

TOWN OF INDIALANTIC
GENERAL EMPLOYEES' PENSION PLAN

ACTUARIAL VALUATION REPORT
AS OF OCTOBER 1, 2015

CONTRIBUTIONS APPLICABLE TO THE TOWN'S
PLAN/FISCAL YEAR ENDED SEPTEMBER 30, 2017

December 7, 2015

Board of Trustees
c/o Ms. Laura Eaton
Town of Indialantic
216 Fifth Avenue
Indialantic, FL 32903

Re: Town of Indialantic
General Employees' Pension Plan

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Town of Indialantic General Employees' Pension Plan. 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, 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 Town and 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.

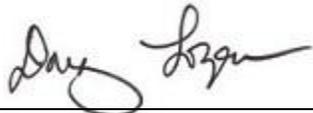
To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the Town of Indialantic, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Town of Indialantic General Employees' Pension Plan. 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:



Douglas H. Lozen, EA, MAAA
Enrolled Actuary #14-7778

DHL/lke
Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the Town of Indialantic General Employees' Pension Plan, performed as of October 1, 2015, has been completed and the results are presented in this Report. The contributions developed in the valuation apply to the Town's fiscal year ended September 30, 2017.

The funding requirements, compared with amounts developed in the October 1, 2014 Actuarial Valuation Report, are as follows:

Valuation Date	10/1/2014	10/1/2015
Applicable Fiscal Year	<u>9/30/2016</u>	<u>9/30/2017</u>
Total Required Contribution		
% of Total Annual Payroll	14.64%	17.06%
Expected Member Contributions	4.50%	4.50%
Balance From Town ¹		
% of Total Annual Payroll	10.14%	12.56%

¹ Please note that there is a prepaid Town contribution of \$4,374.89 which is available to offset the Town's funding requirement for fiscal year 2016.

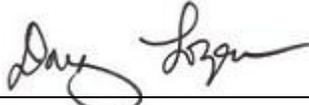
Experience since the prior valuation has been slightly more favorable than expected, relative to the Plan's actuarial assumptions. The primary sources of favorable experience included a 7.04% investment return (Actuarial Asset Basis), barely exceeding the 7.0% assumption, and a 2.29% average salary decrease, as compared to the 6.0% salary increase assumption. The favorable experience from the salary decrease was offset by the unfavorable effects of no inactive mortality over the year and more retirements than expected.

Despite experience for the year being relatively neutral overall, the Total Required Contribution has increased as a percentage of payroll. One reason for the increase is a reduction in the assumed rate of payroll growth from 1.2% per year to 0.5%. Also contributing to the increase were the effects of a reduction in Total Annual Payroll of almost 5% and an increase in administrative expenses paid out of the trust during fiscal year 2015 by 1.11% of payroll, as compared to expenses paid during fiscal year 2014.

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: 

Douglas H. Lozen, EA, MAAA

By: 

Tyler A. Koftan

Plan Changes Since Prior Valuation

There have been no plan changes since the prior valuation.

Actuarial Assumption/Method Changes Since Prior Valuation

In conjunction with this valuation of the Plan, mortality rates are based on the RP 2000 Combined Healthy Table, projected to October 1, 2015 using Scale AA. The prior valuation projected rates to October 1, 2014 using Scale AA.

In addition, the payroll growth assumption has been lowered from 1.2% to 0.5% per year in order to comply with Part VII of Chapter 112, Florida Statutes.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2015</u>	<u>10/1/2014</u>
A. Participant Data		
Number Included		
Actives	14	14
Service Retirees	6	5
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	<u>8</u>	<u>6</u>
Total	28	25
Total Annual Payroll		
	\$588,341	\$618,807
Payroll Under Assumed Ret. Age		
	588,341	618,807
Annual Rate of Payments to:		
Service Retirees	80,780	51,078
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	37,781	32,016
B. Assets		
Actuarial Value	1,240,147	1,163,068
Market Value	1,168,599	1,232,017
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	871,500	1,115,687
Disability Benefits	0	0
Death Benefits	15,129	16,876
Vested Benefits	173,262	162,361
Refund of Contributions	14,187	11,056
Service Retirees	758,895	480,956
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	<u>181,462</u>	<u>115,474</u>
Total	2,014,435	1,902,410

C. Liabilities - (Continued)	<u>10/1/2015</u>	<u>10/1/2014</u>
Present Value of Future Salaries	3,835,632	3,489,788
Present Value of Future Member Contributions	172,603	157,040
Normal Cost (FIL Method)	39,724	39,290
Present Value of Future Normal Costs (Entry Age)	215,765	185,685
Total Actuarial Accrued Liability	1,755,455	1,680,835
Unfunded Actuarial Accrued Liability (UAAL)	515,308	517,767
Funded Ratio (AVA / AL)	70.6%	69.2%

D. Actuarial Present Value of Accrued Benefits

Vested Accrued Benefits		
Inactives	940,357	596,430
Actives	465,736	672,203
Member Contributions	<u>159,421</u>	<u>192,755</u>
Total	1,565,514	1,461,388
Non-vested Accrued Benefits	<u>390</u>	<u>0</u>
Total Present Value Accrued Benefits	1,565,904	1,461,388
Funded Ratio (MVA / PVAB)	74.6%	84.3%

Increase (Decrease) in Present Value of
Accrued Benefits Attributable to:

Plan Amendments	0
Assumption Changes	0
New Accrued Benefits	78,012
Benefits Paid	(73,230)
Interest	99,734
Other	<u>0</u>
Total	104,516

Valuation Date	10/1/2015	10/1/2014
Applicable to Fiscal Year Ending	<u>9/30/2017</u>	<u>9/30/2016</u>

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll ¹	6.99	6.57
Administrative Expenses (with interest) % of Total Annual Payroll ¹	2.49	1.38
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 27 years (as of 10/1/2015) % of Total Annual Payroll ¹	7.58	6.69
Total Required Contribution % of Total Annual Payroll ¹	17.06	14.64
Expected Member Contributions % of Total Annual Payroll ¹	4.50	4.50
Expected Town Contribution % of Total Annual Payroll ¹	12.56	10.14

F. Past Contributions

Plan Years Ending:	<u>9/30/2015</u>
Total Required Contribution	82,720
Town Requirement	57,449
Actual Contributions Made:	
Members (excluding buyback)	25,271
Town	<u>57,449</u>
Total	82,720

G. Net Actuarial (Gain)/Loss N/A

¹ Contributions developed as of 10/1/2015 are expressed as a percentage of total annual payroll at 10/1/2015 of \$588,341.

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

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2015	515,308
2016	505,266
2017	494,289
2023	404,749
2030	230,348
2036	24,781
2042	0

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2015	-2.3%	6.0%
Year Ended	9/30/2014	5.4%	6.0%
Year Ended	9/30/2013	2.8%	6.0%

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2015	7.0%	7.0%
Year Ended	9/30/2014	7.8%	7.0%
Year Ended	9/30/2013	8.5%	7.0%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2015	\$588,341
	10/1/2005	561,093
(b) Total Increase		4.9%
(c) Number of Years		10.00
(d) Average Annual Rate		0.5%

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.



Douglas H. Lozen, EA, MAAA
Enrolled Actuary #14-7778

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

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

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1) Unfunded Actuarial Accrued Liability as of October 1, 2014	\$517,767
(2) Sponsor Normal Cost developed as of October 1, 2014	11,444
(3) Expected administrative expenses for the year ended September 30, 2015	8,224
(4) Expected interest on (1), (2) and (3)	37,333
(5) Sponsor contributions to the System during the year ended September 30, 2015	57,449
(6) Expected interest on (5)	2,011
(7) Unfunded Actuarial Accrued Liability as of September 30, 2015 (1)+(2)+(3)+(4)-(5)-(6)	515,308

Type of <u>Base</u>	Date <u>Established</u>	Years <u>Remaining</u>	10/1/2015 <u>Amount</u>	Amortization <u>Amount</u>
initial	10/1/1997	22	\$311,718	\$25,312
benefit change	10/1/2005	20	171,887	14,615
method change	10/1/2008	13	(85,834)	(9,357)
assum. change	10/1/2008	13	91,352	9,959
assum. change	10/1/2012	17	34,001	3,151
benefit change	10/1/2012	27	(7,816)	(582)
			515,308	43,098

ACTUARIAL ASSUMPTIONS AND METHODS

Assumptions

Mortality Rate

RP-2000 Combined Healthy (sex distinct), projected to valuation date using scale AA.

Interest Rate

7% per year compounded annually, net of investment related expenses. This is supported by the target asset class allocation of the trust and the expected long-term return by asset class.

Retirement Age

Later of age 65 and the completion of 5 years of service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year. We believe this assumption is reasonable compared to long term experience realized by the Plan.

Early Retirement

Members who are within 5 years of retirement are assumed to retire with an immediate subsidized benefit at the rate of 10% per year. This is based on the results of an actuarial experience study for the period 1998 – 2008.

Termination Rate

See table on the following page. This is based on the results of an actuarial experience study for the period 2003 – 2008.

Salary Increases

6% per year until the assumed retirement age; see table on the following page. We believe this assumption is reasonable compared to long term experience realized by the Plan.

Final Year Salary Load

Years until Normal Retirement as of 10/1/2012	Load Assumption
Less than 5 years	20%
At least 5, less than 10 years	15%
At least 10, less than 15 years	10%
15 or more years	5%

Notwithstanding the above, the load assumption is reduced to 0% for Members with less than 5 years of Credited Service as of September 30, 2012. Valuations prior to October 1, 2012 utilized a flat 20% load assumption.

<u>Age</u>	<u>% Terminating During the Year</u>	<u>Current Salary as a % of Salary at Age 60</u>
20	10.0%	9.7%
30	13.0%	17.4%
40	15.0%	31.2%
50	12.0%	55.8%

Funding Method

Frozen Entry Age Actuarial Cost Method.

Payroll Increases

0.5% per year.

Administrative Expenses

\$14,153 annually. This represents the actual non-investment-related expenses paid out of the trust during the past 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.

VALUATION NOTES

Total Annual Payroll is the annual rate of pay for the fiscal year following 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 Rate is determined in the aggregate as the ratio of (a) and (b) as follows:

- (a) The present value of benefits for all Plan participants, less the actuarial value of assets, less the Unfunded Actuarial Accrued Liability (UAAL).
- (b) The present value of future compensation over the anticipated number of years of participation, determined as of the valuation date.

The Normal Cost dollar requirement is the ratio of (a) and (b), multiplied by the Total Annual Payroll as of the valuation date.

Frozen Initial Liability Funding 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 Actuarial Accrued Liability (UAAL). The UAAL is reconciled each valuation with charges and credits as follows:

- (a) Charges: the Normal Cost for the prior year, in addition to interest (at the valuation assumption of 7%) on the Normal Cost and prior year's UAAL balance.
- (b) Credits: Sponsor contributions with interest at the valuation assumption of 7%.

New UAAL bases will be created only for changes in methods, assumptions, or benefits. Actuarial gains and losses are funded as part of the Normal Cost.

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 initial base is amortized over 40 years). The required amount is adjusted for interest according to the timing of sponsor contributions during the year.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2015

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Checking Account	13,219.91	13,219.91
Cash, Deposits and Money Market Funds	5.69	5.69
Total Cash and Equivalents	13,225.60	13,225.60
Investments:		
Mutual Funds:		
Fixed Income	502,709.77	482,798.57
Equity	686,516.72	676,949.43
Total Investments	1,189,226.49	1,159,748.00
Total Assets	1,202,452.09	1,172,973.60
<u>LIABILITIES</u>		
Prepaid Town Contribution	4,374.89	4,374.89
Total Liabilities	4,374.89	4,374.89
NET POSITION RESTRICTED FOR PENSIONS	1,198,077.20	1,168,598.71

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2015
Market Value Basis

ADDITIONS

Contributions:

Member	25,270.87	
Town	57,449.11	

Total Contributions		82,719.98
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Investment Income:

Net Realized Gain (Loss)	12,913.44	
Unrealized Gain (Loss)	(129,890.53)	
Net Increase in Fair Value of Investments	(116,977.09)	
Interest & Dividends	64,331.62	
Less Investment Expense ¹	(6,110.81)	

Net Investment Income		(58,756.28)
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Total Additions		23,963.70
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DEDUCTIONS

Distributions to Members:

Benefit Payments	65,929.02	
Refunds of Member Contributions	7,300.92	

Total Distributions		73,229.94
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Administrative Expense		14,152.50
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Total Deductions		87,382.44
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Net Increase in Net Position		(63,418.74)
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		1,232,017.45
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End of the Year		1,168,598.71
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¹Investment related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2015

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*	
09/30/2012	13.94%	
09/30/2013	13.56%	
09/30/2014	6.54%	
09/30/2015	-4.76%	
Annualized Rate of Return for prior four (4) years:		7.04%
(A) 10/01/2014 Actuarial Assets:		\$1,163,068.13
(I) Net Investment Income:		
1. Interest and Dividends	64,331.62	
2. Realized Gains (Losses)	12,913.44	
3. Change in Actuarial Value	10,606.59	
4. Investment Related Expenses	(6,110.81)	
Total		81,740.84
(B) 10/01/2015 Actuarial Assets:		\$1,240,146.51
Actuarial Asset Rate of Return = $2I/(A+B-I)$:		7.04%
10/01/2015 Limited Actuarial Assets:		\$1,240,146.51
10/01/2015 Market Value of Assets:		\$1,168,598.71
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)		\$489.26

*Market Value Basis, net of investment related expenses.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 SEPTEMBER 30, 2015
 Actuarial Asset Basis

REVENUES

Contributions:		
Member	25,270.87	
Town	57,449.11	
Total Contributions		82,719.98
Earnings from Investments:		
Interest & Dividends	64,331.62	
Net Realized Gain (Loss)	12,913.44	
Change in Actuarial Value	10,606.59	
Total Earnings and Investment Gains		87,851.65
EXPENDITURES		
Distributions to Members:		
Benefit Payments	65,929.02	
Refunds of Member Contributions	7,300.92	
Total Distributions		73,229.94
Expenses:		
Investment related ¹	6,110.81	
Administrative	14,152.50	
Total Expenses		20,263.31
Change in Net Assets for the Year		77,078.38
Net Assets Beginning of the Year		1,163,068.13
Net Assets End of the Year²		1,240,146.51

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

²Net Assets may be limited for actuarial consideration.

RECONCILIATION OF TOWN'S SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2015

(1) Total Required Contribution Rate	14.73%
(2) Pensionable Payroll Derived from Member Contributions	\$561,574.89
(3) Total Required Contribution (1) x (2)	82,719.98
(4) Less Actual Member Contributions	<u>(25,270.87)</u>
(5) Equals Required Town Contribution for Fiscal 2015	57,449.11
(6) Less 2014 Prepaid Contribution	0.00
(7) Less Actual Town Contributions	<u>(61,824.00)</u>
(8) Equals Town's Shortfall/(Prepaid) Contribution as of September 30, 2015	(\$4,374.89)

STATISTICAL DATA ¹

	<u>10/1/2012</u>	<u>10/1/2013</u>	<u>10/1/2014</u>	<u>10/1/2015</u>
<u>Actives</u>				
Number	14	14	14	14
Average Current Age	46.4	46.4	46.4	39.6
Average Age at Employment	35.8	35.5	35.7	33.0
Average Past Service	10.6	10.9	8.4	6.6
Average Annual Salary	\$39,441	\$42,879	\$44,201	\$42,024
<u>Service Retirees</u>				
Number	5	5	5	6
Average Current Age	N/A	N/A	68.5	68.8
Average Annual Benefit	\$10,216	\$10,216	\$10,216	\$13,463
<u>Beneficiaries</u>				
Number	0	0	0	0
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
<u>Disability Retirees</u>				
Number	0	0	0	0
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
<u>Terminated Vested ²</u>				
Number	5	5	5	6
Average Current Age	N/A	N/A	50.1	53.3
Average Annual Benefit	\$6,403	\$6,403	\$6,403	\$6,297

¹ Prior to 10/1/2014, averages were salary weighted.

² Excludes non-vested Members awaiting a refund of Member 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	2	0	0	0	0	0	0	0	0	0	0	2
25 - 29	0	1	0	0	0	0	0	0	0	0	0	1
30 - 34	0	1	1	1	0	0	0	0	0	0	0	3
35 - 39	1	0	0	0	0	0	1	0	0	0	0	2
40 - 44	0	1	0	0	0	0	0	0	0	0	0	1
45 - 49	1	0	0	0	0	0	0	0	0	0	0	1
50 - 54	0	0	0	0	0	0	1	0	1	0	0	2
55 - 59	0	0	0	0	0	0	1	0	0	0	0	1
60 - 64	0	0	0	0	0	0	0	0	0	0	1	1
65+	0	0	0	0	0	0	0	0	0	0	0	0
Total	4	3	1	1	0	0	3	0	1	0	1	14

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2014	14
b. Terminations	
i. Vested (partial or full) with deferred benefits	(1)
ii. Non-vested or full lump sum distribution received	(2)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	<u>(1)</u>
f. Continuing participants	10
g. New entrants	<u>4</u>
h. Total active life participants in valuation	14

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 <u>Deferred¹</u>	<u>Total</u>
a. Number prior valuation	5	0	0	6	11
Retired	1	0	0	0	1
Vested Deferred	0	0	0	2	2
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	6	0	0	8	14

¹ Includes non-vested terminated Members awaiting a refund of Member Contributions.

SUMMARY OF PRINCIPAL BENEFIT PROVISIONS
(Through Ordinance 13-06)

<u>Eligibility</u>	Full-time employees who are classified as General Employees participate in the Plan as a condition of employment.
<u>Credited Service</u>	Total years and completed months of employment with the Town as a General Employee.
<u>Salary</u>	Total W-2 compensation including tax deferred and exempt income. Effective July 1, 2011, overtime included in Salary is limited to 300 hours per year. Additionally, no hours of unused vacation leave earned after July 1, 2011 shall be includible for Salary purposes.
<u>Average Final Compensation</u>	Average Salary for the highest 5 years during the 10 years immediately preceding retirement or termination.
<u>Member Contributions</u>	4.5% of Salary.
<u>Normal Retirement</u>	
Date	Later of Age 65 and the completion of 5 years of Credited Service.
Benefit	2.0% of Average Final Compensation <u>times</u> Credited Service.
Form of Benefit	Life Annuity, ceasing upon death (options available).
<u>Early Retirement</u>	
Eligibility	Later of Age 60 and the completion of 5 Years of Credited Service.
Benefit	Formula benefit, reduced 1/15th for each year that Early Retirement precedes Normal Retirement.
<u>Vesting</u>	
Schedule	100% after 5 years of Credited Service.
Benefit Amount	Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Early (reduced basis) or Normal (unreduced basis) Retirement Date.

Death Benefits

Pre-Retirement

Beneficiary selects either:

1) A monthly benefit which is the actuarial equivalent of the benefit earned at the date of death, payable for 120 months, or 2) a refund of the Member's Accumulated Contributions.

Post-Retirement

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

Board of Trustees

- a. Two Council appointees,
- b. Two Members of the Plan elected by the membership, and
- c. Fifth Member elected by the other 4 and appointed by Council.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2015

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Checking Account	13,220
Cash, Deposits and Money Market Funds	6
Total Cash and Equivalents	13,226
Total Receivable	0
Investments:	
Mutual Funds:	
Fixed Income	482,799
Equity	676,949
Total Investments	1,159,748
Total Assets	1,172,974
<u>LIABILITIES</u>	
Payables:	
Unearned Revenue	4,375
Total Liabilities	4,375
NET POSITION RESTRICTED FOR PENSIONS	1,168,599

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2015
Market Value Basis

ADDITIONS

Contributions:

Member	25,271	
Town	57,449	
Total Contributions		82,720
Investment Income:		
Net Increase in Fair Value of Investments	(116,977)	
Interest & Dividends	64,332	
Less Investment Expense ¹	(6,111)	
Net Investment Income		(58,756)
Total Additions		23,964

DEDUCTIONS

Distributions to Members:

Benefit Payments	65,929	
Refunds of Member Contributions	7,301	
Total Distributions		73,230
Administrative Expense		14,152
Total Deductions		87,382
Net Increase in Net Position		(63,418)

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		1,232,017
End of the Year		1,168,599

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

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended September 30, 2015)

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

Plan Membership as of October 1, 2014:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	5
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	6
Active Plan Members	14
	25

Benefits Provided

The Plan provides retirement, and death benefits.

Normal Retirement:

Date: Later of Age 65 and the completion of 5 years of Credited Service.

Benefit: 2.0% of Average Final Compensation times Credited Service.

Early Retirement:

Eligibility: Later of Age 60 and the completion of 5 Years of Credited Service.

Benefit: Formula benefit, reduced 1/15th for each year that Early Retirement precedes Normal Retirement.

Vesting:

Schedule: 100% after 5 years of Credited Service.

Benefit: Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Early (reduced basis) or Normal (unreduced basis) Retirement Date.

Pre-Retirement Death Benefits:

Beneficiary selects either:

- 1) A monthly benefit which is the actuarial equivalent of the benefit earned at the date of death, payable for 120 months, or
- 2) a refund of the Member's Accumulated Contributions.

Contributions

Member Contributions: 4.5% of Salary.

Town Contribution: 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, 2015:

Asset Class	Target Allocation
Equity: Large Cap Growth	16%
Equity: Large Cap Value	16%
Equity: Mid Cap Growth	3%
Equity: Mid Cap Value	3%
Equity: Small Cap Growth	3%
Equity: Small Cap Value	3%
International Equities: Core (Developed)	16%
International Equities: Emerging Markets	4%
Bonds: Short/Intermed Gov/Corp	23%
Bonds: High Yield Fixed Income	6%
Bonds: Non-US Fixed Income	2%
Bonds: Other Fixed Income	5%
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, 2015, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was -4.76 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, 2015 were as follows:

Total Pension Liability	\$ 1,771,995
Plan Fiduciary Net Position	\$ (1,168,599)
Sponsor's Net Pension Liability	<u>\$ 603,396</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	65.95%

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2014 updated to September 30, 2015 using the following actuarial assumptions:

Inflation	3.00%
Salary Increases	6.00%
Discount Rate	7.00%
Investment Rate of Return	7.00%

Mortality Rate: RP-2000 Combined Healthy (sex distinct), projected to valuation date using scale AA.

The actuarial assumptions used in the October 1, 2014 valuation were based on the results of an actuarial experience study for the period 1997-2007.

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.

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, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Equity: Large Cap Growth	6.70%
Equity: Large Cap Value	6.70%
Equity: Mid Cap Growth	7.20%
Equity: Mid Cap Value	7.20%
Equity: Small Cap Growth	7.70%
Equity: Small Cap Value	7.70%
International Equities: Core (Developed)	6.80%
International Equities: Emerging Markets	3.20%
Bonds: Short/Intermed Gov/Corp	1.60%
Bonds: High Yield Fixed Income	6.00%
Bonds: Non-US Fixed Income	2.80%
Bonds: Other Fixed Income	1.00%

GASB 67

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.00 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 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Sponsor's Net Pension Liability	\$ 812,659	\$ 603,396	\$ 427,178

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

	<u>09/30/2015</u>	<u>09/30/2014</u>
Total Pension Liability		
Service Cost	43,196	43,047
Interest	119,143	112,836
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	(12,576)	-
Changes of assumptions	-	-
Benefit Payments, including Refunds of Employee Contributions	(73,230)	(58,631)
Net Change in Total Pension Liability	<u>76,533</u>	<u>97,252</u>
Total Pension Liability - Beginning	1,695,462	1,598,210
Total Pension Liability - Ending (a)	<u>\$ 1,771,995</u>	<u>\$ 1,695,462</u>
Plan Fiduciary Net Position		
Contributions - Employer	57,449	81,212
Contributions - Employee	25,271	25,503
Net Investment Income	(58,756)	73,325
Benefit Payments, including Refunds of Employee Contributions	(73,230)	(58,631)
Administrative Expense	(14,152)	(8,224)
Net Change in Plan Fiduciary Net Position	<u>(63,418)</u>	<u>113,185</u>
Plan Fiduciary Net Position - Beginning	1,232,017	1,118,832
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,168,599</u>	<u>\$ 1,232,017</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 603,396</u>	<u>\$ 463,445</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	65.95%	72.67%
Covered Employee Payroll*	\$ 561,575	\$ 566,730
Net Pension Liability as a percentage of Covered Employee Payroll	107.45%	81.78%

Notes to Schedule:

* The Covered Employee Payroll figures were not available. Pensionable Salary has been reported instead.

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	09/30/2015	09/30/2014
Actuarially Determined Contribution	57,449	81,212
Contributions in relation to the Actuarially Determined Contributions	57,449	81,212
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Employee Payroll*	\$ 561,575	\$ 566,730
Contributions as a percentage of Covered Employee Payroll	10.23%	14.33%

* The Covered Employee Payroll figures were not available. Pensionable Salary has been reported instead.

Notes to Schedule

Valuation Date: 10/01/2013
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: Frozen Entry Age Actuarial Cost Method.
 Amortization Method: Level Percentage of Pay, Closed.
 Remaining Amortization Period: 29 Years (as of 10/01/2013 Valuation).
 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.

Inflation: 3.0% per year.
 Salary Increases: 6% per year until the assumed retirement age.

Final Year Salary Load:	Years until Normal Retirement as of 10/01/2012	Load Assumptions
	Less than 5 years	20%
	At least 5, less than 10 years	15%
	At least 10, less than 15 years	10%
	15 or more years	5%

Interest Rate: 7% per year compounded annually, net of investment related expenses.
 Payroll Increase: 2.5% per year.
 Retirement Age: Later of age 65 and the completion of 5 years of service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year.

Early Retirement: Members who are within 5 years of retirement are assumed to retire with an immediate subsidized benefit at the rate of 10% per year.

Termination Rates: See table below.
 Mortality: RP-2000 Combined Healthy (sex distinct), projected to valuation date using scale AA.

Termination and Disability Rate Table:	% Terminating During the
Age	Year
20	10%
30	13%
40	15%
50	12%

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years

	<u>09/30/2015</u>	<u>09/30/2014</u>
Annual Money-Weighted Rate of Return		
Net of Investment Expense	-4.76%	6.54%

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

Full-time employees who are classified as General Employees participate in the Plan as a condition of employment.

Plan Membership as of October 1, 2014:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	5
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	6
Active Plan Members	14
	25
	25

Benefits Provided

The Plan provides retirement, and death benefits.

Normal Retirement:

Date: Later of Age 65 and the completion of 5 years of Credited Service.

Benefit: 2.0% of Average Final Compensation times Credited Service.

Early Retirement:

Eligibility: Later of Age 60 and the completion of 5 Years of Credited Service.

Benefit: Formula benefit, reduced 1/15th for each year that Early Retirement precedes Normal Retirement.

Vesting:

Schedule: 100% after 5 years of Credited Service.

Benefit: Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Early (reduced basis) or Normal (unreduced basis) Retirement Date.

Pre-Retirement Death Benefits:

Beneficiary selects either:

- 1) A monthly benefit which is the actuarial equivalent of the benefit earned at the date of death, payable for 120 months, or 2) a refund of the Member's Accumulated Contributions.

Contributions

Member Contributions: 4.5% of Salary.

Town Contribution: 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, 2015.

The measurement period for the pension expense was October 1, 2014 to September 30, 2015.

The reporting period is October 1, 2015 through September 30, 2016.

The Sponsor's Net Pension Liability was measured as of September 30, 2015.

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, 2014 updated to September 30, 2015 using the following actuarial assumptions:

Inflation	3.00%
Salary Increases	6.00%
Discount Rate	7.00%
Investment Rate of Return	7.00%

Mortality Rate: RP-2000 Combined Healthy (sex distinct), projected to valuation date using scale AA.

The actuarial assumptions used in the October 1, 2014 valuation were based on the results of an actuarial experience study for the period 1997-2007.

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.

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, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Equity: Large Cap Growth	16%	6.7%
Equity: Large Cap Value	16%	6.7%
Equity: Mid Cap Growth	3%	7.2%
Equity: Mid Cap Value	3%	7.2%
Equity: Small Cap Growth	3%	7.7%
Equity: Small Cap Value	3%	7.7%
International Equities: Core (Developed)	16%	6.8%
International Equities: Emerging Markets	4%	3.2%
Bonds: Short/Intermed Gov/Corp	23%	1.6%
Bonds: High Yield Fixed Income	6%	6.0%
Bonds: Non-US Fixed Income	2%	2.8%
Bonds: Other Fixed Income	5%	1.0%
Total	100%	

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.00 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)
Balances at September 30, 2014	\$ 1,695,462	\$ 1,232,017	\$ 463,445
Changes for a Year:			
Service Cost	43,196	-	43,196
Interest	119,143	-	119,143
Differences between Expected and Actual Experience	(12,576)	-	(12,576)
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - Employer	-	57,449	(57,449)
Contributions - Employee	-	25,271	(25,271)
Net Investment Income	-	(58,756)	58,756
Benefit Payments, including Refunds of Employee Contributions	(73,230)	(73,230)	-
Administrative Expense	-	(14,152)	14,152
Net Changes	76,533	(63,418)	139,951
Balances at September 30, 2015	\$ 1,771,995	\$ 1,168,599	\$ 603,396

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

	Current Discount		
	1% Decrease	Rate	1% Increase
	6.00%	7.00%	8.00%
Sponsor's Net Pension Liability	\$ 812,659	\$ 603,396	\$ 427,178

Pension Plan Fiduciary Net Position.

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

**PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED
INFLOWS OF RESOURCES RELATED TO PENSIONS**

For the year ended September 30, 2016, the Sponsor will recognize a Pension Expense of \$92,241.

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
	<u> </u>	<u> </u>
Differences between Expected and Actual Experience	-	9,432
Changes of assumptions	-	-
Net difference between Projected and Actual Earnings on Pension Plan investments	119,702	-
Employer contributions subsequent to the measurement date	-	-
Total	<u>\$ 119,702</u>	<u>\$ 9,432</u>

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be 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	\$ 27,101
2018	\$ 27,101
2019	\$ 27,101
2020	\$ 28,967
2021	\$ -
Thereafter	\$ -

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

	<u>09/30/2015</u>	<u>09/30/2014</u>
Total Pension Liability		
Service Cost	43,196	43,047
Interest	119,143	112,836
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	(12,576)	-
Changes of assumptions	-	-
Benefit Payments, including Refunds of Employee Contributions	(73,230)	(58,631)
Net Change in Total Pension Liability	<u>76,533</u>	<u>97,252</u>
Total Pension Liability - Beginning	1,695,462	1,598,210
Total Pension Liability - Ending (a)	<u>\$ 1,771,995</u>	<u>\$ 1,695,462</u>
Plan Fiduciary Net Position		
Contributions - Employer	57,449	81,212
Contributions - Employee	25,271	25,503
Net Investment Income	(58,756)	73,325
Benefit Payments, including Refunds of Employee Contributions	(73,230)	(58,631)
Administrative Expense	(14,152)	(8,224)
Net Change in Plan Fiduciary Net Position	<u>(63,418)</u>	<u>113,185</u>
Plan Fiduciary Net Position - Beginning	1,232,017	1,118,832
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,168,599</u>	<u>\$ 1,232,017</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 603,396</u>	<u>\$ 463,445</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	65.95%	72.67%
Covered Employee Payroll*	\$ 561,575	\$ 566,730
Net Pension Liability as a percentage of Covered Employee Payroll	107.45%	81.78%

Notes to Schedule:

* The Covered Employee Payroll figures were not available. Pensionable Salary has been reported instead.

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	09/30/2015	09/30/2014
Actuarially Determined Contribution	57,449	81,212
Contributions in relation to the		
Actuarially Determined Contributions	57,449	81,212
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Employee Payroll*	\$ 561,575	\$ 566,730
Contributions as a percentage of		
Covered Employee Payroll	10.23%	14.33%

* The Covered Employee Payroll figures were not available. Pensionable Salary has been reported instead.

Notes to Schedule

Valuation Date: 10/01/2013

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:	Frozen Entry Age Actuarial Cost Method.	
Amortization Method:	Level Percentage of Pay, Closed.	
Remaining Amortization Period:	29 Years (as of 10/01/2013 Valuation).	
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.	
Inflation:	3.0% per year.	
Salary Increases:	6% per year until the assumed retirement age. Projected salary at retirement is increased 20% to account for non-regular compensation.	
Final Year Salary Load:	Years until Normal Retirement as of 10/01/2012	Load Assumptions
	Less than 5 years	20%
	At least 5, less than 10 years	15%
	At least 10, less than 15 years	10%
	15 or more years	5%
Interest Rate:	7% per year compounded annually, net of investment related expenses.	
Payroll Increase:	2.5% per year.	
Retirement Age:	Later of age 65 and the completion of 5 years of service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year.	
Early Retirement:	Members who are within 5 years of retirement are assumed to retire with an immediate subsidized benefit at the rate of 10% per year.	
Termination Rates:	See table below.	
Mortality:	RP-2000 Combined Healthy (sex distinct), projected to valuation date using scale AA.	
Termination and Disability Rate Table:	% Terminating	
	During the	
	Age	Year
	20	10%
	30	13%
	40	15%
	50	12%

FINAL COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2015

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 479,378	\$ -	\$ 81,212	\$ -
Employer Contributions made after September 30, 2014	-	-	57,449	-
Total Pension Liability Factors:				
Service Cost	43,047	-	-	43,047
Interest	112,836	-	-	112,836
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	-	-	-	-
Current year amortization of experience difference	-	-	-	-
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	-	-
Benefit Payments	(58,631)	-	-	(58,631)
Net change	<u>97,252</u>	<u>-</u>	<u>57,449</u>	<u>97,252</u>
Plan Fiduciary Net Position:				
Contributions - Employer	81,212	-	(81,212)	-
Contributions - Employee	25,503	-	-	(25,503)
Net Investment Income	79,713	-	-	(79,713)
Difference between projected and actual earnings on Pension Plan investments	(6,388)	-	6,388	-
Current year amortization	-	-	(1,277)	1,277
Benefit Payments	(58,631)	-	-	58,631
Administrative Expenses	(8,224)	-	-	8,224
Net change	<u>113,185</u>	<u>-</u>	<u>(76,101)</u>	<u>(37,084)</u>
Ending Balance	<u>\$ 463,445</u>	<u>\$ -</u>	<u>\$ 62,560</u>	<u>\$ 60,168</u>

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2016

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 463,445	\$ -	\$ 62,560	\$ -
Employer Contributions made after September 30, 2015	-	-	TBD*	-
Total Pension Liability Factors:				
Service Cost	43,196	-	-	43,196
Interest	119,143	-	-	119,143
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(12,576)	12,576	-	-
Current year amortization of experience difference	-	(3,144)	-	(3,144)
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	-	-
Benefit Payments	(73,230)	-	-	(73,230)
Net change	<u>76,533</u>	<u>9,432</u>	<u>-</u>	<u>85,965</u>
Plan Fiduciary Net Position:				
Contributions - Employer	57,449	-	(57,449)	-
Contributions - Employee	25,271	-	-	(25,271)
Net Investment Income	86,078	-	-	(86,078)
Difference between projected and actual earnings on Pension Plan investments	(144,834)	-	144,834	-
Current year amortization	-	-	(30,243)	30,243
Benefit Payments	(73,230)	-	-	73,230
Administrative Expenses	(14,152)	-	-	14,152
Net change	<u>(63,418)</u>	<u>-</u>	<u>57,142</u>	<u>6,276</u>
Ending Balance	<u>\$ 603,396</u>	<u>\$ 9,432</u>	<u>TBD</u>	<u>\$ 92,241</u>

* Employer Contributions subsequent to the measurement date made after September 30, 2015 but made on or before September 30, 2016 needs to be added.