

CITY OF VERO BEACH FIREFIGHTERS RELIEF AND PENSION FUND
ACTUARIAL VALUATION REPORT AS OF OCTOBER 1, 2014

ANNUAL EMPLOYER CONTRIBUTION FOR THE YEAR ENDING SEPTEMBER 30, 2015



January 20, 2015

Board of Trustees
City of Vero Beach Firefighters
Relief and Pension Fund
Vero Beach, Florida

Dear Board Members:

The results of the October 1, 2014 Annual Actuarial Valuation of the City of Vero Beach Firefighters Relief and Pension Fund are presented in this report.

This report was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board.

The purpose of the valuation is to measure the System's funding progress, to determine the employer contribution rate for the fiscal year ending September 30, 2015, and to determine the actuarial information for Governmental Accounting Standards Board (GASB) Statement No. 27 and No. 67 for the fiscal year ending September 30, 2014.

This report should not be relied on for any purpose other than the purpose described above.

The findings in this report are based on data or other information through September 30, 2014. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

The valuation was based upon information furnished by the City concerning Retirement Plan benefits, financial transactions, plan provisions, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the City.

This report was prepared using certain assumptions prescribed by the Board as described in Section B.

The undersigned actuaries are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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

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

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By 
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Enrolled Actuary No. 14-6599

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SECTION A
DISCUSSION OF VALUATION RESULTS

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

The following is a comparison of required contributions developed in this year's and last year's actuarial valuations.

	For FYE 9/30/2015 Based on 10/1/2014 Valuation	For FYE 9/30/2014 Based on 10/1/2013 Valuation	Increase (Decrease)
Required Employer/State Contribution	\$ 337,054	\$ 338,509	\$ (1,455)
Estimated State Contribution	\$ 309,307 **	\$ 296,198 *	\$ 13,109
Required Employer Contribution	\$ 27,747	\$ 42,311	\$ (14,564)

**We have updated the amount shown in our October 1, 2013 Report to reflect the actual State contribution received for the fiscal year ending September 30, 2014.*

*** Estimated based on the August 2014 regular payment and October 2014 supplemental payment from the State.*

The contribution has been adjusted for interest as though payment would be made in equal installments at the end of each quarter of the Employer's fiscal year.

The required Employer contribution has been computed under the assumption that the amount to be received from the State on behalf of firefighters this year will be the same as last year's amount including the supplemental distribution. If the actual payment from the State falls below this amount, then the City must increase its contribution by the difference, so that the sum of the contributions from the City and the State equals the total Required Contribution amount shown above.

The actual Employer and State contributions during the fiscal year ending September 30, 2014 were \$42,311 and \$296,198, respectively, for a total of \$338,509. This total is equal to the annual required contribution of \$338,509 for that year.

Revisions in Benefits

There have been no revisions in benefits since the last valuation.

Revisions in Actuarial Assumptions or Methods

As approved by the Board of Trustees, the assumed investment rate of return is lowered from 6.50% to 6.25%. The rate will continue to be lowered by 0.25% each year until the rate is 6.00%.

Actuarial Experience

During the past year, there was a net actuarial loss of \$65,701 which means that actual experience was less favorable than expected. The loss is due to lower than expected retiree mortality. The liability loss was partially offset by investment gains due to recognized investment return above the assumed rate. The investment return was 10.0% based on market value of assets and 7.7% based on actuarial value of assets.

Funded Ratio

The funded ratio this year is 83.1% compared to 82.9% last year. The funded ratio was 84.8% before the change in the investment return assumption. The funded ratio is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability.

13th Check

As indicated on page 13, there is an actuarial loss for the fiscal year and there is a cumulative net actuarial loss of \$1,138,598. Therefore, a 13th Check is not payable this year to retirees and beneficiaries.

Variability of Future Contribution Rates

The Actuarial Cost Method used to determine the contribution is intended to produce contribution rates which are generally level. Even so, when experience differs from the assumptions, as it often does, the employer's contribution can vary significantly from year-to-year.

Over time, if the year-to-year gains and losses offset each other, the contribution rate would be expected to return to the current level, but this does not always happen.

The Market Value of Assets exceeds the Actuarial Value of Assets by \$335,676 as of the valuation date (see Section C). This difference will be gradually recognized over the next several years in the absence of offsetting losses. If Market Value had been the basis for the valuation, the funded ratio would have been 87.0% and the total Employer/State required contribution would have been about \$290,000.

Under this funding method an amortization charge or credit base will be fully paid for each year. As this occurs the total amortization payments will increase or decrease absent any other gain or loss or assumption change. For example, next year an amortization base of approximately (\$9,000) will expire. This will cause the amortization payments to increase by \$9,000 absent any other changes.

Conclusion

The remainder of this Report includes detailed actuarial valuation results, financial information, miscellaneous information and statistics, and a summary of plan provisions.

CHAPTER REVENUE

Increments in Chapter revenue over that received in 1998 must first be used to fund the cost of compliance with minimum benefits. Once minimums are met, any subsequent additional Chapter revenue must be used to provide extra benefits.

As of the valuation date, all minimum benefit requirements have been met. Thus, any additional revenue must be used to provide extra benefits.

Actuarial Confirmation of the Use of State Chapter Money	
1. Base Amount Previous Plan Year	\$ 283,218
2. Amount Received for Previous Plan Year	296,198
3. Benefit Improvements Made in Previous Plan Year	0
4. Excess Funds for Previous Plan Year	0
5. Accumulated Excess at Beginning of Previous Year	0
6. Prior Excess Used in Previous Plan Year	0
7. Accumulated Excess as of Valuation Date (Available for Benefit Improvements): (4) + (5) - (6)	0
8. Base Amount This Plan Year	296,198

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

In order to fund previous benefit improvements, the Base Amount will continue to be updated each year based on actual Chapter revenue up to a maximum of \$539,900.

SECTION B
VALUATION RESULTS

PARTICIPANT DATA		
	October 1, 2014	October 1, 2013
ACTIVE MEMBERS		
Number	0	0
Covered Annual Payroll	\$ 0	\$ 0
Average Annual Payroll	\$ 0	\$ 0
Average Age	0.0	0.0
Average Past Service	0.0	0.0
Average Age at Hire	0.0	0.0
RETIRES & BENEFICIARIES		
Number	11	11
Annual Benefits	\$ 705,551	\$ 691,715
Average Annual Benefit	\$ 64,141	\$ 62,883
Average Age	73.1	72.1
DISABILITY RETIREES		
Number	4	4
Annual Benefits	\$ 83,668	\$ 82,028
Average Annual Benefit	\$ 20,917	\$ 20,507
Average Age	79.8	78.8
TERMINATED VESTED MEMBERS		
Number	0	0
Annual Benefits	\$ 0	\$ 0
Average Annual Benefit	\$ 0	\$ 0
Average Age	0.0	0.0

ANNUAL REQUIRED CONTRIBUTION (ARC)			
A. Valuation Date	October 1, 2014 <i>After Change</i>	October 1, 2014 <i>Before Change</i>	October 1, 2013
B. ARC to Be Paid During Fiscal Year Ending	9/30/2015	9/30/2015	9/30/2014
C. Assumed Dates of Employer Contributions	Quarterly	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 314,000	\$ 292,834	\$ 312,871
E. Employer Normal Cost	10,662	10,662	12,725
F. ARC if Paid on the Valuation Date: D + E	324,662	303,496	325,596
G. ARC Adjusted for Frequency of Payments	337,054	315,533	338,509
H. Estimate of State Revenue in Contribution Year	309,307 **	309,307 **	296,198 *
I. Required Employer Contribution (REC) in Contribution Year	27,747	6,226	42,311

**We have updated the amount shown in our October 1, 2013 Report to reflect the actual State contribution received for the fiscal year ending September 30, 2014.*

*** Estimated based on the August 2014 regular payment and October 2014 supplemental payment from the State.*

ACTUARIAL VALUE OF BENEFITS AND ASSETS			
A. Valuation Date	October 1, 2014 <i>After Change</i>	October 1, 2014 <i>Before Change</i>	October 1, 2013
B. Actuarial Present Value of All Projected Benefits for			
1. Active Members			
a. Service Retirement Benefits	\$ -	\$ -	\$ -
b. Vesting Benefits	-	-	-
c. Disability Benefits	-	-	-
d. Preretirement Death Benefits	-	-	-
e. Return of Member Contributions	-	-	-
f. Total	<u>-</u>	<u>-</u>	<u>-</u>
2. Inactive Members			
a. Service Retirees & Beneficiaries	8,196,342	8,026,486	8,096,643
b. Disability Retirees	420,718	416,755	432,950
c. Terminated Vested Members	-	-	-
d. Total	<u>8,617,060</u>	<u>8,443,241</u>	<u>8,529,593</u>
3. Total for All Members	8,617,060	8,443,241	8,529,593
C. Actuarial Accrued (Past Service) Liability per GASB No. 25	8,617,060	8,443,241	8,529,593
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	8,617,060	8,443,241	8,529,593
E. Plan Assets			
1. Market Value	7,492,855	7,492,855	7,233,364
2. Actuarial Value	7,157,179	7,157,179	7,071,430
F. Unfunded Accrued Liability: C - E2	1,459,881	1,286,062	1,458,163
G. Actuarial Present Value of Projected Covered Payroll	-	-	-
H. Actuarial Present Value of Projected Member Contributions	-	-	-

CALCULATION OF EMPLOYER NORMAL COST			
A. Valuation Date	October 1, 2014 <i>After Change</i>	October 1, 2014 <i>Before Change</i>	October 1, 2013
B. Normal Cost for			
1. Service Retirement Benefits	\$ -	\$ -	\$ -
2. Vesting Benefits	-	-	-
3. Disability Benefits	-	-	-
4. Preretirement Death Benefits	-	-	-
5. Return of Member Contributions	-	-	-
6. Total for Future Benefits	<u>-</u>	<u>-</u>	<u>-</u>
7. Assumed Amount for Administrative Expenses	10,662	10,662	12,725
8. Total Normal Cost	<u>10,662</u>	<u>10,662</u>	<u>12,725</u>
C. Expected Member Contribution	-	-	-
D. Employer Normal Cost: B8-C	10,662	10,662	12,725

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

A. UAAL Amortization Period and Payments						
Original UAAL			Current UAAL			
Date	Source	Amount	Years Remaining	Amount	Payment	
					After Change	Before Change
10/1/2005	(Gain)/Loss	(106,565)	1	(8,869)	(8,869)	(8,869)
10/1/2006	(Gain)/Loss	289,527 *	2	56,385	29,047	29,080
10/1/2006	Assumption Changes	1,043,541	2	203,230	104,694	104,814
10/1/2007	(Gain)/Loss	(173,004)	3	(51,237)	(18,124)	(18,165)
10/1/2007	Method Change	35,525	3	10,522	3,722	3,730
10/1/2008	(Gain)/Loss	218,659 **	4	99,377	27,147	27,238
10/1/2009	(Gain)/Loss	6,765	5	3,936	885	889
10/1/2010	(Gain)/Loss	202,098	6	136,729	26,376	26,520
10/1/2011	(Gain)/Loss	276,060	7	211,249	35,933	36,166
10/1/2012	(Gain)/Loss	184,159	8	156,106	23,895	24,074
10/1/2012	Assumption Change	173,555	8	147,115	22,518	22,687
10/1/2013	(Gain)/Loss	102,193	9	94,668	13,242	13,355
10/1/2013	Assumption Change	173,959	9	161,150	22,542	22,733
10/1/2014	(Gain)/Loss	65,701	10	65,701	8,501	8,582
10/1/2014	Assumption Change	<u>173,819</u>	10	<u>173,819</u>	<u>22,491</u>	<u>N/A</u>
		\$ 2,665,992		\$ 1,459,881	\$ 314,000	\$ 292,834

* Includes the 13th Check distribution and data correction.

** Includes the 13th Check distribution.

B. Amortization Schedule

The UAAL is being amortized as a level dollar amount over the number of years remaining in the amortization period. The expected amortization schedule is as follows:

Amortization Schedule	
Year	Expected UAAL
2014	\$ 1,459,881
2015	1,217,487
2016	950,532
2017	808,992
2018	643,303
2019	496,102
2024	0

ACTUARIAL GAINS AND LOSSES

The assumptions used to anticipate mortality, investment income, expenses, and other factors have been based on long range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the period involved. If significant long term experience reveals consistent deviation from what has been expected and that deviation is expected to continue, the assumptions should be modified. The net actuarial gain (loss) for the past year has been computed as follows:

1. Last Year's UAAL	\$ 1,458,163
2. Last Year's Employer Normal Cost	12,725
3. Last Year's Contributions	
a. Employer	42,311
b. State	<u>296,198</u>
c. a + b	338,509
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	95,608
b. 3 from dates paid	<u>7,626</u>
c. a - b	87,982
5. This Year's Expected UAAL: 1 + 2 - 3c + 4c	1,220,361
6. This Year's Actual UAAL Before Change in Assumption	1,286,062
7. Net Actuarial Gain (Loss): 5 - 6	(65,701)
8. Gain (Loss) Due to Investments	83,919
9. Gain (Loss) from Other Sources	(149,620)

Net actuarial gains in previous years have been as follows:

Year Ended	Gain (Loss)
12/31/1981	\$ (146,958)
12/31/1982	16,353
12/31/1984	35,972
12/31/1987	(96,392)
12/31/1988	80,256
9/30/1989	54,491
9/30/1990	(97,170)
9/30/1991	235,788
9/30/1992	153,814
9/30/1993	92,046
9/30/1994	102,506
9/30/1995	362,094
9/30/1996	140,272
9/30/1997	243,370
9/30/1998	(60,770)
9/30/1999	470,731
9/30/2000	(29,397)
9/30/2001	(279,096)
9/30/2002	(419,477)
9/30/2003	(401,690)
9/30/2004	(388,244)
9/30/2005	106,565
9/30/2006	(49,142)
9/30/2007	173,004
9/30/2008	(98,237)
9/30/2009	(6,765)
9/30/2010	(202,098)
9/30/2011	(276,060)
9/30/2012	(184,159)
9/30/2013	(102,193)
9/30/2014	(65,701)

The fund earnings assumption has considerable impact on the cost of the Plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings compared to the assumed rates for the last few years.

Year Ending	Investment Return	
	Actual	Assumed
12/31/1980	9.1 %	6.5 %
12/31/1981	13.1	6.5
12/31/1982	11.7	6.5
12/31/1983	11.5	6.5
12/31/1984	12.1	6.5
12/31/1985	16.4	6.5
12/31/1986	12.3	6.5
12/31/1987	7.0	6.5
12/31/1988	8.1	6.5
9/30/1989	8.7	4.9
9/30/1990	5.2	6.5
9/30/1991	15.0	6.5
9/30/1992	12.0	6.5
9/30/1993	9.5	7.0
9/30/1994	6.6	7.0
9/30/1995	10.1	7.0
9/30/1996	9.0	8.0
9/30/1997	11.2	8.0
9/30/1998	10.4	8.0
9/30/1999	13.3	8.0
9/30/2000	10.4	8.0
9/30/2001	5.0	8.0
9/30/2002	1.9	8.0
9/30/2003	3.1	8.0
9/30/2004	3.4	8.0
9/30/2005	5.0	8.0
9/30/2006	7.4	8.0
9/30/2007	11.8	7.0
9/30/2008	6.2	7.0
9/30/2009	5.2	7.0
9/30/2010	5.4	7.0
9/30/2011	4.3	7.0
9/30/2012	6.2	7.0
9/30/2013	7.3	6.75
9/30/2014	7.7	6.50
Averages	8.7 %	7.1 %

The actual investment return rates shown above are based on the actuarial value of assets.

There is a limitation on 13th Check distributions tied to actuarial gains provided in Florida Statutes. The cumulative amount used to pay for 13th Checks may not exceed the cumulative amount of actuarial gains. Measurement begins in the year in which the 13th Check provision is adopted. The following table shows the limits:

Cumulative Actuarial Gains (Losses)					
Year Ending 9/30	Balance at Beginning of Year	Interest	Gain (Loss) for Year	13th Check	Balance at End of Year
2005	\$0	\$0	\$106,565	\$106,565	\$0
2006	0	0	(49,142)	0	(49,142)
2007	(49,142)	(3,440)	173,004	120,422	0
2008	0	0	(98,237)	0	(98,237)
2009	(98,237)	(6,877)	(6,765)	0	(111,879)
2010	(111,879)	(7,832)	(202,098)	0	(321,809)
2011	(321,809)	(22,527)	(276,060)	0	(620,396)
2012	(620,396)	(43,428)	(184,159)	0	(847,983)
2013	(847,983)	(57,239)	(102,193)	0	(1,007,415)
2014	(1,007,415)	(65,482)	(65,701)	0	(1,138,598)

RECENT HISTORY OF VALUATION RESULTS							
Valuation Date	Number of		Covered Annual Payroll	Actuarial Value of Assets	UAAL	Employer Normal Cost	
	Active Members	Inactive Member				Amount	% of Payroll
1/1/1987	17	13	\$ 355,227	\$ 2,327,657	\$ N/A	\$ 67,430	18.98 %
1/1/1988	17	13	375,564	2,482,851	N/A	82,655	22.01
1/1/1989	15	12	363,988	2,667,617	N/A	60,452	16.61
10/1/1989	15	12	394,597	2,900,295	N/A	51,117	12.95
10/1/1990	14	13	367,752	3,012,598	N/A	70,734	19.23
10/1/1991	13	12	390,785	3,413,469	N/A	54,675	13.99
10/1/1992	10	11	380,268	3,545,654	N/A	48,154	12.66
10/1/1993	10	10	410,075	3,822,663	N/A	24,434	5.96
10/1/1994	9	11	373,789	4,050,993	N/A	(6,320)	(1.69)
10/1/1995	9	9	381,329	4,395,327	N/A	16,657	4.37
10/1/1996	9	9	412,732	4,769,515	321,893	68,929	16.70
10/1/1997	8	10	375,870	5,265,683	285,112	(49,819)	(13.25)
10/1/1998	5	13	223,029	5,815,886	(25,007)	1,182	0.53
10/1/1999	5	13	264,329	6,393,676	797,230	(247,721)	(93.72)
10/1/2000	3	15	164,201	7,202,770	0	224,039	136.44
10/1/2001	2	16	86,791	7,312,430	0	230,937	266.08
10/1/2002	1	17	63,483	6,993,181	989,605	20,751	32.69
10/1/2003	1	17	62,357	6,823,162	119,086	23,237	37.26
10/1/2004	1	17	62,749	6,699,142	1,358,468	23,647	37.69
10/1/2005	1	16	63,769	6,690,094	1,009,144	23,899	37.48
10/1/2006	0	17	0	6,786,784	2,042,451	17,749	N/A
10/1/2007	0	17	0	7,196,956	1,640,628	18,012	N/A
10/1/2008	0	16	0	7,237,912	1,480,809	19,829	N/A
10/1/2009	0	15	0	7,216,297	1,197,170	30,829	N/A
10/1/2010	0	15	0	7,150,942	1,221,419	26,127	N/A
10/1/2011	0	15	0	7,018,988	1,292,513	12,300	N/A
10/1/2012	0	15	0	7,015,782	1,411,657	11,636	N/A
10/1/2013	0	15	0	7,071,430	1,458,163	12,725	N/A
10/1/2014	0	15	0	7,157,179	1,459,881	10,662	N/A

RECENT HISTORY OF UAAL AND FUNDED RATIO

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAAL As % of Covered Payroll (b - a) / c
10/1/1991	\$ 3,413,469	\$ 3,333,211	\$ (80,258)	102.4 %	\$ 390,785	(20.5) %
10/1/1992	3,545,654	3,515,782	(29,872)	100.8	380,268	(7.9)
10/1/1993	3,822,663	3,701,074	(121,589)	103.3	410,075	(29.7)
10/1/1994	4,050,993	3,852,818	(198,175)	105.1	373,789	(53.0)
10/1/1995	4,395,327	4,329,597	(65,730)	101.5	381,329	(17.2)
10/1/1996	4,769,515	5,091,408	321,893	93.7	412,732	78.0
10/1/1997	5,265,683	5,304,025	38,342	99.3	375,870	10.2
10/1/1998	5,815,886	5,693,700	(122,186)	102.1	223,029	(54.8)
10/1/1999	6,393,676	6,641,906	248,230	96.3	264,329	93.9
10/1/2000	7,202,770	7,593,964	391,194	94.8	164,201	238.2
10/1/2001	7,312,430	7,876,933	564,503	92.8	86,791	650.4
10/1/2002	6,993,181	7,982,786	989,605	87.6	63,483	1,558.9
10/1/2003	6,823,162	8,014,048	1,190,886	85.1	62,357	1,909.8
10/1/2004	6,699,142	8,057,610	1,358,468	83.1	62,749	2,164.9
10/1/2005	6,690,094	7,699,238	1,009,144	86.9	63,769	1,582.5
10/1/2006	6,786,784	8,829,235	2,042,451	76.9	0	N/A
10/1/2007	7,196,956	8,837,584	1,640,628	81.4	0	N/A
10/1/2008	7,237,912	8,718,721	1,480,809	83.0	0	N/A
10/1/2009	7,216,297	8,413,467	1,197,170	85.8	0	N/A
10/1/2010	7,150,942	8,372,361	1,221,419	85.4	0	N/A
10/1/2011	7,018,988	8,311,501	1,292,513	84.4	0	N/A
10/1/2012	7,015,782	8,427,439	1,411,657	83.2	0	N/A
10/1/2013	7,071,430	8,529,593	1,458,163	82.9	0	N/A
10/1/2014 (b)	7,157,179	8,443,241	1,286,062	84.8	0	N/A
10/1/2014 (a)	7,157,179	8,617,060	1,459,881	83.1	0	N/A

(a) = After changes

(b) = Before change

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS										
Valuation	End of Year To Which Valuation Applies	Required Contributions						Actual Contributions		
		Employer & State		Estimated State		Net Employer		Employer	State	Total
		Amount	% of Payroll	Amount	% of Payroll	Amount	% of Payroll			
1/1/1987	9/30/1988	\$ 71,813	20.22 %	\$ 53,590	15.09 %	\$ 18,223	5.13 %	\$ 21,157	\$ 65,187	\$ 86,344
1/1/1988	9/30/1989	88,028	23.44	65,187	17.36	22,841	6.08	22,841	78,527	101,368
1/1/1989	9/30/1990	64,381	17.69	78,527	21.57	-	0.00	N/A	75,061	75,061
10/1/1989	9/30/1990	53,144	13.47	75,061	19.02	-	0.00	N/A	83,384	83,384
10/1/1990	9/30/1991	73,539	20.00	83,384	22.67	-	0.00	N/A	78,565	78,565
10/1/1991	9/30/1992	56,843	14.55	78,565	20.10	-	0.00	N/A	75,638	75,638
10/1/1992	9/30/1993	50,207	13.20	75,638	19.89	-	0.00	N/A	75,412	75,412
10/1/1993	9/30/1994	25,476	6.21	75,412	18.39	-	0.00	N/A	116,543	116,543
10/1/1994	9/30/1995	0	0.00	81,542	21.81	-	0.00	3,080	97,687	100,767
10/1/1995	9/30/1996	17,466	4.58	97,687	25.62	-	0.00	0	116,171	116,171
10/1/1996	9/30/1997	100,035	24.24	108,883	26.38	-	0.00	0	134,202	134,202
10/1/1997	9/30/1998	0	0.00	125,260	33.33	-	0.00	0	267,188	267,188
10/1/1998	9/30/1999	0	0.00	143,607	64.39	-	0.00	0	201,569	201,569
10/1/1999	9/30/2000	0	0.00	137,198	51.90	-	0.00	0	243,951	243,951
10/1/2000	9/30/2001	234,915	143.07	265,494	161.69	-	0.00	0	236,893	236,893
10/1/2001	9/30/2002	242,148	279.00	236,893	272.95	5,255	6.05	0	246,373	246,373
10/1/2002	9/30/2003	164,943	259.82	246,373	388.09	-	0.00	0	292,799	292,799
10/1/2003	9/30/2004	205,138	328.97	292,799	469.55	-	0.00	0	331,000	331,000
10/1/2004	9/30/2005	240,389	383.10	331,000	527.50	-	0.00	0	365,290	365,290
10/1/2005	9/30/2006	202,701	317.87	365,290	572.83	-	0.00	0	393,361	393,361
10/1/2006	9/30/2007	338,212	N/A	393,361	N/A	-	N/A	0	414,930	414,930
10/1/2007	9/30/2008	305,778	N/A	414,930	N/A	-	N/A	0	496,899	496,899
10/1/2008	9/30/2009	298,956	N/A	496,899	N/A	-	N/A	0	400,420	400,420
10/1/2009	9/30/2010	286,894	N/A	282,340	N/A	4,554	N/A	4,554	282,340	286,894
10/1/2010	9/30/2011	309,976	N/A	266,572	N/A	43,404	N/A	43,404	266,572	309,976
10/1/2011	9/30/2012	333,776	N/A	266,572	N/A	67,204	N/A	58,439	275,337	333,776
10/1/2012	9/30/2013	328,294	N/A	275,337	N/A	52,957	N/A	45,076	283,218	328,294
10/1/2013	9/30/2014	338,509	N/A	283,218	N/A	55,291	N/A	42,311	296,198	338,509
10/1/2014	9/30/2015	337,054	N/A	309,307	N/A	27,747	N/A	---	---	---

ACTUARIAL ASSUMPTIONS AND COST METHOD

Valuation Methods

Actuarial Cost Method - Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an **Individual Entry-Age Actuarial Cost Method** having the following characteristics:

- (i) the annual normal cost for each individual active member, payable from the date of employment to the date of retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement;
- (ii) each annual normal cost is a constant percentage of the member's year by year projected covered pay.

Actuarial gains/(losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

Financing of Unfunded Actuarial Accrued Liabilities - Unfunded Actuarial Accrued Liabilities (full funding credit if assets exceed liabilities) were amortized by level (principal & interest combined) dollar contributions over a reasonable period of future years.

Actuarial Value of Assets - The Actuarial Value of Assets phase in the difference between the expected actuarial value and actual market value of assets at the rate of 20% per year. The Actuarial Value of Assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

Valuation Assumptions

The actuarial assumptions used in the valuation are shown in this Section.

Economic Assumptions

The investment return rate assumed in the valuation is 6.25% per year, compounded annually (net after investment expenses). The rate will continue to be lowered by 0.25% each year until the rate is 6.00%.

Pay increase assumptions are not applicable.

Demographic Assumptions

The mortality table was the RP-2000 Combined Healthy Participant Mortality Tables for males and females. The provision for future mortality improvements is being made by using Scale AA after 2000.

Sample Attained Ages (in 2014)	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.17 %	0.13 %	34.26	35.63
55	0.28	0.24	29.14	30.66
60	0.54	0.47	24.21	25.89
65	1.05	0.90	19.60	21.40
70	1.80	1.56	15.41	17.28
75	3.11	2.51	11.63	13.56
80	5.59	4.16	8.41	10.25

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

For disabled retirees, the regular mortality tables are set forward 5 years in ages to reflect impaired longevity.

Rates of death among active members are not applicable.

Rates of retirement are not applicable.

Rates of separation from active membership are not applicable.

Rates of disability among active members are not applicable.

Miscellaneous and Technical Assumptions

Administrative & Investment Expenses

The investment return assumption is intended to be the return net of investment expenses. Annual administrative expenses are assumed to be equal to the average of the two prior year's expenses. Assumed administrative expenses are added to the Normal Cost.

GLOSSARY OF TERMS

<i>Actuarial Accrued Liability (AAL)</i>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
<i>Actuarial Assumptions</i>	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members; and other items.
<i>Actuarial Cost Method</i>	A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.
<i>Actuarial Equivalent</i>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<i>Actuarial Present Value (APV)</i>	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made.
<i>Actuarial Present Value of Future Benefits (APVFB)</i>	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits, and inactive, nonretired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
<i>Actuarial Valuation</i>	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB No. 27.
<i>Actuarial Value of Assets</i>	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially required contribution (ARC).

<i>Amortization Method</i>	A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the rate at which total covered payroll of all active members is assumed to increase.
<i>Amortization Payment</i>	That portion of the plan contribution or ARC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
<i>Amortization Period</i>	The period used in calculating the Amortization Payment.
<i>Annual Required Contribution (ARC)</i>	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation. The ARC consists of the Employer Normal Cost and Amortization Payment.
<i>Closed Amortization Period</i>	A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.
<i>Employer Normal Cost</i>	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
<i>Equivalent Single Amortization Period</i>	For plans that do not establish separate amortization bases (separate components of the UAAL), this is the same as the Amortization Period. For plans that do establish separate amortization bases, this is the period over which the UAAL would be amortized if all amortization bases were combined upon the current UAAL payment.
<i>Experience Gain/Loss</i>	A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two actuarial valuations. To the extent that actual experience differs from that assumed, Unfunded Actuarial Accrued Liabilities emerge which may be larger or smaller than projected. Gains are due to favorable experience, e.g., the assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.

<i>Funded Ratio</i>	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
<i>GASB</i>	Governmental Accounting Standards Board.
<i>GASB No. 67 and GASB No. 27</i>	These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 27 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
<i>Normal Cost</i>	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
<i>Open Amortization Period</i>	An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. In other words, if the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never completely disappear, but will become smaller each year, either as a dollar amount or in relation to covered payroll.
<i>Unfunded Actuarial Accrued Liability</i>	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
<i>Valuation Date</i>	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

SECTION C
PENSION FUND INFORMATION

Statement of Plan Assets at Market Value

Item	September 30	
	2014	2013
A. Cash and Cash Equivalents (Operating Cash)	\$ -	\$ -
B. Receivables		
1. Member Contributions	\$ -	\$ -
2. Employer Contributions	-	-
3. State Contributions	-	-
4. Investment Income and Other Receivables	12,877	21,437
5. Prepaid Expenses	-	-
6. Total Receivables	<u>\$ 12,877</u>	<u>\$ 21,437</u>
C. Investments		
1. Short Term Investments	\$ 381,012	\$ 321,987
2. Domestic Equities	4,085,266	3,724,313
3. International Equities	93,366	-
4. Domestic Fixed Income	1,765,930	2,098,300
5. International Fixed Income	204,489	192,744
6. Real Estate	951,662	876,330
7. Private Equity	-	-
8. Total Investments	<u>\$ 7,481,725</u>	<u>\$ 7,213,674</u>
D. Liabilities		
1. Benefits Payable	\$ -	\$ -
2. Accrued Expenses and Other Payables	(1,747)	(1,747)
3. Total Liabilities	<u>\$ (1,747)</u>	<u>\$ (1,747)</u>
E. Total Market Value of Assets Available for Benefits	\$ 7,492,855	\$ 7,233,364
F. State Contribution Reserve	\$ -	\$ -
G. Market Value Net of Reserves	\$ 7,492,855	\$ 7,233,364
H. Allocation of Investments		
1. Short Term Investments	5.1%	4.5%
2. Domestic Equities	54.7%	51.6%
3. International Equities	1.2%	0.0%
4. Domestic Fixed Income	23.6%	29.1%
5. International Fixed Income	2.7%	2.7%
6. Real Estate	12.7%	12.1%
7. Private Equity	0.0%	0.0%
8. Total Investments	<u>100.0%</u>	<u>100.0%</u>

Reconciliation of Plan Assets

Item	September 30	
	2014	2013
A. Market Value of Assets at Beginning of Year	\$ 7,233,364	\$ 6,785,618
B. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions	\$ -	\$ -
b. Employer Contributions	42,311	45,076
c. State Contributions	296,198	283,218
d. Purchased Service Credit	-	-
e. Total	\$ 338,509	\$ 328,294
2. Investment Income		
a. Interest, Dividends, and Other Income	\$ 199,791	\$ 241,486
b. Net Realized Gains/(Losses)	222,977	29,201
c. Net Unrealized Gains/(Losses)	356,226	687,269
d. Investment Expenses	(76,101)	(66,775)
e. Net Investment Income	\$ 702,893	\$ 891,181
3. Benefits and Refunds		
a. Regular Monthly Benefits	\$ (773,744)	\$ (758,573)
b. Refunds	-	-
c. Lump Sum Benefits	-	-
d. Thirteenth Check Distribution	-	-
e. Total	\$ (773,744)	\$ (758,573)
4. Administrative Expenses and Miscellaneous Items		
a. Administrative Expenses	\$ (8,167)	\$ (13,156)
b. Miscellaneous	-	-
c. Total	\$ (8,167)	\$ (13,156)
5. Transfers	\$ -	\$ -
C. Market Value of Assets at End of Year	\$ 7,492,855	\$ 7,233,364
D. State Contribution Reserve	\$ -	\$ -
E. Market Value Net of Reserves	\$ 7,492,855	\$ 7,233,364

Development of Actuarial Value of Assets

Item	September 30	
	2014	2013
A. Beginning of Year Assets*		
1. Market Value	\$ 7,233,364	\$ 6,785,618
2. Actuarial Value	7,071,430	7,015,782
B. End of Year Market Value of Assets*	7,492,855	7,233,364
C. Net of Contributions Less Disbursements	(443,402)	(443,435)
D. Actual Net Investment Earnings	702,893	891,181
E. Expected Investment Earnings	445,232	458,599
F. Expected Actuarial Value End of Year	7,073,260	7,030,946
G. End of Year Market Value Less Expected Actuarial Value: B - F	419,595	202,418
H. 20% of Difference	83,919	40,484
I. End of Year Assets		
1. Actuarial Value: F + H	7,157,179	7,071,430
2. Final Actuarial Value Within 80% to 120% of Market Value	7,157,179	7,071,430
J. State Contribution Reserve	0	0
K. Final Actuarial Value of Assets: I2 - J	7,157,179	7,071,430
L. Recognized Investment Earnings	529,151	499,083
M. Recognized Rate of Return	7.7%	7.3%

* Before offset of State Contribution Reserve.

History of Investment Return Rates

<u>Year Ending</u>	<u>Market</u>	<u>Actuarial</u>
12/31/1980	N/A	9.1 %
12/31/1981	6.6 %	13.1
12/31/1982	26.8	11.7
12/31/1983	8.3	11.5
12/31/1984	13.0	12.1
12/31/1985	20.5	16.4
12/31/1986	13.2	12.3
12/31/1987	3.6	7.0
12/31/1988	6.9	8.1
9/30/1989 (9 mos.)	10.7	8.7
9/30/1990	1.8	5.2
9/30/1991	20.1	15.0
9/30/1992	13.6	12.0
9/30/1993	10.5	9.5
9/30/1994	(0.7)	6.6
9/30/1995	17.2	10.1
9/30/1996	9.5	9.0
9/30/1997	23.5	11.2
9/30/1998	7.2	10.4
9/30/1999	10.8	13.3
9/30/2000	9.3	10.4
9/30/2001	(0.8)	5.0
9/30/2002	(4.0)	1.9
9/30/2003	14.9	3.1
9/30/2004	10.0	3.4
9/30/2005	10.0	5.0
9/30/2006	6.4	7.4
9/30/2007	13.7	11.8
9/30/2008	(11.2)	6.2
9/30/2009	1.0	5.2
9/30/2010	6.7	5.4
9/30/2011	0.0	4.3
9/30/2012	15.5	6.2
9/30/2013	13.6	7.3
9/30/2014	10.0	7.7
Average Returns:		
Last 5 years	9.0 %	6.2 %
Last 10 years	6.3 %	6.6 %
All years	9.1 %	8.7 %

Note: Market value returns are net of investment expenses starting in 2005.

The above rates are based on the retirement systems financial information reported to the actuary. They may differ from figures that the investment consultant reports, in part because of differences in the handling of administrative and investment expenses, and in part because of differences in the handling of cash flows.

SECTION D
FINANCIAL ACCOUNTING INFORMATION

FASB NO. 35 INFORMATION		
A. Valuation Date	October 1, 2014	October 1, 2013
B. Actuarial Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Members Currently Receiving Payments	\$ 8,617,060	\$ 8,529,593
b. Terminated Vested Members	0	0
c. Other Members	0	0
d. Total	<u>8,617,060</u>	<u>8,529,593</u>
2. Non-Vested Benefits	0	0
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	8,617,060	8,529,593
4. Accumulated Contributions of Active Members	0	0
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits		
1. Total Value at Beginning of Year	8,529,593	8,427,439
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendment and Change in Actuarial Assumptions	173,819	173,959
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	687,392	686,768
d. Benefits Paid	<u>(773,744)</u>	<u>(758,573)</u>
e. Net Increase	87,467	102,154
3. Total Value at End of Period	8,617,060	8,529,593
D. Market Value of Assets	7,492,855	7,233,364
E. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods		

**ANNUAL PENSION COST AND NET PENSION OBLIGATION
(GASB STATEMENT NO. 27)**

Employer FYE September 30	<u>2014</u>	<u>2013</u>
Annual Required Contribution (ARC) *	\$ 338,509	\$ 328,294
Interest on Net Pension Obligation (NPO)	0	(3)
Adjustment to ARC	(3)	(40)
Annual Pension Cost (APC)	338,512	328,331
Contributions made	338,509	328,294
Increase (decrease) in NPO	3	37
NPO at beginning of year	(3)	(40)
NPO at end of year	0	(3)

* Includes State contribution.

THREE YEAR TREND INFORMATION

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
9/30/2012	\$334,301	\$333,776	100 %	(\$40)
9/30/2013	328,331	328,294	100	(3)
9/30/2014	338,512	338,509	100	0

REQUIRED SUPPLEMENTARY INFORMATION
GASB Statement No. 27

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation:

Valuation Date	October 1, 2014
Contribution Requirements:	
Employer (and State)	\$337,054
Plan Members	N/A
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level dollar, closed
Remaining Amortization Period	10 years
Asset Valuation Method	Recognize 20% of difference between market value of assets and expected actuarial asset value
Actuarial Assumptions	
Investment rate of return	6.25%
Projected salary increases	N/A
Includes inflation and other general increases at	3.00%
Cost-of-living adjustments	2.00% per year

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
GASB Statement No. 67**

Fiscal year ending September 30,	<u>2014</u>
Total pension liability	
Service Cost	\$ -
Interest	529,277
Benefit Changes	-
Difference between actual & expected experience	-
Assumption Changes	-
Benefit Payments	(773,744)
Refunds	-
Net Change in Total Pension Liability	<u>(244,467)</u>
Total Pension Liability - Beginning	8,529,593
Total Pension Liability - Ending (a)	<u>\$ 8,285,126</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 42,311
Contributions - Non-Employer Contributing Entity	296,198
Contributions - Member	-
Net Investment Income	702,893
Benefit Payments	(773,744)
Refunds	-
Administrative Expense	(8,167)
Other	-
Net Change in Plan Fiduciary Net Position	<u>259,491</u>
Plan Fiduciary Net Position - Beginning	7,233,364
Plan Fiduciary Net Position - Ending (b)	<u>\$ 7,492,855</u>
Net Pension Liability - Ending (a) - (b)	792,271
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	90.44 %
Covered Employee Payroll	\$ -
Net Pension Liability as a Percentage of Covered Employee Payroll	N/A

SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY
GASB Statement No. 67

FY Ending September 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2014	\$ 8,285,126	\$ 7,492,855	\$ 792,271	90.44%	\$ -	N/A

SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

<u>FY Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2014	\$ 338,509	\$ 338,509	\$ -	\$ -	N/A

NOTES TO SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

Valuation Date: October 1, 2013
Notes Actuarially determined contribution rates are calculated as of October 1, which is one year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	6 years
Asset Valuation Method	5-year smoothed market
Inflation	3.0%
Salary Increases	N/A
Investment Rate of Return	6.50%
Retirement Age	N/A
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years using Scale AA

Other Information:

Notes See Discussion of Valuation Results in the October 1, 2013 Actuarial Valuation Report

SINGLE DISCOUNT RATE
GASB Statement No. 67

A single discount rate of 6.50% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.50%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.50%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.50%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

1% Decrease 5.50%	Current Single Discount Rate Assumption 6.50%	1% Increase 7.50%
\$ 1,517,600	\$ 792,271	\$ 164,702

GASB 67 – Projection of Contributions
Single Discount Rate Determination: 50-Year

Year	Payroll for Current Employees	Contributions from Current Employees	Service Cost and Expense Contributions	UAL Contributions	Total Contributions
	(a)	(b)	(c)	(d)	(e)=(b)+(c)+(d)
0	\$ -				
1	-	\$ -	\$ 13,132	\$ 301,052	\$ 314,184
2	-	-	12,768	271,366	284,133
3	-	-	12,391	280,515	292,906
4	-	-	12,004	142,409	154,413
5	-	-	11,606	157,299	168,905
6	-	-	11,196	129,204	140,400
7	-	-	10,778	128,287	139,065
8	-	-	10,349	100,933	111,281
9	-	-	9,910	63,628	73,539
10	-	-	9,462	15,396	24,859
11	-	-	9,004	-	9,004
12	-	-	8,537	-	8,537
13	-	-	8,062	-	8,062
14	-	-	7,580	-	7,580
15	-	-	7,093	-	7,093
16	-	-	6,602	-	6,602
17	-	-	6,109	-	6,109
18	-	-	5,618	-	5,618
19	-	-	5,132	-	5,132
20	-	-	4,653	-	4,653
21	-	-	4,187	-	4,187
22	-	-	3,736	-	3,736
23	-	-	3,303	-	3,303
24	-	-	2,894	-	2,894
25	-	-	2,510	-	2,510
26	-	-	2,155	-	2,155
27	-	-	1,829	-	1,829
28	-	-	1,536	-	1,536
29	-	-	1,273	-	1,273
30	-	-	1,044	-	1,044
31	-	-	846	-	846
32	-	-	677	-	677
33	-	-	535	-	535
34	-	-	417	-	417
35	-	-	322	-	322
36	-	-	245	-	245
37	-	-	184	-	184
38	-	-	136	-	136
39	-	-	100	-	100
40	-	-	72	-	72
41	-	-	52	-	52
42	-	-	36	-	36
43	-	-	25	-	25
44	-	-	17	-	17
45	-	-	11	-	11
46	-	-	7	-	7
47	-	-	4	-	4
48	-	-	3	-	3
49	-	-	2	-	2
50	-	-	1	-	1

GASB 67 Single Discount Rate Determination: 100-Year Projection of Cash Flows

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 6.50%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
1	\$ 7,233,364	\$ 314,184	\$ 766,462	\$ 13,132	\$ 455,281	\$ 7,223,234
2	7,223,234	284,133	759,245	12,768	453,904	7,189,259
3	7,189,259	292,906	750,986	12,391	452,252	7,171,041
4	7,171,041	154,413	741,857	12,004	446,942	7,018,535
5	7,018,535	168,905	732,022	11,606	437,820	6,881,631
6	6,881,631	140,400	721,613	11,196	428,356	6,717,578
7	6,717,578	139,065	710,791	10,778	418,009	6,553,082
8	6,553,082	111,281	699,493	10,349	406,803	6,361,325
9	6,361,325	73,539	687,718	9,910	393,523	6,130,758
10	6,130,758	24,859	675,326	9,462	377,389	5,848,218
11	5,848,218	9,004	662,172	9,004	358,952	5,544,998
12	5,544,998	8,537	648,176	8,537	339,691	5,236,513
13	5,236,513	8,062	633,123	8,062	320,121	4,923,510
14	4,923,510	7,580	616,892	7,580	300,295	4,606,913
15	4,606,913	7,093	599,283	7,093	280,279	4,287,910
16	4,287,910	6,602	580,056	6,602	260,159	3,968,013
17	3,968,013	6,109	559,004	6,109	240,039	3,649,049
18	3,649,049	5,618	535,955	5,618	220,044	3,333,138
19	3,333,138	5,132	510,954	5,132	200,309	3,022,494
20	3,022,494	4,653	484,042	4,653	180,978	2,719,430
21	2,719,430	4,187	455,211	4,187	162,202	2,426,421
22	2,426,421	3,736	424,742	3,736	144,131	2,145,810
23	2,145,810	3,303	392,933	3,303	126,908	1,879,785
24	1,879,785	2,894	360,103	2,894	110,667	1,630,349
25	1,630,349	2,510	326,589	2,510	95,526	1,399,286
26	1,399,286	2,155	292,865	2,155	81,585	1,188,006
27	1,188,006	1,829	259,712	1,829	68,913	997,207
28	997,207	1,536	227,408	1,536	57,544	827,343
29	827,343	1,273	196,519	1,273	47,491	678,315
30	678,315	1,044	167,691	1,044	38,726	549,350
31	549,350	846	141,153	846	31,192	439,389
32	439,389	677	117,015	677	24,817	347,191
33	347,191	535	95,714	535	19,506	270,983
34	270,983	417	77,265	417	15,142	208,860
35	208,860	322	61,494	322	11,609	158,974
36	158,974	245	48,224	245	8,791	119,541
37	119,541	184	37,318	184	6,576	88,800
38	88,800	136	28,574	136	4,858	65,084
39	65,084	100	21,615	100	3,539	47,008
40	47,008	72	16,090	72	2,541	33,458
41	33,458	52	11,796	52	1,797	23,460
42	23,460	36	8,525	36	1,252	16,187
43	16,187	25	6,072	25	858	10,973
44	10,973	17	4,255	17	577	7,295
45	7,295	11	2,930	11	380	4,746
46	4,746	7	1,981	7	245	3,010
47	3,010	4	1,305	4	154	1,859
48	1,859	3	837	3	94	1,115
49	1,115	2	536	2	55	634
50	634	1	329	1	31	336

GASB 67 Single Discount Rate Determination: 100-Year Projection of Cash Flows (cont'd)

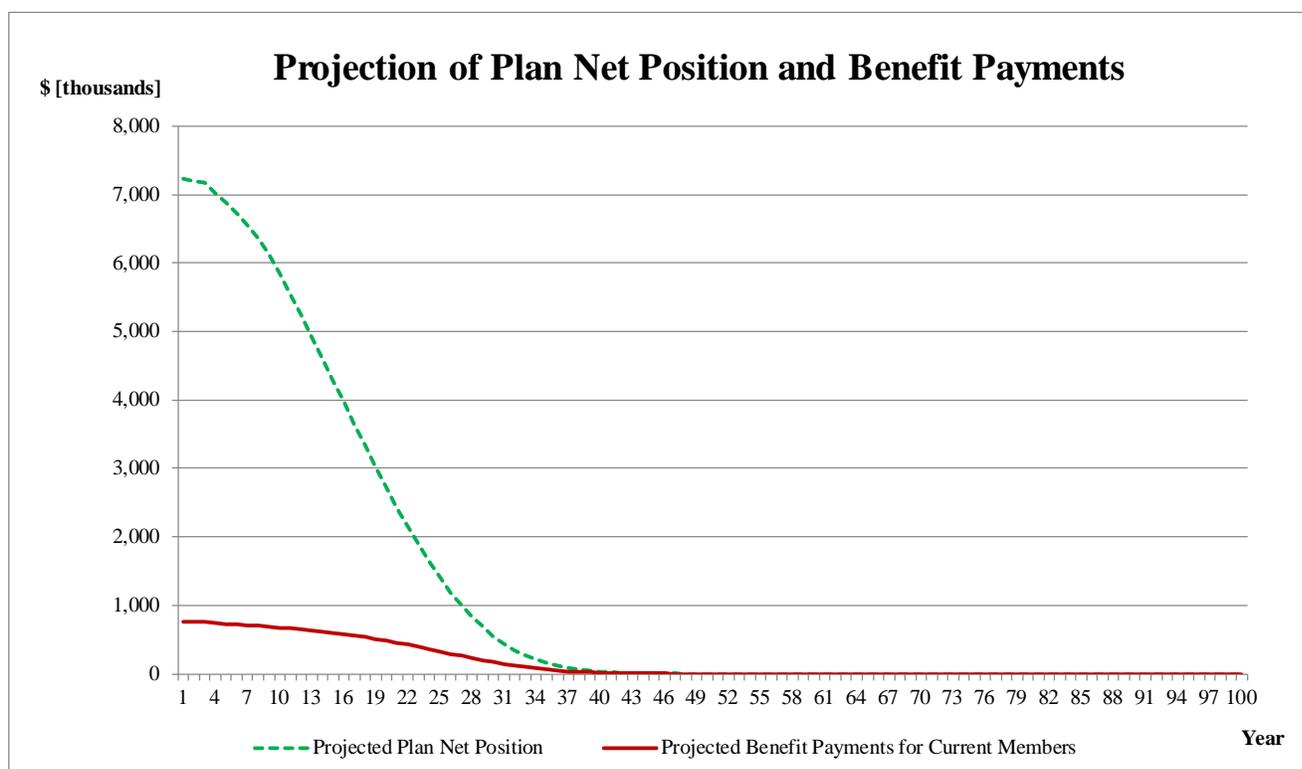
51	336	1	193	1	16	158
52	158	-	119	-	6	46
53	46	-	40	-	2	7
54	7	-	7	-	0	0
55	0	-	-	-	0	0
56	0	-	-	-	0	0
57	0	-	-	-	0	0
58	0	-	-	-	0	0
59	0	-	-	-	0	0
60	0	-	-	-	0	0
61	0	-	-	-	0	0
62	0	-	-	-	0	0
63	0	-	-	-	0	0
64	0	-	-	-	0	0
65	0	-	-	-	0	0
66	0	-	-	-	0	0
67	0	-	-	-	0	0
68	0	-	-	-	0	0
69	0	-	-	-	0	0
70	0	-	-	-	0	0
71	0	-	-	-	0	0
72	0	-	-	-	0	0
73	0	-	-	-	0	0
74	0	-	-	-	0	0
75	0	-	-	-	0	0
76	0	-	-	-	0	0
77	0	-	-	-	0	0
78	0	-	-	-	0	0
79	0	-	-	-	0	0
80	0	-	-	-	0	0
81	0	-	-	-	0	0
82	0	-	-	-	0	0
83	0	-	-	-	0	0
84	0	-	-	-	0	0
85	0	-	-	-	0	0
86	0	-	-	-	0	0
87	0	-	-	-	0	0
88	0	-	-	-	0	0
89	0	-	-	-	0	0
90	0	-	-	-	0	0
91	0	-	-	-	0	0
92	0	-	-	-	0	0
93	0	-	-	-	0	0
94	0	-	-	-	0	0
95	0	-	-	-	0	0
96	0	-	-	-	0	0
97	0	-	-	-	0	0
98	0	-	-	-	0	0
99	0	-	-	-	0	0
100	0	-	-	-	0	0

**GASB 67 Single Discount Rate Determination:
100-Year Projection to Determine Cross-over Date**

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v ^{(a)-.5}	(g)=(e)*vf ^{(a)-.5}	(h)=(c)/(1+sdr) ^{(a)-.5}
1	\$ 7,233,364	\$ 766,462	\$ 766,462	\$ -	\$ 742,704	\$ -	\$ 742,704
2	7,223,234	759,245	759,245	-	690,808	-	690,808
3	7,189,259	750,986	750,986	-	641,590	-	641,590
4	7,171,041	741,857	741,857	-	595,109	-	595,109
5	7,018,535	732,022	732,022	-	551,380	-	551,380
6	6,881,631	721,613	721,613	-	510,366	-	510,366
7	6,717,578	710,791	710,791	-	472,030	-	472,030
8	6,553,082	699,493	699,493	-	436,176	-	436,176
9	6,361,325	687,718	687,718	-	402,660	-	402,660
10	6,130,758	675,326	675,326	-	371,272	-	371,272
11	5,848,218	662,172	662,172	-	341,822	-	341,822
12	5,544,998	648,176	648,176	-	314,176	-	314,176
13	5,236,513	633,123	633,123	-	288,150	-	288,150
14	4,923,510	616,892	616,892	-	263,627	-	263,627
15	4,606,913	599,283	599,283	-	240,471	-	240,471
16	4,287,910	580,056	580,056	-	218,550	-	218,550
17	3,968,013	559,004	559,004	-	197,763	-	197,763
18	3,649,049	535,955	535,955	-	178,037	-	178,037
19	3,333,138	510,954	510,954	-	159,373	-	159,373
20	3,022,494	484,042	484,042	-	141,764	-	141,764
21	2,719,430	455,211	455,211	-	125,183	-	125,183
22	2,426,421	424,742	424,742	-	109,675	-	109,675
23	2,145,810	392,933	392,933	-	95,269	-	95,269
24	1,879,785	360,103	360,103	-	81,981	-	81,981
25	1,630,349	326,589	326,589	-	69,813	-	69,813
26	1,399,286	292,865	292,865	-	58,783	-	58,783
27	1,188,006	259,712	259,712	-	48,947	-	48,947
28	997,207	227,408	227,408	-	40,243	-	40,243
29	827,343	196,519	196,519	-	32,654	-	32,654
30	678,315	167,691	167,691	-	26,164	-	26,164
31	549,350	141,153	141,153	-	20,679	-	20,679
32	439,389	117,015	117,015	-	16,096	-	16,096
33	347,191	95,714	95,714	-	12,363	-	12,363
34	270,983	77,265	77,265	-	9,371	-	9,371
35	208,860	61,494	61,494	-	7,003	-	7,003
36	158,974	48,224	48,224	-	5,156	-	5,156
37	119,541	37,318	37,318	-	3,747	-	3,747
38	88,800	28,574	28,574	-	2,694	-	2,694
39	65,084	21,615	21,615	-	1,913	-	1,913
40	47,008	16,090	16,090	-	1,337	-	1,337
41	33,458	11,796	11,796	-	921	-	921
42	23,460	8,525	8,525	-	625	-	625
43	16,187	6,072	6,072	-	418	-	418
44	10,973	4,255	4,255	-	275	-	275
45	7,295	2,930	2,930	-	178	-	178
46	4,746	1,981	1,981	-	113	-	113
47	3,010	1,305	1,305	-	70	-	70
48	1,859	837	837	-	42	-	42
49	1,115	536	536	-	25	-	25
50	634	329	329	-	15	-	15

**GASB 67 Single Discount Rate Determination:
100-Year Projection to Determine Cross-over Date (cont'd)**

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^(a)-.5)	(g)=(e)*vf^(a)-.5)	(h)=(c)/(1+sdr)^(a)-.5)
51	\$ 336	\$ 193	\$ 193	\$ -	\$ 8	\$ -	\$ 8
52	158	119	119	-	5	-	5
53	46	40	40	-	1	-	1
54	7	7	7	-	-	-	-
55	0	-	-	-	-	-	-
56	0	-	-	-	-	-	-
57	0	-	-	-	-	-	-
58	0	-	-	-	-	-	-
59	0	-	-	-	-	-	-
60	0	-	-	-	-	-	-
61	0	-	-	-	-	-	-
62	0	-	-	-	-	-	-
63	0	-	-	-	-	-	-
64	0	-	-	-	-	-	-
65	0	-	-	-	-	-	-
66	0	-	-	-	-	-	-
67	0	-	-	-	-	-	-
68	0	-	-	-	-	-	-
69	0	-	-	-	-	-	-
70	0	-	-	-	-	-	-
71	0	-	-	-	-	-	-
72	0	-	-	-	-	-	-
73	0	-	-	-	-	-	-
74	0	-	-	-	-	-	-
75	0	-	-	-	-	-	-
76	0	-	-	-	-	-	-
77	0	-	-	-	-	-	-
78	0	-	-	-	-	-	-
79	0	-	-	-	-	-	-
80	0	-	-	-	-	-	-
81	0	-	-	-	-	-	-
82	0	-	-	-	-	-	-
83	0	-	-	-	-	-	-
84	0	-	-	-	-	-	-
85	0	-	-	-	-	-	-
86	0	-	-	-	-	-	-
87	0	-	-	-	-	-	-
88	0	-	-	-	-	-	-
89	0	-	-	-	-	-	-
90	0	-	-	-	-	-	-
91	0	-	-	-	-	-	-
92	0	-	-	-	-	-	-
93	0	-	-	-	-	-	-
94	0	-	-	-	-	-	-
95	0	-	-	-	-	-	-
96	0	-	-	-	-	-	-
97	0	-	-	-	-	-	-
98	0	-	-	-	-	-	-
99	0	-	-	-	-	-	-
100	0	-	-	-	-	-	-
				Totals	\$ 8,529,593	\$ -	\$ 8,529,593



SECTION E
MISCELLANEOUS INFORMATION

RECONCILIATION OF MEMBERSHIP DATA		
	From 10/1/13 To 10/1/14	From 10/1/12 To 10/1/13
A. Active Members		
1. Number Included in Last Valuation	0	0
2. New Members Included in Current Valuation	0	0
3. Non-Vested Employment Terminations	0	0
4. Vested Employment Terminations	0	0
5. Service Retirements	0	0
6. Disability Retirements	0	0
7. Deaths	0	0
8. Other	0	0
9. Number Included in This Valuation	<u>0</u>	<u>0</u>
B. Terminated Vested Members		
1. Number Included in Last Valuation	0	0
2. Additions from Active Members	0	0
3. Lump Sum Payments/Refund of Contributions	0	0
4. Payments Commenced	0	0
5. Deaths	0	0
6. Other	0	0
7. Number Included in This Valuation	<u>0</u>	<u>0</u>
C. Service Retirees, Disability Retirees and Beneficiaries		
1. Number Included in Last Valuation	15	15
2. Additions from Active Members	0	0
3. Additions from Terminated Vested Members	0	0
4. Deaths Resulting in No Further Payments	0	0
5. Deaths Resulting in New Survivor Benefits	0	0
6. End of Certain Period - No Further Payments	0	0
7. Other	0	0
8. Number Included in This Valuation	<u>15</u>	<u>15</u>

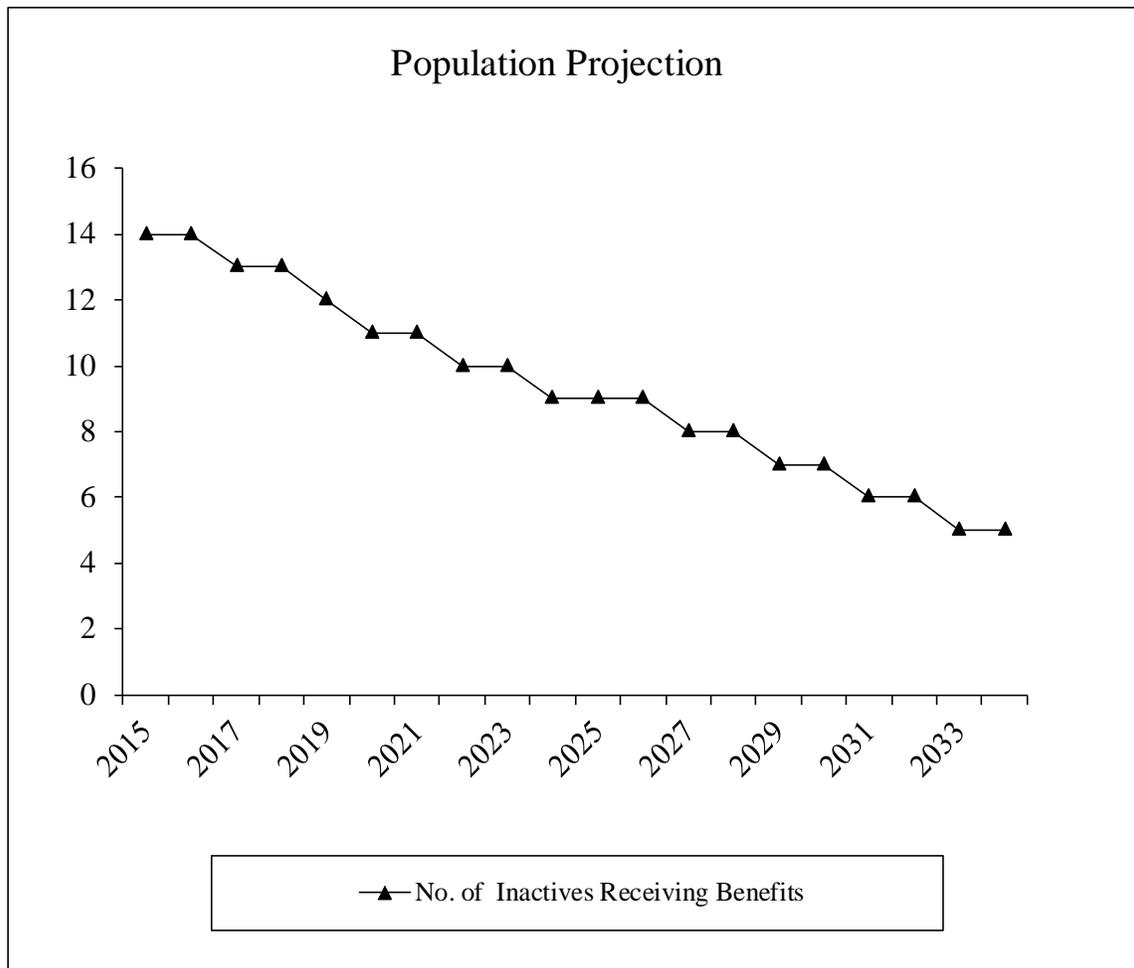
STATISTICAL DATA						
	10/1/2009	10/1/2010	10/1/2011	10/1/2012	10/1/2013	10/1/2014
Active Participants						
Number	0	0	0	0	0	0
Total Annual Payroll	---	---	---	---	---	---
Average Annual Salary	---	---	---	---	---	---
Other Averages						
Current Age	---	---	---	---	---	---
Age at Employment	---	---	---	---	---	---
Past Service	---	---	---	---	---	---
Service Retirees and Beneficiaries						
Number	11	11	11	11	11	11
Total Annual Benefit	\$ 639,039	\$ 651,819	\$ 664,859	\$ 678,153	\$ 691,715	\$ 705,551
Average Monthly Benefit	4,841	4,938	5,037	5,138	5,240	5,345
Disability Retirees						
Number	4	4	4	4	4	4
Total Annual Benefit	\$ 75,781	\$ 77,297	\$ 78,842	\$ 80,419	\$ 82,028	\$ 83,668
Average Monthly Benefit	1,579	1,610	1,643	1,675	1,709	1,743
Terminated Members with Vested Benefits						
Number	0	0	0	0	0	0
Total Annual Benefit	---	---	---	---	---	---
Average Monthly Benefit	---	---	---	---	---	---

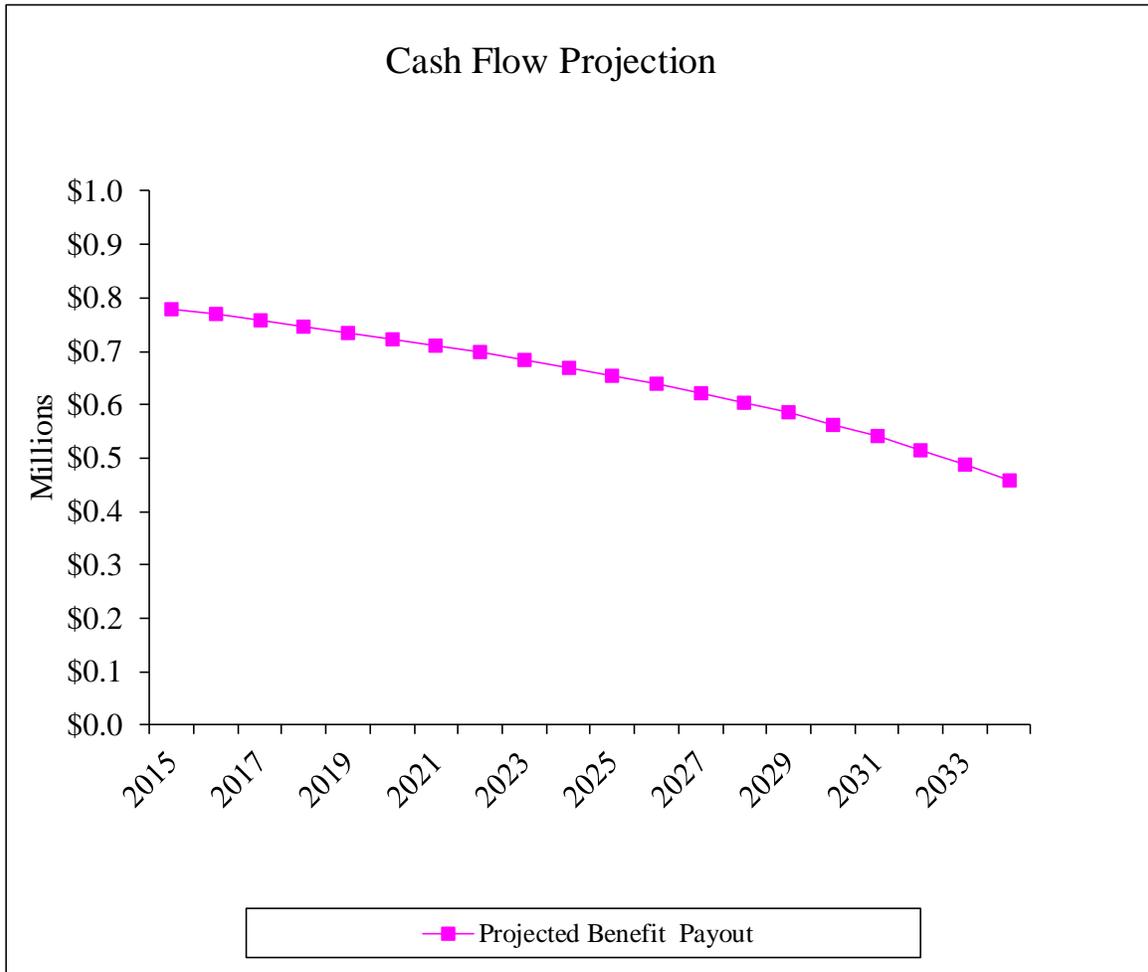
INACTIVE PARTICIPANT DISTRIBUTION

Age Group	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-
60-64	-	-	-	-	1	77,709	-	-
65-69	-	-	-	-	3	216,290	-	-
70-74	-	-	-	-	4	262,504	-	-
75-79	-	-	2	41,425	-	-	1	43,083
80-84	-	-	2	42,243	1	34,861	-	-
85-89	-	-	-	-	1	71,104	-	-
90-94	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-
Total	-	-	4	83,668	10	662,468	1	43,083
Average Age		N/A		80		73		78

PROJECTED RETIREMENT BENEFITS		
<u>Fiscal Year End</u>	<u>No. of Inactives Receiving Benefits</u>	<u>Projected Benefit Payout</u>
2015	14	\$778,269
2016	14	768,485
2017	13	757,830
2018	13	746,503
2019	12	734,664
2020	11	722,506
2021	11	709,980
2022	10	697,100
2023	10	683,732
2024	9	669,722
2025	9	654,989
2026	9	639,306
2027	8	622,537
2028	8	604,468
2029	7	584,841
2030	7	563,435
2031	6	540,063
2032	6	514,760
2033	5	487,560
2034	5	458,448

These projections are based on the assumptions outlined in the Actuarial Assumptions and Cost Method section. Benefit payouts may differ from the above estimates depending upon actual experience of the plan. However, since the projections are recomputed each valuation date, there is an automatic correction to the extent actual experience varies from expected experience.





SECTION F
SUMMARY OF PLAN PROVISIONS

SUMMARY OF PLAN PROVISIONS

A. Ordinances

The Plan was established under the Code of Ordinances for the City of Vero Beach, Florida, Chapter 58, Article II, and Division 3 and was most recently amended under Ordinance No. 2010-13 passed and adopted on its second reading on March 16, 2010. The Plan is also governed by certain provisions of Chapter 175, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

B. Effective Date

June 1, 1976

C. Plan Year

October 1 through September 30

D. Type of Plan

Qualified, governmental defined benefit retirement plan; for GASB purposes it is a single employer plan.

E. Eligibility Requirements

The Plan is closed to new members.

F. Credited Service

Service is measured as the total length of employment for which the firefighter received Compensation from the City and made Member Contributions to the plan. No service is credited for any periods of employment for which the member received a refund of their contributions.

G. Compensation

Total cash compensation including wages, salary, bonuses and overtime, but excluding lump sum payment of unused leave.

H. Final Average Compensation (FAC)

The average of Compensation over the highest 3 years of employment.

I. Normal Retirement

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

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

Benefit: 3.0% of FAC multiplied by years of Credited Service plus \$25.00 multiplied by years of Credited Service.

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

COLA: Each retiree and surviving beneficiary will receive a 2.0% increase in benefits on October 1st of each year.

J. Early Retirement

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

Benefit: The Normal Retirement Benefit is reduced by 0.25% for each month (3.0% annually) by which the Early Retirement date precedes the Normal Retirement date.

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

COLA: Each retiree and surviving beneficiary will receive a 2.0% increase in benefits on October 1st of each year.

K. Delayed Retirement

Same as Normal Retirement taking into account compensation earned and service credited until the date of actual retirement.

L. Service Connected Disability

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

Benefit: Accrued Normal Retirement Benefit taking into account compensation earned and service credited until the date of disability with a minimum equal to 50% of FAC. There will be no actuarial reduction for the period of time that the date of disability precedes the Normal Retirement date.

Normal Form of Benefit: 10 Years Certain and Life thereafter.

COLA: Each retiree and surviving beneficiary will receive a 2.0% increase in benefits on October 1st of each year.

M. Non-Service Connected Disability

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

Benefit: Accrued Normal Retirement Benefit taking into account compensation earned and service credited until the date of disability with a minimum equal to 50% of FAC. There will be no actuarial reduction for the period of time that the date of disability precedes the Normal Retirement date.

Normal Form
of Benefit: 10 Years Certain and Life thereafter.

COLA: Each retiree and surviving beneficiary will receive a 2.0% increase in benefits on October 1st of each year.

N. Death in the Line of Duty

Eligibility: All members are eligible for survivor benefits regardless of Credited Service.

Benefit: Dependent spouse receives 50% of the deceased member's accrued Normal Retirement Benefit with a minimum equal to 25% of FAC. If there is no spouse, the member's own contributions are paid to the estate.

Normal Form
of Benefit: Paid until death or remarriage of spouse.

COLA: Each surviving beneficiary will receive a 2.0% increase in benefits on October 1st of each year.

O. Other Pre-Retirement Death

Eligibility: Members are eligible for survivor benefits after the completion of 1 or more years of Credited Service.

Benefit: Dependent spouse receives 50% of the deceased member's accrued Normal Retirement Benefit with a minimum equal to 25% of FAC. If there is no spouse, the member's own contributions are paid to the estate.

Normal Form
of Benefit: Paid until death or remarriage of spouse.

COLA: Each surviving beneficiary will receive a 2.0% increase in benefits on October 1st of each year.

The beneficiary of a plan member with less than 1 year of Credited Service at the time of death will receive a refund of the member's accumulated contributions.

P. Post Retirement Death

Benefit determined by the form of benefit elected upon retirement.

Q. Optional Forms

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are a Single Life Annuity or the 50%, 66 2/3%, 75% and 100% Joint and Survivor options.

R. Vested Termination

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

Benefit: The benefit is the member's accrued Normal Retirement Benefit as of the date of termination. Benefit begins on the date that would have been the member's Normal Retirement date had the member continued employment. Alternatively, members can elect a reduced Early Retirement benefit any time after age 50.

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

COLA: Each retiree and surviving beneficiary will receive a 2.0% increase in benefits on October 1st of each year.

Members terminating employment with less than 10 years of Credited Service will receive a refund of their own accumulated contributions.

S. Refunds

Eligibility: All members terminating employment with less than 10 years of Credited Service are eligible. Optionally, vested members (those with 10 or more years of Credited Service) may elect a refund in lieu of the vested benefits otherwise due.

Benefit: Refund of the member's contributions.

T. Member Contributions

7% of Compensation.

U. State Contributions

Chapter 175 Premium Tax Refunds.

V. Employer Contributions

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

W. Cost of Living Increases

Each retiree and surviving beneficiary will receive a 2.0% increase in benefits on October 1st of each year.

X. 13th Check

In years in which a cumulative net actuarial gain has been determined, there shall be payable an ad-hoc thirteenth check paid on June 1 to each retiree and beneficiary in payment status as of September 30th of the prior year. The amount is determined based on the amount of the cumulative net actuarial gain and is limited to \$25,000 in any year for each retiree and beneficiary.

Y. Other Ancillary Benefits

There are no ancillary retirement type benefits not required by statutes but which might be deemed a City of Vero Beach Firefighters Relief and Pension Fund liability if continued beyond the availability of funding by the current funding source.

Z. Changes from Previous Valuation

There are no changes from the previous valuation.