

OKALOOSA ISLAND FIRE DISTRICT
REGULAR MONTHLY MEETING
APRIL 19, 2017 AGENDA

- I. **CALL TO ORDER:** Meeting called to order at _____ p.m. by Chairman Jones.
- II. **CALLING OF THE ROLL:** Present were Commissioners Jones _____ Mitchell _____
Edlund _____ Simpson _____ Linz _____
- III. **APPROVAL OF THE APRIL 19, 2017 AGENDA:**
- (a) **PUBLIC COMMENTS:**
- IV. **APPROVAL OF MINUTES:** Minutes for the MARCH 15, 2017 regular meeting.
- V. **APPROVAL OF THE FINANCIAL REPORT FOR: APRIL, 2017**
- VI. **OFFICERS REPORT:**
1. **Chairman, :**
2. **Vice-Chairman, :**
3. **Secretary/ Treasurer, :**
4. **Department Chief Tilley:**
- A. Reported 103 responses for the month of MARCH (84 for MARCH, 2016)

Response Summary:

| | |
|-----------|--------------------------------|
| <u>5</u> | Fire Calls |
| <u>12</u> | False Alarms/Alarm Activations |
| <u>61</u> | EMS/ Rescue/ MVA |
| <u>25</u> | Other |

OKALOOSA ISLAND FIRE DISTRICT
REGULAR MONTHLY MEETING
APRIL 19, 2017 AGENDA

- B. Fractile Response Times: Annual
- C. Vehicle Status Report: Will discuss in Old Business

VII. OLD BUSINESS:

- A. UPDATE ON TRUCK 4 RETURN
- B. INTRODUCTION OF NEW FIREFIGHTER RYAN ADAMS

VIII. NEW BUSINESS:

- A. FIREFIGHTER DEATH BENEFIT
- B. 2017 PENSION ACTUARY
- C. 40TH ANNIVERSARY CELEBRATION

IX. ADJOURNMENT: Meeting was adjourned at _____ p.m.

**Okaloosa Island Fire District
Board of Fire Commissioners Minutes
MARCH 15, 2017**

- I. **MEETING:** Meeting was called to Order @5:30 P.M. by Chairman Jones.
- II. **ROLL CALL:** Present were Commissioner Jones, Commissioner Edlund, Commission Linz and Commissioner Mitchell. Also present were Chief Tilley and Assistant Chief Carvalho.
- III. **APPROVAL OF FEBRUARY AGENDA:** Chairman Jones called for an approval of the Agenda. **Commissioner Mitchell** made a motion to approve the Agenda, **Commissioner Linz** seconded, all were in favor, none opposed, motion carried.
- IV. **PUBLIC COMMENTS:** No public comments.
- V. **APPROVAL OF THE FEBRUARY MINUTES:** The minutes for the **FEBRUARY 15, 2017** regular meeting minutes were reviewed. Chairman Jones called for corrections, deletions, and/or additions. There being none, **Commissioner Mitchell** made a motion to accept the Minutes as presented. **Commissioner Linz** seconded the motion, all were in favor, none opposed, motion carried.
- VI. **APPROVAL OF THE FINANCIALS FOR MONTH ENDING FEBRUARY, 2017.** Chairman Jones called for an approval of the financials. **Commissioner Mitchell** made a motion to approve the financials. **Commissioner SIMPSON** seconded the motion, all were in favor, none opposed, motion carried.
- VII. **REPORT OF OFFICERS:**
 1. Chairman Jones: No Report
 2. Vice Chairman Edlund: No Report
 3. Secretary/Treasurer Mitchell: No Report
 4. Chief Tilley Department Report: Chief Tilley stated the OIFD 40th Anniversary Celebration will begin April 24th doing Open House and tours with official celebration to start on May 1st with OIFD providing Boston Butts and the traditional sides.

A. Total responses for the month of **FEBRUARY, 2017 95**
(FEBRUARY, 2016 90)

9 Fire Calls
16 Alarm Activations
59 EMS/Rescue/MVA
11 Other

B. Fractile/Response Times: ANNUAL

C. Vehicle Status Report: Truck 4 is currently in Appleton, WI and in the process of getting put back together. Truck 4 may be back to OIFD by April which will be in time for the 40th Anniversary.

VIII. OLD BUSINESS:

A. No Old Business

IX. NEW BUSINESS:

A. New Hire: Ryan Adams newly hired firefighter was mentioned. Discussed how good Mr. Adams did on all four portions of test for OIFD and how he will be present at next Commissioners meeting and how excited he is to be a part of the OIFD.

ADJOURNMENT: With nothing further, the meeting was adjourned at 6:01 p.m.

These minutes are approved and attested to by signature.

Catherine A. Jones
Chairman

Mike Mitchell
Secretary

OKALOOSA ISLAND FIRE DISTRICT
Profit & Loss Budget vs. Actual
 October 1, 2016 through April 11, 2017

| | Oct 1, '16 - Apr 11, 17 | Budget | \$ Over Budget |
|---|-------------------------|---------------------|--------------------|
| Income | | | |
| Contingency Reserve | 0.00 | 275,000.00 | -275,000.00 |
| Hurricane Reserve | 0.00 | 50,000.00 | -50,000.00 |
| SAFER Grant Reserve | 0.00 | 0.00 | 0.00 |
| 311.110 · County Reserve- Current Year | 2,978,739.55 | 2,976,208.00 | 2,531.55 |
| 311.120 · Discounts Allowed | -106,419.18 | 0.00 | -106,419.18 |
| 311.200 · County Reserve- Prior Year | 0.00 | 0.00 | 0.00 |
| 331.200 · FEMA Grant | 0.00 | 0.00 | 0.00 |
| 331.300 · Grants | 1,621.53 | 0.00 | 1,621.53 |
| 334.200 · Florida State Grant | 0.00 | 0.00 | 0.00 |
| 335.200 · State Incentive | 6,720.00 | 3,360.00 | 3,360.00 |
| 339.000 · Recreational Property | 15,995.89 | 33,516.00 | -17,520.11 |
| 342.210 · Cost Recovery Revenue | 0.00 | 0.00 | 0.00 |
| 342.220 · Plan Review Fees | 0.00 | 0.00 | 0.00 |
| 361.100 · Interest Earned - Checking | 359.38 | 0.00 | 359.38 |
| 361.110 · Interest - County Reserve | 0.00 | 0.00 | 0.00 |
| 361.120 · Interest - State Board of Admin | 0.00 | 0.00 | 0.00 |
| 366.000 · Contributions and Donations | 0.00 | 0.00 | 0.00 |
| 369.110 · Tax Penalties | 0.00 | 0.00 | 0.00 |
| 369.120 · Cash Brought Forward | 0.00 | 494,037.02 | -494,037.02 |
| 384.000 · Othr Financing Sources | 141.15 | 0.00 | 141.15 |
| 4999 · Uncategorized Income | 0.00 | 0.00 | 0.00 |
| Total Income | 2,897,158.32 | 3,832,121.02 | -934,962.70 |
| Cost of Goods Sold | | | |
| 50000 · Cost of Goods Sold | 0.00 | 0.00 | 0.00 |
| Total COGS | 0.00 | 0.00 | 0.00 |
| Gross Profit | 2,897,158.32 | 3,832,121.02 | -934,962.70 |
| Expense | | | |
| Contingency Reserve Expense | 0.00 | 275,000.00 | -275,000.00 |
| Hurricane Reserve Expense | 0.00 | 50,000.00 | -50,000.00 |
| SAFER Grant Reserve Expense | 0.00 | 0.00 | 0.00 |
| 166 · .930 | 0.00 | 0.00 | 0.00 |
| 3200 · UnionDues | 0.00 | 0.00 | 0.00 |
| 522.120 · OIFD Salaries | 564,017.66 | 1,160,000.00 | -595,982.34 |
| 522.121 · Holiday Pay | 9,012.84 | 15,000.00 | -5,987.16 |
| 522.122 · Liability for Compensated Absen | 0.00 | 135,151.00 | -135,151.00 |
| 522.123 · Direct Deposit Charges | 0.00 | 0.00 | 0.00 |
| 522.141 · Scheduled OT | 11,303.61 | 30,000.00 | -18,696.39 |
| 522.142 · Unscheduled OT | 17,235.61 | 30,000.00 | -12,764.39 |
| 522.150 · Incentive Pay | 3,360.37 | 0.00 | 3,360.37 |
| 522.210 · S.S. & MED - ER Portion | 45,798.31 | 100,000.00 | -54,201.69 |
| 522.220 · Pension - ER | 383,120.00 | 650,000.00 | -266,880.00 |
| 522.230 · Medical - Group ER | 177,747.50 | 320,000.00 | -142,252.50 |
| 522.231 · Life Insurance - ER | 0.00 | 0.00 | 0.00 |
| 522.240 · Worker's Compensation | 36,054.48 | 70,000.00 | -33,945.52 |
| 522.241 · Employee Benefit | 0.00 | 0.00 | 0.00 |
| 522.311 · Property Appraiser | 22,960.80 | 55,000.00 | -32,039.20 |
| 522.312 · Legal | 87.50 | 12,500.00 | -12,412.50 |
| 522.313 · Tax Collector | 57,341.28 | 64,000.00 | -6,658.72 |
| 522.314 · Physicals & Misc Medical | 62.00 | 8,000.00 | -7,938.00 |
| 522.320 · Audit - CPA | 0.00 | 14,250.00 | -14,250.00 |
| 522.340 · Alarm Monitor Contract | 394.50 | 1,500.00 | -1,105.50 |
| 522.411 · Cell Phones | 0.00 | 0.00 | 0.00 |
| 522.412 · Central Dispatch | 1,566.00 | 4,000.00 | -2,434.00 |
| 522.431 · Electric Co. | 9,765.43 | 24,900.00 | -15,134.57 |
| 522.432 · Gas Co. | 827.23 | 3,000.00 | -2,172.77 |
| 522.433 · Water, Sewer & Trash | 3,613.59 | 7,500.00 | -3,886.41 |
| 522.434 · Telephone, Internet & Cable | 4,953.21 | 11,000.00 | -6,046.79 |
| 522.440 · Equipment Lease | 0.00 | 0.00 | 0.00 |
| 522.451 · Insurance - Security Bonds | 0.00 | 1,200.00 | -1,200.00 |
| 522.452 · Insurance - Liability/ Property | 31,893.51 | 32,000.00 | -106.49 |
| 522.460 · Maintenance and Repair | 23,494.30 | 50,000.00 | -26,505.70 |

3:26 PM

04/11/17

Accrual Basis

OKALOOSA ISLAND FIRE DISTRICT
Profit & Loss Budget vs. Actual
 October 1, 2016 through April 11, 2017

| | Oct 1, '16 - Apr 11, 17 | Budget | \$ Over Budget |
|--|-------------------------|---------------------|----------------------|
| 522.468 · Cellular Contract | 0.00 | 0.00 | 0.00 |
| 522.491 · Advertising | 0.00 | 7,000.00 | -7,000.00 |
| 522.492 · Travel & Training | 2,806.78 | 15,000.00 | -12,193.22 |
| 522.500 · EMS Grant Funds | 0.00 | 0.00 | 0.00 |
| 522.511 · Admin/ Office Supplies | 7,219.30 | 12,500.00 | -5,280.70 |
| 522.521 · Fuel & Oil | 3,845.39 | 25,000.00 | -21,154.61 |
| 522.522 · ALS | 13,428.31 | 35,000.00 | -21,571.69 |
| 522.523 · Uniforms | 8,537.23 | 8,000.00 | 537.23 |
| 522.525 · Operational Supplies | 16,663.56 | 35,000.00 | -18,336.44 |
| 522.528 · Minor Equipment < \$750 | 0.00 | 0.00 | 0.00 |
| 522.542 · Dues & Subscriptions | 16,765.82 | 16,000.00 | 765.82 |
| 522.543 · Haz Mat Assessment | 4,591.00 | 4,620.00 | -29.00 |
| 522.620 · Designated Capital Acquisition | 0.00 | 0.00 | 0.00 |
| 522.621 · ALS Initiation Funding | 0.00 | 0.00 | 0.00 |
| 522.644 · Equipments | 18,987.75 | 40,000.00 | -21,012.25 |
| 522.647 · Capital Equipment (Vehicle) | 0.00 | 480,000.00 | -480,000.00 |
| 522.650 · Building Construction Cost | 0.00 | 0.00 | 0.00 |
| 522.700 · Building Maintenance | 30,024.96 | 30,000.00 | 24.96 |
| 522.711 · Vehicle / Apparatus Principal | 0.00 | 0.00 | 0.00 |
| 522.712 · Building Principal | 0.00 | 0.00 | 0.00 |
| 522.713 · Line of Credit Pay Down | 0.00 | 0.00 | 0.00 |
| 522.714 · Equipment Principal Paid | 0.00 | 0.00 | 0.00 |
| 522.721 · Debt Service Interest | 0.00 | 0.00 | 0.00 |
| 66900 · Reconciliation Discrepancies | 0.00 | 0.00 | 0.00 |
| Total Expense | 1,527,479.83 | 3,832,121.00 | -2,304,641.17 |
| Net Income | 1,369,678.49 | 0.02 | 1,369,678.47 |

OKALOOSA ISLAND
FIRE DISTRICT
FIREFIGHTERS' RETIREMENT TRUST FUND

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2016

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



March 24, 2017

Board of Trustees
Okaloosa Island Fire District
Firefighters' Retirement Trust Fund
105 Santa Rosa Blvd.
Ft. Walton Beach, FL 32548

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Okaloosa Island Fire District Firefighters' Retirement Trust Fund. 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 175, 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 Board of Trustees, 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.

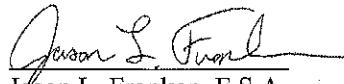
To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the Okaloosa Island Fire District, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Okaloosa Island Fire District Firefighters' Retirement Trust Fund. 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:


Jason L. Franken, F.S.A.
Enrolled Actuary #14-6888

JLF/lke

Enclosures

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INTRODUCTORY DISCUSSION

The regular annual actuarial valuation of the Okaloosa Island Fire District Firefighters' Retirement Trust Fund, performed as of October 1, 2016, has been completed, and the results are presented in this Report. The results of this valuation are applicable to the plan/fiscal year ended September 30, 2018.

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

| | | |
|--|------------------|------------------|
| Valuation Date | 10/1/2016 | 10/1/2015 |
| Applicable Fiscal Year End | <u>9/30/2018</u> | <u>9/30/2017</u> |
| Total Required Contribution % of Total Annual Payroll | 82.3% | 76.9% |
| Member Contributions (Est.) % of Total Annual Payroll | 8.0% | 8.0% |
| Required District and State Cont. % of Total Annual Payroll | 74.3% | 68.9% |
| State Contributions % of Total Annual Payroll | 45,330 3.8% | 45,330 3.8% |
| Balance from District % of Total Annual Payroll | 70.5% | 65.1% |

The required contribution from the combination of District and State sources for the year ending September 30, 2018, is 74.3% of the actual payroll realized in that year. As a budgeting tool, the District may contribute 70.5% of each Member's Salary and then make a one-time adjustment to account for the actual State Monies received.

Please note the District has a contribution shortfall of \$3,439.96 in addition to the above stated requirements for fiscal 2017.

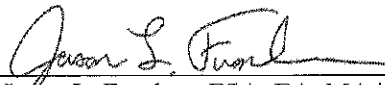
During the past 12 months, the actuarial experience was less favorable than expected, on the basis of the Plan's actuarial assumptions. The principal components of unfavorable experience included a 5.81% investment return (Actuarial Asset basis) that fell short of the 7.75% assumption and no employee turnover. These losses were partially offset by the effect of average increases in Pensionable Earnings that were below the assumed rate.

Additionally, the Plan's funding requirements have increased due to a mandated change to the assumed rates of mortality, as described 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 answer any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.

By: 
Jason L. Franken, FSA, EA, MAAA

By: 
Drew D. Ballard, EA, MAAA

CONTRIBUTION IMPACT OF ANNUAL CHANGES

| | |
|---|--------------|
| (1) Contribution Determined as of October 1, 2015 | 65.1% |
| (2) Summary of Contribution Impact by component: | |
| Change in Available State Money | 0.0% |
| Investment Return (Actuarial Asset Basis) | 0.6% |
| Salary Increases | -0.8% |
| Change in Normal Cost Rate | 0.1% |
| Change in Administrative Expense Percentage | 0.3% |
| Payroll Change Effect on UAAL Amortization | 0.3% |
| Active Decrements | 0.7% |
| Inactive Mortality | 0.2% |
| Assumption Change | 4.1% |
| Other | <u>-0.1%</u> |
| Total Change in Contribution | 5.4% |
| (3) Contribution Determined as of October 1, 2016 | 70.5% |

CHANGES SINCE PRIOR VALUATION

Plan Changes

There have been no changes in Plan provisions since the prior valuation.

Actuarial Assumption/Method Changes

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 <u>10/1/2016</u> | Old Assump <u>10/1/2016</u> | <u>10/1/2015</u> |
|--------------------------------|--------------------------------|--------------------------------|------------------|
| A. Participant Data | | | |
| Actives | 18 | 18 | 18 |
| Service Retirees | 11 | 11 | 11 |
| Beneficiaries | 0 | 0 | 0 |
| Disability Retirees | 1 | 1 | 1 |
| Terminated Vested | <u>1</u> | <u>1</u> | <u>1</u> |
| Total | 31 | 31 | 31 |
| Total Annual Payroll | \$1,181,359 | \$1,181,359 | \$1,149,018 |
| Payroll Under Assumed Ret. Age | 1,181,359 | 1,181,359 | 1,149,018 |
| Annual Rate of Payments to: | | | |
| Service Retirees | 643,216 | 643,216 | 633,426 |
| Beneficiaries | 0 | 0 | 0 |
| Disability Retirees | 12,939 | 12,939 | 12,939 |
| Terminated Vested | 0 | 0 | 0 |
| B. Assets | | | |
| Actuarial Value (AVA) | 7,183,224 | 7,183,224 | 6,546,079 |
| Market Value (MVA) | 6,970,367 | 6,970,367 | 6,432,159 |
| C. Liabilities | | | |
| Present Value of Benefits | | | |
| Actives | | | |
| Retirement Benefits | 8,206,615 | 7,959,598 | 7,314,069 |
| Disability Benefits | 74,619 | 80,537 | 82,155 |
| Death Benefits | 92,051 | 39,826 | 38,938 |
| Vested Benefits | 601,101 | 605,109 | 561,916 |
| Refund of Contributions | 51,474 | 51,627 | 58,761 |
| Service Retirees | 9,109,523 | 8,671,545 | 8,618,103 |
| Beneficiaries | 0 | 0 | 0 |
| Disability Retirees | 143,814 | 136,082 | 138,327 |
| Terminated Vested | 62 | 62 | 62 |
| Excess State Monies Reserve | <u>0</u> | <u>0</u> | <u>0</u> |
| Total | 18,279,259 | 17,544,386 | 16,812,331 |

| C. Liabilities - (Continued) | New Assump <u>10/1/2016</u> | Old Assump <u>10/1/2016</u> | <u>10/1/2015</u> |
|---|--------------------------------|--------------------------------|------------------|
| Present Value of Future Salaries | 10,336,967 | 10,466,006 | 10,562,072 |
| Present Value of Future Member Contributions | 826,957 | 837,280 | 844,966 |
| Normal Cost (Retirement) | 275,171 | 268,314 | 261,075 |
| Normal Cost (Disability) | 4,992 | 5,372 | 5,448 |
| Normal Cost (Death) | 4,605 | 1,963 | 1,888 |
| Normal Cost (Vesting) | 29,328 | 29,508 | 27,865 |
| Normal Cost (Refunds) | <u>11,256</u> | <u>11,275</u> | <u>10,576</u> |
| Total Normal Cost | 325,352 | 316,432 | 306,852 |
| Present Value of Future Normal Costs | 2,748,805 | 2,694,519 | 2,736,367 |
| Accrued Liability (Retirement) | 5,846,171 | 5,640,795 | 4,955,152 |
| Accrued Liability (Disability) | 33,110 | 35,234 | 33,715 |
| Accrued Liability (Death) | 54,588 | 23,493 | 22,371 |
| Accrued Liability (Vesting) | 326,795 | 326,258 | 290,606 |
| Accrued Liability (Refunds) | 16,391 | 16,398 | 17,628 |
| Accrued Liability (Inactives) | 9,253,399 | 8,807,689 | 8,756,492 |
| Excess State Monies Reserve | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Actuarial Accrued Liability (AL) | 15,530,454 | 14,849,867 | 14,075,964 |
| Unfunded Actuarial Accrued Liability (UAAL) | 8,347,230 | 7,666,643 | 7,529,885 |
| Funded Ratio (AVA / AL) | 46.3% | 48.4% | 46.5% |

| D. Actuarial Present Value of Accrued Benefits | New Assump <u>10/1/2016</u> | Old Assump <u>10/1/2016</u> | <u>10/1/2015</u> |
|--|--------------------------------|--------------------------------|------------------|
| Vested Accrued Benefits | | | |
| Inactives | 9,253,399 | 8,807,689 | 8,756,492 |
| Actives | 2,618,712 | 2,525,041 | 2,176,536 |
| Member Contributions | <u>767,814</u> | <u>767,814</u> | <u>676,093</u> |
| Total | 12,639,925 | 12,100,544 | 11,609,121 |
| Non-vested Accrued Benefits | <u>622,800</u> | <u>578,958</u> | <u>462,647</u> |
| Total Present Value | | | |
| Accrued Benefits (PVAB) | 13,262,725 | 12,679,502 | 12,071,768 |
| Funded Ratio (MVA / PVAB) | 52.6% | 55.0% | 53.3% |
| Increase (Decrease) in Present Value of Accrued Benefits Attributable to: | | | |
| Plan Amendments | 0 | 0 | |
| Assumption Changes | 583,223 | 0 | |
| New Accrued Benefits | 0 | 336,165 | |
| Benefits Paid | 0 | (639,223) | |
| Interest | 0 | 910,792 | |
| Other | <u>0</u> | <u>0</u> | |
| Total | 583,223 | 607,734 | |

| | | | |
|----------------------------------|-------------------------|-------------------------|------------------|
| Valuation Date | New Assump 10/1/2016 | Old Assump 10/1/2016 | 10/1/2015 |
| Applicable to Fiscal Year Ending | <u>9/30/2018</u> | <u>9/30/2018</u> | <u>9/30/2017</u> |

E. Pension Cost

| | | | |
|---|------|------|------|
| Normal Cost (with interest) % of Total Annual Payroll ¹ | 28.6 | 27.8 | 27.7 |
| Administrative Expenses (with interest) % of Total Annual Payroll ¹ | 2.1 | 2.1 | 1.8 |
| Payment Required to Amortize Unfunded Actuarial Accrued Liability over 30 years (as of 10/1/2016, with interest) % of Total Annual Payroll ¹ | 51.6 | 48.3 | 47.4 |
| Total Required Contribution % of Total Annual Payroll ¹ | 82.3 | 78.2 | 76.9 |
| Expected Member Contributions % of Total Annual Payroll ¹ | 8.0 | 8.0 | 8.0 |
| Expected District and State Contribution % of Total Annual Payroll ¹ | 74.3 | 70.2 | 68.9 |

F. Past Contributions

| | |
|--------------------------------|------------------|
| Plan Years Ending: | <u>9/30/2016</u> |
| Total Required Contribution | 912,625 |
| District and State Requirement | 820,904 |

Actual Contributions Made:

| | |
|-----------------------------|---------------|
| Members (excluding buyback) | 91,721 |
| District | 775,574 |
| State | <u>45,330</u> |
| Total | 912,625 |

| | |
|------------------------------|---------|
| G. Net Actuarial (Gain)/Loss | 151,771 |
|------------------------------|---------|

¹ Contributions developed as of 10/1/2016 are expressed as a percentage of total annual payroll at 10/1/2016 of \$1,181,359.

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

| <u>Year</u> | <u>Projected Unfunded Actuarial Accrued Liability</u> |
|-------------|---|
| 2016 | 8,347,230 |
| 2017 | 8,361,558 |
| 2018 | 8,354,859 |
| 2025 | 7,487,898 |
| 2032 | 4,365,038 |
| 2039 | 167,899 |
| 2046 | 0 |

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

| | | <u>Actual</u> | <u>Assumed</u> |
|------------|-----------|---------------|----------------|
| Year Ended | 9/30/2016 | 2.81% | 7.00% |
| Year Ended | 9/30/2015 | -0.38% | 7.00% |
| Year Ended | 9/30/2014 | 2.41% | 7.00% |

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

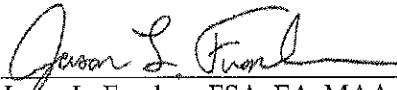
| | | <u>Actual</u> | <u>Assumed</u> |
|------------|-----------|---------------|----------------|
| Year Ended | 9/30/2016 | 5.81% | 7.75% |
| Year Ended | 9/30/2015 | 8.74% | 7.75% |
| Year Ended | 9/30/2014 | 9.16% | 7.75% |

(iii) Average Annual Payroll Growth

| | | |
|-------------------------|-----------|-------------|
| (a) Payroll as of: | 10/1/2016 | \$1,181,359 |
| | 10/1/2006 | 663,012 |
| (b) Total Increase | | 78.18% |
| (c) Number of Years | | 10.00 |
| (d) Average Annual Rate | | 5.95% |

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.



Jason L. Franken, FSA, EA, MAAA
Enrolled Actuary #14-6888

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 | \$7,529,885 |
| (2) | Sponsor Normal Cost developed as of October 1, 2015 | 214,931 |
| (3) | Expected administrative expenses for the year ended September 30, 2016 | 19,947 |
| (4) | Expected interest on (1), (2) and (3) | 600,996 |
| (5) | Sponsor contributions to the System during the year ended September 30, 2016 | 820,904 |
| (6) | Expected interest on (5) | 29,983 |
| (7) | Expected Unfunded Actuarial Accrued Liability as of September 30, 2016 (1)+(2)+(3)+(4)-(5)-(6) | 7,514,872 |
| (8) | Change to UAAL due to Assumption Change | 680,587 |
| (9) | Change to UAAL due to Actuarial (Gain)/Loss | 151,771 |
| (10) | Unfunded Actuarial Accrued Liability as of October 1, 2016 | 8,347,230 |

| Type of Base | Date Established | Years Remaining | 10/1/2016 Amount | Amortization Amount |
|-----------------|---------------------|--------------------|---------------------|------------------------|
| Benefit Improv. | 10/1/1999 | 13 | \$167,074 | \$16,178 |
| Benefit Improv. | 10/1/2001 | 15 | 286,396 | 24,927 |
| Benefit Improv. | 10/1/2002 | 16 | 861,072 | 71,540 |
| Method Change | 10/1/2006 | 20 | 906,592 | 64,682 |
| Actuarial Loss | 10/1/2006 | 20 | 881,181 | 62,869 |
| Actuarial Loss | 10/1/2007 | 21 | 292,712 | 20,238 |
| Actuarial Loss | 10/1/2008 | 22 | 605,112 | 40,631 |
| Assum Change | 10/1/2008 | 22 | 211,858 | 14,225 |
| Method Change | 10/1/2008 | 22 | (104,153) | (6,993) |
| Benefit Improv. | 10/1/2008 | 22 | 2,084,265 | 139,951 |
| Actuarial Loss | 10/1/2009 | 23 | 1,004,937 | 65,659 |
| Benefit Improv. | 10/1/2009 | 23 | 292,818 | 19,132 |
| Actuarial Loss | 10/1/2010 | 24 | 353,113 | 22,489 |
| Assum Changes | 10/1/2010 | 24 | 482,303 | 30,717 |
| Actuarial Loss | 10/1/2011 | 25 | 480,349 | 29,868 |
| Actuarial Gain | 10/1/2012 | 26 | (79,456) | (4,831) |
| Actuarial Gain | 10/1/2013 | 27 | (616,811) | (36,716) |
| Actuarial Gain | 10/1/2014 | 28 | (250,594) | (14,623) |
| Actuarial Gain | 10/1/2015 | 29 | (343,896) | (19,695) |
| Assum Change | 10/1/2016 | 30 | 680,587 | 38,295 |
| Actuarial Gain | 10/1/2016 | 30 | <u>151,771</u> | <u>8,540</u> |
| | | | 8,347,230 | 587,083 |

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

| | |
|---|----------------|
| (1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2015 | \$7,529,885 |
| (2) Expected UAAL as of October 1, 2016 | 7,514,872 |
| (3) Summary of Actuarial (Gain)/Loss, by component: | |
| Investment Return (Actuarial Asset Basis) | 129,351 |
| Salary Increases | (171,570) |
| Active Decrements | 151,130 |
| Inactive Mortality | 35,343 |
| Other | <u>7,517</u> |
| Increase in UAAL due to (Gain)/Loss | 151,771 |
| Assumption Changes | <u>680,587</u> |
| (4) Actual UAAL as of October 1, 2016 | \$8,347,230 |

ACTUARIAL ASSUMPTIONS AND METHODS

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

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 assumptions 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 Rate

7.75% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Retirement Age

Age 55 and 10 years of Credited Service, or age 52 and 25 years of Credited Service. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year. We feel this is reasonable based on plan provisions.

Early Retirement

Commencing with the earliest Early Retirement Age (50), Members are assumed to retire with an immediate subsidized benefit at the rate of 2% per year. We feel this is reasonable based on plan provisions.

Disability Rate

See table below (1201). It is assumed that 75% of Disability Retirees are service related. This assumption is consistent with those used by other plans containing Florida municipal Firefighters.

Termination Rate

See table below (1304A). This assumption is consistent with those used by other plans containing Florida municipal Firefighters.

Salary Increases

7.00% per year until the assumed retirement age; see table below. We feel this assumption is reasonable based upon long-term expectations.

Administrative Expenses

\$23,642 annually, based on prior year's actual expenses.

Payroll Increase

3.50% per year. This is in compliance with Part VII of Chapter 112, Florida Statutes.

Funding Method

Entry Age Normal Actuarial Cost Method.

Actuarial Asset Method

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

| | <u>% Becoming Disabled During the Year</u> | <u>% Terminating During the Year</u> | <u>Current Salary as a % of Salary at Age 57</u> |
|----|--|--|--|
| 20 | 0.03% | 9.3% | 8.2% |
| 30 | 0.04% | 7.9% | 16.1% |
| 40 | 0.07% | 4.3% | 31.7% |
| 50 | 0.18% | 1.1% | 62.3% |

VALUATION NOTES

Total Annual Payroll is the projected annual rate of pay for the fiscal 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.

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.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age .

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

PARTIAL HISTORY OF PREMIUM TAX REFUNDS

| Received During <u>Fiscal Year</u> | <u>Amount</u> | Increase from <u>Previous Year</u> |
|---------------------------------------|---------------|---------------------------------------|
| 1998 | 4,098.53 | _____ % |
| 1999 | 20,782.77 | 407.1% |
| 2000 | 8,815.32 | -57.6% |
| 2001 | 11,419.94 | 29.5% |
| 2002 | 14,476.74 | 26.8% |
| 2003 | 18,698.15 | 29.2% |
| 2004 | 16,018.82 | -14.3% |
| 2005 | 19,156.56 | 19.6% |
| 2006 | 28,570.91 | 49.1% |
| 2007 | 43,058.82 | 50.7% |
| 2008 | 54,556.78 | 26.7% |
| 2009 | 38,584.60 | -29.3% |
| 2010 | 53,131.49 | 37.7% |
| 2011 | 52,025.28 | -2.1% |
| 2012 | 51,623.31 | -0.8% |
| 2013 | 54,472.08 | 5.5% |
| 2014 | 56,846.21 | 4.4% |
| 2015 | 43,485.34 | -23.5% |
| 2016 | 45,330.27 | 4.2% |

EXCESS STATE MONIES RESERVE

| | Regular Distribution | | | Firefighters' Distribution | | | Special Distribution | | |
|------|------------------------------|-------------------------------|--------------------------------|------------------------------|-------------------------------|--------------------------------|------------------------------|-------------------------------|--------------------------------|
| | Actual State Contribution | Applicable "Frozen" Amount | Excess State Monies Reserve | Actual State Contribution | Applicable "Frozen" Amount | Excess State Monies Reserve | Actual State Contribution | Applicable "Frozen" Amount | Excess State Monies Reserve |
| 1998 | \$4,098.53 | \$4,098.53 | \$0.00 | \$0.00 | | \$0.00 | \$0.00 | | \$0.00 |
| 1999 | 20,782.77 | 4,098.53 | 16,684.24 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2000 | 8,815.32 | 20,431.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2001 | 11,419.94 | 20,431.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2002 | 14,476.74 | 20,431.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2003 | 18,698.15 | 20,431.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2004 | 16,018.82 | 20,431.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2005 | 19,156.56 | 20,431.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2006 | 28,570.91 | 20,431.53 | 8,139.38 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2007 | 43,058.82 | 113,574.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2008 | 50,306.76 | 109,324.51 | 0.00 | 4,250.02 | | 4,250.02 | 4,250.02 | | 0.00 |
| 2009 | 26,273.65 | 275,197.58 | 0.00 | 12,310.95 | | 12,310.95 | 12,310.95 | | 0.00 |
| 2010 | 53,131.49 | 287,508.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2011 | 52,025.28 | 287,508.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2012 | 51,623.31 | 287,508.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2013 | 54,472.08 | 287,508.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2014 | 56,846.21 | 287,508.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2015 | 43,485.34 | 287,508.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| 2016 | 45,330.27 | 287,508.53 | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| | | | 24,823.62 | | | | | | 0.00 |

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2016

| <u>ASSETS</u> | COST VALUE | MARKET VALUE |
|--------------------------------------|--------------|--------------|
| Cash and Cash Equivalents: | | |
| Short Term Investments | 275,191.10 | 275,191.10 |
| Total Cash and Equivalents | 275,191.10 | 275,191.10 |
| Receivables: | | |
| Member Contributions in Transit | 3,277.33 | 3,277.33 |
| District Contributions in Transit | 330,000.00 | 330,000.00 |
| Additional District Contributions | 3,439.96 | 3,439.96 |
| Investment Income | 12,590.09 | 12,590.09 |
| Total Receivable | 392,792.72 | 392,792.72 |
| Investments: | | |
| U. S. Bonds and Bills | 403,357.33 | 429,854.50 |
| Federal Agency Guaranteed Securities | 6,849.93 | 7,861.73 |
| Corporate Bonds | 661,511.82 | 664,887.80 |
| Stocks | 2,486,824.00 | 2,840,099.12 |
| Mutual Funds: | | |
| Fixed Income | 888,979.64 | 845,274.54 |
| Equity | 878,891.74 | 895,544.17 |
| Pooled/Common/Commingled Funds: | | |
| Real Estate | 616,606.12 | 618,860.83 |
| Total Investments | 5,943,020.58 | 6,302,382.69 |
| Total Assets | 6,611,004.40 | 6,970,366.51 |
| <u>LIABILITIES</u> | | |
| Total Liabilities | 0.00 | 0.00 |
| NET POSITION RESTRICTED FOR PENSIONS | 6,611,004.40 | 6,970,366.51 |

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

ADDITIONS

Contributions:

| | | |
|---------------------|------------|------------|
| Member | 91,721.12 | |
| District | 775,573.75 | |
| State | 45,330.27 | |
| Total Contributions | | 912,625.13 |

Investment Income:

| | | |
|---|-------------|--------------|
| Net Realized Gain (Loss) | (54,457.66) | |
| Unrealized Gain (Loss) | 205,867.99 | |
| Net Increase in Fair Value of Investments | 151,410.33 | |
| Interest & Dividends | 189,744.24 | |
| Less Investment Expense ¹ | (52,708.26) | |
| Net Investment Income | | 288,446.31 |
| Total Additions | | 1,201,071.44 |

DEDUCTIONS

Distributions to Members:

| | | |
|--------------------------------------|------------|--------------|
| Benefit Payments | 639,222.73 | |
| Refunds of Member Contributions | 0.00 | |
| Total Distributions | | 639,222.73 |
| Administrative Expense | | 23,641.63 |
| Total Deductions | | 662,864.36 |
| Net Increase in Net Position | | 538,207.08 |
| NET POSITION RESTRICTED FOR PENSIONS | | |
| Beginning of the Year | | 6,432,159.43 |
| End of the Year | | 6,970,366.51 |

¹Investment 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 | 10.45% | |
| 09/30/2014 | 10.46% | |
| 09/30/2015 | -1.79% | |
| 09/30/2016 | 4.60% | |
| Annualized Rate of Return for prior four (4) years: | | 5.81% |
| (A) 10/01/2015 Actuarial Assets: | | \$6,546,078.79 |
| (I) Net Investment Income: | | |
| 1. Interest and Dividends | 189,744.24 | |
| 2. Realized Gains (Losses) | (54,457.66) | |
| 3. Change in Actuarial Value | 304,806.52 | |
| 4. Investment Related Expenses | (52,708.26) | |
| Total | | 387,384.84 |
| (B) 10/01/2016 Actuarial Assets: | | \$7,183,224.40 |
| Actuarial Asset Rate of Return = $2I/(A+B-I)$: | | 5.81% |
| 10/01/2016 Limited Actuarial Assets: | | \$7,183,224.40 |
| 10/01/2016 Market Value of Assets: | | \$6,970,366.51 |
| Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis) | | (\$129,350.53) |

¹Market Value Basis, net of investment related expenses.

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

REVENUES

| | | |
|-------------------------------------|-------------|------------|
| Contributions: | | |
| Member | 91,721.12 | |
| District | 775,573.75 | |
| State | 45,330.27 | |
| Total Contributions | | 912,625.13 |
| Earnings from Investments: | | |
| Interest & Dividends | 189,744.24 | |
| Net Realized Gain (Loss) | (54,457.66) | |
| Change in Actuarial Value | 304,806.52 | |
| Total Earnings and Investment Gains | | 440,093.10 |

EXPENDITURES

| | | |
|---|------------|--------------|
| Distributions to Members: | | |
| Benefit Payments | 639,222.73 | |
| Refunds of Member Contributions | 0.00 | |
| Total Distributions | | 639,222.73 |
| Expenses: | | |
| Investment related ¹ | 52,708.26 | |
| Administrative | 23,641.63 | |
| Total Expenses | | 76,349.89 |
| Change in Net Assets for the Year | | 637,145.61 |
| Net Assets Beginning of the Year | | 6,546,078.79 |
| Net Assets End of the Year ² | | 7,183,224.40 |

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

²Net Assets may be limited for actuarial consideration.

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

| | |
|--|---------------------|
| (1) Total Required Contribution Rate | 79.6% |
| (2) Pensionable Payroll Derived from Member Contributions | 1,146,514.00 |
| (3) Total Required Contribution (1) x (2) | 912,625.14 |
| (4) Less Actual Member Contributions | (91,721.12) |
| (5) Less Allowable State Contribution | <u>(45,330.27)</u> |
| (6) Equals Required District Contribution for Fiscal 2016 | 775,573.75 |
| (7) Less 2015 Prepaid Contribution | (634.33) |
| (8) Less Actual District Contributions | <u>(771,499.46)</u> |
| (9) Equals District's Shortfall/(Prepaid) Contribution as of September 30, 2016 | 3,439.96 |

STATISTICAL DATA

| | <u>10/1/2013</u> | <u>10/1/2014</u> | <u>10/1/2015</u> | <u>10/1/2016</u> |
|----------------------------|------------------|------------------|------------------|------------------|
| <u>Actives</u> | | | | |
| Number | 17 | 17 | 18 | 18 |
| Average Current Age | 35.3 | 36.3 | 37.8 | 38.8 |
| Average Age at Employment | 26.4 | 26.8 | 27.7 | 27.7 |
| Average Past Service | 8.9 | 9.5 | 10.1 | 11.1 |
| Average Annual Salary | \$64,197 | \$64,322 | \$63,834 | \$65,631 |
| <u>Service Retirees</u> | | | | |
| Number | | 11 | 11 | 11 |
| Average Current Age | | 59.0 | 60.0 | 61.0 |
| Average Annual Benefit | | \$56,980 | \$57,584 | \$58,474 |
| <u>Beneficiaries</u> | | | | |
| Number | | 0 | 0 | 0 |
| Average Current Age | | N/A | N/A | N/A |
| Average Annual Benefit | | N/A | N/A | N/A |
| <u>Disability Retirees</u> | | | | |
| Number | | 1 | 1 | 1 |
| Average Current Age | | 65.0 | 66.0 | 67.0 |
| Average Annual Benefit | | \$12,939 | \$12,939 | \$12,939 |
| <u>Terminated Vested</u> | | | | |
| Number | | 1 | 1 | 1 |
| Average Current Age | | 32.6 | 33.6 | 34.6 |
| Average Annual Benefit | | \$0 | \$0 | \$0 |

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 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 - 29 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| 30 - 34 | 0 | 0 | 0 | 0 | 0 | 5 | 2 | 0 | 0 | 0 | 0 | 7 |
| 35 - 39 | 0 | 0 | 1 | 0 | 0 | 2 | 1 | 0 | 0 | 0 | 0 | 4 |
| 40 - 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45 - 49 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 | 0 | 0 | 0 | 3 |
| 50 - 54 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 2 |
| 55 - 59 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| 60 - 64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 65+ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 1 | 2 | 0 | 0 | 7 | 4 | 3 | 0 | 1 | 0 | 18 |

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

| | |
|---|----------|
| a. Number in prior valuation 10/1/2015 | 18 |
| b. Terminations | |
| i. Vested (partial or full) with deferred benefits | 0 |
| 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 | <u>0</u> |
| f. Continuing participants | 18 |
| g. New entrants | <u>0</u> |
| h. Total active life participants in valuation | 18 |

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

| | Service Retirees, Vested Receiving <u>Benefits</u> | Receiving Death <u>Benefits</u> | Receiving Disability <u>Benefits</u> | Vested Deferred | <u>Total</u> |
|-----------------------------|--|---------------------------------------|--|--------------------|--------------|
| a. Number prior valuation | 11 | 0 | 1 | 1 | 13 |
| Retired | 0 | 0 | 0 | 0 | 0 |
| Vested Deferred | 0 | 0 | 0 | 0 | 0 |
| Death, With Survivor | 0 | 0 | 0 | 0 | 0 |
| Death, No Survivor | 0 | 0 | 0 | 0 | 0 |
| Disabled | 0 | 0 | 0 | 0 | 0 |
| Refund of Contributions | 0 | 0 | 0 | 0 | 0 |
| Rehires | 0 | 0 | 0 | 0 | 0 |
| Expired Annuities | 0 | 0 | 0 | 0 | 0 |
| Data Corrections | 0 | 0 | 0 | 0 | 0 |
| b. Number current valuation | 11 | 0 | 1 | 1 | 13 |

SUMMARY OF PLAN PROVISIONS
(Through Resolution No. 01-14)

| | |
|---|---|
| <u>Eligibility</u> | Full-time employees who are classified as full-time certified firefighters shall participate in the System as a condition of employment. |
| <u>Credited Service</u> | Total years and fractional parts of years of employment with the District as a Firefighter. |
| <u>Salary</u> | W-2 compensation (excluding lump sum payments of unused sick and vacation pay) plus tax exempt, tax sheltered, and tax deferred items of income. |
| <u>Average Final Compensation</u> | Average Salary for the best 3 years during the 5 years immediately preceding retirement or termination. |
| <u>Member Contributions</u> | 8.0% of Salary. |
| <u>District and State Contributions</u> | Remaining amount required in order to pay current costs and amortize any unfunded past service cost as provided in Part VII of Chapter 112, F.S. |
| <u>Normal Retirement</u> | |
| Date | Earlier of: 1) Age 55 and 10 years of Credited Service, or 2) Age 52 and 25 years of Credited Service. |
| Benefit | 3.5% of Average Final Compensation <u>times</u> Credited Service. |
| Form of Benefit | Ten Year Certain and Life Annuity (options available). |
| <u>Early Retirement</u> | |
| Eligibility | Age 50 and 10 Years of Credited Service. |
| Benefit | Accrued benefit, reduced 3% for each year prior to Normal Retirement. |
| <u>Supplemental Monthly Benefit</u> | Normal and Early service retirees receive \$250 (reduced for Early) for life. |
| <u>Cost-of-Living Increase</u> | Normal or Early Retirees who retire after 3/18/2009 and their Beneficiaries or Joint Annuitants receive annual 3% benefit increases beginning the first 10/1 following 5 years of retirement. |

Vesting

Schedule 100% after 10 years of Credited Service.

Benefit Amount Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability

Eligibility

Service Incurred Covered from Date of Employment.

Non-Service Incurred 10 years of Credited Service.

Exclusions Disability resulting from use of drugs, illegal participation in riots, service in military, etc.

Benefit Benefit accrued to date of disability but not less than 42% of Average Final Compensation (if Service Incurred).

Duration Payable for life and ten years certain or until recovery (as determined by the Board). Options available.

Death Benefits

Pre-Retirement

Vested Monthly accrued benefit payable to designated beneficiary for 10 years.

Non-Vested Refund of accumulated contributions without interest.

Post-Retirement Benefits payable to beneficiary in accordance with option selected at retirement.

Board of Trustees

Two District appointees, two Members of the Department elected by the membership, and a fifth Member elected by other 4 and appointed by the District.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2016

| <u>ASSETS</u> | MARKET VALUE |
|--------------------------------------|--------------|
| Cash and Cash Equivalents: | |
| Short Term Investments | 275,191 |
| Total Cash and Equivalents | 275,191 |
| Receivables: | |
| Member Contributions in Transit | 3,278 |
| District Contributions in Transit | 330,000 |
| Additional District Contributions | 3,440 |
| State Contributions | 43,485 |
| Investment Income | 12,590 |
| Total Receivable | 392,793 |
| Investments: | |
| U. S. Bonds and Bills | 429,854 |
| Federal Agency Guaranteed Securities | 7,862 |
| Corporate Bonds | 664,888 |
| Stocks | 2,840,099 |
| Mutual Funds: | |
| Fixed Income | 845,275 |
| Equity | 895,544 |
| Real Estate | 618,861 |
| Total Investments | 6,302,383 |
| Total Assets | 6,970,367 |
| Total Liabilities | 0 |
| NET POSITION RESTRICTED FOR PENSIONS | 6,970,367 |

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

Market Value Basis

ADDITIONS

Contributions:

| | |
|----------|---------|
| Member | 91,087 |
| District | 775,574 |
| State | 45,330 |

| | | |
|---------------------|--|---------|
| Total Contributions | | 911,991 |
|---------------------|--|---------|

Investment Income:

| | |
|---|----------|
| Net Increase in Fair Value of Investments | 151,411 |
| Interest & Dividends | 189,744 |
| Less Investment Expense ¹ | (52,708) |

| | | |
|-----------------------|--|---------|
| Net Investment Income | | 288,447 |
|-----------------------|--|---------|

| | | |
|-----------------|--|-----------|
| Total Additions | | 1,200,438 |
|-----------------|--|-----------|

DEDUCTIONS

Distributions to Members:

| | |
|---------------------------------|---------|
| Benefit Payments | 639,223 |
| Lump Sum DROP Distributions | 0 |
| Refunds of Member Contributions | 0 |

| | | |
|---------------------|--|---------|
| Total Distributions | | 639,223 |
|---------------------|--|---------|

| | | |
|------------------------|--|--------|
| Administrative Expense | | 23,642 |
|------------------------|--|--------|

| | | |
|------------------|--|---------|
| Total Deductions | | 662,865 |
|------------------|--|---------|

| | | |
|------------------------------|--|---------|
| Net Increase in Net Position | | 537,573 |
|------------------------------|--|---------|

NET POSITION RESTRICTED FOR PENSIONS

| | | |
|-----------------------|--|-----------|
| Beginning of the Year | | 6,432,794 |
|-----------------------|--|-----------|

| | | |
|-----------------|--|-----------|
| End of the Year | | 6,970,367 |
|-----------------|--|-----------|

¹Investment 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:

- a. Two District appointees,
- b. Two Members of the Department elected by the membership,
- c. Fifth Member elected by other four and appointed by District.

Plan Membership as of October 1, 2015:

| | |
|---|----|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 12 |
| Inactive Plan Members Entitled to But Not Yet Receiving Benefits | 1 |
| Active Plan Members | 18 |
| | 31 |

Benefits Provided

The Plan provides retirement, termination, disability and death benefits.

Normal Retirement:

Date: Earlier of: 1) Age 55 and 10 years of Credited Service, or 2) Age 52 and 25 years of Credited Service.

Benefit: 3.5% of Average Final Compensation times Credited Service.

Early Retirement:

Eligibility: Age 50 and 10 Years of Credited Service.

Benefit: Accrued benefit, reduced 3% for each year prior to Normal Retirement.

Supplemental Monthly Benefit:

Normal and Early service retirees receive \$250 (reduced for Early) for life.

Cost-of-Living Increase:

Normal or Early Retirees who retire after 03/18/2009 and their Beneficiaries or Joint Annuitants receive annual 3% benefit increases beginning the first 10/1 following 5 years of retirement.

Vesting:

Schedule: 100% after 10 years of Credited Service.

Benefit Amount: Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability Retirement:

Eligibility Service Incurred: Covered from Date of Employment

Non-Service Incurred: 10 years of Credited Service.

Benefit accrued to date of disability but not less than 42% of Average Final Compensation (if Service Incurred).

Death Benefits Pre-Retirement:

Vested: Monthly accrued benefit payable to designated beneficiary for 10 years.

Non-Vested: Refund of accumulated contributions without interest.

Contributions

Member Contributions: 8.0% of Salary.

District and State Contributions: Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

Investments*Investment Policy:*

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

| <u>Asset Class</u> | <u>Target Allocation</u> |
|---------------------------|--------------------------|
| Domestic Equity | 45% |
| International Equity | 15% |
| Broad Market Fixed Income | 25% |
| Global Fixed Income | 5% |
| Real Estate | 10% |
| <u>Total</u> | <u>100%</u> |

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 4.60 percent.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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 | \$ 15,381,450 |
| Plan Fiduciary Net Position | \$ (6,970,367) |
| Sponsor's Net Pension Liability | <u>\$ 8,411,083</u> |
| Plan Fiduciary Net Position as a percentage of Total Pension Liability | 45.32% |

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 | 2.50% |
| Salary Increases | 7.00% |
| 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 August 26, 2008.

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 2.50%.

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 | 7.5% |
| International Equity | 8.5% |
| Broad Market Fixed Income | 2.5% |
| Global Fixed Income | 3.5% |
| Real Estate | 4.5% |

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 | Current Discount Rate | 1% Increase |
|---------------------------------|---------------|--------------------------|--------------|
| | 6.75% | 7.75% | 8.75% |
| Sponsor's Net Pension Liability | \$ 10,716,302 | \$ 8,411,083 | \$ 6,552,756 |

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 | 312,345 | 292,647 |
| Interest | 1,102,924 | 1,067,883 |
| Changes of benefit terms | - | - |
| Differences between Expected and Actual Experience | (291,603) | (290,489) |
| Changes of assumptions | 658,466 | - |
| Contributions - Buy Back | - | 8,928 |
| Benefit Payments, including Refunds of Employee Contributions | (639,223) | (653,839) |
| Net Change in Total Pension Liability | 1,142,909 | 425,130 |
| Total Pension Liability - Beginning | 14,238,541 | 13,813,411 |
| Total Pension Liability - Ending (a) | <u>\$ 15,381,450</u> | <u>\$ 14,238,541</u> |
| Plan Fiduciary Net Position | | |
| Contributions - Employer | 775,574 | 708,789 |
| Contributions - State | 45,330 | 43,485 |
| Contributions - Employee | 91,087 | 85,999 |
| Contributions - Buy Back | - | 8,928 |
| Net Investment Income | 288,447 | (112,066) |
| Benefit Payments, including Refunds of Employee Contributions | (639,223) | (653,839) |
| Administrative Expense | (23,642) | (19,947) |
| Net Change in Plan Fiduciary Net Position | 537,573 | 61,349 |
| Plan Fiduciary Net Position - Beginning | 6,432,794 | 6,371,445 |
| Plan Fiduciary Net Position - Ending (b) | <u>\$ 6,970,367</u> | <u>\$ 6,432,794</u> |
| Net Pension Liability - Ending (a) - (b) | <u>\$ 8,411,083</u> | <u>\$ 7,805,747</u> |
| Plan Fiduciary Net Position as a percentage of the Total Pension Liability | 45.32% | 45.18% |
| Covered Employee Payroll ¹ | \$ 1,146,514 | \$ 1,119,731 |
| Net Pension Liability as a percentage of Covered Employee Payroll | 733.62% | 697.11% |

Notes to Schedule:

¹ The Covered Employee Payroll numbers shown are in compliance with GASB 82.

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.

The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

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 | 290,356 | 269,472 |
| Interest | 1,017,277 | 968,929 |
| Changes of benefit terms | - | - |
| Differences between Expected and Actual Experience | - | - |
| Changes of assumptions | - | - |
| Contributions - Buy Back | - | - |
| Benefit Payments, including Refunds of Employee Contributions | (660,031) | (610,868) |
| Net Change in Total Pension Liability | 647,602 | 627,533 |
| Total Pension Liability - Beginning | 13,165,809 | 12,538,276 |
| Total Pension Liability - Ending (a) | <u>\$ 13,813,411</u> | <u>\$ 13,165,809</u> |
| Plan Fiduciary Net Position | | |
| Contributions - Employer | 673,090 | 723,752 |
| Contributions - State | 56,846 | 54,472 |
| Contributions - Employee | 79,884 | 83,456 |
| Contributions - Buy Back | - | - |
| Net Investment Income | 579,975 | 525,540 |
| Benefit Payments, including Refunds of Employee Contributions | (660,031) | (610,868) |
| Administrative Expense | (24,204) | (24,161) |
| Net Change in Plan Fiduciary Net Position | 705,560 | 752,191 |
| Plan Fiduciary Net Position - Beginning | 5,665,885 | 4,913,694 |
| Plan Fiduciary Net Position - Ending (b) | <u>\$ 6,371,445</u> | <u>\$ 5,665,885</u> |
| Net Pension Liability - Ending (a) - (b) | <u>\$ 7,441,966</u> | <u>\$ 7,499,924</u> |
| Plan Fiduciary Net Position as a percentage of the Total Pension Liability | 46.13% | 43.03% |
| Covered Employee Payroll ¹ | N/A | N/A |
| Net Pension Liability as a percentage of Covered Employee Payroll | N/A | N/A |

Notes to Schedule:

¹ The Covered Employee Payroll numbers shown are in compliance with

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

| | 09/30/2016 | 09/30/2015 | 09/30/2014 | 09/30/2013 |
|---|--------------|--------------|------------|------------|
| Actuarially Determined Contribution | 820,904 | 752,274 | 729,936 | 778,224 |
| Contributions in relation to the Actuarially Determined Contributions | 820,904 | 752,274 | 729,936 | 778,224 |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - |
| Covered Employee Payroll ¹ | \$ 1,146,514 | \$ 1,119,731 | N/A | N/A |
| Contributions as a percentage of Covered Employee Payroll | 71.60% | 67.18% | N/A | N/A |

¹ The Covered Employee Payroll numbers shown are in compliance with GASB 82.

Notes to Schedule

Valuation Date: 10/01/2014

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: | 30 Years (as of 10/01/2014). |
| Mortality: | RP 2000 Combined Healthy Mortality Table, with no projection. Disabled lives are set forward 5 years. Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. |
| Interest Rate: | 7.75% per year, compounded annually, net of investment related expenses. |
| Retirement Age: | Age 55 and 10 years of Credited Service, or age 52 and 25 years of Credited Service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional 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 2% per year. |
| Disability Rates: | See table on following page (1201). It is assumed that 75% of Disability Retirees are service related. |
| Termination Rates: | See table on following page (1304A). |
| Salary Increases: | 7.00% per year until the assumed retirement age. |
| Payroll Increase: | 3.5% per year. |
| Asset Valuation Method: | Each year, the prior Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets. |

Termination and Disability Rate Table:

| Age | % Becoming Disabled During | % Terminating |
|-----|-------------------------------|-----------------|
| | the Year | During the Year |
| 20 | 0.03% | 9.3% |
| 30 | 0.04% | 7.9% |
| 40 | 0.07% | 4.3% |
| 50 | 0.18% | 1.1% |

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 | 4.60% | -1.79% | 10.46% | 10.45% |

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended September 30, 2016)

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:

- a. Two District appointees,
- b. Two Members of the Department elected by the membership,
- c. Fifth Member elected by other four and appointed by District.

Full-time employees who are classified as full-time certified firefighters shall participate in the System as a condition of employment.

Plan Membership as of October 1, 2015:

| | |
|---|----|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 12 |
| Inactive Plan Members Entitled to But Not Yet Receiving Benefits | 1 |
| Active Plan Members | 18 |
| | 31 |
| | 31 |

Benefits Provided

The Plan provides retirement, termination, disability and death benefits.

Normal Retirement:

Date: Earlier of: 1) Age 55 and 10 years of Credited Service, or 2) Age 52 and 25 years of Credited Service.

Benefit: 3.5% of Average Final Compensation times Credited Service.

Early Retirement:

Eligibility: Age 50 and 10 Years of Credited Service.

Benefit: Accrued benefit, reduced 3% for each year prior to Normal Retirement.

Supplemental Monthly Benefit:

Normal and Early service retirees receive \$250 (reduced for Early) for life.

Cost-of-Living Increase:

Normal or Early Retirees who retire after 03/18/2009 and their Beneficiaries or Joint Annuitants receive annual 3% benefit increases beginning the first 10/1 following 5 years of retirement.

Vesting:

Schedule: 100% after 10 years of Credited Service.

Benefit Amount: Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability Retirement:

Eligibility Service Incurred: Covered from Date of Employment

Non-Service Incurred: 10 years of Credited Service.

Benefit accrued to date of disability but not less than 42% of Average Final Compensation (if Service Incurred).

Death Benefits Pre-Retirement:

Vested: Monthly accrued benefit payable to designated beneficiary for 10 years.

Non-Vested: Refund of accumulated contributions without interest.

Contributions

Member Contributions: 8.0% of Salary.

District and State Contributions: 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 | 2.50% |
| Salary Increases | 7.00% |
| 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 August 26, 2008.

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 2.50%.

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% | 7.50% |
| International Equity | 15% | 8.50% |
| Broad Market Fixed Income | 25% | 2.50% |
| Real Estate | 10% | 3.50% |
| 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 | Plan Fiduciary Net Position | Net Pension Liability |
| | (a) | (b) | (a)-(b) |
| Reporting Period Ending September 30, 2016 | \$ 14,238,541 | \$ 6,432,794 | \$ 7,805,747 |
| Changes for a Year: | | | |
| Service Cost | 312,345 | - | 312,345 |
| Interest | 1,102,924 | - | 1,102,924 |
| Differences between Expected and Actual Experience | (291,603) | - | (291,603) |
| Changes of assumptions | 658,466 | - | 658,466 |
| Changes of benefit terms | - | - | - |
| Contributions - Employer | - | 775,574 | (775,574) |
| Contributions - State | - | 45,330 | (45,330) |
| Contributions - Employee | - | 91,087 | (91,087) |
| Contributions - Buy Back | - | - | - |
| Net Investment Income | - | 288,447 | (288,447) |
| Benefit Payments, including Refunds of Employee Contributions | (639,223) | (639,223) | - |
| Administrative Expense | - | (23,642) | 23,642 |
| Net Changes | 1,142,909 | 537,573 | 605,336 |
| Reporting Period Ending September 30, 2017 | \$ 15,381,450 | \$ 6,970,367 | \$ 8,411,083 |

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

| | Current Discount | | |
|---------------------------------|------------------|--------------|--------------|
| | 1% Decrease | Rate | 1% Increase |
| | 6.75% | 7.75% | 8.75% |
| Sponsor's Net Pension Liability | \$ 10,716,302 | \$ 8,411,083 | \$ 6,552,756 |

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 \$840,870.

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 | - | 242,075 |
| Changes of assumptions | - | - |
| Net difference between Projected and Actual Earnings on Pension Plan investments | 408,459 | - |
| Employer and State contributions subsequent to the measurement date | 820,904 | |
| Total | <u>\$ 1,229,363</u> | <u>\$ 242,075</u> |

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 | \$ 46,899 |
| 2018 | \$ 46,900 |
| 2019 | \$ 46,900 |
| 2020 | \$ 74,100 |
| 2021 | \$ (48,415) |
| Thereafter | \$ - |

Payable to the Pension Plan

On September 30, 2015, the Sponsor reported a payable of \$85,867 for the outstanding amount of contributions of the Pension Plan required for the year ended September 30, 2015.

**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 \$991,622.

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 | - | 436,663 |
| Changes of assumptions | 548,721 | - |
| Net difference between Projected and Actual Earnings on Pension Plan investments | 488,944 | - |
| Employer and State contributions subsequent to the measurement date | TBD | |
| Total | <u>TBD</u> | <u>\$ 436,663</u> |

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 | \$ 151,994 |
| 2019 | \$ 151,994 |
| 2020 | \$ 179,193 |
| 2021 | \$ 56,678 |
| 2022 | \$ 61,143 |
| Thereafter | \$ - |

Payable to the Pension Plan

On September 30, 2016, the Sponsor reported a payable of \$3,440 for the outstanding amount of contributions of the Pension Plan required for the year ended September 30, 2016.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years

| Reporting Period Ending Measurement Date | 09/30/2017 09/30/2016 | 09/30/2016 09/30/2015 |
|--|--------------------------|--------------------------|
| Total Pension Liability | | |
| Service Cost | 312,345 | 292,647 |
| Interest | 1,102,924 | 1,067,883 |
| Changes of benefit terms | - | - |
| Differences between Expected and Actual Experience | (291,603) | (290,489) |
| Changes of assumptions | 658,466 | - |
| Contributions - Buy Back | - | 8,928 |
| Benefit Payments, including Refunds of Employee Contributions | (639,223) | (653,839) |
| Net Change in Total Pension Liability | 1,142,909 | 425,130 |
| Total Pension Liability - Beginning | 14,238,541 | 13,813,411 |
| Total Pension Liability - Ending (a) | <u>\$ 15,381,450</u> | <u>\$ 14,238,541</u> |
| Plan Fiduciary Net Position | | |
| Contributions - Employer | 775,574 | 708,789 |
| Contributions - State | 45,330 | 43,485 |
| Contributions - Employee | 91,087 | 85,999 |
| Contributions - Buy Back | - | 8,928 |
| Net Investment Income | 288,447 | (112,066) |
| Benefit Payments, including Refunds of Employee Contributions | (639,223) | (653,839) |
| Administrative Expense | (23,642) | (19,947) |
| Net Change in Plan Fiduciary Net Position | 537,573 | 61,349 |
| Plan Fiduciary Net Position - Beginning | 6,432,794 | 6,371,445 |
| Plan Fiduciary Net Position - Ending (b) | <u>\$ 6,970,367</u> | <u>\$ 6,432,794</u> |
| Net Pension Liability - Ending (a) - (b) | <u>\$ 8,411,083</u> | <u>\$ 7,805,747</u> |
| Plan Fiduciary Net Position as a percentage of the Total Pension Liability | 45.32% | 45.18% |
| Covered Employee Payroll ¹ | \$ 1,146,514 | \$ 1,119,731 |
| Net Pension Liability as a percentage of Covered Employee Payroll | 733.62% | 697.11% |

Notes to Schedule:

¹ The Covered Employee Payroll numbers shown are in compliance with GASB 82.

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.

The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years

| Reporting Period Ending Measurement Date | 09/30/2015 09/30/2014 | 09/30/2014 09/30/2013 |
|--|--------------------------|--------------------------|
| Total Pension Liability | | |
| Service Cost | 290,356 | 269,472 |
| Interest | 1,017,277 | 968,929 |
| Changes of benefit terms | - | - |
| Differences between Expected and Actual Experience | - | - |
| Changes of assumptions | - | - |
| Contributions - Buy Back | - | - |
| Benefit Payments, including Refunds of Employee Contributions | (660,031) | (610,868) |
| Net Change in Total Pension Liability | 647,602 | 627,533 |
| Total Pension Liability - Beginning | 13,165,809 | 12,538,276 |
| Total Pension Liability - Ending (a) | <u>\$ 13,813,411</u> | <u>\$ 13,165,809</u> |
| Plan Fiduciary Net Position | | |
| Contributions - Employer | 673,090 | 723,752 |
| Contributions - State | 56,846 | 54,472 |
| Contributions - Employee | 79,884 | 83,456 |
| Contributions - Buy Back | - | - |
| Net Investment Income | 579,975 | 525,540 |
| Benefit Payments, including Refunds of Employee Contributions | (660,031) | (610,868) |
| Administrative Expense | (24,204) | (24,161) |
| Net Change in Plan Fiduciary Net Position | 705,560 | 752,191 |
| Plan Fiduciary Net Position - Beginning | 5,665,885 | 4,913,694 |
| Plan Fiduciary Net Position - Ending (b) | <u>\$ 6,371,445</u> | <u>\$ 5,665,885</u> |
| Net Pension Liability - Ending (a) - (b) | <u>\$ 7,441,966</u> | <u>\$ 7,499,924</u> |
| Plan Fiduciary Net Position as a percentage of the Total Pension Liability | 46.13% | 43.03% |
| Covered Employee Payroll ¹ | N/A | N/A |
| Net Pension Liability as a percentage of Covered Employee Payroll | N/A | N/A |

Notes to Schedule:

¹ The Covered Employee Payroll numbers shown are in compliance with GASB 82.

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.

The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

| | 09/30/2016 | 09/30/2015 | 09/30/2014 | 09/30/2013 |
|---------------------------------------|--------------|--------------|------------|------------|
| Actuarially Determined Contribution | 820,904 | 752,274 | 729,936 | 778,224 |
| Contributions in relation to the | | | | |
| Actuarially Determined Contributions | 820,904 | 752,274 | 729,936 | 778,224 |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - |
| Covered Employee Payroll ¹ | \$ 1,146,514 | \$ 1,119,731 | N/A | N/A |
| Contributions as a percentage of | | | | |
| Covered Employee Payroll | 71.60% | 67.18% | N/A | N/A |

¹ The Covered Employee Payroll numbers shown are in compliance with GASB 82.

Notes to Schedule

Valuation Date: 10/01/2014

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: | 30 Years (as of 10/01/2014). |
| Mortality: | RP 2000 Combined Healthy Mortality Table, with no projection. Disabled lives are set forward 5 years. Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. |
| Interest Rate: | 7.75% per year, compounded annually, net of investment related expenses. |
| Retirement Age: | Age 55 and 10 years of Credited Service, or age 52 and 25 years of Credited Service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional 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 2% per year. |
| Disability Rates: | See table on following page (1201). It is assumed that 75% of Disability Retirees are service related. |
| Termination Rates: | See table on following page (1304A). |
| Salary Increases: | 7.00% per year until the assumed retirement age. |
| Payroll Increase: | 3.5% per year. |
| Asset Valuation Method: | Each year, the prior Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets. |

| Termination and Disability Rate Table: | | |
|--|-------------------------------|-----------------------------|
| | % Becoming Disabled During | % Terminating During the |
| Age | the Year | Year |
| 20 | 0.03% | 9.30% |
| 30 | 0.04% | 7.90% |
| 40 | 0.07% | 4.30% |
| 50 | 0.18% | 1.10% |

FINAL COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2016

| | Net Pension Liability | Deferred Inflows | Deferred Outflows | Pension Expense |
|--|--------------------------|---------------------|----------------------|--------------------|
| Beginning balance | \$ 7,441,966 | \$ 108,801 | \$ 752,274 | \$ - |
| Employer and State Contributions made after 09/30/2015 | - | - | 820,904 | - |
| Total Pension Liability Factors: | | | | |
| Service Cost | 292,647 | - | - | 292,647 |
| Interest | 1,067,883 | - | - | 1,067,883 |
| Changes in benefit terms | - | - | - | - |
| Contributions - Buy Back | 8,928 | - | - | 8,928 |
| Differences between Expected and Actual Experience with regard to economic or demographic assumptions | (290,489) | 290,489 | - | - |
| Current year amortization of experience difference | - | (48,414) | - | (48,414) |
| Change in assumptions about future economic or demographic factors or other inputs | - | - | - | - |
| Current year amortization of change in assumptions | - | - | - | - |
| Benefit Payments | (653,839) | - | - | (653,839) |
| Net change | <u>425,130</u> | <u>242,075</u> | <u>820,904</u> | <u>667,205</u> |
| Plan Fiduciary Net Position: | | | | |
| Contributions - Employer | 708,789 | - | (708,789) | - |
| Contributions - State | 43,485 | - | (43,485) | - |
| Contributions - Employee | 85,999 | - | - | (85,999) |
| Contributions - Buy Back | 8,928 | - | - | (8,928) |
| Net Investment Income | 500,507 | - | - | (500,507) |
| Difference between projected and actual earnings on Pension Plan investments | (612,573) | - | 612,573 | - |
| Current year amortization | - | (27,201) | (122,514) | 95,313 |
| Benefit Payments | (653,839) | - | - | 653,839 |
| Administrative Expenses | (19,947) | - | - | 19,947 |
| Net change | <u>61,349</u> | <u>(27,201)</u> | <u>(262,215)</u> | <u>173,665</u> |
| Ending Balance | <u>\$ 7,805,747</u> | <u>\$ 323,675</u> | <u>\$ 1,310,963</u> | <u>\$ 840,870</u> |

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2017

| | Net Pension Liability | Deferred Inflows | Deferred Outflows | Pension Expense |
|--|--------------------------|---------------------|----------------------|--------------------|
| Beginning balance | \$ 7,805,747 | \$ 323,675 | \$ 1,310,963 | \$ - |
| Employer and State Contributions made after 09/30/2016 | - | - | TBD* | - |
| Total Pension Liability Factors: | | | | |
| Service Cost | 312,345 | - | - | 312,345 |
| Interest | 1,102,924 | - | - | 1,102,924 |
| Changes in benefit terms | - | - | - | - |
| Differences between Expected and Actual Experience with regard to economic or demographic assumptions | (291,603) | 291,603 | - | - |
| Current year amortization of experience difference | - | (97,015) | - | (97,015) |
| Change in assumptions about future economic or demographic factors or other inputs | 658,466 | - | 658,466 | - |
| Current year amortization of change in assumptions | - | - | (109,745) | 109,745 |
| Benefit Payments | (639,223) | - | - | (639,223) |
| Net change | <u>1,142,909</u> | <u>194,588</u> | <u>548,721</u> | <u>788,776</u> |
| Plan Fiduciary Net Position: | | | | |
| Contributions - Employer | 775,574 | - | (775,574) | - |
| Contributions - State | 45,330 | - | (45,330) | - |
| Contributions - Employee | 91,087 | - | - | (91,087) |
| Contributions - Buy Back | - | - | - | - |
| Net Investment Income | 508,195 | - | - | (508,195) |
| Difference between projected and actual earnings on Pension Plan investments | (219,748) | - | 219,748 | - |
| Current year amortization | - | (27,200) | (166,463) | 139,263 |
| Benefit Payments | (639,223) | - | - | 639,223 |
| Administrative Expenses | (23,642) | - | - | 23,642 |
| Net change | <u>537,573</u> | <u>(27,200)</u> | <u>(767,619)</u> | <u>202,846</u> |
| Ending Balance | <u>\$ 8,411,083</u> | <u>\$ 491,063</u> | <u>TBD</u> | <u>\$ 991,622</u> |

* 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 | \$ (136,002) | 5 | \$ (27,201) | \$ (27,201) | \$ (27,200) | \$ (27,200) | \$ (27,200) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2015 | \$ 612,573 | 5 | \$ - | \$ 122,514 | \$ 122,514 | \$ 122,515 | \$ 122,515 | \$ 122,515 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ 219,748 | 5 | \$ - | \$ - | \$ 43,949 | \$ 43,949 | \$ 43,950 | \$ 43,950 | \$ 43,950 | \$ - | \$ - | \$ - | \$ - |
| Net Increase (Decrease) in Pension Expense | | | \$ (27,201) | \$ 95,313 | \$ 139,263 | \$ 139,264 | \$ 139,265 | \$ 166,465 | \$ 43,950 | \$ - | \$ - | \$ - | \$ - |

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) | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
| 2016 | \$ 658,466 | 6 | \$ 109,745 | \$ 109,745 | \$ 109,744 | \$ 109,744 | \$ 109,744 | \$ 109,744 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Net Increase (Decrease) in Pension Expense | | | \$ 109,745 | \$ 109,745 | \$ 109,744 | \$ 109,744 | \$ 109,744 | \$ 109,744 | \$ - | \$ - | \$ - | \$ - | \$ - |

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 | \$ (290,489) | 6.0 | \$ (48,414) | \$ (48,415) | \$ (48,415) | \$ (48,415) | \$ (48,415) | \$ (48,415) | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ (291,603) | 6.0 | \$ - | \$ (48,600) | \$ (48,600) | \$ (48,600) | \$ (48,601) | \$ (48,601) | \$ (48,601) | \$ - | \$ - | \$ - | \$ - |
| Net Increase (Decrease) in Pension Expense | | | \$ (48,414) | \$ (97,015) | \$ (97,015) | \$ (97,015) | \$ (97,016) | \$ (97,016) | \$ (48,601) | \$ - | \$ - | \$ - | \$ - |