CITY OF INDIAN HARBOUR BEACH
POLICE OFFICERS' RETIREMENT SYSTEM

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2016

CONTRIBUTIONS APPLICABLE TO THE CITY'S
PLAN/FISCAL YEAR ENDED SEPTEMBER 30, 2018

March 21, 2017

David Butler, Chairman
Police Pension Board
Indian Harbour Beach Police Department
40 Cheyenne Court
Indian Harbour Beach, FL 32937

Re: Police Officers' Retirement System

Dear Chief Butler:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Indian Harbour Beach Police Officers' Retirement System. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. Please note that this valuation may not be applicable for any other purposes.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapters 112, and 185, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the City of Indian Harbour Beach, financial reports prepared by the custodian bank, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The undersigned is familiar with the immediate and long-term aspects of pension valuations, and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Indian Harbour Beach, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the City of Indian Harbour Beach Police Officers' Retirement System. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact me at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By: Patrick T. Donlan

Patrick T. Donlan, ASA, MAAA
Enrolled Actuary #14-6595

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Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Indian Harbour Beach Police Officers' Retirement System, performed as of October 1, 2016, has been completed, and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ended September 30, 2018.

The contribution requirements developed in this valuation, compared with amounts developed in the October 1, 2015 valuation, are as follows:

Valuation Date Applicable Plan/Fiscal Year End	10/1/2016 9/30/2018	10/1/2015 9/30/2017
Total Required Contribution % of Total Annual Payroll	53.0%	46.9%
Member Contributions (Est.) % of Total Annual Payroll	6.5%	6.5%
City and State Required Contribution % of Total Annual Payroll	46.5%	40.4%
State Contribution * % of Total Annual Payroll	69,593 5.4%	69,593 5.4%
Balance from City % of Total Annual Payroll	41.1%	35.0%

* Represents the amount received in fiscal 2016. The City may use all State Monies received to offset their required contribution for fiscal years 2016 through 2018 per mutual consent.

** For budgeting purposes, the required Sponsor Contribution (City and State) is 46.5% of Pensionable Earnings for the fiscal year ending September 30, 2018. The precise City requirement for the year is this amount, less actual State Contributions received. The City has a $105,063.40 prepaid contribution that can be used to offset the current year's requirements.

As can be seen the total required contribution has increased when expressed as a percentage of total annual payroll. Part of this increase is attributable to overall actuarial experience that was less favorable than expected. The principal sources of actuarial loss included average increases in pensionable earnings that exceeded the assumed rate, the effect of a 6.83% investment return (Actuarial Asset Basis) that was

less than the 7.75% assumption, and the effect of no retiree mortality.

The other reason for the increase was the State mandated change to the assumed rates of mortality. The approximate impact of each component on the change in the funding requirements can be seen on page 8.

The balance of this Report presents additional details of the actuarial valuation and the general operation of the Fund. The undersigned would be pleased to meet with the Board of Trustees in order to discuss the Report and any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.

By: Christine M. O'Neal

Christine M. O'Neal, FSA, EA, MAAA

By: Patrick T. Donlan

Patrick T. Donlan, ASA, EA, MAAA

CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1)	Contribution Determined as of October 1, 2015	35.0%
(2)	Summary of Contribution Impact by component:	
	Change in State Money %	0.0%
	Investment Return (Actuarial Asset Basis)	0.7%
	Salary Increases	1.8%
	Payroll Change effect on UAAL Amortization	-1.3%
	Administrative Expenses %	0.2%
	Active Decrements	0.2%
	Inactive Mortality	0.8%
	Assumption Change	5.2%
	Other	-1.5%
	Total Change in Contribution	6.1%
(3)	Contribution Determined as of October 1, 2016	41.1%

CHANGES SINCE PRIOR VALUATION

Plan Changes Since Prior Valuation

There have been no plan changes since the prior valuation.

Actuarial Assumption/Method Changes Since Prior Valuation

As mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed from the RP-2000 Combined Healthy Tables to the mortality tables for special risk employees used by the Florida Retirement System actuary in the July 1, 2015 actuarial valuation.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Assump 10/1/2016	Old Assump 10/1/2016	10/1/2015
A. Participant Data			
Actives	19	19	19
Service Retirees	9	9	9
DROP Retirees	0	0	0
Beneficiaries	0	0	1
Disability Retirees	1	1	1
Terminated Vested	3	3	2
Total	32	32	32
Total Annual Payroll	$1,284,613	$1,284,613	$1,146,085
Payroll Under Assumed Ret. Age	1,284,613	1,284,613	1,146,085
Annual Rate of Payments to:			
Service Retirees	437,520	437,520	425,373
DROP Retirees	0	0	0
Beneficiaries	0	0	17,434
Disability Retirees	23,315	23,315	23,315
Terminated Vested	42,046	42,046	42,046
B. Assets			
Actuarial Value (AVA) [1]	8,817,469	8,817,469	8,141,724
Market Value (MVA) [1]	8,573,989	8,573,989	7,849,423
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	6,031,704	5,828,330	4,937,333
Disability Benefits	320,081	351,606	323,711
Death Benefits	212,474	87,042	81,012
Vested Benefits	389,433	379,308	337,594
Refund of Contributions	24,478	24,592	25,163
Service Retirees	5,355,699	5,028,415	5,007,463
DROP Retirees [1]	0	0	0
Beneficiaries	0	0	16,852
Disability Retirees	170,286	156,838	162,833
Terminated Vested	527,180	511,409	466,610
Excess State Monies Reserve	0	0	40,320
Total	13,031,335	12,367,540	11,398,891

C. Liabilities - (Continued)	New Assump 10/1/2016	Old Assump 10/1/2016	10/1/2015
Present Value of Future Salaries	8,382,781	8,463,290	7,945,605
Present Value of Future Member Contributions	544,881	550,114	516,464
Normal Cost (Retirement)	315,299	305,980	273,256
Normal Cost (Disability)	36,247	39,641	36,004
Normal Cost (Death)	29,217	11,778	10,628
Normal Cost (Vesting)	21,754	21,196	18,827
Normal Cost (Refunds)	5,258	5,265	6,298
Total Normal Cost	407,775	383,860	345,013
Present Value of Future Normal Costs	2,513,933	2,390,024	2,265,876
Accrued Liability (Retirement)	4,121,307	3,962,136	3,171,179
Accrued Liability (Disability)	104,701	111,211	91,183
Accrued Liability (Death)	46,952	22,103	17,626
Accrued Liability (Vesting)	188,787	182,914	157,800
Accrued Liability (Refunds)	2,490	2,490	1,150
Accrued Liability (Inactives) [1]	6,053,165	5,696,662	5,653,758
Excess State Monies Reserve	0	0	40,320
Total Actuarial Accrued Liability (AL)	10,517,402	9,977,516	9,133,015
Unfunded Actuarial Accrued Liability (UAAL)	1,699,933	1,160,047	991,291
Funded Ratio (AVA / AL)	83.8%	88.4%	89.1%

D. Actuarial Present Value of Accrued Benefits	New Assump 10/1/2016	Old Assump 10/1/2016	10/1/2015
Vested Accrued Benefits			
Inactives [1]	6,053,165	5,696,662	5,653,758
Actives	2,071,232	1,920,344	1,390,777
Member Contributions	510,259	510,259	434,105
Total	8,634,656	8,127,265	7,478,640
Non-vested Accrued Benefits	799,901	769,480	773,568
Total Present Value Accrued Benefits (PVAB)	9,434,557	8,896,745	8,252,208
Funded Ratio (MVA / PVAB)	90.9%	96.4%	95.1%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	537,812	0	
New Accrued Benefits	0	484,783	
Benefits Paid	0	(461,894)	
Interest	0	621,648	
Other	0	0	
Total	537,812	644,537	

	New Assump	Old Assump	
Valuation Date	10/1/2016	10/1/2016	10/1/2015
Applicable to Fiscal Year Ending	9/30/2018	9/30/2018	9/30/2017
E. Pension Cost			
Normal Cost (with interest)			
% of Total Annual Payroll [2]	33.0	31.0	31.3
Administrative Expenses (with interest)			
% of Total Annual Payroll [2]	2.4	2.4	2.2
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 28 years (as of 10/1/2016, with interest)			
% of Total Annual Payroll [2]	17.6	14.4	13.4
Total Required Contribution			
% of Total Annual Payroll [2]	53.0	47.8	46.9
Expected Member Contributions			
% of Total Annual Payroll [2]	6.5	6.5	6.5
Expected City and State Contribution			
% of Total Annual Payroll [2]	46.5	41.3	40.4

F. Past Contributions

Plan Years Ending:	9/30/2016
Total Required Contribution	645,262
City and State Requirement	563,344
Actual Contributions Made:	
Members (excluding buyback)	81,918
City	453,431
Contribution from Reserve	40,320
State	69,593 [3]
Total	645,262

G. Net Actuarial (Gain)/Loss 360,535

[1] The asset values and liabilities for DROP Members include accumulated DROP Balances as of 9/30/2016 and 9/30/2015.

[2] Contributions developed as of 10/1/2016 are expressed as a percentage of total annual payroll at 10/1/2016 of $1,284,613.

[3] Reflects Mutual Consent Agreement.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

Year	Projected Unfunded Actuarial Accrued Liability
2016	1,699,933
2017	1,596,986
2018	1,479,020
2025	1,121,363
2031	475,097
2035	65,320
2044	0

I. (i) 3 Year Comparison of Actual and Assumed Salary Increases

		Actual	Assumed
Year Ended	9/30/2016	12.15%	6.00%
Year Ended	9/30/2015	5.03%	6.00%
Year Ended	9/30/2014	-0.34%	7.00%

(ii) 3 Year Comparison of Investment Return on Actuarial Value

		Actual	Assumed
Year Ended	9/30/2016	6.83%	7.75%
Year Ended	9/30/2015	9.14%	7.75%
Year Ended	9/30/2014	9.09%	8.00%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2016	$1,284,613
	10/1/2006	860,874
(b) Total Increase		49.22%
(c) Number of Years		10.00
(d) Average Annual Rate		4.08%

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. 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.

Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #14-6595

Please let us know when the report is approved by the Board and unless otherwise directed we will provide copies of the report to the following offices to comply with Chapter 112 Florida Statutes:

Mr. Keith Brinkman
Bureau of Local
Retirement Systems
Post Office Box 9000
Tallahassee, FL 32315-9000

Ms. Sarah Carr
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
Post Office Box 3010
Tallahassee, FL 32315-3010

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2015	$991,291
(2)	Sponsor Normal Cost developed as of October 1, 2015	270,517
(3)	Expected administrative expenses for the year ended September 30, 2016	23,770
(4)	Expected interest on (1), (2) and (3)	98,711
(5)	Sponsor contributions to the System during the year ended September 30, 2016	563,344
(6)	Expected interest on (5)	21,433
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2016 (1)+(2)+(3)+(4)-(5)-(6)	799,512
(8)	Change to UAAL due to Assumption Change	539,886
(9)	Change to UAAL due to Actuarial (Gain)/Loss	360,535
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2016	1,699,933

Type of Base	Date Established	Years Remaining	10/1/2016 Amount	Amortization Amount
Benefit	10/1/2000	14	$258,807	$24,376
Method	10/1/2005	19	338,091	25,902
Prior Losses	10/1/2005	12	291,109	30,713
Loss	10/1/2006	12	9,701	1,023
Gain	10/1/2007	12	(44,514)	(4,696)
Benefit	10/1/2007	21	50,634	3,647
Loss	10/1/2008	2	89,329	45,671
Method	10/1/2008	12	(112,160)	(11,833)
Loss	10/1/2009	3	137,184	47,804
Loss	10/1/2010	4	4,702	1,256
Assum Change	10/1/2010	14	105,016	9,891
Loss	10/1/2011	5	73,265	16,003
Loss	10/1/2012	6	41,258	7,674
Software Change	10/1/2013	17	(133,509)	(10,994)
Loss	10/1/2013	7	3,831	624
Benefit	10/1/2013	27	349	22
Gain	10/1/2014	8	(297,566)	(43,322)
Assum Change	10/1/2014	18	174,234	13,819
Benefit	10/1/2014	28	(21,563)	(1,326)

Type of Base	Date Established	Years Remaining	10/1/2016 Amount	Amortization Amount
Gain	10/1/2015	9	(168,686)	(22,296)
Assum Change	10/1/2016	20	539,886	40,059
Loss	10/1/2016	10	360,535	43,795
			1,699,933	217,812

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1)	Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2015	$991,291
(2)	Expected UAAL as of October 1, 2016	799,512
(3)	Summary of Actuarial (Gain)/Loss, by component:	
	Investment Return (Actuarial Asset Basis)	75,477
	Salary Increases	182,648
	Active Decrements	17,046
	Inactive Mortality	83,087
	Other	2,277
	Increase in UAAL due to (Gain)/Loss	360,535
	Assumption Changes	539,886
(4)	Actual UAAL as of October 1, 2016	$1,699,933

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality

Healthy Lives:
Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB
Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB

Disabled Lives:
Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale
Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale

The assumed rates of mortality were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in the July 1, 2015 FRS actuarial valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality improvements.

Previously, the RP 2000 Combined Healthy – Sex Distinct with disabled lives set forward 5 years was utilized.

Interest

7.75% per year compounded annually, net of investment related expenses.

Retirement Age

Later of age 52 and the completion of 10 years of service. In addition, members who have reached retirement age on the valuation date are assumed to work one more year.

Early Retirement

Commencing with the earliest Early Retirement Age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

Disability

See table below (1205). 75% are assumed to be In-Line-Of-Duty and 25% Not-In-Line-Of-Duty.

Termination

Credited Service	Rates
Less than 5 Years	8.0%
5 or More Years	2.0%

This assumption was adopted based on the August 29, 2014 experience study.

Salary Increases	6.0% per year until the assumed retirement age; projected salary in the year of retirement is increased 15% to account for non-regular compensation. This assumption was adopted based on the August 29, 2014 experience study.
Payroll Increases	3.0% per year.
Administrative Expenses	$29,537 (non-investment related) based on the prior year's expense.
Funding Method	Entry Age Normal Actuarial Cost Method.
Cost of Living Adjustment	2.9% per year for Members retiring on or after January 1, 2016 who were hired before January 1, 2016.
Asset Valuation Method	Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

Age	% Becoming Disabled During the Year	Current Salary as a % of Salary at Age 55
20	0.14%	13.0%
30	0.18%	23.3%
40	0.30%	41.7%

VALUATION NOTES

Total Annual Payroll is the projected annual rate of pay for the year beginning on the valuation date of all covered Members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current Members, Retirees, Beneficiaries, Disability Retirees and Vested Terminations.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded.

Unfunded Actuarial Accrued Liability (UAAL) is a liability which arises when a pension plan is initially established or improved and such establishment or improvement is applicable to all years of past service. Under the Entry Age Normal Actuarial Cost Method, there is also a new UAAL created each year equal to the actuarial gain or loss for that year.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

Individual Entry Age Normal Actuarial Cost Method (Level Percent of Compensation) is the method used to determine required contributions under the Plan. The use of this method involves the systematic funding of the Normal Cost (described above) and the Unfunded Accrued (Past Service) Liability. The actuarial accrued liability for active participants is the difference between the present value of future benefits and the present value of future Normal Costs. The actuarial accrued liability for inactive participants is the present value of future benefits.

PARTIAL HISTORY OF PREMIUM TAX REFUNDS

Received During Fiscal Year	Amount	Increase from Previous Year
1994	24,418.00	_____%
1995	26,130.00	7.0%
1996	29,633.00	13.4%
1997	32,655.00	10.2%
1998	34,162.00	4.6%
1999	34,452.00	0.8%
2000	33,777.00	-2.0%
2001	34,703.00	2.7%
2002	41,179.00	18.7%
2003	45,153.00	9.7%
2004	55,715.30	23.4%
2005	51,529.33	-7.5%
2006	52,754.20	2.4%
2007	54,400.77	3.1%
2008	56,834.57	4.5%
2009	63,494.34	11.7%
2010	57,359.30	-9.7%
2011	55,676.37	-2.9%
2012	59,310.80	6.5%
2013	59,752.74	0.7%
2014	63,747.87	6.7%
2015	61,494.36	-3.5%
2016	69,593.43	13.2%

EXCESS STATE MONIES RESERVE

	Actual State Contribution	Applicable "Frozen" Amount	Excess State Monies Reserve
2000	$33,777.00	$50,599.22	$0.00
2001	34,703.00	50,599.22	0.00
2002	41,179.00	50,599.22	0.00
2003	45,153.00	50,599.22	0.00
2004	55,715.30	50,599.22	5,116.08
2005	51,529.33	50,599.22	930.11
2006	52,754.20	50,599.22	2,154.98
2007	54,400.77	50,599.22	3,801.55
2008	56,834.57	50,599.22	6,235.35
2009	63,494.34	55,250.22	8,244.12
2010	57,359.30	55,250.22	2,109.08
2011	55,676.37	55,250.22	426.15
2012	59,310.80	55,250.22	4,060.58
2013	59,752.74	55,250.22	4,502.52
2014	63,747.87	55,250.22	8,497.65
2015	61,494.36	55,250.22	6,244.14
2016	69,593.43	N/A	0.00

Total Excess State Monies	52,322.31
Less Excess Used in Funding Ordinance No. 2008-1	(12,002.72)
Less Excess Used in Offseting the City's Fiscal 2016 Funding Requirements	(40,319.59)
Equals Current State Monies Reserve	$0.00

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2016

ASSETS	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Money Market	99,807.69	99,807.69
Total Cash and Equivalents	99,807.69	99,807.69
Receivables:		
Member Contributions in Transit	3,385.47	3,385.47
City Contributions in Transit	135,236.91	135,236.91
State Contributions	69,593.43	69,593.43
Investment Income	4,215.00	4,215.00
Total Receivable	212,430.81	212,430.81
Investments:		
Mutual Funds	7,861,608.70	8,366,814.01
Total Investments	7,861,608.70	8,366,814.01
Total Assets	8,173,847.20	8,679,052.51
LIABILITIES		
Prepaid City Contribution	105,063.40	105,063.40
Total Liabilities	105,063.40	105,063.40
NET POSITION RESTRICTED FOR PENSIONS	8,068,783.80	8,573,989.11

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2016
Market Value Basis

ADDITIONS			
Contributions:			
Member		81,917.97	
Buy-Back		1,900.00	
City		453,430.56	
State		69,593.43	
Total Contributions			606,841.96
Investment Income:			
Net Realized Gain (Loss)	14,558.13		
Unrealized Gain (Loss)	292,615.13		
Net Increase in Fair Value of Investments		307,173.26	
Interest & Dividends		339,412.17	
Less Investment Expense[1]		(37,429.87)	
Net Investment Income			609,155.56
Total Additions			1,215,997.52
DEDUCTIONS			
Distributions to Members:			
Benefit Payments		461,894.43	
Lump Sum DROP Distributions		0.00	
Refunds of Member Contributions		0.00	
Total Distributions			461,894.43
Administrative Expense			29,536.60
Total Deductions			491,431.03
Net Increase in Net Position			724,566.49
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			7,849,422.62
End of the Year			8,573,989.11

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2016

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return[1]
09/30/2013	11.36%
09/30/2014	9.33%
09/30/2015	-0.70%
09/30/2016	7.75%

Annualized Rate of Return for prior four (4) years:	6.83%	
(A) 10/01/2015 Actuarial Assets:		$8,141,723.67
(I) Net Investment Income:		
1. Interest and Dividends	339,412.17	
2. Realized Gains (Losses)	14,558.13	
3. Change in Actuarial Value	243,794.14	
4. Investment Related Expenses	(37,429.87)	
Total		560,334.57
(B) 10/01/2016 Actuarial Assets:		$8,817,469.17
Actuarial Asset Rate of Return = 2I/(A+B-I):		6.83%
10/01/2016 Limited Actuarial Assets:		$8,817,469.17
10/01/2016 Market Value of Assets:		$8,573,989.11
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)		($75,476.98)

[1]Market Value Basis, net of investment related expenses.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2016
Actuarial Asset Basis

REVENUES		
Contributions:		
Member	81,917.97	
Buy-Back	1,900.00	
City	453,430.56	
State	69,593.43	
Total Contributions		606,841.96
Earnings from Investments:		
Interest & Dividends	339,412.17	
Net Realized Gain (Loss)	14,558.13	
Change in Actuarial Value	243,794.14	
Total Earnings and Investment Gains		597,764.44
EXPENDITURES		
Distributions to Members:		
Benefit Payments	461,894.43	
Lump Sum DROP Distributions	0.00	
Refunds of Member Contributions	0.00	
Total Distributions		461,894.43
Expenses:		
Investment related[1]	37,429.87	
Administrative	29,536.60	
Total Expenses		66,966.47
Change in Net Assets for the Year		675,745.50
Net Assets Beginning of the Year		8,141,723.67
Net Assets End of the Year[2]		8,817,469.17

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.
[2]Net Assets may be limited for actuarial consideration.

RECONCILIATION OF CITY'S SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2016

(1)	Total Required Contribution Rate	51.2%
(2)	Pensionable Payroll Derived from Member Contributions	1,260,276.46
(3)	Total Required Contribution (1) x (2)	645,261.55
(4)	Less Actual Member Contributions	(81,917.97)
(5)	Less Allowable State Contribution	(69,593.43)
(6)	Equals Required City Contribution for Fiscal 2016	493,750.15
(7)	Less 2015 Prepaid Contribution	(59,363.92)
(8)	Less Contribution from Excess State Monies Reserve	(40,319.59)
(9)	Less Actual City Contributions	(499,130.04)
(10)	Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2016	(105,063.40)

STATISTICAL DATA [1]

	10/1/2013	10/1/2014	10/1/2015	10/1/2016
Actives				
Number	16	18	19	19
Average Current Age	41.5	42.0	43.0	42.2
Average Age at Employment	33.0	32.9	34.5	33.4
Average Past Service	8.5	9.1	8.5	8.8
Average Annual Salary	$58,438	$57,702	$60,320	$67,611
Service Retirees				
Number				9
Average Current Age				63.7
Average Annual Benefit				$48,613
DROP Retirees				
Number				0
Average Current Age				N/A
Average Annual Benefit				N/A
Beneficiaries				
Number				0
Average Current Age				N/A
Average Annual Benefit				N/A
Disability Retirees				
Number				1
Average Current Age				70.2
Average Annual Benefit				$23,315
Terminated Vested				
Number				3
Average Current Age				40.8
Average Annual Benefit [2]				$21,023

[1] Prior to 10/1/2016, averages were salary weighted.

[2] The Average Annual Benefit excludes participants awaiting a refund of contributions.

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19	0	0	0	0	0	0	0	0	0	0	0	0
20 - 24	1	0	0	0	0	0	0	0	0	0	0	1
25 - 29	0	1	1	1	0	0	0	0	0	0	0	3
30 - 34	0	0	0	0	0	0	1	0	0	0	0	1
35 - 39	0	1	0	0	0	0	1	0	0	0	0	2
40 - 44	0	0	0	0	0	0	0	0	0	0	0	0
45 - 49	0	1	0	0	0	1	3	2	0	0	0	7
50 - 54	0	0	0	0	0	3	0	0	0	0	0	3
55 - 59	0	0	0	0	0	0	0	1	0	0	0	1
60 - 64	0	0	0	0	0	0	1	0	0	0	0	1
65+	0	0	0	0	0	0	0	0	0	0	0	0
Total	1	3	1	1	0	4	6	3	0	0	0	19

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2015	19
b. Terminations	
i. Vested (partial or full) with deferred benefits	(1)
ii. Non-vested or full lump sum distribution received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	0
f. DROP	0
g. Continuing participants	18
h. New entrants	1
i. Total active life participants in valuation	19

2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving Benefits	DROP Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested Deferred	Total
a. Number prior valuation	9	0	1	1	2	13
Retired	0	0	0	0	0	0
DROP	0	0	0	0	0	0
Vested Deferred	0	0	0	0	1	1
Death, With Survivor	0	0	0	0	0	0
Death, No Survivor	0	0	0	0	0	0
Disabled	0	0	0	0	0	0
Refund of Contributions	0	0	0	0	0	0
Rehires	0	0	0	0	0	0
Expired Annuities	0	0	(1)	0	0	(1)
Data Corrections	0	0	0	0	0	0
b. Number current valuation	9	0	0	1	3	13

SUMMARY OF CURRENT PLAN
(Through Ordinance 2015-8)

Effective Date	February 28, 1967
Latest Amendment	December 8, 2015
Credited Service	a. Total aggregate period of service, including military leave, if reemployed within one year (Maximum 5 years credit). b. Upon termination, prior Credited Service will be forfeited if refund of contribution elected or if not reemployed within 5 years.
Average Final Compensation	Total cash remuneration, plus tax deferred compensation contributed by the City on behalf of the member pursuant to IRC Section 414(h) during the final 5 calendar years of employment.
Normal Retirement	
Eligibility	Age 52 and 10 years of Service.
Benefit Amount	3.0% of Average Final Compensation times Years of Credited Service.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
Early Retirement	
Eligibility	Age 50 and 10 years of Service.
Benefit Amount	Computed as for Normal Retirement, reduced 3% for each year that Early Retirement precedes Normal Retirement.
Cost-of-Living Adjustment	Members who retire on or after October 1, 2001, receive a 3% benefit increase on every July 1 for the accrued benefit earned prior to January 1, 2016. For service on and after this date the COLA shall equal the amount of the Social Security COLA for the year immediately prior to the COLA, provided that the minimum shall be 1.0% and the maximum shall be 3.0% Members hired on or after January 1, 2016 will not receive a COLA.

Vesting (Termination)	
Less than 10 years of Contributing Service	Refund of Member Contributions without interest.
10 years or more	Accrued benefit payable at Normal Retirement Date if Member contributions left in Fund, or a refund of Member Contributions, without interest
Disability In Service	
Eligibility	a. Date of Employment. b. Service connected injury, disease or disability which permanently incapacitates him from performing police officer's duties.
Benefit Amount	The greater of 50% of regular base salary or the accrued benefit for life and the life of the surviving beneficiary in the event of death with the first 120 payments guaranteed.
Disability Non-Service	
Benefit Amount	Refund of Member Contributions with less than 10 years of Credited Service. With 10 or more years of Credited Service, the accrued benefit payable upon being granted a disability benefit.
Death - Service Incurred	
Benefit	50% of base rate of pay in effect on date of death. Payable to spouse until death or remarriage. If no spouse, or upon death or remarriage, 15% payable to each unmarried child until age 18 (or to age 22, if in school); total maximum for all such children of 50%.
Death - Non-Service Incurred	
Benefit	50% of base rate of pay in effect on date of death payable monthly to beneficiary for a period of one year.
Optional Death Benefit	Accrued benefit paid to Beneficiary for 10 years at otherwise Normal or Early Retirement Date

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Contributions	
Employee	6.5% of Salary.
Premium Tax	0.85% tax on premiums for casualty insurance
City	Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over 30 years.
Board of Trustees	Two City Council appointees who are City residents, two elected Members of the Police Department, and a fifth member elected by the other four.
Deferred Retirement Option Plan	
Eligibility	Eligibility for Normal Retirement.
Participation	Not to exceed 36 months.
Rate of Return	Actual net rate of investment return of the fund.
Form of Distribution	Lump sum at termination of employment.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2016

ASSETS	MARKET VALUE
Cash and Cash Equivalents:	
Money Market	99,808
Total Cash and Equivalents	99,808
Receivables:	
Member Contributions in Transit	3,385
City Contributions in Transit	135,237
State Contributions	69,593
Investment Income	4,215
Total Receivable	212,430
Investments:	
Mutual Funds	8,366,814
Total Investments	8,366,814
Total Assets	8,679,052
Total Liabilities	0
NET POSITION RESTRICTED FOR PENSIONS	8,679,052

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2016
Market Value Basis

ADDITIONS		
Contributions:		
Member	81,918	
Buy-Back	1,900	
City	499,130	
State	69,593	
Total Contributions		652,541
Investment Income:		
Net Increase in Fair Value of Investments	307,173	
Interest & Dividends	339,412	
Less Investment Expense[1]	(37,430)	
Net Investment Income		609,155
Total Additions		1,261,697
DEDUCTIONS		
Distributions to Members:		
Benefit Payments	461,895	
Lump Sum DROP Distributions	0	
Refunds of Member Contributions	0	
Total Distributions		461,895
Administrative Expense		29,537
Total Deductions		491,432
Net Increase in Net Position		770,265
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		7,908,787
End of the Year		8,679,052

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended September 30, 2016)

Plan Description

Plan Administration
The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of: Two City Council appointees who are City residents, two elected Members of the Police Department, and a fifth member elected by the other four.

Plan Membership as of October 1, 2015:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	11
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	2
Active Plan Members	19
	32

Benefits Provided
The Plan provides retirement, termination, disability and death benefits.
Normal Retirement:
Eligibility: Age 52 and 10 years of Service.
Benefit Amount: 3.0% of Average Final Compensation times Years of Credited Service.
Early Retirement:
Eligibility: Age 50 and 10 years of Service.
Benefit Amount: Computed as for Normal Retirement, reduced 3% for each year that Early Retirement precedes Normal Retirement.
Cost-Of-Living Adjustment:
Members who retire on or after October 1, 2001, receive a 3% benefit increase on every July 1for the accrued benefit earned prior to January 1, 2016. For service on and after this date the COLA shall equal the amount of the Social Security COLA for the year immediately prior to the COLA, provided that the minimum shall be 1.0% and the maximum shall be 3.0%. Members hired on or after January 1, 2016 will not receive a COLA.
Vesting (Termination):
Less than 10 years of Contributing Service: Refund of Member Contributions without interest.
10 years or more: Accrued benefit payable at Normal Retirement Date if Member contributions left in Fund, or a refund of Member Contributions, without interest.
Disability In Service:
Eligibility: a. Date of Employment.
b. Service connected injury, disease or disability which permanently incapacitates him from performing police officer's duties.
Benefit Amount: The greater of 50% of regular base salary or the accrued benefit for life and the life of the surviving beneficiary in the event of death with the first 120 payments guaranteed.
Disability Non-Service:
Refund of Member Contributions with less than 10 years of Credited Service. With 10 or more years of Credited Service, the accrued benefit payable upon being granted a disability benefit.
Death - Service Incurred:
Benefit: 50% of base rate of pay in effect on date of death. Payable to spouse until death or remarriage. If no spouse, or upon death or remarriage, 15% payable to each unmarried child until age 18 (or to age 22, if in school); total maximum for all such children of 50%.
Death - Non-Service Incurred:
Benefit: 50% of base rate of pay in effect on date of death payable monthly to beneficiary for a period of one year.
Optional Death Benefit: Accrued benefit paid to Beneficiary for 10 years at otherwise Normal or Early Retirement Date.

Contributions
Employee: 6.5% of Salary.
Premium Tax: 0.85% tax on premiums for casualty insurance.
City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over 30 years.

Investments
Investment Policy:
The following was the Board's adopted asset allocation policy as of September 30, 2016:

Asset Class	Target Allocation
Domestic Equity	45%
International Equity	15%
Fixed Income	40%
Total	100%

Concentrations:
The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's Fiduciary Net Position.

Rate of Return:
For the year ended September 30, 2016, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 7.75 percent.
The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program
Eligibility: Eligibility for Normal Retirement.
Participation: Not to exceed 36 months.
Rate of Return: Actual net rate of investment return of the fund.
The DROP balance as September 30, 2016 is $0.

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the Sponsor on September 30, 2016 were as follows:

Total Pension Liability	$ 10,183,238
Plan Fiduciary Net Position	$ (8,679,052)
Sponsor's Net Pension Liability	$ 1,504,186
Plan Fiduciary Net Position as a percentage of Total Pension Liability	85.23%

Actuarial Assumptions:
The Total Pension Liability was determined by an actuarial valuation as of October 1, 2015 updated to September 30, 2016 using the following actuarial assumptions:

Inflation	3.00%
Salary Increases	6.00%
Discount Rate	7.75%
Investment Rate of Return	7.75%

Mortality Rate Healthy Lives:
Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.
Male: RP2000 Generational, 10% Annuitant White Collar /90% Annuitant Blue Collar, Scale BB.
Mortality Rate Disabled Lives:
Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale.
Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.

The most recent actuarial experience study used to review the other significant assumptions was dated Augustus 29, 2014.

The Long-Term Expected Rate of Return on Pension Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.
For 2016 the inflation rate assumption of the investment advisor was 3.00%.
These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2016 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return
Domestic Equity	6.75%
International Equity	6.75%
Fixed Income	2.00%

Discount Rate:
The Discount Rate used to measure the Total Pension Liability was 7.75 percent.
The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Sponsor's Net Pension Liability	$ 2,880,297	$ 1,504,186	$ 380,413

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

	09/30/2016	09/30/2015
Total Pension Liability		
Service Cost	348,837	321,952
Interest	719,178	708,590
Change in Excess State Money	(40,320)	6,244
Changes of benefit terms	-	(25,397)
Differences between Expected and Actual Experience	(108,561)	(401,941)
Changes of assumptions	521,951	-
Contributions - Buy Back	1,900	-
Benefit Payments, including Refunds of Employee Contributions	(461,895)	(575,838)
Net Change in Total Pension Liability	981,090	33,610
Total Pension Liability - Beginning	9,202,148	9,168,538
Total Pension Liability - Ending (a)	$ 10,183,238	$ 9,202,148
Plan Fiduciary Net Position		
Contributions - Employer	499,130	549,519
Contributions - State	69,593	61,494
Contributions - Employee	81,918	70,062
Contributions - Buy Back	1,900	-
Net Investment Income	609,155	(54,043)
Benefit Payments, including Refunds of Employee Contributions	(461,895)	(575,838)
Administrative Expense	(29,537)	(23,770)
Other	-	-
Net Change in Plan Fiduciary Net Position	770,265	27,424
Plan Fiduciary Net Position - Beginning	7,908,787	7,881,363
Plan Fiduciary Net Position - Ending (b)	$ 8,679,052	$ 7,908,787
Net Pension Liability - Ending (a) - (b)	$ 1,504,186	$ 1,293,361
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	85.23%	85.95%
Covered Employee Payroll[1]	$ 1,260,276	$ 1,138,129
Net Pension Liability as a percentage of Covered Employee Payroll	119.35%	113.64%

Notes to Schedule:

[1] The Covered Employee Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

Changes of benefit terms:

For measurement date 09/30/2015, amounts reported as changes of benefit terms were resulted from:

1.) Provide that effective October 1, 2011, pensionable Salary will include no more than 300 hours of overtime (this provision did not affect the funding requirements because Police Officers do not work more than 300 hours of overtime per year).

2.) Provide that lump sum sick and annual payments at retirement included in pensionable Salary will not exceed the balance of accrued unused sick and annual leave on September 30, 2011 (to value this provision, we maintained the assumption that Members hired before September 30, 2011 will receive 15% of a year's Salary as pensionable lump sum sick and annual leave payments and Members hired on or after October 1, 2011 will be 0%).

3.) Provide that Police Officers who become disabled not in the line of duty after the completion of 10 years of Credited Service will receive a 10 year certain and life benefit payable immediately equal to 3.0% of their Average Final Compensation times Credited Service as of the date of disability.

4.) The automatic Cost of Living Adjustment (COLA) on the prorated portion of benefit earned after January 1, 2016 will equal the amount of the Social Security Cost-of-Living Adjustment as calculated by the Social Security Administration for the year immediately prior to the cost-of-living adjustment. Provided; however, that the cost-of-living adjustment on this piece of benefit shall not be less than one percent (1%) and shall not exceed three percent (3%). (In order to value this benefit, we assumed that the average future COLA averaged over their entire benefit for all Members still employed on January 1, 2016 will be 2.9%).
5.) Members hired on or after January 1, 2016 will not receive any COLA's.
6.) Regarding the use of State Monies, the Union and the City have "mutually agreed" that the Excess State Monies Reserve as of October 1, 2015 will be utilized as a one-time offset to the City's funding requirement for the fiscal year that begins October 1, 2015 and ends September 30, 2016. Additionally, they have agreed that the City may use all State Monies that are received during the contract period (2015-2018) in order to offset their annual required contribution. Therefore, the Excess State Monies Reserve shown in the Impact Statement will be converted to a City contribution during fiscal 2016.

Changes of assumptions:
For measurement date 09/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

	09/30/2014	09/30/2013
Total Pension Liability		
Service Cost	290,554	268,851
Interest	677,862	637,526
Change in Excess State Money	8,498	-
Changes of benefit terms	328	-
Differences between Expected and Actual Experience	-	-
Changes of assumptions	243,597	-
Contributions - Buy Back	-	-
Benefit Payments, including Refunds of Employee Contributions	(520,542)	(327,882)
Net Change in Total Pension Liability	700,297	578,495
Total Pension Liability - Beginning	8,468,241	7,889,746
Total Pension Liability - Ending (a)	$ 9,168,538	$ 8,468,241
Plan Fiduciary Net Position		
Contributions - Employer	438,982	305,967
Contributions - State	63,748	59,753
Contributions - Employee	54,965	48,221
Contributions - Buy Back	-	-
Net Investment Income	669,613	730,269
Benefit Payments, including Refunds of Employee Contributions	(520,542)	(327,882)
Administrative Expense	(16,790)	(14,744)
Other	25	-
Net Change in Plan Fiduciary Net Position	690,001	801,584
Plan Fiduciary Net Position - Beginning	7,191,362	6,389,778
Plan Fiduciary Net Position - Ending (b)	$ 7,881,363	$ 7,191,362
Net Pension Liability - Ending (a) - (b)	$ 1,287,175	$ 1,276,879
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	85.96%	84.92%
Covered Employee Payroll[1]	$ 911,867	$ 876,742
Net Pension Liability as a percentage of Covered Employee Payroll	141.16%	145.64%

Notes to Schedule:

[1] The Covered Employee Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

Changes of benefit terms:
For measurement date 09/30/2014, amounts reported as changes of benefit terms were resulted from an increase of the Member Contribution rate to 6.5% effective April 1, 2014.

Changes of assumptions:
For measurement date 09/30/2014, amounts reported as changes of assumptions were resulted from:
• Investment Return assumption reduced from 8.0% to 7.75% per year, net of investment related expenses.
• Salary scale reduced from 7.0% to 6.0% per year.
• Turnover assumption modified from one based on age to one based on Credited Service.

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	09/30/2016	09/30/2015	09/30/2014	09/30/2013
Actuarially Determined Contribution	563,344	545,405	494,232	361,218
From Excess State Money Reserve	40,320	-	-	-
Contributions in relation to the Actuarially Determined Contributions	568,723	604,769	494,232	361,218
Contribution Deficiency (Excess)	$ (45,699)	$ (59,364)	$ -	$ -
Covered Employee Payroll[1]	$ 1,260,276	$ 1,138,129	$ 911,867	$ 876,742
Contributions as a percentage of Covered Employee Payroll	45.13%	53.14%	54.20%	41.20%

[1] The Covered Employee Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

Notes to Schedule

Valuation Date: 10/01/2014 (AIS 11/23/2015)

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.

Amortization Method: Level Percentage of Pay, Closed.

Remaining Amortization Period: 29 Years (as of 10/01/2014).

Mortality Rate: RP-2000 Table with no projection – Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. (Disabled lives set forward 5 years).

Interest Rate: 7.75% per year compounded annually, net of investment related expenses.

Retirement Age: Later of age 52 and the completion of 10 years of service. In addition, members who have reached retirement age on the valuation date are assumed to work one more year.

Early Retirement: Commencing with the earliest Early Retirement Age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

Disability Rates: See table below (1205).

Termination Rates:

Credited Service	Rates
Less than 5 Years	8.0%
5 or More Years	2.0%

Salary Increases: 6.0% per year until the assumed retirement age; projected salary in the year of retirement is increased 15% to account for non-regular compensation.

Payroll Increases: 3.0% per year.

Asset Valuation Method: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

Termination and Disability Rate Table:

Age	% Becoming Disabled During the Year
20	0.14%
30	0.18%
40	0.30%

SCHEDULE OF INVESTMENT RETURNS

Last 10 Fiscal Years

	09/30/2016	09/30/2015	09/30/2014	09/30/2013
Annual Money-Weighted Rate of Return				
Net of Investment Expense	7.75%	-0.70%	9.33%	11.36%

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended September 30, 2017)

General Information about the Pension Plan

Plan Description
The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:
Two City Council appointees who are City residents, two elected Members of the Police Department, and a fifth member elected by the other four.
Each person employed by the City of Indian Harbour Beach as a full-time sworn Police Officer becomes a Member of the Plan as a condition of his or her employment. All such employees are therefor eligible for all plan benefits.

Plan Membership as of October 1, 2015:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	11
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	2
Active Plan Members	19
	32

Benefits Provided
The Plan provides retirement, termination, disability and death benefits.
Normal Retirement:
Eligibility: Age 52 and 10 years of Service.
Benefit Amount: 3.0% of Average Final Compensation times Years of Credited Service.
Early Retirement:
Eligibility: Age 50 and 10 years of Service.
Benefit Amount: Computed as for Normal Retirement, reduced 3% for each year that Early Retirement precedes Normal Retirement.
Cost-Of-Living Adjustment:
Members who retire on or after October 1, 2001, receive a 3% benefit increase on every July 1for the accrued benefit earned prior to January 1, 2016. For service on and after this date the COLA shall equal the amount of the Social Security COLA for the year immediately prior to the COLA, provided that the minimum shall be 1.0% and the maximum shall be 3.0%. Members hired on or after January 1, 2016 will not receive a COLA.
Vesting (Termination):
Less than 10 years of Contributing Service: Refund of Member Contributions without interest.
10 years or more: Accrued benefit payable at Normal Retirement Date if Member contributions left in Fund, or a refund of Member Contributions, without interest.
Disability In Service:
Eligibility: a. Date of Employment.
b. Service connected injury, disease or disability which permanently incapacitates him from performing police officer's duties.
Benefit Amount: The greater of 50% of regular base salary or the accrued benefit for life and the life of the surviving beneficiary in the event of death with the first 120 payments guaranteed.
Disability Non-Service:
Refund of Member Contributions with less than 10 years of Credited Service. With 10 or more years of Credited Service, the accrued benefit payable upon being granted a disability benefit.
Death - Service Incurred:
Benefit: 50% of base rate of pay in effect on date of death. Payable to spouse until death or remarriage. If no spouse, or upon death or remarriage, 15% payable to each unmarried child until age 18 (or to age 22, if in school); total maximum for all such children of 50%.
Death - Non-Service Incurred:
Benefit: 50% of base rate of pay in effect on date of death payable monthly to beneficiary for a period of one year.
Optional Death Benefit: Accrued benefit paid to Beneficiary for 10 years at otherwise Normal or Early Retirement Date.

Contributions
Employee: 6.5% of Salary.
Premium Tax: 0.85% tax on premiums for casualty insurance.
Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

Net Pension Liability

The measurement date is September 30, 2016.
The measurement period for the pension expense was October 1, 2015 to September 30, 2016.
The reporting period is October 1, 2016 through September 30, 2017.

The Sponsor's Net Pension Liability was measured as of September 30, 2016.
The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

Actuarial Assumptions:
The Total Pension Liability was determined by an actuarial valuation as of October 1, 2015 updated to September 30, 2016 using the following actuarial assumptions:

Inflation	3.00%
Salary Increases	6.00%
Discount Rate	7.75%
Investment Rate of Return	7.75%

Mortality Rate Healthy Lives:
Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.
Male: RP2000 Generational, 10% Annuitant White Collar /90% Annuitant Blue Collar, Scale BB.
Mortality Rate Disabled Lives:
Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale.
Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.

The most recent actuarial experience study used to review the other significant assumptions was dated Augustus 29, 2014.

The Long-Term Expected Rate of Return on Pension Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, Net of Pension Plan investment expenses and inflation) are developed for each major asset class.
For 2016 the inflation rate assumption of the investment advisor was 3.00%.
These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	45%	6.75%
International Equity	15%	6.75%
Fixed Income	40%	2.00%
Total	100%	

Discount Rate:
The Discount Rate used to measure the Total Pension Liability was 7.75 percent.
The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Reporting Period Ending September 30, 2016	$ 9,202,148	$ 7,908,787	$ 1,293,361
Changes for a Year:			
Service Cost	348,837	-	348,837
Interest	719,178	-	719,178
Change in Excess State Money	(40,320)	-	(40,320)
Differences between Expected and Actual Experience	(108,561)	-	(108,561)
Changes of assumptions	521,951	-	521,951
Changes of benefit terms	-	-	-
Contributions - Employer	-	499,130	(499,130)
Contributions - State	-	69,593	(69,593)
Contributions - Employee	-	81,918	(81,918)
Contributions - Buy Back	1,900	1,900	-
Net Investment Income	-	609,155	(609,155)
Benefit Payments, including Refunds of Employee Contributions	(461,895)	(461,895)	-
Administrative Expense	-	(29,537)	29,537
Net Changes	981,090	770,265	210,825
Reporting Period Ending September 30, 2017	$ 10,183,238	$ 8,679,052	$ 1,504,186

Sensitivity of the Net Pension Liability to changes in the Discount Rate.

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Sponsor's Net Pension Liability	$ 2,880,297	$ 1,504,186	$ 380,413

Pension Plan Fiduciary Net Position.
Detailed information about the pension Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

FINAL PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2016

For the year ended September 30, 2016, the Sponsor recognized a Pension Expense of $446,548.
On September 30, 2016, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	321,552
Changes of assumptions	121,798	-
Net difference between Projected and Actual Earnings on Pension Plan investments	478,310	-
Employer and State Contributions subsequent to the measurement date	568,723	-
Total	$ 1,168,831	$ 321,552

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer and State contributions subsequent to the measurement date has been recognized as a reduction of the Net Pension Liability in the year ended September 30, 2016.
Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:	
2017	$ 95,414
2018	$ 95,414
2019	$ 34,515
2020	$ 53,213
2021	$ -
Thereafter	$ -

PRELIMINARY PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS FISCAL YEAR SEPTEMBER 30, 2017

For the year ended September 30, 2017, the Sponsor will recognize a Pension Expense of $536,236.
On September 30, 2017, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	328,012
Changes of assumptions	478,459	-
Net difference between Projected and Actual Earnings on Pension Plan investments	371,423	-
Employer and State Contributions subsequent to the measurement date	TBD	-
Total	TBD	$ 328,012

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer and State contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended September 30, 2017.
Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:	
2018	$ 180,096
2019	$ 119,197
2020	$ 137,895
2021	$ 84,682
2022	$ -
Thereafter	$ -

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

Reporting Period Ending	09/30/2017	09/30/2016
Measurement Date	09/30/2016	09/30/2015
Total Pension Liability		
Service Cost	348,837	321,952
Interest	719,178	708,590
Change in Excess State Money	(40,320)	6,244
Changes of benefit terms	-	(25,397)
Differences between Expected and Actual Experience	(108,561)	(401,941)
Changes of assumptions	521,951	-
Benefit Payments, including Refunds of Employee Contributions	(461,895)	(575,838)
Net Change in Total Pension Liability	981,090	33,610
Total Pension Liability - Beginning	9,202,148	9,168,538
Total Pension Liability - Ending (a)	$ 10,183,238	$ 9,202,148
Plan Fiduciary Net Position		
Contributions - Employer	499,130	549,519
Contributions - State	69,593	61,494
Contributions - Employee	81,918	70,062
Net Investment Income	609,155	(54,043)
Benefit Payments, including Refunds of Employee Contributions	(461,895)	(575,838)
Administrative Expense	(29,537)	(23,770)
Other	-	-
Net Change in Plan Fiduciary Net Position	770,265	27,424
Plan Fiduciary Net Position - Beginning	7,908,787	7,881,363
Plan Fiduciary Net Position - Ending (b)	$ 8,679,052	$ 7,908,787
Net Pension Liability - Ending (a) - (b)	$ 1,504,186	$ 1,293,361
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	85.23%	85.95%
Covered Employee Payroll[1]	$ 1,260,276	$ 1,138,129
Net Pension Liability as a percentage of Covered Employee Payroll	119.35%	113.64%

Notes to Schedule:

[1] The Covered Employee Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

Changes of benefit terms:
For measurement date 09/30/2015, amounts reported as changes of benefit terms were resulted from:
1.) Provide that effective October 1, 2011, pensionable Salary will include no more than 300 hours of overtime (this provision did not affect the funding requirements because Police Officers do not work more than 300 hours of overtime per year).
2.) Provide that lump sum sick and annual payments at retirement included in pensionable Salary will not exceed the balance of accrued unused sick and annual leave on September 30, 2011 (to value this provision, we maintained the assumption that Members hired before September 30, 2011 will receive 15% of a year's Salary as pensionable lump sum sick and annual leave payments and Members hired on or after October 1, 2011 will be 0%).
3.) Provide that Police Officers who become disabled not in the line of duty after the completion of 10 years of Credited Service will receive a 10 year certain and life benefit payable immediately equal to 3.0% of their Average Final Compensation times Credited Service as of the date of disability.

4.) The automatic Cost of Living Adjustment (COLA) on the prorated portion of benefit earned after January 1, 2016 will equal the amount of the Social Security Cost-of-Living Adjustment as calculated by the Social Security Administration for the year immediately prior to the cost-of-living adjustment. Provided; however, that the cost-of-living adjustment on this piece of benefit shall not be less than one percent (1%) and shall not exceed three percent (3%). (In order to value this benefit, we assumed that the average future COLA averaged over their entire benefit for all Members still employed on January 1, 2016 will be 2.9%).
5.) Members hired on or after January 1, 2016 will not receive any COLA's.
6.) Regarding the use of State Monies, the Union and the City have "mutually agreed" that the Excess State Monies Reserve as

Changes of assumptions:
For measurement date 09/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

Reporting Period Ending	09/30/2015	09/30/2014
Measurement Date	09/30/2014	09/30/2013
Total Pension Liability		
Service Cost	290,554	268,851
Interest	677,862	637,526
Change in Excess State Money	8,498	-
Changes of benefit terms	328	-
Differences between Expected and Actual Experience	-	-
Changes of assumptions	243,597	-
Benefit Payments, including Refunds of Employee Contributions	(520,542)	(327,882)
Net Change in Total Pension Liability	700,297	578,495
Total Pension Liability - Beginning	8,468,241	7,889,746
Total Pension Liability - Ending (a)	$ 9,168,538	$ 8,468,241
Plan Fiduciary Net Position		
Contributions - Employer	438,982	305,967
Contributions - State	63,748	59,753
Contributions - Employee	54,965	48,221
Net Investment Income	669,613	730,269
Benefit Payments, including Refunds of Employee Contributions	(520,542)	(327,882)
Administrative Expense	(16,790)	(14,744)
Other	25	-
Net Change in Plan Fiduciary Net Position	690,001	801,584
Plan Fiduciary Net Position - Beginning	7,191,362	6,389,778
Plan Fiduciary Net Position - Ending (b)	$ 7,881,363	$ 7,191,362
Net Pension Liability - Ending (a) - (b)	$ 1,287,175	$ 1,276,879
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	85.96%	84.92%
Covered Employee Payroll[1]	$ 911,867	$ 876,742
Net Pension Liability as a percentage of Covered Employee Payroll	141.16%	145.64%

Notes to Schedule:

[1] The Covered Employee Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

Changes of benefit terms:
For measurement date 09/30/2014, amounts reported as changes of benefit terms were resulted from an increase of the Member Contribution rate to 6.5% effective April 1, 2014.

Changes of assumptions:
For measurement date 09/30/2014, amounts reported as changes of assumptions were resulted from:
• Investment Return assumption reduced from 8.0% to 7.75% per year, net of investment related expenses.
• Salary scale reduced from 7.0% to 6.0% per year.
• Turnover assumption modified from one based on age to one based on Credited Service.

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	09/30/2016	09/30/2015	09/30/2014	09/30/2013
Actuarially Determined Contribution	563,344	545,405	494,232	361,218
From Excess State Money Reserve	40,320	-	-	-
Contributions in relation to the Actuarially Determined Contributions	568,723	604,769	494,232	361,218
Contribution Deficiency (Excess)	$ (45,699)	$ (59,364)	$ -	$ -
Covered Employee Payroll[1]	$ 1,260,276	$ 1,138,129	$ 911,867	$ 876,742
Contributions as a percentage of Covered Employee Payroll	45.13%	53.14%	54.20%	41.20%

[1] The Covered Employee Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

Notes to Schedule

Valuation Date: 10/01/2014 (AIS 11/23/2015)

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.

Amortization Method: Level Percentage of Pay, Closed.

Remaining Amortization Period: 29 Years (as of 10/01/2014).

Mortality Rate: RP-2000 Table with no projection – Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. (Disabled lives set forward 5 years).

Interest Rate: 7.75% per year compounded annually, net of investment related expenses.

Retirement Age: Later of age 52 and the completion of 10 years of service. In addition, members who have reached retirement age on the valuation date are assumed to work one more year.

Early Retirement: Commencing with the earliest Early Retirement Age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

Disability Rates: See table below (1205).

Termination Rates:

Credited Service	Rates
Less than 5 Years	8.0%
5 or More Years	2.0%

Salary Increases: 6.0% per year until the assumed retirement age; projected salary in the year of retirement is increased 15% to account for non-regular compensation.

Payroll Increases: 3.0% per year.

Asset Valuation Method: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

Termination and Disability Rate Table:

Age	% Becoming Disabled During the Year
20	0.14%
30	0.18%
40	0.30%

FINAL COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2016

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	$ 1,287,175	$ 74,792	$ 793,711	$ -
Employer and State Contributions made after 09/30/2015	-	-	568,723	-
Total Pension Liability Factors:				
Service Cost	321,952	-	-	321,952
Interest	708,590	-	-	708,590
Change in Excess State Money	6,244	-	-	6,244
Changes in benefit terms	(25,397)	-	-	(25,397)
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(401,941)	401,941	-	-
Current year amortization of experience difference	-	(80,389)	-	(80,389)
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	(60,899)	60,899
Benefit Payments	(575,838)	-	-	(575,838)
Net change	33,610	321,552	507,824	416,061
Plan Fiduciary Net Position:				
Contributions - Employer	549,519	-	(549,519)	-
Contributions - State	61,494	-	(61,494)	-
Contributions - Employee	70,062	-	-	(70,062)
Net Investment Income	613,962	-	-	(613,962)
Difference between projected and actual earnings on Pension Plan investments	(668,005)	-	668,005	-
Current year amortization	-	(18,698)	(133,601)	114,903
Benefit Payments	(575,838)	-	-	575,838
Administrative Expenses	(23,770)	-	-	23,770
Other	-	-	-	-
Net change	27,424	(18,698)	(76,609)	30,487
Ending Balance	$ 1,293,361	$ 377,646	$ 1,224,926	$ 446,548

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2017

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	$ 1,293,361	$ 377,646	$ 1,224,926	$ -
Employer and State Contributions made after 09/30/2016	-	-	TBD*	-
Total Pension Liability Factors:				
Service Cost	348,837	-	-	348,837
Interest	719,178	-	-	719,178
Change in Excess State Money	(40,320)	-	-	(40,320)
Changes in benefit terms	-	-	-	-
Contributions - Buy Back	1,900	-	-	1,900
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(108,561)	108,561	-	-
Current year amortization of experience difference	-	(102,101)	-	(102,101)
Change in assumptions about future economic or demographic factors or other inputs	521,951	-	521,951	-
Current year amortization of change in assumptions	-	-	(165,291)	165,291
Benefit Payments	(461,895)	-	-	(461,895)
Net change	981,090	6,460	356,660	630,890
Plan Fiduciary Net Position:				
Contributions - Employer	499,130	-	(499,130)	-
Contributions - State	69,593	-	(69,593)	-
Contributions - Employee	81,918	-	-	(81,918)
Contributions - Buy Back	1,900	-	-	(1,900)
Net Investment Income	619,174	-	-	(619,174)
Difference between projected and actual earnings on Pension Plan investments	(10,019)	-	10,019	-
Current year amortization	-	(18,698)	(135,604)	116,906
Benefit Payments	(461,895)	-	-	461,895
Administrative Expenses	(29,537)	-	-	29,537
Net change	770,264	(18,698)	(694,308)	(94,654)
Ending Balance	$ 1,504,187	$ 365,408	TBD	$ 536,236

* Employer and State Contributions subsequent to the measurement date made after September 30, 2016 but made on or before September 30, 2017 need to be added.

AMORTIZATION SCHEDULE - INVESTMENTS

			Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments										
Plan Year Ending	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	$ (93,490)	5	$ (18,698)	$ (18,698)	$ (18,698)	$ (18,698)	$ (18,698)	$ -	$ -	$ -	$ -	$ -	$ -
2015	$ 668,005	5	$ -	$ 133,601	$ 133,601	$ 133,601	$ 133,601	$ 133,601	$ -	$ -	$ -	$ -	$ -
2016	$ 10,019	5	$ -	$ -	$ 2,003	$ 2,004	$ 2,004	$ 2,004	$ 2,004	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Pension Expense			$ (18,698)	$ 114,903	$ 116,906	$ 116,907	$ 116,907	$ 135,605	$ 2,004	$ -	$ -	$ -	$ -

AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

			Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions										
Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	$ 243,597	4	$ 60,899	$ 60,899	$ 60,900	$ 60,899	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2015	$ -	5	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2016	$ 521,951	5	$ -	$ -	$ 104,391	$ 104,390	$ 104,390	$ 104,390	$ 104,390	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Pension Expense			$ 60,899	$ 60,899	$ 165,291	$ 165,289	$ 104,390	$ 104,390	$ 104,390	$ -	$ -	$ -	$ -

AMORTIZATION SCHEDULE - EXPERIENCE

			Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience										
Plan Year Ending	Differences Between Expected and Actual Experience	Recognition Period (Years)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
2015	$ (401,941)	5	$ (80,389)	$ (80,388)	$ (80,388)	$ (80,388)	$ (80,388)	$ -	$ -	$ -	$ -	$ -	$ -
2016	$ (108,561)	5	$ -	$ (21,713)	$ (21,712)	$ (21,712)	$ (21,712)	$ (21,712)	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Pension Expense			$ (80,389)	$ (102,101)	$ (102,100)	$ (102,100)	$ (102,100)	$ (21,712)	$ -	$ -	$ -	$ -	$ -