487,818)	(13.87)
9/30/2010	Assumption/Method Changes	30	(740,005)	24	(810,210)	(52,202)	(1.49)	(51,418)	(1.46)
9/30/2011	Initial Unfunded	20		15	20,989,335	1,853,363	52.75	1,834,758	52.16
9/30/2011	(Gain)/Loss Experience	30	(1,134,442)	25	(1,220,398)	(76,748)	(2.18)	(75,556)	(2.15)
9/30/2011	Assumption/Method Changes	30	187,849	25	203,991	12,829	0.37	12,629	0.36
9/30/2012	(Gain)/Loss Experience	30	5,221,198	26	5,528,479	339,849	9.67	334,401	9.51
9/30/2012	Assumption/Method Changes	30	4,423,594	26	4,683,934	287,933	8.20	283,317	8.05
9/30/2013	(Gain)/Loss Experience	30	2,023,014	27	2,115,420	127,286	3.62	125,183	3.56
9/30/2014	(Gain)/Loss Experience	30	189,191	28	195,121	11,506	0.33	11,311	0.32
9/30/2014	Benefit Changes	30	35,743	28	36,863	2,174	0.06	2,137	0.06
9/30/2015	(Gain)/Loss Experience	30	2,384,452	29	2,422,842	140,186	3.99	137,736	3.92
9/30/2015	Assumption/Method Changes	30	2,334,926	29	2,372,518	137,274	3.91	134,875	3.83
9/30/2015	Benefit Changes	30	418,585	29	425,324	24,609	0.70	24,179	0.69
9/30/2016	(Gain)/Loss Experience	30	3,276,066	30	3,276,066	186,185	5.30	182,844	5.20
9/30/2016	Assumption/Method Changes	30	3,173,987	30	3,173,987	180,383	5.13	N/A	N/A
					\$37,222,920	\$ 2,777,066	79.04 %	\$ 2,564,807	72.92 %

Amortization Schedule

The UAAL is being amortized as a level percent of pay over the number of years remaining in each amortization period. The following schedule illustrates the expected amortization of the UAAL:

Amortization Schedule					
Year	Expected UAAL				
	Total	General	Ocean Rescue	Police Officers	Firefighters
2016	\$ 96,437,218	\$ 27,113,457	\$ 2,171,682	\$ 29,929,159	\$ 37,222,920
2017	97,357,932	27,184,558	2,204,069	30,173,037	37,796,268
2018	96,436,030	27,022,832	2,186,906	29,712,603	37,513,689
2019	95,181,798	26,778,502	2,162,615	29,130,564	37,110,117
2020	93,562,059	26,443,161	2,130,473	28,415,083	36,573,342
2021	91,540,912	26,007,704	2,089,713	27,553,343	35,890,152
2026	73,937,704	21,954,060	1,724,574	20,524,632	29,734,438
2031	50,712,601	13,523,958	984,042	19,003,697	17,200,904
2036	40,691,410	10,176,410	765,779	15,039,817	14,709,404
2041	22,180,502	6,818,664	310,190	6,654,849	8,396,799
2046	-	-	-	-	-

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:

	Total	General	Ocean Rescue	Police Officers	Firefighters
1. UAAL at start of year	\$86,460,973	\$24,940,397	\$ 2,080,354	\$27,949,011	\$31,491,211
2. Employer Normal Cost for Year	1,449,876	584,420	7,003	590,138	268,315
3. Employer Contributions	6,876,923	2,049,839	160,770	2,306,795	2,359,519
4. Extra Town Contributions Towards UAAL:	2,500,000	721,146	60,153	808,140	910,561
5. Interest at the Assumed Rate .075 x [(1) + 1/2 ((2)-(3))]	6,281,059	1,815,577	150,260	2,031,801	2,283,421
6. Expected UAAL Before Changes Revision: 1 + 2 - 3 - 4 + 5	84,814,985	24,569,409	2,016,694	27,456,015	30,772,867
7. Change in UAAL Due to Plan Amendments and/or Changes in Actuarial Assumptions	8,972,866	2,507,487	169,649	3,121,743	3,173,987
8. This Year's Expected UAAL (after changes):	93,787,851	27,076,896	2,186,343	30,577,758	33,946,854
9. This Year's Actual UAAL (after changes):	96,437,218	27,113,457	2,171,682	29,929,159	37,222,920
10. Net Actuarial Gain/(Loss):	(2,649,367)	(36,561)	14,661	648,599	(3,276,066)
11. Gain/(Loss) Due to Investments:	(875,292)	18,491	920	(474,775)	(419,928)
12. Gain/(Loss) Due to Other Sources:	(1,774,075)	(55,052)	13,741	1,123,374	(2,856,138)

The annual experience (gains)/losses in previous years have been as follows:

Year Ending	Experience (Gain) / Loss				
	Total	General	Ocean Rescue	Police Officers	Fire fighters
9/30/2007	\$ (9,435,772)	\$ (3,267,590)	\$ (180,537)	\$ (2,937,297)	\$ (3,050,348)
9/30/2008	7,552,522	4,355,167	258,699	2,074,882	863,774
9/30/2009	16,157,482	6,350,288	393,013	4,392,377	5,021,804
9/30/2010	3,628,897	1,295,349	72,569	876,056	1,384,923
9/30/2011	(4,596,114)	(4,007,514)	125,711	420,131	(1,134,442)
9/30/2012	15,896,637	4,290,077	291,267	6,094,095	5,221,198
9/30/2013	3,509,214	(896,488)	25,398	2,357,290	2,023,014
9/30/2014	1,096,881	(78,156)	(19,591)	1,005,437	189,191
9/30/2015	7,795,031	2,702,752	105,415	2,602,412	2,384,452
9/30/2016	2,649,367	36,561	(14,661)	(648,599)	3,276,066

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			
	Actual Actuarial Rate of Return			Assumed
	General and <u>Ocean Rescue</u>	Police <u>Officers</u>	<u>Firefighters</u>	
9/30/2004	4.9 %	4.8 %	4.8 %	8.00 %
9/30/2005	5.9	5.5	5.4	8.00
9/30/2006	8.3	8.4	8.4	8.00
9/30/2007	11.2	11.5	11.3	8.00
9/30/2008	1.9	6.0	5.3	8.00
9/30/2009	(1.2)	3.9	1.5	8.00
9/30/2010	2.9	3.2	3.0	8.00
9/30/2011	1.7	1.6	1.3	8.00
9/30/2012	1.9	0.9	0.9	7.50
9/30/2013	7.7	5.1	5.7	7.50
9/30/2014	8.5	7.1	7.2	7.50
9/30/2015	6.2	5.3	5.2	7.50
9/30/2016	7.5	6.7	6.8	7.50
Average	5.1 %	5.4 %	5.1 %	

Period Ending	Salary Increases							
	General		Ocean Rescue		Police Officers		Firefighters	
	Actual*	Assumed	Actual*	Assumed	Actual*	Assumed	Actual*	Assumed
9/30/2004	7.9 %	7.1 %	5.8 %	7.6 %	8.2 %	7.7 %	15.2 %	7.8 %
9/30/2005	10.0	7.0	12.7	7.5	6.6	7.7	15.2	7.8
9/30/2006	6.0	7.0	5.7	7.4	11.0	7.7	10.8	7.7
9/30/2007	6.8	7.0	5.1	7.6	(0.7)	7.7	3.0	7.7
9/30/2008	6.3	7.0	5.5	7.6	11.6	7.6	6.5	7.7
9/30/2009	5.6	7.0	9.4	7.7	16.4	7.7	16.1	7.7
9/30/2010	1.1	6.9	1.5	7.7	1.1	7.6	3.1	7.7
9/30/2011	1.0	7.0	2.1	7.5	0.8	6.7	0.4	6.8
9/30/2012	0.6	4.9	(2.1)	5.4	1.9	6.6	(5.7)	6.7
9/30/2013	(1.8)	5.0	(0.4)	5.3	(12.6)	5.6	(6.2)	5.6
9/30/2014	3.4	5.0	3.5	5.2	4.0	5.5	3.0	5.8
9/30/2015	3.4	5.0	2.0	5.1	4.9	5.6	4.5	6.0
9/30/2016	9.0 #	3.5	7.6 #	3.5	10.0 #	3.5	7.0 #	3.5
Average	4.5 %	6.1 %	4.4 %	6.5 %	4.6 %	6.7 %	5.4 %	6.8 %

*Based on members who were active throughout the year.

Salaries for the year ending 9/30/2016 included 27 pay periods rather than the standard 26.

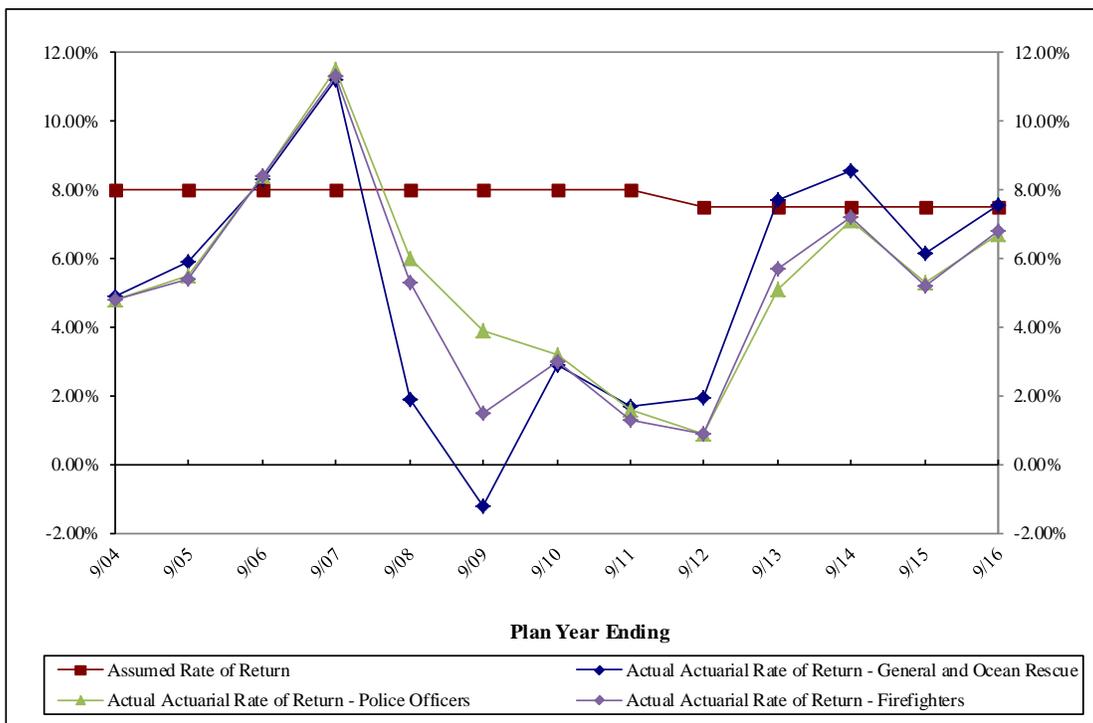
The actual investment return rates shown above are based on the actuarial value of assets. These returns differ from the returns on the market value of assets due to the smoothing of investment gains and losses over a five-year period. Please see page 67 for a full comparison of market value versus actuarial value (funding) rates of return. 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.

A schedule of recent total payroll change experience, as measured by gross pay, follows:

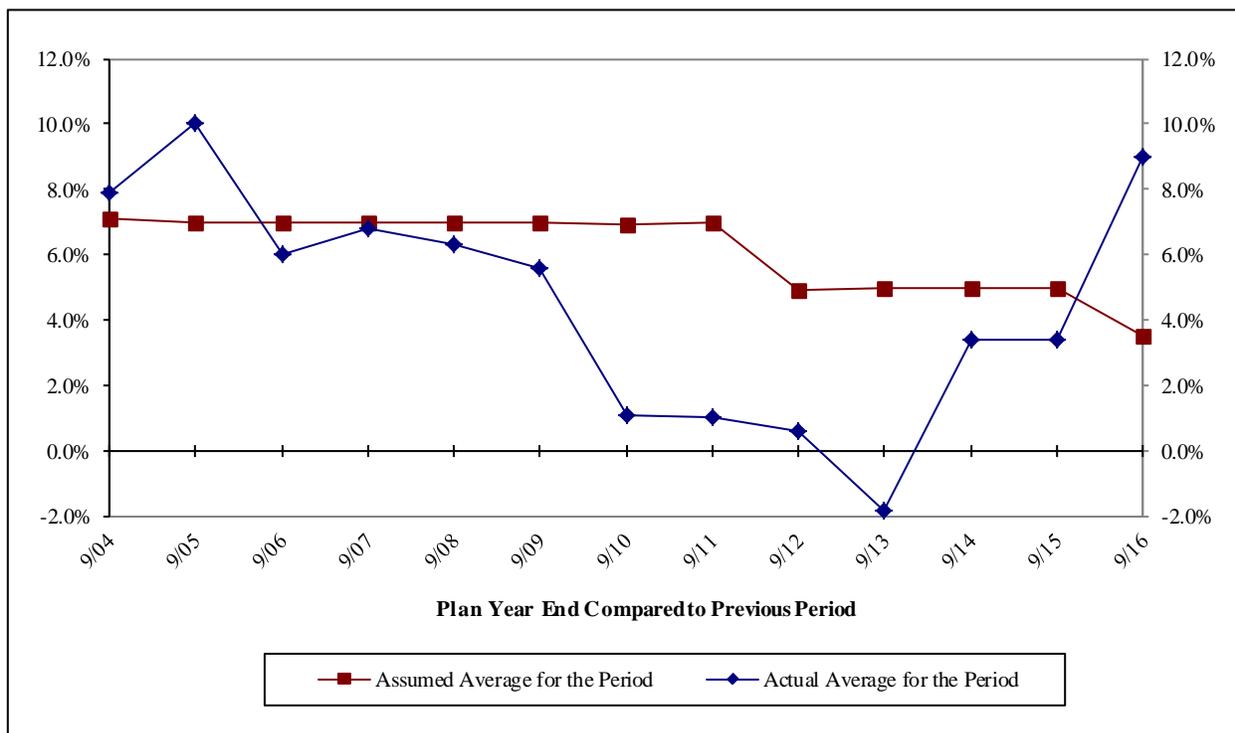
	Year Ended September 30					Average 10-Year#
	2016	2015	2014	2013	2012	
% Change in Total Payroll						
General	8.6	(1.6)	3.9	(1.9)	(9.7)	(1.3) %
Ocean Rescue	16.1	(31.2)	3.5	(0.4)	(2.1)	(9.1)
Police Officers	(3.0)	9.4	(2.9)	(18.6)	(18.8)	(4.7)
Firefighters	6.6	(4.7)	(16.7)	(10.2)	(20.5)	(4.9)

With the adoption of new economic assumptions, consultation with the Town on its budgeted payroll projections, and the Town's policy of contributing on a projected dollar basis using 3.25% wage inflation, this report uses 3.25% inflation for purposes of compliance with F.S. 112.64(5).

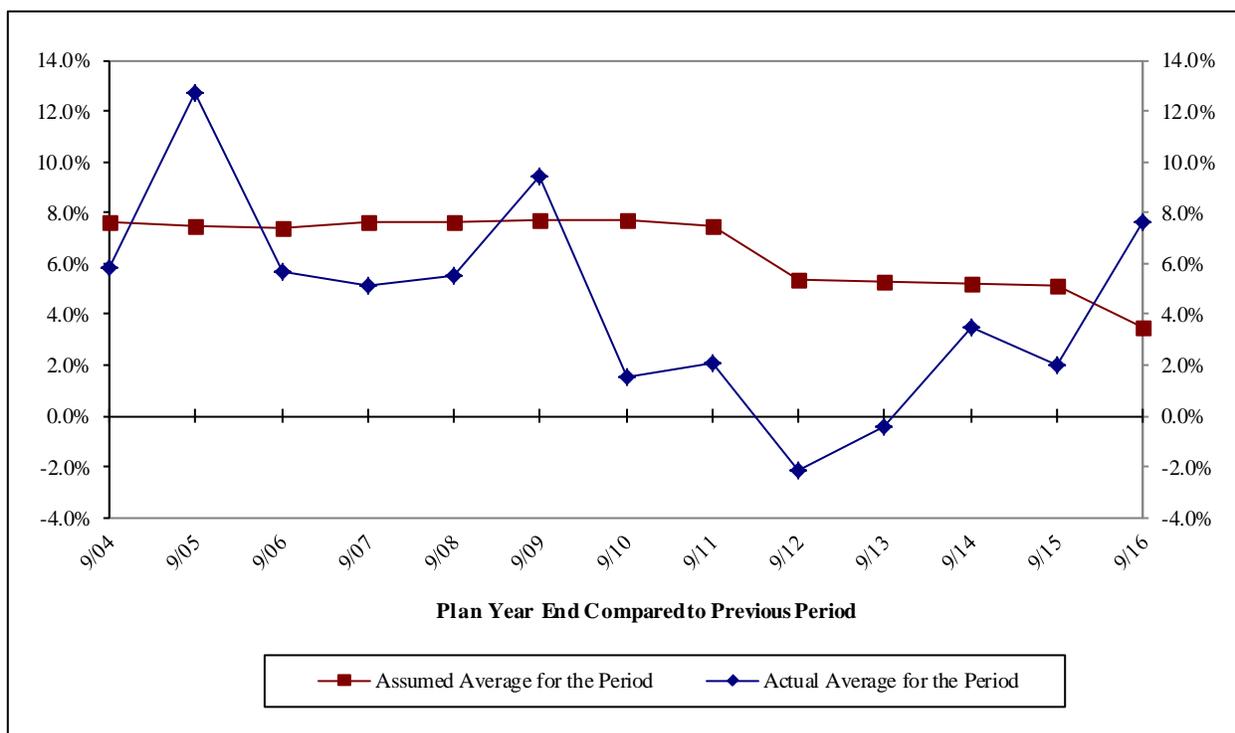
History of Investment Return Based on Total Actuarial Value of Assets



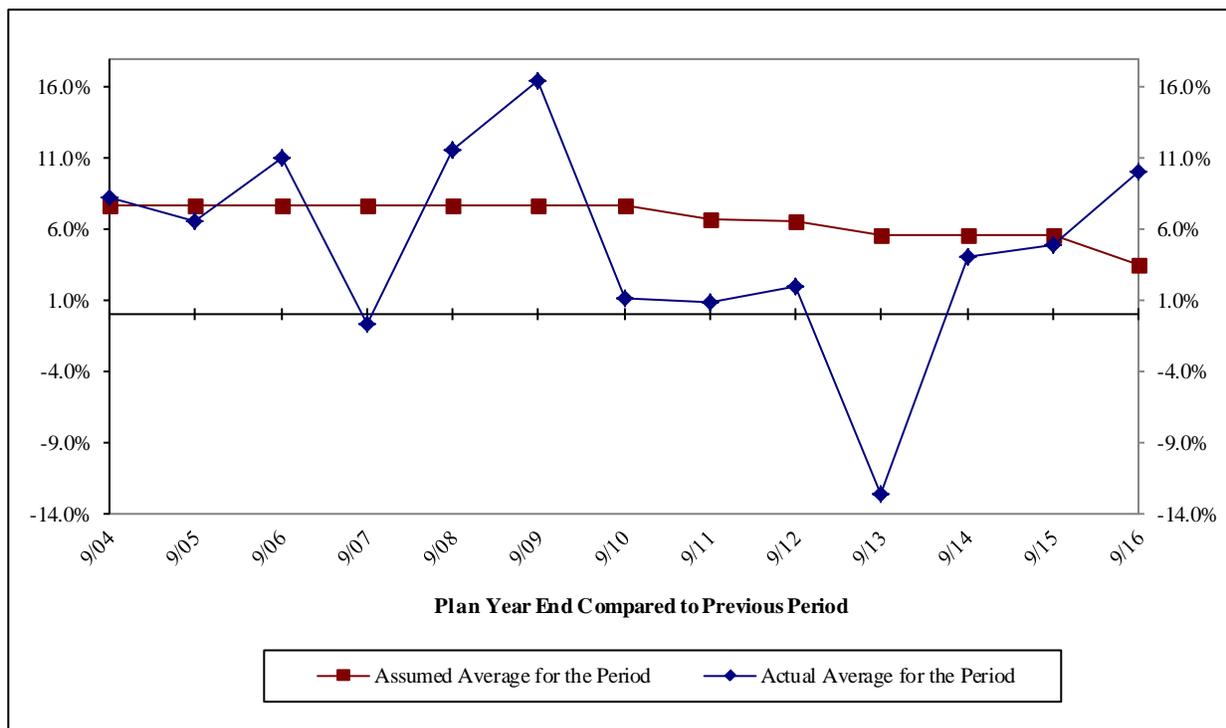
History of Salary Increases – General



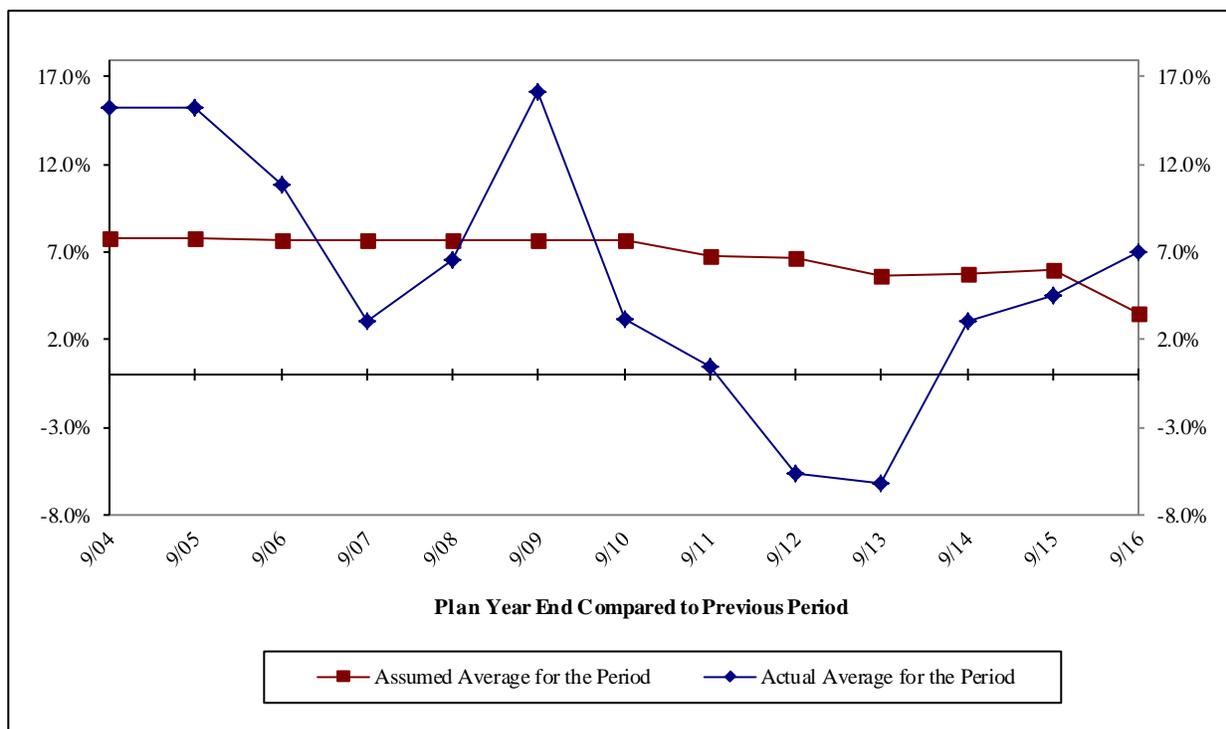
History of Salary Increases – Ocean Rescue



History of Salary Increases – Police Officers



History of Salary Increases – Firefighters



**Number Added To and Removed from Active Participation
Actual (A) Compared to Expected (E)**

General

Year Ended	Number Added During Year		Service & DROP Retirement		Disability Retirement		Died In Service		Terminations				Active Members End of Year
	A	E	A	E	A	E	A	E	Vested	Other	Totals		
									A	A	A	E	
9/30/2006	20	14	2	6	0	0	0	0	*	*	12	16	216
9/30/2007	16	18	9	7	0	0	1	0	*	*	8	15	214
9/30/2008	9	21	13	8	0	0	0	0	1	7	8	14	202
9/30/2009	17	16	9	6	0	0	0	0	2	5	7	12	203
9/30/2010	6	34	14	7	1	0	0	0	2	17	19	12	175
9/30/2011	7	18	10	6	1	0	0	0	1	6	7	7	164
9/30/2012	8	21	18	20	0	1	0	0	3	0	3	6	151
9/30/2013	17	12	9	11	1	1	0	0	2	0	2	7	156
9/30/2014	18	12	4	12	0	1	0	0	4	4	8	10	162
9/30/2015	17	20	11	20	0	1	0	0	0	9	9	12	159
9/30/2016	24	18	7	10	0	1	1	0	3	7	10	12	165
11-Yr Total	159	204	106	113	3	5	2	0	18	55	93	123	

*Breakdown between vested and other terminations was not determined for year ended 9/30/2006 and 9/30/2007.

Ocean Rescue

Two Years Ended	Number Added During Year		Service & DROP Retirement		Disability Retirement		Died In Service		Terminations				Active Members End of Year
	A	E	A	E	A	E	A	E	Vested	Other	Totals		
									A	A	A	E	
9/30/2006	0	0	0	1	0	0	0	0	0	0	0	0	9
9/30/2007	1	2	2	1	0	0	0	0	0	0	0	0	8
9/30/2008	0	1	1	1	0	0	0	0	0	0	0	0	7
9/30/2009	2	0	0	0	0	0	0	0	0	0	0	0	9
9/30/2010	0	2	1	0	0	0	0	0	0	1	1	0	7
9/30/2011	0	3	1	0	0	0	0	0	0	2	2	0	4
9/30/2012	0	0	0	0	0	0	0	0	0	0	0	0	4
9/30/2013	0	0	0	0	0	0	0	0	0	0	0	0	4
9/30/2014	0	0	0	1	0	0	0	0	0	0	0	0	4
9/30/2015	0	1	1	1	0	0	0	0	0	0	0	0	3
9/30/2016	2	1	1	2	0	0	0	0	0	0	0	0	4
11-Yr Total	5	10	7	7	0	0	0	0	0	3	3	0	

**Number Added To and Removed from Active Participation
Actual (A) Compared to Expected (E)**

Police Officers

Year Ended	Number Added During Year		Service & DROP Retirement		Disability Retirement		Died In Service		Terminations				Active Members End of Year
	A	E	A	E	A	E	A	E	Vested	Other	Totals		
									A	A	A	E	
9/30/2006	10	8	3	10	0	0	0	0	*	*	5	3	74
9/30/2007	4	7	5	11	0	0	0	0	*	*	2	3	71
9/30/2008	4	10	5	9	0	0	0	0	0	5	5	3	65
9/30/2009	11	6	1	7	0	0	0	0	0	5	5	3	70
9/30/2010	1	3	1	7	0	0	0	0	0	2	2	3	68
9/30/2011	0	8	7	9	1	0	0	0	0	0	0	2	60
9/30/2012	0	13	6	6	0	0	0	0	7	0	7	2	47
9/30/2013	10	10	1	5	0	0	0	0	9	0	9	1	47
9/30/2014	13	11	4	7	1	0	0	0	3	3	6	2	49
9/30/2015	6	3	0	8	0	0	0	0	0	3	3	3	52
9/30/2016	6	10	5	9	0	0	0	0	0	5	5	3	48
11-Yr Total	65	89	38	88	2	0	0	0	19	23	49	28	

*Breakdown between vested and other terminations was not determined for year ended 9/30/2006 and 9/30/2007.

Firefighters

Two Years Ended	Number Added During Year		Service & DROP Retirement		Disability Retirement		Died In Service		Terminations				Active Members End of Year
	A	E	A	E	A	E	A	E	Vested	Other	Totals		
									A	A	A	E	
9/30/2006	4	4	2	8	0	0	0	0	*	*	2	4	74
9/30/2007	5	7	3	8	0	0	0	0	*	*	4	3	72
9/30/2008	4	3	3	9	0	0	0	0	0	0	0	3	73
9/30/2009	5	5	4	9	0	0	0	0	1	0	1	3	73
9/30/2010	0	4	3	7	0	0	0	0	0	1	1	3	69
9/30/2011	0	9	8	6	0	0	0	0	0	1	1	2	60
9/30/2012	0	9	4	4	0	0	0	0	5	0	5	2	51
9/30/2013	8	9	1	2	1	0	0	0	7	0	7	1	50
9/30/2014	14	14	5	8	0	0	0	0	8	1	9	2	50
9/30/2015	12	13	3	4	0	0	0	0	1	9	10	3	49
9/30/2016	14	12	3	2	0	0	0	0	2	7	9	5	51
11-Yr Total	66	89	39	67	1	0	0	0	24	19	49	31	

*Breakdown between vested and other terminations was not determined for year ended 9/30/2006 and 9/30/2007.

FUNDING PROGRESS INDICATORS

We believe an understanding of funding progress and status can be achieved using the following measures:

Indicator (1) **The actuarial present value of gains or losses realized in the operation of the Retirement System** - an experience indicator. Gains and losses are expected to cancel each other over a period of years (in the absence of double-digit inflation) but sizable year-to-year fluctuations are common. An experience gain can result from assets increasing in value by more than anticipated by the funding program, or by the actuarial accrued liability increasing by less than anticipated by the funding program, or by other favorable combinations of deviation from expected asset and liability changes. Further details on the derivation of the gain (loss) are shown on page A-6.

Indicator (2) **The ratio of the funding value of assets to the actuarial accrued liability** measured in accordance with GASB Statement No. 5 prior to the September 30, 1997 valuation and GASB Statement No. 25 beginning with the September 30, 1997 valuation. The ratio is expected to increase over time, but the basic trend may be interrupted by benefit improvements or changes in actuarial assumptions and/or methods.

Indicator (3) **The ratio of the unfunded actuarial accrued liability to active member payroll** - an inflation adjusted funding level indicator. In a soundly financed Retirement System, the amount of the unfunded actuarial accrued liability will be controlled and prevented from increasing in the absence of benefit improvements. However, in an inflationary environment it is seldom practical to impose this control on dollar amounts which are depreciating in value. The ratio is a relative index of condition where inflation is present in both items. The ratio is expected to decrease over time but the basic trend may be interrupted by benefit improvements.

FUNDING PROGRESS INDICATORS - HISTORICAL COMPARISONS									
ALL GROUPS									
Valuation Date September 30	Number of		Indicator (1)	Indicator (2)			Indicator (3)		
	Active Members	Inactive Members	Exper. Gain (Loss)	Funding Value of Assets	AAL	Funded Ratio	Unfunded AAL	Active Member Payroll	Ratio to Payroll
1991	*	*	\$ (756)	\$ 46,830	\$ 53,410	88	\$ 6,580	\$ 12,287	-- %
1992	*	*	(530)	51,470	58,398	88	6,928	12,712	--
1993 (a)	*	*	2,632	57,089	61,692	93	4,603	12,443	--
1994	*	*	674	62,651	66,474	94	3,823	12,415	--
1995 (a)	*	*	4,437	70,326	72,339	97	2,013	12,543	--
1996	*	*	3,707	78,929	77,327	102	(1,602)	13,382	-- %
1997 #	*	*	5,135	88,697	86,042	103	(2,655)	14,092	--
1998 (a)	*	*	4,961	99,939	92,703	108	(7,236)	14,549	--
1999 (a)	*	*	7,056	113,770	98,866	115	(14,904)	14,422	--
2000 (a)	*	*	9,599	130,812	109,013	120	(21,799)	14,343	--
2001 (a)	338	402	(4,082)	148,052	131,036	113	(17,016)	15,816	--
2002	335	416	(20,118)	138,762	142,062	98	3,300	17,149	19
2003	351	409	(4,281)	141,889	151,643	94	9,754	18,781	52
2004 (a)	357	272	(5,077)	146,764	165,149	89	18,385	20,391	90
2005 (a)	365	283	(5,728)	154,010	184,192	84	30,182	22,137	136
2006	373	284	1,014	166,459	198,108	84	31,650	23,901	132
2007	365	301	9,423	185,370	208,401	89	23,030	23,604	98
2008	347	319	(7,553)	193,053	224,095	86	31,043	23,819	130
2009	355	329	(16,157)	193,222	242,054	80	48,832	25,889	189
2010	319	350	(3,629)	197,107	251,439	78	54,331	23,842	228
2011 (a)	288	371	4,596	196,700	228,323	86	31,623	21,290	149
2012 (a)	253	404	(5,571)	189,725	250,698	76	60,973	18,212	335
2013	257	431	(3,509)	190,413	256,518	74	66,105	16,823	393
2014 (a)	265	462	(1,096)	195,102	262,234	74	67,132	16,832	399
2015 (a)	263	480	(7,794)	203,456	289,918	70	86,461	16,767	516
2016	268	503	(2,649)	209,123	296,587	71	87,464	17,731	493
2016 (a)	268	503	(2,649)	209,123	305,560	68	96,437	17,731	544

Note: Dollar amounts are in thousands.

(a) After changes described in benefit provisions and/or actuarial assumptions and/or actuarial cost methods.

GASB Statement No. 25 basis.

FUNDING PROGRESS INDICATORS - HISTORICAL COMPARISONS GENERAL AND OCEAN RESCUE									
Valuation Date September 30	Number of		Indicator (1)	Indicator (2)			Indicator (3)		
	Active Members	Inactive Members	Exper. Gain (Loss)	Funding Value of Assets	AAL	Funded Ratio	Unfunded AAL	Active Member Payroll**	Ratio to Payroll
1991	*	*	\$ (756)	\$ 46,830	\$ 53,410	88 %	\$ 6,580	\$ 12,287	54 %
1992	*	*	(530)	51,470	58,398	88	6,928	12,712	54
1993 (a)	*	*	2,632	57,089	61,692	93	4,603	12,443	37
1994	*	*	674	62,651	66,474	94	3,823	12,415	31
1995 (a)	*	*	4,437	70,326	72,339	97	2,013	12,543	16
1996	214	214	3,707	78,929	77,327	102	(1,602)	13,382	--
1997 #	220	214	5,135	88,697	86,042	103	(2,655)	14,092	--
1998 (a)	224	223	4,961	99,939	92,703	108	(7,236)	14,549	--
1999 (a)	214	234	7,056	113,770	98,866	115	(14,904)	14,422	--
2000 @	212	118	3,385	49,616	39,588	125	(10,028)	8,113	--
2001 (a) @	218	124	(949)	56,060	48,675	115	(7,385)	8,752	--
2002	213	126	(8,273)	52,316	53,071	99	755	9,380	8
2003	221	122	(1,193)	53,798	56,652	95	2,854	10,223	28
2004	220	124	(2,100)	56,298	61,842	91	5,544	10,877	51
2005	219	130	(2,111)	59,589	67,882	88	8,294	11,552	72
2006	225	129	673	64,608	73,054	88	8,446	12,422	68
2007	222	140	3,448	72,161	77,632	93	5,470	12,697	43
2008	209	153	(4,614)	73,732	83,758	88	10,025	12,687	79
2009	212	160	(6,743)	72,370	89,658	81	17,288	13,304	130
2010	182	175	(1,368)	73,809	93,147	79	19,338	11,580	167
2011 (a)	168	189	3,882	74,247	82,974	89	8,728	10,926	80
2012 (a)	155	202	5,744	72,393	90,681	80	18,289	9,884	185
2013 (a)	160	209	871	73,853	91,884	80	18,031	9,698	186
2014 (a)	166	216	98	76,386	94,245	81	17,858	10,075	177
2015 (a)	162	229	(2,808)	79,003	106,024	75	27,021	9,856	274
2016	169	244	(22)	81,382	107,990	75	26,608	10,714	248
2016 (a)	169	244	(22)	81,382	110,667	74	29,285	10,714	273

Note: Dollar amounts are in thousands.

* Count between active and inactive members was not determined for valuations before 1996.

** Active Member Payroll includes Public Safety members for years before 9/30/2000.

(a) After changes described in benefit provisions and/or actuarial assumptions and/or actuarial cost methods.

GASB Statement No. 25 basis.

@ For the September 30, 2000 - 2010 valuations, Public Safety members are valued in a separate report.

FUNDING PROGRESS INDICATORS - HISTORICAL COMPARISONS									
POLICE OFFICERS									
Valuation Date September 30	Number of		Indicator (1)	Indicator (2)			Indicator (3)		
	Active Members	Inactive Members	Exper. Gain (Loss)	Funding Value of Assets	AAL	Funded Ratio	Unfunded AAL	Active Member Payroll**	Ratio to Payroll
1996	*	*	\$ 3,707	\$ 78,929	\$ 77,327	102 %	(\$1,602)	\$ 13,382	-- %
1997 #	*	*	5,135	88,697	86,042	103	(2,655)	14,092	--
1998 (a)	*	*	4,961	99,939	92,703	108	(7,236)	14,549	--
1999 (a)	*	*	7,056	113,770	98,866	115	(14,904)	14,422	--
2000 (a)@	*	*	6,214	81,196	69,425	117	(11,771)	6,230	--
2001 (a)@	62	140	(3,133)	91,992	82,361	112	(9,631)	7,064	--
2002	66	145	(11,845)	86,446	88,991	97	2,545	7,769	33
2003	67	144	(3,088)	88,091	94,991	93	6,900	8,558	81
2004 (a)&	70	70	(1,390)	46,386	51,605	90	5,219	5,070	103
2005 (a)	72	72	(330)	48,656	56,996	85	8,340	5,348	156
2006	74	75	631	52,614	60,835	86	8,220	5,769	142
2007	71	80	2,937	58,486	63,742	92	5,256	5,334	99
2008	65	83	(2,075)	61,668	68,525	90	6,857	5,309	129
2009	70	83	(4,392)	63,000	74,257	85	11,257	6,187	182
2010	68	85	(876)	64,079	76,694	84	12,614	6,043	209
2011 (a)	60	89	(420)	63,554	72,421	88	8,866	5,222	170
2012 (a)	47	102	(6,094)	61,028	80,129	76	19,101	4,241	450
2013	47	112	(2,357)	60,553	82,416	73	21,862	3,454	633
2014 (a)	49	120	(1,005)	61,819	84,624	73	22,805	3,354	680
2015 (a)	52	119	(2,602)	63,673	91,622	69	27,949	3,668	762
2016	48	120	649	65,428	92,236	71	26,807	3,559	753
2016 (a)	48	120	649	65,428	95,358	69	29,929	3,559	841

Note: Dollar amounts are in thousands.

* Count between active and inactive members was not determined for valuations before 2001.

** Active Member Payroll includes General and Life members for years before 9/30/2000 and Fire members for years before 9/30/2004.

(a) After changes described in benefit provisions and/or actuarial assumptions and/or actuarial cost methods.

GASB Statement No. 25 basis.

@ Excludes General and Lifeguard members (shown in separate report beginning 9/30/2000).

& Excludes Fire members (shown in separate report beginning 9/30/2004).

FUNDING PROGRESS INDICATORS - HISTORICAL COMPARISONS									
FIREFIGHTERS									
Valuation Date September 30	Number of		Indicator (1)	Indicator (2)			Indicator (3)		
	Active Members	Inactive Members	Exper. Gain (Loss)	Funding Value of Assets	AAL	Funded Ratio	Unfunded AAL	Active Member Payroll**	Ratio to Payroll
1996	*	*	\$ 3,707	\$ 78,929	\$ 77,327	102 %	(\$1,602)	\$ 13,382	-- %
1997 #	*	*	5,135	88,697	86,042	103	(2,655)	14,092	--
1998 (a)	*	*	4,961	99,939	92,703	108	(7,236)	14,549	--
1999 (a)	*	*	7,056	113,770	98,866	115	(14,904)	14,422	--
2000 (a)@	*	*	6,214	81,196	69,425	117	(11,771)	6,230	--
2001 (a)@	58	138	(3,133)	91,992	82,361	112	(9,631)	7,064	--
2002	56	145	(11,845)	86,446	88,991	97	2,545	7,769	33
2003	63	143	(3,088)	88,091	94,991	93	6,900	8,558	81
2004 (a)&	67	78	(1,587)	44,080	51,703	85	7,623	4,444	172
2005 (a)	74	81	(3,287)	45,765	59,314	77	13,548	5,237	259
2006	74	80	(290)	49,236	64,220	77	14,984	5,710	262
2007	72	81	3,038	54,723	67,027	82	12,304	5,573	221
2008	73	83	(864)	57,652	71,813	80	14,161	5,823	243
2009	73	86	(5,022)	57,852	78,139	74	20,287	6,398	317
2010	69	90	(1,385)	59,219	81,598	73	22,379	6,219	360
2011 (a)	60	93	1,134	58,899	72,928	81	14,029	5,142	273
2012 (a)	51	100	(5,221)	56,304	79,887	70	23,584	4,087	577
2013	50	110	(2,023)	56,007	82,218	68	26,211	3,671	714
2014 (a)	50	126	(189)	56,897	83,365	68	26,468	3,403	778
2015 (a)	49	132	(2,384)	60,781	92,272	66	31,491	3,243	971
2016	51	139	(3,276)	62,312	96,361	65	34,049	3,458	985
2016 (a)	51	139	(3,276)	62,312	99,535	63	37,223	3,458	1076

Note: Dollar amounts are in thousands.

* Count between active and inactive members was not determined for valuations before 2001.

** Active Member Payroll includes General and Life members for years before 9/30/2000 and Police members for years before 9/30/2004.

(a) After changes in benefit provisions and/or actuarial assumptions and/or actuarial cost methods.

GASB Statement No. 25 basis.

@ Excludes General and Ocean Rescue members (shown in separate report beginning 9/30/2000).

& Excludes Police members (shown in separate report beginning 9/30/2004).

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS												
Valuation Date	End of Year To Which Valuation Applies	Required Contributions							Actual Contributions			
		General & Ocean Rescue		Police Officers		Firefighters		Total	General & Ocean Rescue	Police Officers	Firefighters	Total
		Dollar Amount*	% of Payroll	Dollar Amount*	% of Payroll	Dollar Amount*	% of Payroll	Dollar Amount*				
9/30/2004	9/30/2006	\$ 2,105	17.86 %	\$ 1,943	35.36 %	\$ 1,796	39.34 %	\$ 5,844	\$ 2,008	\$ 2,010	\$ 1,701	\$ 5,719
9/30/2005	9/30/2007	2,415	19.29	2,382	42.25	2,609	45.97	7,406	2,417	2,399	2,610	7,426
9/30/2006	9/30/2008	2,615	19.43	2,593	41.47	2,875	46.47	8,083	2,615	2,596	2,875	8,086
9/30/2007	9/30/2009	2,420	17.59	2,330	40.32	2,709	44.86	7,459	2,420	2,330	2,709	7,459
9/30/2008	9/30/2010	2,616	19.03	2,491	43.30	2,997	47.50	8,104	2,616	2,491	2,997	8,104
9/30/2009	9/30/2011	3,075	21.33	3,054	45.56	3,540	51.06	9,669	3,075	2,496	2,919	8,490
9/30/2010	9/30/2012	955	7.72	1,290	19.98	1,563	23.54	3,808	811	1,235	1,415	3,461
9/30/2011	9/30/2013	1,349	12.84	1,257	25.04	1,371	27.72	3,977	1,415	1,257	1,371	4,043
9/30/2012	9/30/2014	1,994	19.16	1,882	42.14	2,040	47.41	5,916	2,019	1,979	2,072	6,070
9/30/2013	9/30/2015	2,014	19.49	2,145	56.62	2,224	57.20	6,383	2,008	2,145	2,224	6,377
9/30/2014	9/30/2016	2,066	19.48	2,233	63.23	2,286	63.78	6,585	2,992	3,115	3,270	9,377
9/30/2015	9/30/2017	2,578	24.84	2,643	68.42	2,629	77.00	7,850	---	---	---	---
9/30/2016	9/30/2018	2,884	25.66	2,871	76.87	3,122	86.06	8,877	---	---	---	---

Note: Dollar amounts are in thousands.

*Computed Dollar Contribution Based on Projected Payroll.

**RECOMMENDED CONTRIBUTIONS
COMPARATIVE STATEMENT**

Fiscal Year	Valuation Date Sept. 30	Public Contributions (Additional to Member Contributions) <u>% of Payroll Contributions</u>			
		General	Ocean Rescue	Police Officers	Firefighters
87/88	1986	12.65 %	18.96 %	21.58 %	21.58 %
88/89	1987	12.84	18.83	23.35	23.35
89/90	1988	13.50	20.31	23.34	23.34
90/91	1989	13.14	17.90	22.56	22.84
91/92	1990	15.42	20.12	25.00	26.06
92/93	1991	15.49	20.35	24.98	27.17
93/94	1992	15.41	20.50	25.35	28.86
94/95	1993	15.66	21.26	27.74	29.73
95/96	1994	15.76	19.90	28.24	32.83
96/97	1995	14.29	19.70	30.60	35.45
97/98	1996	12.87	18.82	29.03	34.32
98/99	1997	11.59	17.84	28.91	32.40
99/00	1998	12.08	16.50	25.97	30.13
00/01	1999	9.58	15.44	22.37	26.48
01/02	2000	6.14	10.81	12.71	15.11
02/03	2001	10.83	15.59	19.34	22.36
03/04	2002	15.85	16.97	30.74	34.45
04/05	2003	16.75	22.39	33.09	36.75
05/06	2004	17.66	24.39	35.36	39.34
06/07	2005	19.01	27.09	42.25	45.97
07/08	2006	19.15	27.15	41.47	46.47
08/09	2007	17.35	25.81	40.32	44.86
09/10	2008	18.71	31.42	43.30	47.50
10/11	2009	20.95	33.37	45.56	51.06
11/12	2010	23.34	41.71	19.98	53.12
12/13	2011	11.87	63.59	25.04	27.72
13/14	2012	18.15	68.04	42.14	47.41
14/15	2013	18.39	71.93	56.62	57.20
15/16	2014	18.37	72.32	63.23	63.78
16/17	2015	23.61	109.09	68.42	77.00
17/18 (b)	2016	22.55	95.79	70.38	79.37
17/18 (a)	2016	24.44	103.25	76.87	86.06

(a) After changes in benefit provisions and/or actuarial assumptions and/or actuarial cost methods.

(b) Before changes described in benefit provisions and/or actuarial assumptions and/or actuarial cost methods.

ACTUARIAL ASSUMPTIONS AND COST METHOD

Funding objective contribution requirements and actuarial present values are calculated by applying estimates of future Plan activities (actuarial assumptions) to the benefit provisions and people information of the System, using the actuarial cost method described on the following page.

The principal areas of activity which require assumptions are:

- long-term rates of investment return to be generated by the assets of the System
- patterns of pay increases to members
- rates of mortality among members, retirees and beneficiaries
- rates of withdrawal of active members
- rates of disability among active members
- the age patterns of actual retirement

In a valuation, the monetary effect of each activity is calculated for as long as a present covered person survives - - - a period of time which can be as long as a century.

Actual activities of the system will not coincide exactly with assumed activities due to the nature of the activities. Each valuation provides a complete recalculation of assumed future activities and takes into account the effect of differences between assumed and actual activities to date. The result is a continual series of adjustments (usually small) to the computed contribution rate.

From time-to-time one or more of the assumptions are modified to reflect experience trends (but not random or temporary year-to-year fluctuations).

Actuarial Assumptions are established by the Board after consulting with the actuary. The reasonableness of the economic assumptions are based upon capital market expectations provided by various investment consultants and other sources such as the Social Security Trustees report. All actuarial assumptions are based on future expectations, not market measures.

These assumptions are used, in combination with the other assumptions, to (i) determine the present value of amounts expected to be paid in the future and (ii) establish rates of contribution which are expected to remain relatively level as a percent of active member payroll.

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 dates of expected 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 were amortized as a level (principal & interest combined) percent of payroll over a prescribed period of up to 30 years. The payroll growth assumption is 3.25% for purposes of compliance with F.S. 112.64(5). The payroll growth assumption was 3.5% in the prior valuation. The payroll growth assumption will be further reduced by 0.25% in each of the next 2 years until it reaches 2.75%.

Funding Value of Assets - The Funding Value of Assets phases in the difference between the expected investment earnings and actual investment earnings at the rate of 20% per year. The Funding 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, the Funding Value of Assets will tend to be less than the Market Value. During periods when investment performance is less than assumed rate, the Funding Value of Assets will tend to be greater than the Market Value.

Valuation Assumptions

The actuarial assumptions used in the valuation are shown in this Section. The active group is too small to provide statistically significant experience on which to base certain demographic assumptions. Mortality is based on a commonly used fully generational table and projection scale that is mandated by Florida Statutes.

Economic Assumptions

The investment return rate assumed in the valuation is 7.40% per year, compounded annually (net after investment expenses). The investment return assumption was 7.5% in the prior valuation. The investment return will further be reduced by 0.1% each year until reaching a target rate of 7.0%.

The **Inflation Rate** assumed in this valuation was 3.00% per year. This is the rate at which growth in the supply of money and credit is assumed to exceed growth in the supply of goods and services. It may be thought of as the rate of depreciation of the purchasing power of the dollar. There are a number of indices for measuring the inflation rate. The recent inflation rate, as measured by the Consumer Price Index, has been:

	Year Ended September 30					Average for Period
	2016	2015	2014	2013	2012	
Actual	1.5%	0.0%	1.7%	1.2%	2.0%	1.3%
Assumed	3.0%	3.0%	3.0%	3.0%	4.0%	3.2%

The assumed **real rate of return** over inflation is defined to be the portion of total investment return that is more than the assumed inflation rate. This is the rate of return assumed to be produced by investing a pool of assets in an inflation-free environment. Considering other economic assumptions, the 7.40% investment return rate translates to an assumed real rate of return over inflation of 4.40%.

The active member population is assumed to remain constant.

The rate of salary increase used for individual members is 3.5% per year. Part of this assumption is for merit and/or seniority increases, and 3.0% recognizes inflation, productivity increases, and other macroeconomic forces. This assumption is used to project a member's current salary to the salaries upon which benefits will be based.

Demographic Assumptions

The mortality table is the RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For General Employee males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For Ocean Rescue, Police Officer and Firefighter males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Regular and Special Risk Class members of the Florida Retirement System (FRS), as mandated by Florida House Bill 1309.

Healthy Post-Retirement Mortality

General Employees

Sample Ages in 2016	Value of		Future Life	
	\$1 Monthly for Life		Expectancy (Years)	
	Men	Women	Men	Women
50	\$145.19	\$150.98	34.55	38.21
55	139.34	145.20	29.92	33.19
60	130.96	137.57	25.25	28.29
65	120.06	127.65	20.73	23.56
70	106.70	115.49	16.49	19.10
75	91.18	101.25	12.64	15.04
80	74.50	85.34	9.33	11.43

Ocean Rescue, Police Officers and Firefighters

Sample Ages in 2016	Value of		Future Life	
	\$1 Monthly for Life		Expectancy (Years)	
	Men	Women	Men	Women
50	\$143.85	\$150.98	33.78	38.21
55	137.42	145.20	29.14	33.19
60	128.85	137.57	24.56	28.29
65	117.95	127.65	20.17	23.56
70	104.67	115.49	16.05	19.10
75	89.49	101.25	12.34	15.04
80	73.34	85.34	9.15	11.43

This assumption is used to measure the probabilities of each benefit payment being made after retirement.

Healthy Pre-Retirement Mortality

General Employees				
Sample Ages in 2016	Value of		Future Life	
	\$1 Monthly for Life		Expectancy (Years)	
	Men	Women	Men	Women
50	\$148.16	\$151.97	35.47	38.56
55	140.95	145.97	30.35	33.42
60	131.70	138.00	25.42	28.40
65	120.25	127.78	20.77	23.58
70	106.70	115.49	16.49	19.10
75	91.18	101.25	12.64	15.04
80	74.50	85.34	9.33	11.43

Ocean Rescue, Police Officers and Firefighters				
Sample Ages in 2016	Value of		Future Life	
	\$1 Monthly for Life		Expectancy (Years)	
	Men	Women	Men	Women
50	\$146.99	\$151.97	34.77	38.56
55	139.36	145.97	29.65	33.42
60	129.77	138.00	24.77	28.40
65	118.18	127.78	20.21	23.58
70	104.67	115.49	16.05	19.10
75	89.49	101.25	12.34	15.04
80	73.34	85.34	9.15	11.43

This assumption is used to measure the probabilities of active members dying prior to retirement.

For disabled retirees, the mortality table used for General Employees was the RP-2000 for Disabled Annuitants, set-forward 4 years for males and set-back 2 years for females; and for Ocean Rescue, Police Officers and Firefighters, 60% of the RP-2000 for Disabled Annuitants set forward 2 years for females and setback for 4 years for males and 40% of the RP-2000 Annuitant Mortality Table with a White Collar adjustment and no age setback, both with no provision being made for future mortality improvement. These are the same rates currently in use for Regular and Special Risk Class members of the Florida Retirement System (FRS), as mandated by Florida House Bill 1309.

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

For Grandfathered General and Ocean Rescue:

Retirement Ages	Percent Retiring		Early Retirement Ages	Percent Retiring	
	General	Ocean Rescue		General	
45 - 49	N/A	25%		N/A	
50	15%	25	50	5%	
51 - 54	10	25	51 - 54	5	
55 - 59	15	25			
60	15	50			
61	15	60			
62	30	70			
63	15	80			
64	15	90			
65	60	100			
66	30				
67	40				
68	50				
69	90				
70	100				

For Grandfathered Police Officers and Firefighters:

Age & Service		Rule of 65		Service Based	
Retirement Ages	Percent Retiring	Age Plus Service	Percent Retiring	Service Based	Percent Retiring
50 - 59	70%	65 - 69	70%	20 - 24	70%
60	100	70	100	25	100

For Non-Grandfathered Employees:

Retirement Ages	Percent Retiring General, Ocean Rescue, and Bargaining Fire	Early Retirement Ages	Percent Retiring General
65	100%	60 - 64	5%

Retirement Ages	Percent Retiring Police and Non-Bargaining Firefighters
56	70%
57	70%
58	70%
59	70%
60	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). This assumption measures the probabilities of members separating from employment.

Percent Separating Within Next Year				Percent Separating Within Next Year	
Sample Ages	Years of Service	General	Police and Non-Bargaining Fire	Years of Service	Ocean Rescue and Bargaining Fire
ALL	0	40.00 %	15.00 %	0	20.00 %
	1	25.00	10.00	1	17.50
	2	15.00	8.00	2	15.00
	3	10.00	7.00	3	12.50
	4	7.00	6.00	4	10.00
20	5 & Over	6.00	5.00	5	9.00
25		6.00	5.00	6	8.00
30		5.50	4.50	7	7.00
35		4.40	3.55	8	6.00
40		1.85	1.45	9	5.00
45		1.25	0.75	10	4.00
50		1.25	0.75	11	3.00
55		1.25	0.75	12	2.00
60		1.25	0.75	13 & Over	2.00

Note: Frozen plan A benefits are valued assuming 10% separation per year after the first 4 years to better model the earlier benefit commencement eligibility applicable to Plan A benefits.

Rates of disability measures the probabilities of active members becoming disabled. (For General Employees 25% of disabilities are assumed to be service-connected, and for Ocean Rescue, Police Officers and Firefighters 50% of disabilities are assumed to be service-connected).

Sample Ages	Percent Becoming Disabled Within Next Year	
	Men	Women
20	0.07 %	0.03 %
25	0.09	0.05
30	0.10	0.07
35	0.14	0.13
40	0.21	0.19
45	0.32	0.28
50	0.52	0.45
55	0.92	0.76
60	1.53	1.10
65	1.65	0.98

Changes from previous valuation

- The assumed investment return was lowered from 7.5% to 7.4% per year, compounded annually, net after investment expenses.
- The payroll growth rate assumption was lowered from 3.5% to 3.25%.
- The mortality assumption was changed from the RP-2014 Healthy Annuitant Mortality Table for males and females projected to 2017 using the MP-2014 projection scale for General Employees and the RP-2014 Blue Collar Healthy Annuitant Mortality Table for males and females projected to 2017 using the MP-2014 projection scale for Ocean Rescue, Police Officers and Firefighters to the mortality assumption used by the Florida Retirement System (FRS) for Regular and Special Risk Class members in its July 1, 2016 actuarial valuation report. This change was made in compliance with Florida House Bill 1309, which requires all public pension plans in Florida to use the same mortality tables used in either of the last two actuarial valuation reports of FRS effective no later than October 1, 2016.

Miscellaneous and Technical Assumptions

<i>Administrative & Investment Expenses</i>	Administrative expenses are reimbursed on a retrospective basis by an addition to the Town contribution rate. Investment expenses are an offset against total investment income. Assumed administrative expenses are added to the Normal Cost.
<i>Benefit Service</i>	Exact fractional service is used to determine the amount of benefit payable.
<i>Decrement Operation</i>	Disability and mortality decrements do not operate during the first 5 years of service. Disability and withdrawal do not operate during retirement eligibility.
<i>Decrement Relativity</i>	Decrement rates are used directly, without adjustment for multiple decrement table effects.
<i>Decrement Timing</i>	Decrements of all types are assumed to occur at the middle of the year.
<i>Earnings</i>	Earnings reported for the actuarial valuation include all amounts included in average earnings for benefit purposes.
<i>Eligibility Testing</i>	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
<i>Forfeitures</i>	For vested separations from service, it is assumed that members separating will only withdraw their contributions and forfeit an employer financed benefit if the value of their accumulated contributions exceeds the present value of their deferred monthly benefit. It was further assumed that the liability at termination is the greater of the vested deferred benefit (if any) or the member's accumulated contributions.
<i>Incidence of Contributions</i>	Employer contributions and Member contributions are assumed to be received continuously throughout the year based upon the computed percentages of payroll shown in this report, and the actual payroll payable at the time contributions are made. New entrant normal cost contributions are applied to the funding of new entrant benefits.
<i>Lump Sum Payments</i>	Lump sum payments for unused accumulated leave time are excluded in determining pension amounts pursuant to the Town of Palm Beach Code of Ordinances.
<i>Marriage Assumption</i>	90% of males and 90% of females are assumed to be married for purposes of death-in-service benefits. Males are assumed to be three years older than their spouses for active member valuation purposes.
<i>Member Contributions</i>	Member contributions are based upon the percentages of payroll shown in this report. Police officers and non-bargaining firefighters are assumed to contribute at a rate of 10%.

<i>Normal Form of Benefit</i>	The assumed normal form of benefit is the straight life form for Plan B benefits, and 75% joint and survivor (with 10 years certain) for Plan A benefits.
<i>Option Factors</i>	Actuarially reduced Plan B benefits use the RP-2000 Mortality Table with a 7.50% interest rate assumption.
<i>Pay Increase Timing</i>	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.
<i>Service Credit Accruals</i>	It is assumed that members accrue one year of service credit per year.

GLOSSARY

<i>Accrued Service</i>	Service credited under the System which was rendered before the date of the actuarial valuation.
<i>Actuarial Accrued Liability (AAL)</i>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs. Also referred to as "Accrued Liability" or "Past Service Liability."
<i>Actuarial Assumptions</i>	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members; and other items.
<i>Actuarial Cost Method</i>	A mathematical budgeting procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability. Sometimes referred to as the "Actuarial Valuation Cost Method."
<i>Actuarial Equivalent</i>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<i>Actuarial Present Value (APV)</i>	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made. Also referred to as "Present Value."
<i>Actuarial Present Value of Future Benefits (APVFB)</i>	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits, and inactive, nonretired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
<i>Actuarial Valuation</i>	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB, such as the Funded Ratio and the Actuarially Determined Contribution (ADC).

<i>Amortization Method</i>	A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the rate at which total covered payroll of all active members is assumed to increase.
<i>Amortization Payment</i>	That portion of the plan contribution or ADC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
<i>Amortization Period</i>	The period used in calculating the Amortization Payment.
<i>Actuarially Determined Contribution (ADC)</i>	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under GASB. The ADC consists of the Employer Normal Cost and Amortization Payment.
<i>Closed Amortization Period</i>	A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.
<i>Employer Normal Cost</i>	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
<i>Equivalent Single Amortization Period</i>	For plans that do not establish separate amortization bases (separate components of the UAAL), this is the same as the Amortization Period. For plans that do establish separate amortization bases, this is the period over which the UAAL would be amortized if all amortization bases were combined upon the current UAAL payment.
<i>Experience Gain/Loss</i>	A measure of the difference between the normal cost rate from last year and the normal cost rate from this year.
<i>Funded Ratio</i>	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
<i>Funding Value of Assets</i>	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially determined contribution (ADC). Also referred to as "Actuarial Value of Assets", "Smoothed Market Value of Assets", or "Valuation Assets".
<i>GASB</i>	Governmental Accounting Standards Board.

<i>GASB No. 67 and GASB No. 68</i>	These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
<i>Normal Cost</i>	The annual cost assigned, under the Actuarial Cost Method, to the current plan year. Sometimes referred to as "Current Service Cost."
<i>Open Amortization Period</i>	An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. In other words, if the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never completely disappear, but will become smaller each year, either as a dollar amount or in relation to covered payroll.
<i>Unfunded Actuarial Accrued Liability</i>	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets. Sometimes referred to as "Unfunded Past Service Liability," "Unfunded Accrued Liability" or "Unfunded Supplemental Present Value."
<i>Valuation Date</i>	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

SECTION C
PENSION FUND INFORMATION

Statement of Total Plan Assets at Market Value

Item	September 30				2015
	2016				
	<u>Total</u>	<u>General & Ocean Rescue</u>	<u>Police Officers</u>	<u>Firefighters</u>	<u>Total</u>
A. Cash and Cash Equivalents (Operating Cash)	\$ 2,289,280	\$ 893,427	\$ 716,011	\$ 679,842	\$ 1,771,273
B. Investments, at Fair Value					
1. Domestic Equity Funds	\$ 36,446,362	\$ 14,223,764	\$ 11,399,217	\$ 10,823,381	\$ 37,942,768
2. Fixed Income	40,185,497	15,683,021	12,568,694	11,933,782	45,741,364
3. Alternative	24,685,138	9,633,762	7,720,695	7,330,681	24,603,825
4. International Equity	53,446,990	20,858,527	16,716,450	15,872,013	48,143,538
5. Private Equity Funds	15,970,409	6,232,702	4,995,016	4,742,691	13,884,187
6. Commodities	-	-	-	-	5,085,223
7. Real Estate Funds	21,056,249	8,217,532	6,585,698	6,253,019	14,714,927
8. Mutual Funds - DROP	-	-	-	-	-
9. Total Investments	\$ 191,790,645	\$ 74,849,308	\$ 59,985,770	\$ 56,955,567	\$ 190,115,832
C. Prepaid Expenses:	\$ 24,499	\$ 9,562	\$ 7,662	\$ 7,275	\$ 59,996
D. Receivables:					
1. Town Contribution	\$ 2,500,000	\$ 781,299	\$ 808,140	\$ 910,561	\$ -
2. Due from Brokers	134,221	52,382	41,980	39,859	139,866
3. Interest Receivable	21,897	8,545	6,849	6,503	26,821
4. Total Receivables	\$ 2,656,118	\$ 842,226	\$ 856,969	\$ 956,923	\$ 166,687
E. Liabilities					
1. Accounts Payable and Accrued Expenses	\$ 121,687	\$ 47,490	\$ 38,060	\$ 36,137	\$ 804,924
2. Due to Brokers	128,175	50,022	40,089	38,064	55,740
3. Due to General Fund	-	-	-	-	-
4. Prepaid Town Contributions	-	-	-	-	488,634
5. Total Liabilities	\$ 249,862	\$ 97,512	\$ 78,149	\$ 74,201	\$ 1,349,298
F. Total Market Value of Assets	\$ 196,510,680	\$ 76,497,011	\$ 61,488,263	\$ 58,525,406	\$ 190,764,490

Reconciliation of Plan Assets by Benefit Group

<u>Item</u>	<u>September 30</u>					<u>2015</u>
	<u>2016</u>					
	<u>Total</u>	<u>General</u>	<u>Ocean Rescue</u>	<u>Police Officers</u>	<u>Firefighters</u>	<u>Total</u>
A. Market Value of Assets at Beginning of Year	\$ 190,764,490	\$ 70,948,978	\$ 3,470,558	\$59,516,573	\$ 56,828,381	\$ 216,001,372
B. Revenues and Expenditures						
1. Contributions						
a. Member Contributions	\$ 541,133	\$ 284,732	\$ 4,585	\$ 122,231	\$ 129,585	\$ 636,580
b. Town Contributions	8,888,290	2,617,876	210,422	2,956,901	3,103,091	5,626,652
c. State Contributions (Chapter 175/185)	-	-	-	-	-	-
d. Prepaid Contribution	488,633	153,109	10,501	158,034	166,989	750,000
e. Total	\$ 9,918,056	\$ 3,055,717	\$ 225,508	\$ 3,237,166	\$ 3,399,665	\$ 7,013,232
2. Investment Income						
a. Interest, Dividends, and Other Income	\$ 1,381,753	\$ 513,874	\$ 25,424	\$ 432,074	\$ 410,381	\$ 1,787,349
b. Net Appreciation in Fair Value of Investments	13,248,261	4,925,893	243,723	4,142,072	3,936,573	(9,614,644)
c. Investment Expenses	(571,519)	(212,801)	(10,263)	(178,714)	(169,741)	(614,259)
d. Net Investment Income	\$ 14,058,495	\$ 5,226,966	\$ 258,884	\$ 4,395,432	\$ 4,177,213	\$ (8,441,554)
3. Benefits and Refunds						
a. Regular Monthly Benefits	\$ (15,587,355)	\$ (5,603,901)	\$ (319,496)	\$ (4,769,649)	\$ (4,894,309)	\$ (14,203,994)
b. Refunds	(131,440)	(37,241)	-	(27,651)	(66,548)	(128,899)
c. DROP & share account distributions/expenses	(2,061,171)	(553,392)	-	(722,657)	(785,122)	(9,028,192)
d. Other	-	-	-	-	-	-
e. Total	\$ (17,779,966)	\$ (6,194,534)	\$ (319,496)	\$ (5,519,957)	\$ (5,745,979)	\$ (23,361,085)
4. Administrative and Miscellaneous Expenses	\$ (450,395)	\$ (167,276)	\$ (8,294)	\$ (140,951)	\$ (133,874)	\$ (447,475)
C. Market Value of Assets at End of Year	\$ 196,510,680	\$ 72,869,851	\$ 3,627,160	\$ 61,488,263	\$ 58,525,406	\$ 190,764,490

Reserve Accounts*

	<u>September 30, 2016</u>	<u>September 30, 2015</u>
Employees' contributions (Members' Saving Fund):		
General	\$ 5,463,252	\$ 6,097,952
Ocean Rescue	79,256	152,960
Police Officers	1,998,905	2,361,217
Firefighters	1,338,015	1,628,662
Totals	\$ 8,879,428	\$ 10,240,791
Employer contributions (Employer Reserve Fund):		
General	(14,648,954)	(11,833,670)
Ocean Rescue	(2,137,221)	(1,664,087)
Police Officers	(22,477,830)	(19,873,483)
Firefighters	(36,284,097)	(29,353,307)
Totals	\$ (75,548,102)	\$ (62,724,547)
Retired members and beneficiaries (Retirement Reserve Fund):		
General	80,538,286	75,774,962
Ocean Rescue	5,679,378	4,981,685
Police Officers	79,561,676	74,019,388
Firefighters	87,660,664	81,198,591
Totals	\$ 253,440,004	\$ 235,974,626
Inactive members (Deferred Retirement Fund):		
General	1,517,267	909,734
Ocean Rescue	5,747	-
Police Officers	2,405,512	3,009,451
Firefighters	5,810,824	3,354,435
Totals	\$ 9,739,350	\$ 7,273,620
Total		
General	72,869,851	70,948,978
Ocean Rescue	3,627,160	3,470,558
Police Officers	61,488,263	59,516,573
Firefighters	58,525,406	56,828,381
Totals	\$ 196,510,680	\$ 190,764,490

* Before transfers in accordance with Section 82-82(b) of Retirement Ordinance. For Police Officers and Firefighters, all reserve accounts are available for funding.

Funding Value of Retirement System Assets by Benefit Group

Valuation Date – September 30, 2016	General & Ocean Rescue	Police Officers	Firefighters	Total
A. Funding Value Beginning of Year	\$79,002,801	\$ 63,672,679	\$60,780,891	\$203,456,371
B. Market Value End of Year	76,497,011	61,488,263	58,525,406	\$196,510,680
C. Market Value Beginning of Year	74,419,536	59,516,573	56,828,381	\$190,764,490
D. Non-Investment/Administrative Net Cash Flow	(3,408,375)	(2,423,742)	(2,480,188)	(8,312,305)
E. Investment Income				
E1. Actual Market Total: B-C-D	5,485,850	4,395,432	4,177,213	\$14,058,495
E2. Assumed Rate of Return	7.50%	7.50%	7.50%	7.50%
E3. Amount for Immediate Recognition	5,768,097	4,654,255	4,431,414	14,853,766
E4. Amount Subject to Phase-In: E1–E3	(282,247)	(258,823)	(254,201)	(795,271)
F. Phased-In Recognition of Investment Income				
F1. Current Year: 0.2 x E4	(56,449)	(51,765)	(50,840)	(159,054)
F2. First Prior Year	(1,830,648)	(1,480,244)	(1,386,527)	(4,697,419)
F3. Second Prior Year	27,081	66,880	7,666	101,627
F4. Third Prior Year	778,658	573,879	560,825	1,913,362
F5. Fourth Prior Year	1,100,769	416,475	448,948	1,966,192
F6. Total Phase-Ins	19,411	(474,775)	(419,928)	(875,292)
G. Funding Value End of Year				
G1. Preliminary Funding Value End of Year: A + D + E3 + F6	81,381,934	65,428,417	62,312,189	209,122,540
G2. Upper Corridor Limit: 120% *B	91,796,413	73,785,916	70,230,487	235,812,816
G3. Funding Value End of Year	81,381,934	65,428,417	62,312,189	209,122,540
H. Difference between Market & Funding Value	(4,884,923)	(3,940,154)	(3,786,783)	(12,611,860)
I. Funding Value Rate of Return	7.53%	6.73%	6.79%	7.06%
J. Recognized Rate of Investment Expenses	0.29%	0.29%	0.29%	0.29%
K. Market Value Rate of Return	7.59%	7.59%	7.58%	7.58%
L. Ratio of Funding Value to Market Value	106.4%	106.4%	106.5%	106.4%

**Funding Value of Retirement System Assets
General and Ocean Rescue**

Valuation Date – September 30,	2015	2016	2017	2018	2019	2020
A. Funding Value Beginning of Year	\$81,384,340	\$79,002,801				
B. Market Value End of Year	74,419,536	76,497,011				
C. Market Value Beginning of Year	84,908,713	74,419,536				
D. Non-Investment/Administrative Net Cash Flow	(7,170,857)	(3,408,375)				
E. Investment Income						
E1. Actual Market Total: B-C-D	(3,318,320)	5,485,850				
E2. Assumed Rate of Return	7.50%	7.50%				
E3. Amount for Immediate Recognition	5,834,918	5,768,097				
E4. Amount Subject to Phase-In: E1–E3	(9,153,238)	(282,247)				
F. Phased-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	(1,830,648)	(56,449)				
F2. First Prior Year	27,081	(1,830,648)	(56,449)			
F3. Second Prior Year	778,658	27,081	(1,830,648)	(56,449)		
F4. Third Prior Year	1,100,769	778,658	27,081	(1,830,648)	(56,449)	
F5. Fourth Prior Year	(1,121,460)	1,100,769	778,658	27,081	(1,830,649)	(56,451)
F6. Total Phase-Ins	(1,045,600)	19,411	(1,081,358)	(1,860,016)	(1,887,098)	(56,451)
G. Funding Value End of Year						
G1. Preliminary Funding Value End of Year: A + D + E3 + F6	79,002,801	81,381,934				
G2. Upper Corridor Limit: 120%*B	89,303,443	91,796,413				
G3. Funding Value End of Year	79,002,801	81,381,934				
H. Difference between Market & Funding Value	(4,583,265)	(4,884,923)				
I. Funding Value Rate of Return	6.16%	7.53%				
J. Recognized Rate of Investment Expenses	0.31%	0.29%				
K. Market Value Rate of Return	-4.08%	7.59%				
L. Ratio of Funding Value to Market Value	106.2%	106.4%				

The Funding Value of Assets recognizes assumed investment income (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, the Funding Value of Assets will tend to be less than Market Value. During periods when investment performance is less than the assumed rate, the Funding Value of Assets will tend to be greater than Market Value. If assumed rates are exactly realized for 4 consecutive years, it will become equal to Market Value.

**Funding Value of Retirement System Assets
Police Officers**

Valuation Date – September 30,	2015	2016	2017	2018	2019	2020
A. Funding Value Beginning of Year	\$66,161,898	\$63,672,679				
B. Market Value End of Year	59,516,573	61,488,263				
C. Market Value Beginning of Year	68,013,491	59,516,573				
D. Non-Investment/Administrative Net Cash Flow	(5,838,882)	(2,423,742)				
E. Investment Income						
E1. Actual Market Total: B-C-D	(2,658,036)	4,395,432				
E2. Assumed Rate of Return	7.50%	7.50%				
E3. Amount for Immediate Recognition	4,743,184	4,654,255				
E4. Amount Subject to Phase-In: E1–E3	(7,401,220)	(258,823)				
F. Phased-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	(1,480,244)	(51,765)				
F2. First Prior Year	66,880	(1,480,244)	(51,765)			
F3. Second Prior Year	573,879	66,880	(1,480,244)	(51,765)		
F4. Third Prior Year	416,475	573,879	66,880	(1,480,244)	(51,765)	
F5. Fourth Prior Year	(970,511)	416,475	573,879	66,880	(1,480,247)	(51,763)
F6. Total Phase-Ins	(1,393,521)	(474,775)	(891,250)	(1,465,129)	(1,532,012)	(51,763)
G. Funding Value End of Year						
G1. Preliminary Funding Value End of Year: A + D + E3 + F6	63,672,679	65,428,417				
G2. Upper Corridor Limit: 120% * B	71,419,888	73,785,916				
G3. Funding Value End of Year	63,672,679	65,428,417				
H. Difference between Market & Funding Value	(4,156,106)	(3,940,154)				
I. Funding Value Rate of Return	5.30%	6.73%				
J. Recognized Rate of Investment Expenses	0.31%	0.29%				
K. Market Value Rate of Return	-4.08%	7.59%				
L. Ratio of Funding Value to Market Value	107.0%	106.4%				

The Funding Value of Assets recognizes assumed investment income (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, the Funding Value of Assets will tend to be less than Market Value. During periods when investment performance is less than the assumed rate, the Funding Value of Assets will tend to be greater than Market Value. If assumed rates are exactly realized for 4 consecutive years, it will become equal to Market Value.

**Funding Value of Retirement System Assets
Firefighters**

Valuation Date – September 30,	2015	2016	2017	2018	2019	2020
A. Funding Value Beginning of Year	\$61,458,654	\$60,780,891				
B. Market Value End of Year	56,828,381	58,525,406				
C. Market Value Beginning of Year	63,079,168	56,828,381				
D. Non-Investment/Administrative Net Cash Flow	(3,785,589)	(2,480,188)				
E. Investment Income						
E1. Actual Market Total: B-C-D	(2,465,198)	4,177,213				
E2. Assumed Rate of Return	7.50%	7.50%				
E3. Amount for Immediate Recognition	4,467,439	4,431,414				
E4. Amount Subject to Phase-In: E1–E3	(6,932,637)	(254,201)				
F. Phased-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	(1,386,527)	(50,840)				
F2. First Prior Year	7,666	(1,386,527)	(50,840)			
F3. Second Prior Year	560,825	7,666	(1,386,527)	(50,840)		
F4. Third Prior Year	448,948	560,825	7,666	(1,386,527)	(50,840)	
F5. Fourth Prior Year	(990,525)	448,948	560,825	7,666	(1,386,525)	(50,841)
F6. Total Phase-Ins	(1,359,613)	(419,928)	(868,876)	(1,429,701)	(1,437,365)	(50,841)
G. Funding Value End of Year						
G1. Preliminary Funding Value End of Year: A + D + E3 + F6	60,780,891	62,312,189				
G2. Upper Corridor Limit: 120% * B	68,194,057	70,230,487				
G3. Funding Value End of Year	60,780,891	62,312,189				
H. Difference between Market & Funding Value	(3,952,510)	(3,786,783)				
I. Funding Value Rate of Return	5.22%	6.79%				
J. Recognized Rate of Investment Expenses	0.30%	0.29%				
K. Market Value Rate of Return	-4.03%	7.58%				
L. Ratio of Funding Value to Market Value	107.0%	106.5%				

The Funding Value of Assets recognizes assumed investment income (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, the Funding Value of Assets will tend to be less than Market Value. During periods when investment performance is less than the assumed rate, the Funding Value of Assets will tend to be greater than Market Value. If assumed rates are exactly realized for 4 consecutive years, it will become equal to Market Value.

INVESTMENT RETURN

The approximate annual rates of investment return have been calculated on two bases and are shown below:

Year Ending September 30th	Investment Rate of Return	
	Market Value	Funding Value
1999	13.3	13.9
2000	16.5	20.0
2001	(6.1)	6.8
2002	(10.1)	(4.1)
2003	17.7	4.4
2004	10.5	4.9
2005	11.4	5.6
2006	7.9	8.4
2007	14.1	11.3
2008	(15.6)	4.2
2009	(1.6)	1.2
2010	8.2	3.1
2011	0.1	1.5
2012	15.3	1.3
2013	13.0	6.3
2014	7.2	7.7
2015	(4.1)	5.6
2016	7.6	7.1
Average Returns:		
Last 5 Years	7.6 %	5.6 %
Last 10 Years	4.0 %	4.9 %
All Years	5.4 %	5.9 %

Recent real investment return for the Retirement System has been:

General and Ocean Rescue						
Year Ended September 30						
	2016	2015	2014	2013	2012	Average for Period
Net Rate of Return	7.5 %	6.2 %	8.5 %	7.7 %	1.9 %	6.4 %
less inflation rate	1.5	0.0	1.7	1.2	2.0	1.3
Net Real Rate of Return	6.0	6.2	6.8	6.5	(0.1)	5.1
Assumed Real Rate	4.5 %	4.5 %	4.5 %	4.5 %	4.0 %	4.4 %
Assumed Net Rate	7.5 %	7.5 %	7.5 %	7.5 %	8.0 %	7.6 %

Police Officers						
Year Ended September 30						
	2016	2015	2014	2013	2012	Average for Period
Net Rate of Return	6.7%	5.3%	7.1%	5.1%	0.9%	5.0%
less inflation rate	1.5	0.0	1.7	1.2	2.0	1.3
Net Real Rate of Return	5.2	5.3	5.4	3.9	(1.1)	3.7
Assumed Real Rate	4.5%	4.5%	4.5%	4.5%	4.0%	4.4%
Assumed Net Rate	7.5%	7.5%	7.5%	7.5%	8.0%	7.6%

Firefighters						
Year Ended September 30						
	2016	2015	2014	2013	2012	Average for Period
Net Rate of Return	6.8%	5.2%	7.2%	5.7%	0.9%	5.2%
less inflation rate	1.5	0.0	1.7	1.2	2.0	1.3
Net Real Rate of Return	5.3	5.2	5.5	4.5	(1.1)	3.9
Assumed Real Rate	4.5%	4.5%	4.5%	4.5%	4.0%	4.4%
Assumed Net Rate	7.5%	7.5%	7.5%	7.5%	8.0%	7.6%

The total investment return rate was computed using the approximate formula $i = I$ divided by $1/2 (A + B - I)$, where I is actual realized investment income plus market value adjustments, A is the beginning of year asset value, and B is the end of year asset value.

The preceding investment return rates reflect the particular characteristics of these Retirement Systems and should not be used to measure an investment advisor's performance or for comparison with other retirement systems. Such use will usually mislead.

SECTION D
FINANCIAL ACCOUNTING INFORMATION

ASC 960 INFORMATION							
A. Valuation Date	September 30, 2016						September 30, 2015 [#]
B. Actuarial Present Value of Accumulated Plan Benefits		<i>General and Ocean Rescue</i>			<i>Police Officers</i>	<i>Firefighters</i>	
	<i>Total</i>	<i>General</i>	<i>Ocean Rescue</i>	<i>Subtotal</i>			<i>Total</i>
1. Vested Benefits							
a. Members Currently Receiving Payments	\$ 253,440,004	80,538,286	\$ 5,679,378	86,217,664	\$ 79,561,676	\$ 87,660,664	\$ 235,975,000
b. Terminated Vested Members	9,739,350	1,517,267	5,747	1,523,014	2,405,512	5,810,824	7,274,000
c. Other Members	37,546,290	19,460,035	319,982	19,780,017	12,082,723	5,683,550	42,895,000
d. Total	300,725,644	101,515,588	6,005,107	107,520,695	94,049,911	99,155,038	286,144,000
2. Non-Vested Benefits	2,904,702	1,038,057	19,098	1,057,155	1,080,292	767,255	3,132,000
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	303,630,346	102,553,645	6,024,205	108,577,850	95,130,203	99,922,293	289,276,000
4. Accumulated Contributions of Active Members	8,879,428	5,463,252	79,256	5,542,508	1,998,905	1,338,015	10,241,000
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits							
1. Total Value at Beginning of Year	289,275,713	98,588,966	5,733,445	104,322,411	92,163,079	92,790,223	262,729,000
2. Increase (Decrease) During the Period Attributable to:							
a. Plan Amendments	0	0	0	0	0	0	2,175,000
b. Change in Actuarial Assumptions	8,689,632	2,349,486	167,625	2,517,111	3,039,795	3,132,726	9,390,000
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	23,444,967	7,809,727	442,631	8,252,358	5,447,286	9,745,323	38,214,000
d. Benefits Paid	(17,779,966)	(6,194,534)	(319,496)	(6,514,030)	(5,519,957)	(5,745,979)	(23,232,000)
e. Net Increase	14,354,633	3,964,679	290,760	4,255,439	2,967,124	7,132,070	26,547,000
3. Total Value at End of Period	303,630,346	102,553,645	6,024,205	108,577,850	95,130,203	99,922,293	289,276,000
D. Market Value of Assets	196,510,680	72,869,851	3,627,160	76,497,011	61,488,263	58,525,406	190,764,000
E. Funded Ratio Using Market Value	64.7%	71.1%	60.2%	70.5%	64.6%	58.6%	65.9%
F. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods							

Reflects all Actuarial Impact Statements through August 2016.

SECTION E
MISCELLANEOUS INFORMATION

RECONCILIATION OF MEMBERSHIP DATA ALL BENEFIT GROUPS		
	From 9/30/15 To 9/30/16	From 9/30/14 To 9/30/15
A. Active Members		
1. Number Included in Last Valuation	263	265
2. New Members Included in Current Valuation	44	35
3. Non-Vested Employment Terminations	(17)	(21)
4. Vested Employment Terminations	(5)	(1)
5. Service Retirements	(4)	(6)
6. DROP Retirements	(12)	(8)
7. Disability Retirements	0	0
8. Deaths	(1)	0
9. Transfer/Rehire	0	0
10. Other - Refunded	0	(1)
11. Number Included in This Valuation	268	263
B. Terminated Vested Members		
1. Number Included in Last Valuation	74	67
2. Additions from Active Members	22	10
3. Lump Sum Payments/Refund of Contributions	(9)	0
4. Payments Commenced	(2)	(4)
5. Deaths	0	0
6. Rehire	0	0
7. Other - Data Corrections	3	1
8. Number Included in This Valuation	88	74
C. DROP Retirees, Service Retirees, Disability Retirees and Beneficiaries		
1. Number Included in Last Valuation	406	395
2. Additions from Active Members	17	14
3. Additions from Terminated Vested Members	2	5
4. Deaths	(14)	(14)
5. Additions from New Survivor Benefits	4	6
6. End of Certain Period - No Further Payments	0	0
7. Other	0	0
8. Number Included in This Valuation	415	406

RECONCILIATION OF MEMBERSHIP DATA BY BENEFIT GROUP FROM 9/30/15 TO 9/30/16					
	General	Ocean Rescue	Police Officers	Firefighters	Total
A. Active Members					
1. Number Included in Last Valuation	159	3	52	49	263
2. New Members Included in Current Valuation	23	1	6	14	44
3. Non-Vested Employment Terminations	(6)	0	(5)	(6)	(17)
4. Vested Employment Terminations	(3)	0	0	(2)	(5)
5. Service Retirements	(2)	0	(1)	(1)	(4)
6. DROP Retirements	(5)	(1)	(4)	(2)	(12)
7. Disability Retirements	0	0	0	0	0
8. Deaths	(1)	0	0	0	(1)
9. Transfer/Rehire	1	0	0	(1)	0
10. Other - Data Corrections	(1)	1	0	0	0
11. Number Included in This Valuation	<u>165</u>	<u>4</u>	<u>48</u>	<u>51</u>	268
B. Terminated Vested Members					
1. Number Included in Last Valuation	21	0	24	29	74
2. Additions from Active Members	11	1	5	5	22
3. Lump Sum Payments/Refund of Contributions	(2)	0	(6)	(1)	(9)
4. Payments Commenced	0	0	(2)	0	(2)
5. Deaths	0	0	0	0	0
6. Rehire	0	0	0	0	0
7. Other - Data Corrections	0	0	1	2	3
8. Number Included in This Valuation	<u>30</u>	<u>1</u>	<u>22</u>	<u>35</u>	88
C. DROP Retirees, Service Retirees, Disability Retirees and Beneficiaries					
1. Number Included in Last Valuation	198	10	95	103	406
2. Additions from Active Members	8	1	5	3	17
3. Additions from Terminated Vested Members	0	0	2	0	2
4. Deaths	(7)	0	(5)	(2)	(14)
5. Additions from New Survivor Benefits	3	0	1	0	4
6. End of Certain Period - No Further Payments	0	0	0	0	0
7. Other	0	0	0	0	0
8. Number Included in This Valuation	<u>202</u>	<u>11</u>	<u>98</u>	<u>104</u>	415

AGE/SERVICE/SALARY DISTRIBUTIONS – GENERAL AND OCEAN RESCUE

**NUMBER ELIGIBLE/ NUMBER ELECTING NORMAL RETIREMENT
DURING YEAR ENDING SEPTEMBER 30, 2016**

GENERAL

Age	Number Eligible	Number Electing Normal Retirement	
		DROP	Regular
53	2	1	1
54	1		1
55	2		
56	7	1	
57	2		
58	3	1	
59	2		
60	1		
61			
62	2	1	
63	2	1	
64	1		
Totals	25	5	2

OCEAN RESCUE

Age	Number Eligible	Number Electing Normal Retirement	
		DROP	Regular
47	1	1	
50	1		
Totals	2	1	0

GENERAL AND OCEAN RESCUE

RETIRED MEMBER AND BENEFICIARY DATA
HISTORICAL SCHEDULE*

Year Ended Sept. 30	Number		Net Increase		End of Year		Average Pensions
	Added	Removed	No.	Annual Pensions	No.	Annual Pensions	
1975	13	7	6	\$ 57,636	81	\$ 260,062	\$ 3,211
1980	12	3	9	103,790	119	687,545	5,778
1985	15	5	10	166,787	141	1,103,994	7,830
1990	17	10	7	207,012	168	1,737,745	10,344
1991	7	5	2	145,915	170	1,883,660	11,080
1992	16	11	5	291,355	176	2,175,015	12,358
1993	11	8	3	159,198	179	2,334,213	13,040
1994	21	4	17	441,322	196	2,775,535	14,161
1995	15	8	7	199,472	203	2,975,006	14,655
1996	18	9	9	323,738	212	3,298,744	15,560
1997	13	13	0	127,873	212	3,426,617	16,163
1998	17	8	9	272,820	221	3,699,437	16,740
1999	15	7	8	455,698	229	4,155,135	18,145
2000	9	126 #	(117)	(2,583,596)	112	1,571,539	14,032
2001	11	5	6	445,871	118	2,017,410	17,097
2002	15	12	3	175,152	121	2,192,562	18,120
2003	5	10	(5)	(18,398)	116	2,174,164	18,743
2004	5	4	1	140,941	117	2,315,105	19,787
2005	8	3	5	261,811	122	2,576,916	21,122
2006	3	3	0	72,714	122	2,649,630	21,718
2007	16	4	12	375,327	134	3,024,957	22,574
2008	16	4	12	452,964	146	3,477,921	23,821
2009	12	6	6	373,718	152	3,851,639	25,340
2010	17	3	14	613,661	166	4,465,300	26,899
2011	15	3	12	450,020	178	4,915,320	27,614
2012	19	8	11	415,632	189	5,330,952	28,206
2013	13	7	6	357,390	195	5,688,342	29,171
2014	7	5	2	160,222	197	5,848,564	29,688
2015	18	7	11	585,066	208	6,433,630	30,931
2016	12	7	5	345,060	213	6,778,690	31,825

* Prior to the September 30, 2000 valuation, Public Safety members were included.

Includes 122 Public Safety members.

GENERAL AND OCEAN RESCUE

RETIRED MEMBER AND BENEFICIARY DATA HISTORICAL COMPARISON

Valuation Date	% Incr. in Annual Pensions**	No. of Active Per Retired		Pension Payroll as % of Active Payroll#	
		General	Ocean Rescue	General	Ocean Rescue
9/30/1975 *	17.9 %	3.7		6.7 %	
9/30/1980 *	21.6	2.5		13.0	
9/30/1985	17.8	2.4		13.2	
9/30/1990	13.5	2.5		10.8	
9/30/1991	8.4	2.6	3.3	10.1	25.4 %
9/30/1992	15.5	2.8	3.0	9.8	25.0
9/30/1993	7.3	2.7	3.3	10.5	23.6
9/30/1994	18.9	2.4	3.0	11.9	24.7
9/30/1995	7.2	2.3	3.3	13.4	22.5
9/30/1996	10.9	2.2	3.0	15.6	22.8
9/30/1997	3.9	2.2	3.3	15.2	20.4
9/30/1998	8.0	2.1	3.3	16.4	19.8
9/30/1999	12.3	2.0	3.3	17.1	19.1
9/30/2000	(62.2)	1.9	3.3	19.4	18.3
9/30/2001	28.4	1.8	3.3	23.2	20.3
9/30/2002	8.7	1.8	1.4	22.9	40.1
9/30/2003	(0.8)	1.9	1.8	20.7	38.5
9/30/2004	6.5	1.9	1.8	20.8	36.5
9/30/2005	11.3	1.8	1.8	21.9	32.8
9/30/2006	2.8	1.8	1.8	21.0	31.4
9/30/2007	14.2	1.7	1.1	22.9	57.0
9/30/2008	15.0	1.5	0.9	26.2	74.9
9/30/2009	10.7	1.4	1.1	28.0	59.0
9/30/2010	15.9	1.1	0.8	37.2	86.8
9/30/2011	10.1	1.0	0.4	42.9	155.8
9/30/2012	8.5	0.8	0.4	51.9	151.0
9/30/2013	6.7	0.8	0.4	56.7	152.9
9/30/2014	2.8	0.9	0.4	56.7	151.3
9/30/2015	10.0	0.8	0.3	62.5	256.8
9/30/2016	5.4	0.8	0.4	60.5	241.8

* Averages for the 5 years ending with the valuation date.

Breakdown by division not available prior to 9/30/89. Data shown under General heading is for all divisions combined prior to 9/30/89.

** For the September 30, 2000 - 2010 valuations, Public Safety members are valued in a separate report.

GENERAL AND OCEAN RESCUE

RETIRED MEMBER AND BENEFICIARY DATA
AS OF SEPTEMBER 30, 2016

TYPE OF PENSION BEING PAID

Type of Benefit Being Paid	General		Ocean Rescue	
	No.	Annual Pensions	No.	Annual Pensions
Age & Service Benefits				
Straight Life	52	\$ 1,439,728	1	\$ 50,795
Joint and Survivor Benefits - Regular	88	3,346,394	7	240,048
Surviving Beneficiaries	26	464,891	0	0
DROP members	24	749,958	2	75,530
Total Age and Service Benefits	190	6,000,971	10	366,373
Duty Disability Benefits				
Straight Life	1	10,926	0	0
Surviving Beneficiaries	0	0	0	0
Total Duty Disability Benefits	1	10,926	0	0
Non-Duty Disability Benefits				
Straight Life	2	150,006	1	32,938
Joint and Survivor Benefits	2	75,837	0	0
Surviving Beneficiaries	5	63,641	0	0
Total Non-Duty Disability Benefits	9	289,484	1	32,938
Death-in-Service Benefits				
Non-Duty Spouse	2	77,998	0	0
Total Death-in-Service Benefits	2	77,998	0	0
Totals	202	\$ 6,379,379	11	\$ 399,311

GENERAL AND OCEAN RESCUE

**RETIRED MEMBER AND BENEFICIARY DATA
AS OF SEPTEMBER 30, 2016**

(INCLUDES DROP PARTICIPANTS)

TABULATED BY ATTAINED AGE

Attained Age	General		Ocean Rescue	
	No.	Annual Pensions	No.	Annual Pensions
Under 40	1	\$ 8,220		
40 - 44	0	0		
45 - 49	0	0	2	\$ 75,530
50 - 54	10	417,666	1	28,783
55 - 59	30	1,176,805	5	197,170
60 - 64	49	1,467,578		
65 - 69	35	1,279,035	1	32,938
70 - 74	33	1,074,667		
75 - 79	20	509,916		
80 - 84	7	169,469	2	64,890
85 - 89	10	210,897		
90 - 94	6	42,172		
95 - 99	1	22,954		
Totals	202	\$6,379,379	11	\$399,311

	General	Ocean Rescue
Average Age at Retirement:	56.9 years	48.5 years
Average Age Now:	68.1	60.6

GENERAL AND OCEAN RESCUE
VESTED TERMINATED MEMBERS
AS OF SEPTEMBER 30, 2016
TABULATED BY ATTAINED AGE

Attained Age	General		Ocean Rescue	
	No.	Annual Estimated Pensions*	No.	Annual Estimated Pensions**
22	1	\$ 1,200		
30	1	4,064		
34	1	1,200		
40	1	15,442		
41	2	45,047		
42	1	17,194		
43	1	18,159		
45	1	26,390		
46	1	8,749		
47			1	\$ 2,160
51	1	1,200		
52	4	20,860		
53	3	23,700		
54	3	7,569		
55	1	2,247		
56	2	2,572		
57	2	3,901		
58	1	1,553		
60	1	2,520		
61	2	4,950		
0	0	-		
Totals	30	\$208,517	1	\$2,160

* Includes estimated Plan B benefits for 16 members currently receiving Plan A benefits.

**Includes estimated Plan B benefits for 1 member currently receiving Plan A benefits.

GENERAL

ACTIVE AND VESTED TERMINATED MEMBERS INCLUDED IN VALUATION
HISTORICAL SCHEDULE

Valuation Date September 30	Active Members	Vested		Valuation Payroll	Average		
		Terminated Members			Age	Service	Pay
1996	205	2		\$ 6,624,917	42.8 yrs.	8.2 yrs.	\$ 32,317
1997	210	2		7,128,895	42.7	8.1	33,947
1998	214	2		7,528,503	42.9	8.1	35,180
1999	204	5		7,582,477	43.7	8.6	37,169
2000	202	6		7,760,543	44.0	8.5	38,419
2001	208	6		8,371,487	43.5	8.4	40,248
2002	206	5		9,106,367	43.9	8.4	44,206
2003	212	6		9,883,393	44.4	9.0	46,620
2004	211	7		10,517,577	44.9	9.5	49,846
2005	210	8		11,147,262	45.7	9.5	53,082
2006	216	7		11,994,303	46.3	9.9	55,529
2007	214	6		12,336,518	46.5	10.1	57,647
2008	202	7		12,366,080	46.2	10.4	61,218
2009	203	8		12,893,270	46.3	10.2	63,514
2010	175	9		11,256,751	47.1	10.7	64,324
2011	164	11		10,721,241	47.4	10.9	65,373
2012	151	13		9,683,803	46.8	11.4	64,131
2013	156	14		9,498,699	46.0	10.7	60,889
2014	162	19		9,868,597	46.0	10.8	60,917
2015	159	21		9,714,116	45.9	10.6	61,095
2016	165	30		10,549,091	46.4	9.8	63,934

OCEAN RESCUE

ACTIVE AND VESTED TERMINATED MEMBERS INCLUDED IN VALUATION HISTORICAL SCHEDULE

Valuation September 30	Active Members	Vested Terminated Members	Valuation Payroll	Average		
				Age	Service	Pay
1996	9	0	\$273,443	36.0 yrs.	9.1 yrs.	\$ 30,383
1997	10	0	307,049	35.5	9.2	30,705
1998	10	0	320,414	36.5	10.2	32,041
1999	10	0	335,155	37.5	11.2	33,516
2000	10	0	352,879	38.5	12.2	35,288
2001	10	0	380,672	38.8	12.7	38,067
2002	7	0	273,922	40.0	14.0	39,132
2003	9	0	339,703	39.0	11.9	37,745
2004	9	0	359,342	40.0	12.9	39,927
2005	9	0	404,910	41.0	13.9	44,990
2006	9	0	427,989	42.0	14.9	47,554
2007	8	0	360,242	39.9	12.5	45,030
2008	7	0	321,053	39.8	12.5	45,865
2009	9	0	410,292	37.7	10.6	45,588
2010	7	0	323,298	38.0	10.8	46,185
2011	4	0	204,927	41.3	14.6	51,232
2012	4	0	200,577	42.4	15.6	50,144
2013	4	0	199,719	43.4	16.6	49,930
2014	4	0	206,713	44.4	17.6	51,678
2015	3	0	142,289	45.0	16.1	47,430
2016	4	0	165,161	46.6	7.9	41,290

GENERAL

**SCHEDULE OF ACTIVE PARTICIPANT DATA
AS OF SEPTEMBER 30, 2016**

BY NEAR AGE AND YEARS OF SERVICE

Near Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
20-24	4							4	\$ 137,771
25-29	8							8	283,443
30-34	4	4	3					11	503,675
35-39	7	4	4	2				17	980,858
40-44	9	1	8	4	4			26	1,771,139
45-49	10	4	3	4	6			27	1,585,772
50-54	7	6	6	5	3	3		30	1,993,923
55-59	10	5	5	8	2	1		31	2,305,293
60					1			1	112,032
61		2		1				3	274,665
62				1				1	219,885
63									
64		1		1				2	158,780
65	2				1			3	165,362
66		1						1	56,493
Totals	61	28	29	26	17	4		165	\$10,549,091

OCEAN RESCUE
SCHEDULE OF ACTIVE PARTICIPANT DATA
AS OF SEPTEMBER 30, 2016
BY NEAR AGE AND YEARS OF SERVICE

Near Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
30-34	1							1	\$ 33,406
40-44			1					1	50,462
50-54			1					1	51,020
62	1							1	30,273
Totals	2		2					4	\$165,161

AGE/SERVICE/SALARY DISTRIBUTIONS – POLICE OFFICERS

**NUMBER ELIGIBLE/ NUMBER ELECTING NORMAL RETIREMENT
DURING YEAR ENDING SEPTEMBER 30, 2016**

Age	Number Eligible	Number Electing Normal Retirement	
		DROP	Regular
45	2		
46	2	1	
47	1		
48	1	1	
50	3	1	
52	1		
54	2		
55	1	1	
66	1		1
Totals	14	4	1

POLICE OFFICERS
RETIRED MEMBER AND BENEFICIARY DATA
HISTORICAL SCHEDULE*

Year Ended Sept. 30	Number		Net Increase		End of Year		Average Pensions
	Added	Removed	No.	Annual Pensions	No.	Annual Pensions	
1991	7	5	2	\$ 145,915	170	\$ 1,883,660	\$ 11,080
1992	16	11	5	291,355	176	2,175,015	12,358
1993	11	8	3	159,198	179	2,334,213	13,040
1994	21	4	17	441,322	196	2,775,535	14,161
1995	15	8	7	199,472	203	2,975,006	14,655
1996	18	9	9	323,738	212	3,298,744	15,560
1997	13	13	0	127,873	212	3,426,617	16,163
1998	17	8	9	272,820	221	3,699,437	16,740
1999	15	7	8	455,698	229	4,155,135	18,145
2000	16	110 #	(94)	(861,467)	135	3,293,668	24,398
2001	12	9	3	215,455	138	3,509,123	25,428
2002	8	3	5	269,507	143	3,778,630	26,424
2003	1	2	(1)	100,315	142	3,878,945	27,317
2004	4	3	1	172,906	68	1,968,093	28,943
2005	4	1	3	247,724	71	2,215,817	31,209
2006	3	1	2	257,450	73	2,473,267	33,880
2007	7	2	5	503,946	78	2,977,213	38,169
2008	5	2	3	389,364	81	3,366,577	41,563
2009	3	2	1	159,740	82	3,526,317	43,004
2010	2	0	2	172,503	84	3,698,820	44,034
2011	9	5	4	602,812	88	4,301,632	48,882
2012	7	1	6	306,760	94	4,608,392	49,025
2013	1	0	1	124,540	95	4,732,932	49,820
2014	5	3	2	446,535	97	5,197,467	53,397
2015	3	5	(2)	34,586	95	5,232,053	55,074
2016	8	5	3	255,281	98	5,487,334	55,993

* Prior to the September 30, 2000 valuation, General members were included. Prior to the September 30, 2004 valuation, Fire members were included.

Includes 107 General members.

POLICE OFFICERS

**RETIRED MEMBER AND BENEFICIARY DATA
HISTORICAL COMPARISON**

Valuation Date**	% Incr. in Annual Pensions	No. of Active Per Retired	Pension Payroll as % of Active Payroll
9/30/1996	10.9 %	1.3	29.5 %
9/30/1997	3.9	1.4	29.2
9/30/1998	8.0	1.5	27.9
9/30/1999	12.3	1.3	30.8
9/30/2000	(20.7)	1	42.9
9/30/2001	6.5	1.0	39.4
9/30/2002	7.7	1.0	38.6
9/30/2003	2.7	1.0	38.1
9/30/2004	(49.3)	1.0	38.8
9/30/2005	12.6	1.0	41.4
9/30/2006	11.6	1.0	42.9
9/30/2007	20.4	0.9	55.8
9/30/2008	13.1	0.8	63.4
9/30/2009	4.7	0.9	57.0
9/30/2010	4.9	0.8	61.2
9/30/2011	16.3	0.7	82.4
9/30/2012	7.1	0.5	108.7
9/30/2013	2.7	0.5	137.0
9/30/2014	9.4	0.5	154.4
9/30/2015	0.7	0.5	142.6
9/30/2016	4.9	0.5	154.2

POLICE OFFICERS

**RETIRED MEMBER AND BENEFICIARY DATA
AS OF SEPTEMBER 30, 2016**

TYPE OF PENSION BEING PAID

<u>Type of Benefit Being Paid</u>	<u>No.</u>	<u>Annual Benefit</u>
Age & Service Benefits		
Straight Life	8	\$ 498,677
10-Year Certain	44	3,162,623
Joint and Survivor Benefits - Regular	22	898,297
Surviving Beneficiaries	<u>9</u>	<u>159,771</u>
Total Age and Service Benefits	83	4,719,368
Duty Disability Benefits		
Straight Life	0	0
10-Year Certain	1	41,329
Joint and Survivor Benefits	0	0
Surviving Beneficiaries	<u>1</u>	<u>8,778</u>
Total Duty Disability Benefits	2	50,107
Non-Duty Disability Benefits		
Straight Life	0	0
10-Year Certain	1	54,409
Joint and Survivor Benefits	0	0
Surviving Beneficiaries	<u>1</u>	<u>16,005</u>
Total Non-Duty Disability Benefits	2	70,414
Death-In-Service Benefits		
Non-Duty Spouse	<u>1</u>	<u>43,584</u>
Total Death-in-Service Benefits	1	43,584
Active DROP Members	10	603,861
Totals	98	\$ 5,487,334

POLICE OFFICERS
RETIRED MEMBER AND BENEFICIARY DATA
AS OF SEPTEMBER 30, 2016

(INCLUDES DROP PARTICIPANTS)

TABULATED BY ATTAINED AGE

Attained Age	No.	Annual Pensions
30 - 34	1	43,584
35 - 39	0	0
40 - 44	2	95,738
45 - 49	7	577,065
50 - 54	16	1,164,979
55 - 59	19	1,505,558
60 - 64	12	559,162
65 - 69	13	552,125
70 - 74	9	408,375
75 - 79	13	500,814
80 - 84	5	69,630
85 - 89	1	10,304
Totals	98	\$5,487,334

Average Age at Retirement: 48.1

Average Age Now: 63.1

POLICE OFFICERS
VESTED TERMINATED MEMBERS
AS OF SEPTEMBER 30, 2016
TABULATED BY ATTAINED AGE

Attained Age	No.	Annual Estimated Pensions*
30	2	\$ 16,416
31	2	12,512
35	1	9,473
40	1	18,089
41	2	61,435
42	2	61,748
43	1	30,770
46	2	28,242
48	3	25,953
49	1	2,624
50	2	4,680
51	1	834
52	1	2,280
55	1	3,840
Totals	22	\$278,895

* Includes estimated Plan B benefits for 9 members currently receiving Plan A benefits.

POLICE OFFICERS

**ACTIVE AND VESTED TERMINATED MEMBERS INCLUDED IN VALUATION
HISTORICAL SCHEDULE**

Valuation Date September 30	Active Members	Vested		Valuation Payroll	Average		
		Terminated Members			Age	Service	Pay
2001	62	2		\$3,959,149	37.8 yrs.	10.0 yrs.	\$63,857
2002	66	2		4,454,577	37.9	9.4	67,494
2003	67	2		4,713,181	38.5	10.0	70,346
2004	70	2		5,069,790	38.3	9.6	72,426
2005	72	1		5,347,947	38.8	9.6	74,277
2006	74	2		5,769,134	38.9	9.0	77,961
2007	71	2		5,333,625	38.9	8.7	75,121
2008	65	2		5,309,135	39.6	8.8	81,679
2009	70	1		6,186,737	39.1	8.5	88,382
2010	68	1		6,043,273	39.9	9.3	88,872
2011	60	1		5,221,806	40.1	9.0	87,030
2012	47	8		4,241,336	40.6	10.3	90,241
2013	47	17		3,453,957	40.7	9.2	73,488
2014	49	23		3,354,258	40.8	7.8	68,454
2015	52	24		3,668,289	40.3	8.3	70,544
2016	48	22		3,559,337	39.0	8.2	74,153

POLICE OFFICERS
SCHEDULE OF ACTIVE PARTICIPANT DATA
AS OF SEPTEMBER 30, 2016
BY NEAR AGE AND YEARS OF SERVICE

Near Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
20-24	2							2	\$ 108,323
25-29	7							7	353,701
30-34	7	2	1					10	607,386
35-39	3	1	2	1				7	508,324
40-44			1	1				2	213,901
45-49	4	1	2	4	3			14	1,177,301
50-54			3	1	1			5	525,725
55-59	1							1	64,676
Totals	24	4	9	7	4			48	\$3,559,337

AGE/SERVICE/SALARY DISTRIBUTIONS – FIREFIGHTERS

**NUMBER ELIGIBLE/ NUMBER ELECTING NORMAL RETIREMENT
DURING YEAR ENDING SEPTEMBER 30, 2016**

Age	Number Eligible	Number Electing Normal Retirement	
		DROP	Regular
41	1		1
43	1	1	
45	1	1	
53	1		
Totals	4	2	1

FIREFIGHTERS

RETIRED MEMBER AND BENEFICIARY DATA HISTORICAL SCHEDULE*

Year Ended Sept. 30	Number		Net Increase		End of Year		Average Pensions
	Added	Removed	No.	Annual Pensions	No.	Annual Pensions	
1986	10	3	7	\$119,451	148	\$1,223,445	\$ 8,267
1987	7	2	5	72,350	153	1,295,794	8,469
1988	13	8	5	92,514	158	1,388,308	8,787
1989	9	6	3	142,425	161	1,530,733	9,508
1990	17	10	7	207,012	168	1,737,745	10,344
1991	7	5	2	145,915	170	1,883,660	11,080
1992	16	11	5	291,355	176	2,175,015	12,358
1993	11	8	3	159,198	179	2,334,213	13,040
1994	21	4	17	441,322	196	2,775,535	14,161
1995	15	8	7	199,472	203	2,975,006	14,655
1996	18	9	9	323,738	212	3,298,744	15,560
1997	13	13	0	127,873	212	3,426,617	16,163
1998	17	8	9	272,820	221	3,699,437	16,740
1999	15	7	8	455,698	229	4,155,135	18,145
2000	16	110 #	(94)	(861,467)	135	3,293,668	24,398
2001	12	9	3	215,455	138	3,509,123	25,428
2002	8	3	5	269,507	143	3,778,630	26,424
2003	1	2	(1)	100,315	142	3,878,945	27,317
2004	9	7	2	235,991	77	2,319,749	30,127
2005	2	0	2	247,973	79	2,567,722	32,503
2006	3	4	(1)	187,448	78	2,755,170	35,323
2007	6	5	1	254,745	79	3,009,915	38,100
2008	7	4	3	270,047	82	3,279,962	40,000
2009	6	3	3	316,610	85	3,596,572	42,313
2010	5	1	4	232,386	89	3,828,958	43,022
2011	9	6	3	719,043	92	4,548,001	49,435
2012	4	2	2	238,201	94	4,786,202	50,917
2013	5	2	3	132,496	97	4,918,698	50,708
2014	6	2	4	449,739	101	5,368,437	53,153
2015	4	2	2	233,139	103	5,601,576	54,384
2016	3	2	1	236,285	104	5,837,861	56,133

* Prior to the September 30, 2000 valuation, General members were included. Prior to the September 30, 2004 valuation, Police members were included.

Includes 107 General members.

FIREFIGHTERS

**RETIRED MEMBER AND BENEFICIARY DATA
HISTORICAL COMPARISON**

Valuation Date**	% Incr. in Annual Pensions	No. of Active Per Retired	Pension Payroll as % of Active Payroll
9/30/1996	10.9 %	1.1	41.8 %
9/30/1997	3.9	1.1	40.1
9/30/1998	8.0	1.0	45.7
9/30/1999	12.3	0.8	58.8
9/30/2000	(20.7)	0.8	65.2
9/30/2001	6.5	0.8	62.8
9/30/2002	7.7	0.7	62.1
9/30/2003	2.7	0.8	54.2
9/30/2004	(40.2)	0.9	52.2
9/30/2005	10.7	0.9	49.0
9/30/2006	7.3	0.9	48.3
9/30/2007	9.2	0.9	54.0
9/30/2008	9.0	0.9	56.3
9/30/2009	9.7	0.9	56.2
9/30/2010	6.5	0.8	61.6
9/30/2011	18.8	0.7	88.4
9/30/2012	5.2	0.5	117.1
9/30/2013	2.8	0.5	134.0
9/30/2014	9.1	0.5	157.7
9/30/2015	4.3	0.5	172.7
9/30/2016	4.2	0.5	168.8

FIREFIGHTERS**RETIRED MEMBER AND BENEFICIARY DATA
AS OF SEPTEMBER 30, 2016****TYPE OF PENSION BEING PAID**

<u>Type of Benefit Being Paid</u>	<u>No.</u>	<u>Annual Benefit</u>
Age & Service Benefits		
Straight Life	6	\$ 239,575
10-Year Certain	40	3,006,545
Joint and Survivor Benefits - Regular	26	1,233,497
Surviving Beneficiaries	13	347,206
Total Age and Service Benefits	<u>85</u>	<u>4,826,823</u>
Duty Disability Benefits		
Straight Life	0	0
10-Year Certain	0	0
Joint and Survivor Benefits	1	51,193
Surviving Beneficiaries	0	0
Total Duty Disability Benefits	<u>1</u>	<u>51,193</u>
Non-Duty Disability Benefits		
Straight Life	0	0
10-Year Certain	4	176,754
Joint and Survivor Benefits	4	102,585
Surviving Beneficiaries	0	0
Total Non-Duty Disability Benefits	<u>8</u>	<u>279,339</u>
Death-In-Service Benefits		
Non-Duty Spouse	0	0
Total Death-in-Service Benefits	<u>0</u>	<u>0</u>
Active DROP Members	<u>10</u>	<u>680,506</u>
Totals	104	\$ 5,837,861

FIREFIGHTERS**RETIRED MEMBER AND BENEFICIARY DATA
AS OF SEPTEMBER 30, 2016****(INCLUDES DROP PARTICIPANTS)****TABULATED BY ATTAINED AGE**

Attained Age	No.	Annual Pensions
Under 40	2	\$ 84,182
40 - 44	5	318,700
45 - 49	9	736,813
50 - 54	10	759,396
55 - 59	22	1,579,824
60 - 64	13	653,552
65 - 69	13	702,374
70 - 74	12	431,142
75 - 79	9	344,358
80 - 84	4	155,136
85 - 89	5	72,384
Totals	104	\$ 5,837,861

Average Age at Retirement: 47.28 years

Average Age Now: 62.7 years

FIREFIGHTERS
VESTED TERMINATED MEMBERS
AS OF SEPTEMBER 30, 2016
TABULATED BY ATTAINED AGE

Attained Age	No.	Annual Estimated Pensions*
25	1	\$ 840
29	1	7,934
30	1	17,168
31	1	7,613
33	3	40,694
35	4	76,744
36	2	41,418
37	1	23,704
40	2	30,075
42	2	37,673
43	2	8,622
44	3	121,924
45	2	15,651
46	3	142,505
47	1	2,852
48	2	49,123
49	2	16,585
50	1	2,563
53	1	4,948
Totals	35	\$ 648,635

* Includes estimated Plan B benefits for 9 members currently receiving Plan A benefits.

FIREFIGHTERS

ACTIVE AND VESTED TERMINATED MEMBERS INCLUDED IN VALUATION HISTORICAL SCHEDULE

Valuation Date September 30	Active Members	Vested		Valuation Payroll	Average		
		Terminated Members			Age	Service	Pay
2001	58	0		\$3,104,984	36.4 yrs.	10.1 yrs.	\$53,534
2002	56	2		3,314,457	36.9	10.3	59,187
2003	63	1		3,845,159	37.2	10.1	61,034
2004	67	1		4,443,846	37.4	9.4	66,326
2005	74	2		5,236,941	37.2	8.7	70,769
2006	74	2		5,709,684	37.7	9.1	77,158
2007	72	2		5,573,348	37.9	9.1	77,408
2008	73	1		5,822,885	37.9	9.3	79,766
2009	73	1		6,397,554	37.6	9.1	87,638
2010	69	1		6,218,731	38.1	9.8	90,127
2011	60	1		5,142,125	38.0	9.2	85,702
2012	51	6		4,087,465	38.0	10.0	80,146
2013	50	13		3,671,337	39.3	9.6	73,427
2014	50	25		3,403,307	37.3	7.4	68,066
2015	49	29		3,242,811	36.6	7.0	66,180
2016	51	35		3,457,670	37.7	5.8	67,797

FIREFIGHTERS
SCHEDULE OF ACTIVE PARTICIPANT DATA
AS OF SEPTEMBER 30, 2016
BY NEAR AGE AND YEARS OF SERVICE

Attained Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
20-24								0	\$ 0
25-29	14							14	794,050
30-34	5	1						6	334,444
35-39	6	2	2					10	678,431
40-44	1		5	4				10	847,698
45-49	1		4					5	396,447
50-54	3	1	1					5	336,234
55-59	1							1	70,366
Totals	31	4	12	4	0	0	0	51	\$3,457,670

SECTION F
SUMMARY OF PLAN PROVISION

**SUMMARY OF BENEFIT PROVISIONS
(SEPTEMBER 30, 2016)**

GENERAL/OCEAN RESCUE

NORMAL RETIREMENT:

Eligibility

Grandfathered and April 30, 2012 frozen accrued benefits.

General: 30 or more years of service, regardless of age; or, age 55 with 10 or more years of credited service.

Ocean Rescue: Age 50 with 10 or more years of service. Members with at least 10 years of credited service who retire after 2/9/93 are eligible when the individual's age plus credited service totals 65 years or more.

New Plan benefits accrued after April 30, 2012.

General: Age 65 with 10 or more years of service.

Ocean Rescue: Age 65 with 10 or more years of service.

Pension Amount

Grandfathered and April 30, 2012 frozen accrued benefits.

General: Average final compensation times the sum of a) 2.75% for service earned after 9/30/90, to a maximum of 82.5%, plus 2.35% for service earned on or before 9/30/90 for the first 30 years of service, plus, b) 1.0% for service in excess of 30 years.

Ocean Rescue: Average final compensation times the sum of a) 2.85% for the first 25 years of service with a maximum of 71.25% of AFC, plus, b) 1.0% for service in excess of 25 years.

The normal form of pension is a pension payable for life. Also, see Automatic Death After Retirement Pension heading.

New Plan benefits accrued after April 30, 2012.

Average final compensation multiplied by 1.25% per year of credited service after April 30, 2012.

Type of Average Final Compensation

Grandfathered and April 30, 2012 frozen accrued benefits.

Highest 2 consecutive years within the member's last 5 years of credited service.

New Plan benefits accrued after April 30, 2012.

Average compensation after April 30, 2012 over a period increasing up to the final 5 years of credited service by April 30, 2017.

DROP RETIREMENT:

Eligibility - Same as Normal Retirement, election must be made within 7 years of the date the member first reaches normal retirement eligibility.

Pension Amount - Members that entered the DROP before May 1, 2012: 98% of the member's accrued benefit at the date of election to participate in DROP.

Members that entered the DROP after May 1, 2012: Except for grandfathered members, 100% of the member's accrued benefit at the date of election to participate in DROP.

Monthly Distributions - Monthly DROP payments are made to the retirement trust during DROP participation.

EARLY RETIREMENT (GENERAL):

Eligibility - Age 50 with 10 or more years of credited service. Frozen accrued benefits as of April 30, 2012 are vested immediately. New Plan provisions eligibility is age 60 with 10 or more years of credited service.

Pension Amount - Computed as a normal retirement benefit but reduced 6/10 of 1% (3/10 of 1% if service credit is 20 or more years) for each month early retirement precedes the member's projected normal retirement date. The new plan provides for an actuarial equivalent reduction.

DEFERRED RETIREMENT (VESTED TERMINATION BENEFIT):

Eligibility - 10 or more years of service. Pension begins upon meeting requirement for normal retirement. Contributions must be left on deposit in the System; failure to do so results in forfeiture of the vested benefit. Members employed with the Town on May 1, 2012 are eligible to retire from Plan A when reaching age 55, notwithstanding total service.

Pension Amount - Computed as for normal retirement, based upon service and average final compensation at time of termination.

DUTY DISABILITY RETIREMENT:

Eligibility - No age or service requirements.

Pension Amount - To earliest normal retirement eligibility date: Computed as a regular retirement with additional service credit granted from date of disability to earliest normal retirement eligibility date. Minimum benefit is 60% of average final compensation.

NON-DUTY DISABILITY BEFORE RETIREMENT:

Eligibility - 10 or more years of credited service.

Pension Amount - Computed as for normal retirement.

DUTY DEATH BEFORE RETIREMENT:

Eligibility - No age or service requirements.

Pension Amount - A pension to each surviving child until age 18, or until age 25 with no surviving spouse, of 25% of the member's average final compensation not to exceed 50% or equal share of 75% of the member's AFC when there are 4 or more surviving children being paid. A pension to the widow of the difference, if any, between 75% of the retiree's AFC and the aggregate amount paid to children for the month.

NON-DUTY DEATH BEFORE RETIREMENT:

Eligibility - 10 or more years of credited service.

Pension Amount - 75% of normal retirement benefit to a surviving spouse or equal shares of 75% of the normal retirement benefit to surviving dependent children until age 18, or until age 25 with no surviving spouse.

AUTOMATIC DEATH AFTER RETIREMENT PENSION:

Grandfathered and April 30, 2012 frozen accrued benefits.

To Surviving Child(ren): 25% of the retirees pension payable to age 18, not to exceed an equal share of 75% of the retirees pension. Payments to surviving children may be paid to age 25 if no spouse benefits are payable. Payment to dependent children is an unreduced payment for an initial 10-year period from retiree's retirement date. Subsequent payments are based on 75% from the end of this 10-year period until termination of surviving child(ren) payment.

To Surviving Spouse: The difference, if any, between 75% of the deceased retirees pension and the aggregate amount paid to any surviving children for the month. Payment to surviving spouse is an unreduced payment for an initial 10-year period from retiree's retirement date. Subsequent payments are based on 75% from the end of this 10-year period until death of surviving spouse.

New Plan benefits accrued after April 30, 2012.

Reduced optional forms of payment are available.

POST-RETIREMENT COST-OF-LIVING ADJUSTMENTS:*Grandfathered and April 30, 2012 frozen accrued benefits.*

Members who retire after 9/30/68 and prior to 10/1/90 receive an annual 1.0% increase computed on the base benefit. Other adjustments have been made periodically. Pensions effective after 9/30/90 will be increased 2.0% annually based on the total pension payable subsequent to an initial 3-year deferral period.

New Plan benefits accrued after April 30, 2012.

None.

MEMBER CONTRIBUTIONS:

Benefit Group	Contribution Rate as a Percent-of-Payroll		
	Before May 1, 2012	On and After May 1, 2012	On and After October 1, 2013
General –			
Hired Before May 1, 1992	6.47%	4.47%	2.47%
Hired on or After May 1, 1992	6.47%	2.47%	2.47%
Lifeguard –			
Hired Before May 1, 1992	7.21%	5.21%	2.47%
Hired on or After May 1, 1992	7.21%	3.21%	2.47%

TOWN CONTRIBUTIONS: Actuarially determined amounts which together with member contributions are sufficient to cover the requirements of the funding objective stated in the Executive Summary.

PRIOR GOVERNMENTAL SERVICE ELSEWHERE: During the first five years of employment by the Town, the years or fractional parts of years that a member previously served for any other municipal, county, or state government or district may be added to years or fractional parts of years of credited service provided that the member contributes the sum that would have been contributed to the retirement plan to pay the full actuarial cost.

PURCHASE OF SERVICE CREDIT: A vested member who has not purchased service credit under Prior Governmental Service Elsewhere may purchase years or fractional parts of years of service to be added to years of credited service provided that the member contributes the sum that would have been contributed to the retirement plan to pay the full actuarial cost.

**SUMMARY OF BENEFIT PROVISIONS
(SEPTEMBER 30, 2016)**

POLICE

NORMAL RETIREMENT:

Eligibility

Grandfathered and April 30, 2012 frozen accrued benefits.

20 or more years of service, regardless of age; or, age 50 with 10 or more years of credited service; or, members with at least 10 years of credited service who retire after 9/30/90 are eligible when the individual's age plus credited service totals 65 years or more.

New Plan benefits accrued after April 30, 2012.

Age 56 with 10 or more years of service.

Pension Amount

Grandfathered and April 30, 2012 frozen accrued benefits.

Average final compensation multiplied by the greater of:

- a) 3.5% per year of credited service to a maximum of 25 years, or
- b) 2.0% per year of credited service to a maximum of 50 years.

The normal form of pension is a pension payable for 10 years certain. Also, see Automatic Death after Retirement heading.

New Plan benefits accrued after April 30, 2012.

Average final compensation multiplied by:

- a) 1.25% per year of credited service between May 1, 2012 and September 30, 2016, plus
- b) 2.75% per year of credited service on and after October 1, 2016.

Average Final Compensation

Grandfathered and April 30, 2012 frozen accrued benefits.

Highest 2 consecutive years within the member's last 5 years of credited service.

New Plan benefits accrued after April 30, 2012.

Average compensation after April 30, 2012 over a period increasing up to the final 5 years of credited service by April 30, 2017.

DROP RETIREMENT:

Eligibility – Same as Normal Retirement, election must be made within 7 years of the date the member first reaches normal retirement eligibility.

Pension Amount – Except for grandfathered members, 100% of the member's accrued benefit at the date of election to participate in DROP.

Monthly Distributions - Monthly DROP payments are made to the retirement trust during DROP participation.

DEFERRED RETIREMENT (VESTED TERMINATION BENEFIT):

Eligibility - 10 or more years of credited service. Pension begins upon meeting requirement for normal retirement. Contributions must be left on deposit in the System; failure to do so results in forfeiture of the vested benefit. Frozen accrued benefits as of April 30, 2012 are vested immediately. Members employed with the Town on May 1, 2012 are eligible to retire from Plan A when reaching age 55, notwithstanding total service.

Pension Amount - Computed as for normal retirement, based upon service and average final compensation at time of termination.

DUTY DISABILITY RETIREMENT:

Eligibility - No age or service requirements.

Pension Amount - Computed as a regular retirement with additional service credit granted from date of disability to earliest normal retirement eligibility date. Minimum benefit is 60% of average final compensation.

NON-DUTY DISABILITY BEFORE RETIREMENT:

Eligibility - 10 or more years of credited service.

Pension Amount - Computed as for normal retirement.

DUTY DEATH BEFORE RETIREMENT:

Eligibility - No age or service requirements.

Pension Amount - A pension to each surviving child until age 18, or until age 25 with no surviving spouse, of 25% of the member's average final compensation not to exceed 50% or an equal share of 75% of the member's AFC when there are 4 or more surviving children being paid. A pension to the widow of the difference, if any, between 75% of the retirant's AFC and the aggregate amount paid to children for the month.

NON-DUTY DEATH BEFORE RETIREMENT:

Eligibility - 10 or more years of credited service.

Pension Amount - 75% of normal retirement benefit to a surviving spouse or equal shares of 75% of the normal retirement benefit to surviving dependent children until age 18, or until age 25 with no surviving spouse.

AUTOMATIC DEATH AFTER RETIREMENT PENSION:

Grandfathered and April 30, 2012 frozen accrued benefits.

To Surviving Child(ren): 25% of the retirants pension payable to age 18, not to exceed an equal share of 75% of the retirants pension. Payments to surviving children may be paid to age 25 if no spouse benefits are payable. Payment to dependent children is an unreduced payment for an initial 10-year period from retirant's retirement date. Subsequent payments are based on 75% from the end of this 10-year period until termination of surviving child(ren) payment.

To Surviving Spouse: The difference, if any, between 75% of the deceased retirants pension and the aggregate amount paid to any surviving children for the month. Payment to surviving spouse is an unreduced payment for an initial 10-year period from retirant's retirement date. Subsequent payments are based on 75% from the end of this 10-year period until death of surviving spouse.

New Plan benefits accrued after April 30, 2012.

Reduced optional forms of payment are available.

POST-RETIREMENT COST-OF-LIVING ADJUSTMENTS:

Grandfathered and April 30, 2012 frozen accrued benefits.

Members who retire after 9/30/68 and prior to 10/1/90 receive an annual 1.0% increase computed on the base benefit. Other adjustments have been made periodically. Pensions effective after 9/30/90 will be increased 2.0% annually based on the total pension payable subsequent to an initial 3 year deferral period.

New Plan benefits accrued after April 30, 2012.

None.

MEMBER CONTRIBUTIONS:

Benefit Group	Contribution Rate as a Percent-of-Payroll			
	Before May 1, 2012	On and After May 1, 2012	On and After October 1, 2013	On and After October 1, 2016
Police Officers	6.98%	4.98%	2.47%	10.00%*

*The member contribution rates for plan years beginning on and after October 1, 2017 shall be subject to adjustment based on the assumed investment return and the actual rate of investment return for the plan year ending on the valuation date, net of investment expenses, and such that the ratio of employer to member contributions for the plan year ending on the valuation date is maintained for the plan year

following the adjustment; subject in any event to a minimum member contribution rate of 8% and a maximum member contribution rate of 12% of compensation.

PREMIUM TAX MONIES:

No future State contributions are expected.

TOWN CONTRIBUTIONS:

Actuarially determined amounts which together with member contributions are sufficient to cover the requirements of the funding objective stated in the Executive Summary.

PRIOR GOVERNMENTAL SERVICE ELSEWHERE:

During the first five years of employment by the Town, the years or fractional parts of years that a member previously served for any other municipal, county, or state government or district as a Police Officer may be added to years or fractional parts of years of credited service provided that the member contributes the sum that would have been contributed to the retirement plan to pay the full actuarial cost.

PURCHASE OF SERVICE CREDIT:

A vested member-Police Officer who has not purchased service credit under Prior Governmental Service elsewhere may purchase years or fractional parts of years of service based upon actual prior service as a Police Officer to be added to years of credited service provided that the member contributes the sum that would have been contributed to the retirement plan to pay the full actuarial cost.

**SUMMARY OF BENEFIT PROVISIONS
(SEPTEMBER 30, 2016)**

FIRE

NORMAL RETIREMENT:

Eligibility

Grandfathered and April 30, 2012 frozen accrued benefits.

20 or more years of service, regardless of age; or, age 50 with 10 or more years of credited service; or, members with at least 10 years of credited service who retire after 9/30/90 are eligible when the individual's age plus credited service totals 65 years or more.

New Plan benefits accrued after April 30, 2012.

Bargaining: Age 65 with 10 or more years of service.

Non-Bargaining: Age 56 and 10 or more years of service.

Pension Amount

Grandfathered and April 30, 2012 frozen accrued benefits.

Average final compensation multiplied by the greater of;

- a) 3.5% per year of credited service to a maximum of 25 years, or
- b) 2.0% per year of credited service to a maximum of 50 years.

The normal form of pension is a pension payable for 10 years certain. Also, see Automatic Death after Retirement heading.

New Plan benefits accrued after April 30, 2012.

Bargaining: Average final compensation multiplied by 1.25% per year of credited service after April 30, 2012.

Non-Bargaining: Average final compensation multiplied by:

- a) 1.25% per year of credited service between May 1, 2012 and September 30, 2016, plus
- b) 2.75% per year of credited service on and after October 1, 2016.

Average Final Compensation

Grandfathered and April 30, 2012 frozen accrued benefits.

Highest 2 consecutive years within the member's last 5 years of credited service.

New Plan benefits accrued after April 30, 2012.

Average compensation after April 30, 2012 over a period increasing up to the final 5 years of credited service by April 30, 2017.

DROP RETIREMENT:

Eligibility – Same as Normal Retirement, election must be made within 7 years of the date the member first reaches normal retirement eligibility.

Pension Amount – Except for grandfathered members, 100% of the member's accrued benefit at the date of election to participate in DROP.

Monthly Distributions - Monthly DROP payments are made to the retirement trust during DROP participation.

DEFERRED RETIREMENT (VESTED TERMINATION BENEFIT):

Eligibility - 10 or more years of credited service. Pension begins upon meeting requirement for normal retirement. Contributions must be left on deposit in the System; failure to do so results in forfeiture of the vested benefit. Frozen accrued benefits as of April 30, 2012 are vested immediately. Members employed with the Town on May 1, 2012 are eligible to retire from Plan A when reaching age 55, notwithstanding total service.

Pension Amount - Computed as for normal retirement, based upon service and average final compensation at time of termination.

DUTY DISABILITY RETIREMENT:

Eligibility - No age or service requirements.

Pension Amount - Computed as a regular retirement with additional service credit granted from date of disability to earliest normal retirement eligibility date. Minimum benefit is 60% of average final compensation.

NON-DUTY DISABILITY BEFORE RETIREMENT:

Eligibility - 10 or more years of credited service.

Pension Amount - Computed as for normal retirement.

DUTY DEATH BEFORE RETIREMENT:

Eligibility - No age or service requirements.

Pension Amount - A pension to each surviving child until age 18, or until age 25 with no surviving spouse, of 25% of the member's average final compensation not to exceed 50% or an equal share of 75% of the member's AFC when there are 4 or more surviving children being paid. A pension to the widow of the difference, if any, between 75% of the retirant's AFC and the aggregate amount paid to children for the month.

NON-DUTY DEATH BEFORE RETIREMENT:

Eligibility - 10 or more years of credited service.

Pension Amount - 75% of normal retirement benefit to a surviving spouse or equal shares of 75% of the normal retirement benefit to surviving dependent children until age 18, or until age 25 with no surviving spouse.

AUTOMATIC DEATH AFTER RETIREMENT PENSION:

Grandfathered and April 30, 2012, frozen accrued benefits.

To Surviving Child(ren): 25% of the retirant's pension payable to age 18, not to exceed an equal share of 75% of the retirants pension. Payments to surviving children may be paid to age 25 if no spouse benefits are payable. Payment to dependent children is an unreduced payment for an initial 10-year period from retirant's retirement date. Subsequent payments are based on 75% from the end of this 10-year period until termination of surviving child(ren) payment.

To Surviving Spouse: The difference, if any, between 75% of the deceased retirant's pension and the aggregate amount paid to any surviving children for the month. Payment to surviving spouse is an unreduced payment for an initial 10-year period from retirant's retirement date. Subsequent payments are based on 75% from the end of this 10-year period until death of surviving spouse.

New Plan benefits accrued after April 30, 2012.

Reduced optional forms of payment are available.

POST-RETIREMENT COST-OF-LIVING ADJUSTMENTS:

Grandfathered and April 30, 2012, frozen accrued benefits.

Members who retire after 9/30/68 and prior to 10/1/90 receive an annual 1.0% increase computed on the base benefit. Other adjustments have been made periodically. Pensions effective after 9/30/90 will be increased 2.0% annually based on the total pension payable subsequent to an initial 3 year deferral period.

New Plan benefits accrued after April 30, 2012.

None.

MEMBER CONTRIBUTIONS:

Benefit Group	Before May 1, 2012	On and After May 1, 2012	On and After Oct. 1, 2013	On and After Oct. 1, 2016
Firefighters (Bargaining Unit)	6.82%	4.82%	4.82%	4.82%
Firefighters (Non-Bargaining)	6.82%	4.82%	2.47%	10.00%*

*Member contribution rate for non-bargaining members after October 1, 2017 shall be subject to adjustment based on the investment return and the actual rate of investment return for the plan year ending on the valuation date, net of investment expenses, and such that the ratio of employer to member

contributions for the plan year ending on the valuation date is maintained for the plan year following the adjustment; subject in any event to a minimum member contribution rate of 8% and a maximum member contribution rate of 12% of compensation.

PREMIUM TAX MONIES: No future State contributions are expected.

TOWN CONTRIBUTIONS: Actuarially determined amounts which together with member contributions are sufficient to cover the requirements of the funding objective stated in the Executive Summary.

FIREFIGHTER INDIVIDUAL CHAPTER SHARE ACCOUNTS: Available tax revenues received pursuant to Chapter 175 Florida Statute which have not been otherwise committed for members. Individual member accounts maintained in each member's name effective on or after 10/1/98.

PRIOR GOVERNMENTAL SERVICE ELSEWHERE: During the first five years of employment by the Town, the years or fractional parts of years that a member previously served for any other municipal, county, or state government or district as a Firefighter may be added to years or fractional parts of years of credited service provided that the member contributes the sum that would have been contributed to the retirement plan to pay the full actuarial cost.

PURCHASE OF SERVICE CREDIT: A vested member-Firefighter who has not purchased service credit under Prior Governmental Service Elsewhere may purchase years or fractional parts of years of service based upon actual prior service as a firefighter to be added to years of credited service provided that the member contributes the sum that would have been contributed to the retirement plan to pay the full actuarial cost.