

CITY OF AVON PARK
FIREFIGHTERS' RETIREMENT SYSTEM

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2017

CONTRIBUTIONS APPLICABLE TO THE PLAN/
FISCAL YEAR ENDING SEPTEMBER 30, 2019

March 15, 2018

Board of Trustees
c/o Ms. Carol Knapp, Administrator
Firefighters' Pension Board
2404 West Russ Road
Avon Park, FL 33825

Re: City of Avon Park
Firefighters' Retirement System

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Avon Park Firefighters' Retirement System. Included are the related results for GASB Statements No. 67 and No. 68. The funding 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. The calculation of the liability for GASB results was performed for the purpose of satisfying the requirements of GASB Statements No. 67 and No. 68. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuations have 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 reflect laws and regulations issued to date pursuant to the provisions of Chapters 112 and 175, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuations, 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 valuations, we have relied on personnel, plan design, and asset information supplied by the Board of Trustees, financial reports prepared by the custodian bank, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of October 1, 2016. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ending September 30, 2017 using generally accepted actuarial principles. It is our opinion that the assumptions used for this purpose are internally consistent, reasonable, and comply with the requirements under GASB No. 67 and No. 68.


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

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

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

Respectfully submitted,

Foster & Foster, Inc.

By: 

Douglas H. Lozen, EA, MAAA
Enrolled Actuary #17-7778

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Enclosures

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SUMMARY OF REPORT

The annual actuarial valuation of the City of Avon Park Firefighters’ Retirement System, performed as of October 1, 2017, has been completed, and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ended September 30, 2019. Funding requirements assume that the City will make a lump sum deposit on October 1, 2018.

The contribution requirements, compared with those developed in the October 1, 2016, actuarial valuation, are as follows:

Valuation Date	10/1/17	10/1/16
Applicable Plan Year End	<u>9/30/19</u>	<u>9/30/18</u>
Total Required Contribution	\$484,693	\$395,718
Member Contributions (Est.)	39,040	28,193
City and State Required Contribution	445,653	367,525
State Contribution (est.) ¹	46,915	46,915
Balance from City ²	\$398,738	\$320,610

¹ Based on mutual consent. Under the “Default” provision of Chapter 2015-39, Laws of Florida, future state monies in excess of \$43,902.19 (as determined with the 2/22/2018 study) will be equally split between the City and Share Plan.

² The City has access to a prepaid contribution of \$12,935.84 for the fiscal year ending September 30, 2018.

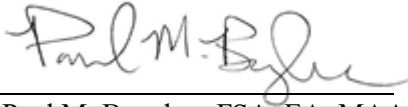
During the past year, experience was less favorable than expected, on the basis of the Plan’s actuarial assumptions. The primary components of unfavorable experience included average increases in pensionable compensation that were above the assumption by almost 6%, limited turnover experience, and a 6.78% investment return (Actuarial Asset basis), falling short of the 7.75% assumption. These losses were partially offset by a small gain from inactive mortality.

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: 
Paul M. Baugher, FSA, EA, MAAA

CHANGES SINCE PRIOR VALUATION

Plan Changes

A Mutual Consent Agreement was reached between the City and Membership regarding the use of Chapter 175 Premium Tax Monies. The agreement follows the “Default” provisions under Chapter 2015-39, Laws of Florida. As outlined in our February 22, 2018 study, the prior Excess State Monies Reserve (\$81,652.08) is equally split between the newly established Share Plan and credit to the UAAL. Future state monies in excess of \$43,902.19 will be equally split between the City and Share Plan.

Actuarial Assumption/Method Changes

Since the prior valuation the mortality table has changed to comply with Chapter 2015-157, Laws of Florida to be the same rates as used in the July 1, 2016 Florida Retirement System (FRS) valuation for special risk lives. Previously the July 1, 2015 FRS rates for special risk lives were used.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2017</u>	<u>10/1/2016</u>
A. Participant Data		
Actives	14	10
Service Retirees	11	9
DROP Retirees	1	2
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	<u>1</u>	<u>2</u>
Total	27	23
Total Annual Payroll	\$736,601	\$531,936
Payroll Under Assumed Ret. Age	736,601	531,936
Annual Rate of Payments to:		
Service Retirees	341,835	249,461
DROP Retirees	40,090	76,854
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	17,796	32,074
B. Assets		
Actuarial Value (AVA) ¹	5,930,955	5,544,065
Market Value (MVA) ¹	5,943,011	5,292,946
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	3,572,632	3,374,706
Disability Benefits	42,323	32,217
Death Benefits	23,055	45,360
Vested Benefits	286,695	240,485
Refund of Contributions	8,848	0
Service Retirees	3,862,023	2,544,732
DROP Retirees ¹	736,149	1,258,301
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	43,019	202,090
Share Plan Balances ¹	43,839	0
Excess State Monies Reserve	<u>0</u>	<u>81,652</u>
Total	8,618,583	7,779,543

C. Liabilities - (Continued)	<u>10/1/2017</u>	<u>10/1/2016</u>
Present Value of Future Salaries	7,423,943	4,677,023
Present Value of Future Member Contributions	371,197	233,851
Normal Cost (Retirement)	117,955	87,672
Normal Cost (Disability)	2,506	1,921
Normal Cost (Death)	941	2,121
Normal Cost (Vesting)	12,487	9,605
Normal Cost (Refunds)	<u>1,202</u>	<u>0</u>
Total Normal Cost	135,091	101,319
Present Value of Future Normal Costs	1,320,993	887,966
Accrued Liability (Retirement)	2,423,779	2,616,543
Accrued Liability (Disability)	18,451	17,604
Accrued Liability (Death)	14,165	29,906
Accrued Liability (Vesting)	156,165	140,749
Accrued Liability (Refunds)	0	0
Accrued Liability (Inactives) ¹	4,641,191	4,005,123
Share Plan Balances ¹	43,839	0
Excess State Monies Reserve	<u>0</u>	<u>81,652</u>
Total Actuarial Accrued Liability (EAN AL)	7,297,590	6,891,577
Unfunded Actuarial Accrued Liability (UAAL)	1,366,635	1,347,512
Funded Ratio (AVA / EAN AL)	81.3%	80.4%

D. Actuarial Present Value of Accrued Benefits	<u>10/1/2017</u>	<u>10/1/2016</u>
Vested Accrued Benefits		
Inactives + Share Plan Balances ¹	4,685,030	4,005,123
Actives	1,003,358	1,451,775
Member Contributions	<u>280,324</u>	<u>291,576</u>
Total	5,968,712	5,748,474
Non-vested Accrued Benefits	<u>102,756</u>	<u>76,075</u>
Total Present Value		
Accrued Benefits (PVAB)	6,071,468	5,824,549
Funded Ratio (MVA / PVAB)	97.9%	90.9%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
New Accrued Benefits	170,385	
Benefits Paid	(360,884)	
Interest	437,418	
Other	<u>0</u>	
Total	246,919	

Valuation Date Applicable to Fiscal Year Ending	10/1/2017 <u>9/30/2019</u>	10/1/2016 <u>9/30/2018</u>
E. Pension Cost		
Normal Cost ²	\$143,196	\$107,398
Administrative Expenses ²	74,925	44,381
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 21 years (as of 10/1/2017) ²	266,572	243,939
Total Required Contribution	484,693	395,718
Expected Member Contributions ²	39,040	28,193
Expected City and State Contribution	445,653	367,525
F. Past Contributions		
Plan Years Ending:	<u>9/30/2017</u>	
City and State Requirement	406,640	
Actual Contributions Made:		
Members (excluding buyback)	32,690	
City	359,725	
State	<u>46,915</u>	
Total	439,330	
G. Net Actuarial (Gain)/Loss	252,892	

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2017 and 9/30/2016.

² Contribution rates include an assumed salary increase, based on a beginning of year funding method.

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

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2017	1,366,635
2018	1,201,576
2019	1,064,803
2024	684,894
2029	289,949
2033	81,268
2038	0

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2017	11.95%	6.00%
Year Ended	9/30/2016	3.41%	6.00%
Year Ended	9/30/2015	1.04%	6.00%

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2017	6.78%	7.75%
Year Ended	9/30/2016	6.04%	7.75%
Year Ended	9/30/2015	8.35%	7.75%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2017	\$736,601
	10/1/2007	690,352
(b) Total Increase		6.70%
(c) Number of Years		10.00
(d) Average Annual Rate		0.65%

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 #17-7778

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

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

Mr. Steve Bardin
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
Post Office Box 3010
Tallahassee, FL 32315-3010

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1) Unfunded Actuarial Accrued Liability as of October 1, 2016	\$1,347,512
(2) Sponsor Normal Cost developed as of October 1, 2016	74,722
(3) Expected administrative expenses for the year ended September 30, 2017	41,869
(4) Expected interest on (1), (2) and (3)	111,846
(5) Sponsor contributions to the System during the year ended September 30, 2017	406,640
(6) Expected interest on (5)	14,740
(7) Expected Unfunded Actuarial Accrued Liability as of September 30, 2017 (1)+(2)+(3)+(4)-(5)-(6)	1,154,569
(8) State Monies Credit	(40,826)
(9) Change to UAAL due to Actuarial (Gain)/Loss	252,892
(10) Unfunded Actuarial Accrued Liability as of October 1, 2017	1,366,635

<u>Type of Base</u>	<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2017 Amount</u>	<u>Amortization Amount</u>
method change	10/1/2004	17	138,365	13,844
prior losses	10/1/2004	11	117,490	15,089
benefit change	10/1/2004	17	272,384	27,253
benefit change	10/1/2005	18	14,747	1,435
actuarial loss	10/1/2005	11	96,264	12,363
actuarial loss	10/1/2006	11	58,943	7,570
actuarial gain	10/1/2007	11	(29,767)	(3,823)
actuarial loss	10/1/2008	1	38,122	38,122
method change	10/1/2008	11	(87,674)	(11,260)
benefit change	10/1/2008	21	(8,018)	(729)
actuarial loss	10/1/2009	2	93,681	48,588
actuarial gain	10/1/2010	3	(49,693)	(17,815)
assumption change	10/1/2010	13	203,947	23,620
actuarial loss	10/1/2011	4	203,241	56,633
actuarial loss	10/1/2012	5	153,343	35,409
actuarial gain	10/1/2013	6	(74,274)	(14,798)
actuarial gain	10/1/2014	7	(56,041)	(9,904)
actuarial gain	10/1/2015	8	(36,734)	(5,876)
assumption change	10/1/2016	19	204,415	19,400
actuarial gain	10/1/2016	9	(98,172)	(14,434)
Actuarial Loss	10/1/2017	10	252,892	34,584
State Monies Credit	10/1/2017	20	<u>(40,826)</u>	<u>(3,788)</u>
			1,366,635	251,483

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2016	\$1,347,512
(2) Expected UAAL as of October 1, 2017	1,154,569
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	53,810
Salary Increases	131,663
Active Decrements	115,920
Inactive Mortality	(24,116)
Other	<u>(24,385)</u>
Increase in UAAL due to (Gain)/Loss	252,892
State Monies Credit	<u>(40,826)</u>
(4) Actual UAAL as of October 1, 2017	\$1,366,635

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:

Female: RP2000 Generational, 100% Combined Healthy (previously annuitant) White Collar, Scale BB
Male: RP2000 Generational, 10% Combined Healthy (previously annuitant) White Collar / 90% Combined Healthy (previously annuitant) Blue Collar, Scale BB

Healthy Inactive Lives:

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

Disabled Lives:

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

The above assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2016 FRS valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality improvements.

Interest Rate

7.75% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class. Additionally, it is consistent with the national average utilized for public pension programs.

Retirement Age

Earlier of age 55 and 10 years of service or age 52 and 25 years of service. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year. This assumption is reasonable, based on Plan provisions.

Early Retirement

Commencing with eligibility for Early Retirement Age (age 50 with 10 years of Service), Members are assumed to retire with an immediate subsidized benefit at the rate

of 5% per year. This assumption is reasonable, based on Plan provisions.

Disability Rate

See table below (1201). It is assumed that 75% of Disability Retirements are service-related. These rates are consistent with average Florida municipal safety plans.

Termination Rate

See table on following page (1302). These rates are consistent with average Florida municipal safety plans.

Salary Increases

6.0% per year until the assumed retirement age; see table on following page. This assumption is reasonable, based on long term plan experience.

Payroll Growth

0.0%. By statute, this assumption cannot exceed the ten-year average payroll growth.

Administrative Expenses

\$70,684 annually, based on actual expenses incurred in the prior fiscal year.

Asset Smoothing Methodology

The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minimis bias that is above or below the Market Value of Assets.

Funding Method

Entry Age Normal Actuarial Cost Method. The following loads are applied for determination of the Sponsor funding requirement:

Interest – None, assuming a beginning-of-year lump sum deposit by the City.

Salary – A full year, based on the current 6% assumption.

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>	<u>Current Salary as % of Salary at age 53</u>
20	6.0%	0.03%	14.6%
30	5.0	0.04	26.2
40	2.6	0.07	46.9
50	0.8	0.18	84.0

VALUATION NOTES

Total Annual Payroll is the projected annual rate of pay as of the valuation date of all covered Members.

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

Normal (Current Year's) Cost is determined for each participant as the present value of future benefits, determined as of the Member's entry age, amortized as a level percentage of compensation over the anticipated number of years of participation, determined as of the entry age.

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

Unfunded Actuarial Accrued Liability (UAAL) is the difference between the actuarial accrued liability (described above) and the actuarial value of assets. Under the Entry Age Normal Actuarial Cost Method, an actuarial gain or loss, based on actual versus expected UAAL, is determined in conjunction with each valuation of the plan.

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

PARTIAL HISTORY OF PREMIUM TAX REFUNDS

<u>Received During Fiscal Year</u>	<u>Amount</u>	<u>Increase from Previous Year</u>
1998	29,471.20	_____ %
1999	30,129.69	2.2%
2000	29,724.81	-1.3%
2001	32,680.82	9.9%
2002	33,418.97	2.3%
2003	39,336.31	17.7%
2004	43,308.17	10.1%
2005	42,994.41	-0.7%
2006	45,810.47	6.5%
2007	52,310.20	14.2%
2008	53,776.31	2.8%
2009	42,634.27	-20.7%
2010	41,469.47	-2.7%
2011	39,666.57	-4.3%
2012	45,079.54	13.6%
2013	43,902.19	-2.6%
2014	46,301.17	5.5%
2015	41,576.96	-10.2%
2016	43,087.46	3.6%
2017	49,927.19	15.9%

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2017

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	203,000.00	203,000.00
Prepaid Benefits	23,878.72	23,878.72
Cash	4,582.30	4,582.30
Total Cash and Equivalents	231,461.02	231,461.02
Receivables:		
Member Contributions in Transit	1,608.50	1,608.50
Investment Income	12,501.07	12,501.07
Total Receivable	14,109.57	14,109.57
Investments:		
U. S. Bonds and Bills	109,487.00	109,943.00
Federal Agency Guaranteed Securities	272,591.00	267,394.00
Corporate Bonds	875,351.43	884,410.48
Mutual Funds:		
Fixed Income	293,383.40	282,145.11
Equity	3,218,035.12	3,817,571.61
Pooled/Common/Commingled Funds:		
Real Estate	350,000.00	353,433.64
Total Investments	5,118,847.95	5,714,897.84
Total Assets	5,364,418.54	5,960,468.43
<u>LIABILITIES</u>		
Payables:		
Benefit Payments	4,522.06	4,522.06
Prepaid City Contribution	12,935.84	12,935.84
Total Liabilities	17,457.90	17,457.90
NET POSITION RESTRICTED FOR PENSIONS	5,346,960.64	5,943,010.53

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2017
Market Value Basis

ADDITIONS

Contributions:		
Member		32,690.31
City		359,725.31
State		49,927.19
Total Contributions		442,342.81
Investment Income:		
Net Realized Gain (Loss)	303,767.63	
Unrealized Gain (Loss)	234,284.08	
Net Increase in Fair Value of Investments		538,051.71
Interest & Dividends		135,505.59
Less Investment Expense ¹		(34,266.85)
Net Investment Income		639,290.45
Total Additions		1,081,633.26

DEDUCTIONS

Distributions to Members:		
Benefit Payments		289,251.50
Lump Sum DROP Distributions		71,632.90
Lump Sum Share Distributions		0.00
Refunds of Member Contributions		0.00
Total Distributions		360,884.40
Administrative Expense		70,684.49
Total Deductions		431,568.89
Net Increase in Net Position		650,064.37
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		5,292,946.16
End of the Year		5,943,010.53

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

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2017

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

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return ¹	
09/30/2014	9.97%	
09/30/2015	-0.74%	
09/30/2016	6.51%	
09/30/2017	11.81%	
Annualized Rate of Return for prior four (4) years:		6.78%
(A) 10/01/2016 Actuarial Assets:		\$5,544,065.47
(I) Net Investment Income:		
1. Interest and Dividends	135,505.59	
2. Realized Gains (Losses)	303,767.63	
3. Change in Actuarial Value	(28,890.41)	
4. Investment Related Expenses	(34,266.85)	
Total		376,115.96
(B) 10/01/2017 Actuarial Assets:		\$5,930,955.35
Actuarial Asset Rate of Return = 2I/(A+B-I):		6.78%
10/01/2017 Limited Actuarial Assets:		\$5,930,955.35
10/01/2017 Market Value of Assets:		\$5,943,010.53
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)		(\$53,810.10)

¹Market Value Basis, net of investment related expenses.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 SEPTEMBER 30, 2017
 Actuarial Asset Basis

REVENUES

Contributions:		
Member	32,690.31	
City	359,725.31	
State	49,927.19	
Total Contributions		442,342.81
Earnings from Investments:		
Interest & Dividends	135,505.59	
Net Realized Gain (Loss)	303,767.63	
Change in Actuarial Value	(28,890.41)	
Total Earnings and Investment Gains		410,382.81

EXPENDITURES

Distributions to Members:		
Benefit Payments	289,251.50	
Lump Sum DROP Distributions	71,632.90	
Lump Sum Share Distributions	0.00	
Refunds of Member Contributions	0.00	
Total Distributions		360,884.40
Expenses:		
Investment related ¹	34,266.85	
Administrative	70,684.49	
Total Expenses		104,951.34
Change in Net Assets for the Year		386,889.88
Net Assets Beginning of the Year		5,544,065.47
Net Assets End of the Year²		5,930,955.35

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

²Net Assets may be limited for actuarial consideration.

DEFERRED RETIREMENT OPTION PLAN ACTIVITY
October 1, 2016 to September 30, 2017

Beginning of the Year Balance	210,457.14
Plus Additions	49,281.27
Investment Return Earned	12,159.43
Less Distributions	(71,632.90)
End of the Year Balance	200,264.94

SUPPLEMENTAL CHAPTER 175 SHARE PLAN ACTIVITY
October 1, 2016 through September 30, 2017

9/30/2016 Balance	0.00
Prior Year Adjustment	0.00
Plus Additions	43,838.54
Investment Return Earned	0.00
Administrative Fees	0.00
Less Distributions	0.00
9/30/2017 Balance (est.)	43,838.54

RECONCILIATION OF CITY'S SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2017

(1) Required City and State Contributions	\$406,640.00
(2) Less Allowable State Contribution	<u>(46,914.69)</u>
(3) Required City Contribution for Fiscal 2017	359,725.31
(4) Less 2016 Prepaid Contribution	(9,340.15)
(5) Less Actual City Contributions	<u>(363,321.00)</u>
(6) Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2017	(\$12,935.84)

STATISTICAL DATA ¹

	<u>10/1/2014</u>	<u>10/1/2015</u>	<u>10/1/2016</u>	<u>10/1/2017</u>
<u>Actives</u>				
Number	14	13	10	14
Average Current Age	40.4	39.8	40.3	35.2
Average Age at Employment	25.3	25.0	23.6	24.7
Average Past Service	15.1	14.8	16.7	10.5
Average Annual Salary	\$51,270	\$52,024	\$53,194	\$52,614
<u>Service Retirees</u>				
Number	8	8	9	11
Average Current Age	66.9	67.9	67.6	63.5
Average Annual Benefit	\$26,541	\$26,909	\$27,718	\$31,076
<u>DROP Retirees</u>				
Number	1	2	2	1
Average Current Age	55.9	55.5	56.5	58.9
Average Annual Benefit	\$43,785	\$40,275	\$38,427	\$40,090
<u>Beneficiaries</u>				
Number	1	0	0	0
Average Current Age	65.4	N/A	N/A	N/A
Average Annual Benefit	\$9,763	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</u>				
Number	1	1	2	1
Average Current Age	52.7	53.7	44.5	35.3
Average Annual Benefit	\$13,259	\$14,278	\$16,037	\$17,796

¹ Averages were salary-weighted prior to 10/1/2015.

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	3	0	0	0	0	0	0	0	0	0	0	3
25 - 29	1	0	0	0	0	0	0	0	0	0	0	1
30 - 34	0	0	0	0	0	0	2	0	0	0	0	2
35 - 39	0	0	0	0	0	0	2	2	0	0	0	4
40 - 44	0	0	0	0	0	0	1	1	0	0	0	2
45 - 49	1	0	0	0	0	0	0	0	0	0	0	1
50 - 54	0	0	0	0	0	0	0	0	0	1	0	1
55 - 59	0	0	0	0	0	0	0	0	0	0	0	0
60 - 64	0	0	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0	0	0
Total	5	0	0	0	0	0	5	3	0	1	0	14

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2016	10
b. Terminations	
i. Vested (partial or full) with deferred benefits	0
ii. Non-vested or full lump sum distribution received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. DROP	<u>0</u>
g. Continuing participants	9
h. New entrants	<u>5</u>
i. Total active life participants in valuation	14

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

	Service Retirees, Vested Receiving <u>Benefits</u>	DROP <u>Benefits</u>	Receiving Death <u>Benefits</u>	Receiving Disability <u>Benefits</u>	Vested <u>Deferred</u>	<u>Total</u>
a. Number prior valuation	9	2	0	0	2	13
Retired	3	(1)	0	0	(1)	1
DROP	0	0	0	0	0	0
Vested Deferred	0	0	0	0	0	0
Death, With Survivor	0	0	0	0	0	0
Death, No Survivor	(1)	0	0	0	0	(1)
Disabled	0	0	0	0	0	0
Refund of Contributions	0	0	0	0	0	0
Rehires	0	0	0	0	0	0
Expired Annuities	0	0	0	0	0	0
Data Corrections	0	0	0	0	0	0
b. Number current valuation	11	1	0	0	1	13

SUMMARY OF PLAN PROVISIONS
(Through Ordinance 08-17)

<u>EFFECTIVE DATE OF RESTATEMENT</u>	December 31, 1999
<u>LATEST AMENDMENT</u>	March 27, 2017
<u>CREDITED SERVICE</u>	Years and fractional parts of years of service with the City as a Firefighter.
<u>SALARY</u>	Total compensation reportable on form W-2, excluding lump sum payments of accrued sick leave and vacation pay, but including all tax deferred, tax sheltered, and tax exempt items of income. For service earned after March 12, 2014, Salary shall not include payments for overtime in excess of 300 hours per year.
<u>AVERAGE FINAL COMPENSTATION</u>	Average Salary of the 5 highest years during the last 10.
<u>NORMAL RETIREMENT</u>	
Eligibility	Earlier of: a) Age 55 and the completion of 10 years of Credited Service, or b) Age 52 and 25 years of Credited Service.
Benefit Amount	3.16% of Average Final Compensation times Credited Service. For Members hired after October 31, 2013, the benefit accrual rate is 2.0% for each year of Credited Service.
Form of Benefit	10 year certain and life thereafter (options available).
<u>EARLY RETIREMENT</u>	
Eligibility	Age 50 and 10 years of Credited Service.
Benefit Amount	Accrued benefit, reduced 3% for each year that early retirement precedes normal retirement.
<u>PRE-RETIREMENT DEATH</u>	
Non-Vested	Refund of Member's Accumulated Contributions.
Vested	Beneficiary to receive the Member's accrued benefit for 10 years.

DISABILITY

Eligibility

- a. Non-Service Incurred: 10 years of Credited Service.
- b. Service Incurred: Covered from Date of Employment.
- c. Total and permanent disability as determined by the Board of Trustees.

Benefit Amount

Accrued benefit, but not less than 42% of Average Final Compensation for service incurred disabilities. Optional forms are available.

VESTING (TERMINATION)

Less than 10 years of Credited Service

Refund of Member Contributions without interest.

10 years or more

Accrued benefit payable at Member's otherwise Early (reduced) or Normal Retirement Date, or a refund of Member Contributions.

COST-OF-LIVING ADJUSTMENT

All retirees, including disability retirees, and beneficiaries, but excluding vested terminated Members, who complete at least 15 years of Credited Service receive five annual 3.0% increase adjustments in their benefits each October 1 beginning the later of age 58 and one year after retirement.

CONTRIBUTIONS

Employee

5.0% of Salary.

Premium Tax

1.85% tax on premiums for fire insurance.

City

Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability, if any, as provided in Part VII of Chapter 112, Florida Statutes, but in no event less than 5% of the total Salary of the Members.

DEFERRED RETIREMENT
OPTION PLAN

Eligibility	Satisfaction of Normal Retirement requirements.
Participation	Not to exceed 60 months.
Rate of Return	At Member's election either: a) 6.5% annual interest, compounded monthly, or b) actual net rate of investment return (total return net of brokerage commissions, management fees, and transaction costs) credited each fiscal quarter.
Distribution	Cash lump sum (options available) at termination of employment.

BOARD OF TRUSTEES

Two legal residents appointed by the City Council, two Members of the System elected by the other covered Members, and a fifth Member elected by the other 4 and appointed by City Council.

CHAPTER 175 SHARE PLAN

Share accounts are established as of September 30, 2017.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2017

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Short Term Investments	203,000
Prepaid Benefits	23,879
Cash	4,582
Total Cash and Equivalents	231,461
Receivables:	
Member Contributions in Transit	1,608
Investment Income	12,501
Total Receivable	14,109
Investments:	
U. S. Bonds and Bills	109,943
Federal Agency Guaranteed Securities	267,394
Corporate Bonds	884,410
Mutual Funds:	
Fixed Income	282,145
Equity	3,817,572
Real Estate	353,434
Total Investments	5,714,898
Total Assets	5,960,468
<u>LIABILITIES</u>	
Payables:	
Benefit Payments	4,522
Total Liabilities	4,522
NET POSITION RESTRICTED FOR PENSIONS	5,955,946

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2017
Market Value Basis

ADDITIONS

Contributions:

Member	32,690	
City	363,321	
State	49,927	
 Total Contributions		 445,938
 Investment Income:		
Net Increase in Fair Value of Investments	538,052	
Interest & Dividends	135,505	
Less Investment Expense ¹	(34,267)	
 Net Investment Income		 639,290
 Total Additions		 1,085,228

DEDUCTIONS

Distributions to Members:

Benefit Payments	289,251	
Lump Sum DROP Distributions	71,633	
Refunds of Member Contributions	0	
 Total Distributions		 360,884
 Administrative Expense		 70,684
 Total Deductions		 431,568
 Net Increase in Net Position		 653,660
 NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		5,302,286
 End of the Year		 5,955,946

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

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

Plan Description

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of: Two legal residents appointed by the City Council, two Members of the System elected by the other covered Members, and a fifth Member elected by the other four and appointed by City Council.

Plan Membership as of October 1, 2016:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	11
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	2
Active Plan Members	10
	23

Benefits Provided

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

Normal Retirement:

Eligibility: Earlier of: a) Age 55 and the completion of 10 years of Credited Service, or b) Age 52 and 25 years of Credited Service.

Benefit Amount: 3.16% of Average Final Compensation times Credited Service. For Members hired after October 31, 2013, the benefit accrual rate is 2.0% for each year of Credited Service.

Early Retirement:

Eligibility: Age 50 and 10 years of Credited Service.

Benefit: Accrued benefit, reduced 3% for each year that early retirement precedes normal retirement.

Pre-Retirement Death Benefits:

Non-Vested: Return of Member's Accumulated Contributions.

Vested: Beneficiary to receive the Member's accrued benefit for 10 years.

Disability:

Eligibility: a. Non-Service Incurred: 10 years of Credited Service.

b. Service Incurred: Covered from Date of Employment.

c. Total and permanent disability as determined by the Board of Trustees.

Benefit amount: Accrued benefit, but not less than 42% of Average Final Compensation for service incurred disabilities. Optional forms are available.

Vesting (Termination):

Less than 10 years of Credited Service: Refund of Member Contributions without interest.

10 years or more: Accrued benefit payable at Member's otherwise Early (reduced) or Normal Retirement Date, or a refund of Member Contributions.

Cost-Of-Living Adjustments:

All retirees, including disability retirees, and beneficiaries, but excluding vested terminated Members, who complete at least 15 years of Credited Service receive five annual 3.0% increase adjustments in their benefits each October 1 beginning the later of age 58 and one year after retirement.

Contributions

Employee: 5.0% of

Premium Tax: 1.85% tax on premiums for fire insurance.

City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability, if any, as provided in Part VII of Chapter 112, Florida Statutes, but in no event less than 5% of the total Salary of the Members.

Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of September 30, 2017:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	50%
International Equity	15%
Domestic Fixed Income	20%
Global Fixed Income	5%
Real Estate	10%
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, 2017, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 11.81 percent.

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

Deferred Retirement Option Program

Eligibility: Satisfaction of Normal Retirement requirements.

Participation: Not to exceed 60 months.

Rate of Return: At Member's election either: a) 6.5% annual interest, compounded monthly, or b) actual net rate of investment return (total return net of brokerage commissions, management fees, and transaction costs) credited each fiscal quarter.

The DROP balance as September 30, 2017 is \$200,265.

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the Sponsor on September 30, 2017 were as follows:

Total Pension Liability	\$ 7,081,743
Plan Fiduciary Net Position	\$ (5,955,946)
Sponsor's Net Pension Liability	<u>\$ 1,125,797</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	84.10%

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2016 updated to September 30, 2017 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	6.00%
Discount Rate	7.75%
Investment Rate of Return	7.75%

Mortality Rate Healthy Lives:

Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: RP2000 Generational, 10% Annuitant White Collar /90% Annuitant Blue Collar, Scale BB.

Mortality Rate Disabled Lives:

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

Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.

The date of the most recent experience study for which significant assumptions are based upon is not available.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2017, the inflation rate assumption of the investment advisor was 2.50%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	7.50%
International Equity	8.50%
Domestic Fixed Income	2.50%
Global Fixed Income	3.50%
Real Estate	4.50%

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Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.75 percent.

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

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Sponsor's Net Pension Liability	\$ 1,977,073	\$ 1,125,797	\$ 418,037

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

	09/30/2017	09/30/2016	09/30/2015
Total Pension Liability			
Service Cost	108,643	143,226	153,105
Interest	532,439	497,788	475,799
Change in Excess State Money	(81,652)	5,991	4,481
Share Plan Allocation	43,839	-	-
Changes of benefit terms	-	-	-
Differences between Expected and Actual Experience	(184,278)	(60,536)	(104,097)
Changes of assumptions	-	206,276	-
Benefit Payments, including Refunds of Employee Contributions	(360,884)	(249,242)	(213,139)
Net Change in Total Pension Liability	58,107	543,503	316,149
Total Pension Liability - Beginning	7,023,636	6,480,133	6,163,984
Total Pension Liability - Ending (a)	<u>\$ 7,081,743</u>	<u>\$ 7,023,636</u>	<u>\$ 6,480,133</u>
Plan Fiduciary Net Position			
Contributions - Employer	363,321	372,661	369,826
Contributions - State	49,927	43,087	41,577
Contributions - Employee	32,690	29,590	33,005
Net Investment Income	639,290	327,142	(36,249)
Benefit Payments, including Refunds of Employee Contributions	(360,884)	(249,242)	(213,139)
Administrative Expense	(70,684)	(41,869)	(66,088)
Net Change in Plan Fiduciary Net Position	653,660	481,369	128,932
Plan Fiduciary Net Position - Beginning	5,302,286	4,820,917	4,691,985
Plan Fiduciary Net Position - Ending (b)	<u>\$ 5,955,946</u>	<u>\$ 5,302,286</u>	<u>\$ 4,820,917</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,125,797</u>	<u>\$ 1,721,350</u>	<u>\$ 1,659,216</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	84.10%	75.49%	74.40%
Covered Employee Payroll ¹	\$ 653,809	\$ 591,797	\$ 749,322
Net Pension Liability as a percentage of Covered Employee Payroll	172.19%	290.87%	221.43%

Notes to Schedule:

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

Changes of assumptions:

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

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

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

	<u>09/30/2014</u>	<u>09/30/2013</u>
Total Pension Liability		
Service Cost	146,250	135,731
Interest	445,552	417,438
Change in Excess State Money	9,205	-
Share Plan Allocation	-	-
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	-	-
Changes of assumptions	-	-
Benefit Payments, including Refunds of Employee Contributions	<u>(203,603)</u>	<u>(198,271)</u>
Net Change in Total Pension Liability	397,404	354,899
Total Pension Liability - Beginning	<u>5,766,580</u>	<u>5,411,681</u>
Total Pension Liability - Ending (a)	<u>\$ 6,163,984</u>	<u>\$ 5,766,580</u>
Plan Fiduciary Net Position		
Contributions - Employer	342,083	284,329
Contributions - State	46,301	43,902
Contributions - Employee	33,858	35,509
Net Investment Income	433,063	325,256
Benefit Payments, including Refunds of Employee Contributions	(203,603)	(198,271)
Administrative Expense	<u>(47,508)</u>	<u>(56,004)</u>
Net Change in Plan Fiduciary Net Position	604,194	434,721
Plan Fiduciary Net Position - Beginning	<u>4,087,791</u>	<u>3,653,070</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 4,691,985</u>	<u>\$ 4,087,791</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,471,999</u>	<u>\$ 1,678,789</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	76.12%	70.89%
Covered Employee Payroll ¹	\$ 677,160	\$ 710,174
Net Pension Liability as a percentage of Covered Employee Payroll	217.38%	236.39%

Notes to Schedule:

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

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	09/30/2017	09/30/2016	09/30/2015	09/30/2014	09/30/2013
Actuarially Determined Contribution	406,640	400,417	406,922	379,179	321,425
Contributions in relation to the Actuarially Determined Contributions	410,236	409,757	406,922	379,179	321,425
Contribution Deficiency (Excess)	\$ (3,596)	\$ (9,340)	\$ -	\$ -	\$ -
Covered Employee Payroll ¹	\$ 653,809	\$ 591,797	\$ 749,322	\$ 677,160	\$ 710,174
Contributions as a percentage of Covered Employee Payroll	62.75%	69.24%	54.31%	56.00%	45.26%

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

Notes to Schedule

Valuation Date: 10/01/2015
 Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method. The following loads are applied for determination of the Sponsor funding requirement:
 Interest – None, assuming a lump sum City deposit at the beginning of each fiscal year.
 Salary – A full year, based on the current 6% assumption.

Amortization Method: Level Percentage of Pay, Closed.
 Remaining Amortization Period: 23 Years (as of 10/01/2015).
 Interest Rate: 7.75% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class. Additionally, it is consistent with the national average utilized for public pension programs.

Retirement Age: Earlier of age 55 and 10 years of service or age 52 and 25 years of service. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year. This assumption is reasonable, based on Plan Commencing with eligibility for Early Retirement Age (age 50 with 10 years of Service), Members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year. This assumption is reasonable, based on Plan provisions.

Early Retirement: See table on following page (1201). It is assumed that 75% of Disability Retirements are service-related. These rates are consistent with average Florida municipal safety plans.

Disability Rates: See table on following page (1302). These rates are consistent with average Florida municipal safety plans.

Termination Rates: 6.0% per year until the assumed retirement age; see table on following page. This assumption is reasonable, based on long term plan experience.

Salary Increases: 1.07%. By statute, this assumption cannot exceed the ten-year average payroll growth.

Payroll Growth: 3% automatic adjustments for five years for all retirees, excluding vested terminated Members, beginning the first October 1 following the later of retirement and age 58.

Cost-of-Living: The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minimis bias that is above or below the Market Value of Assets.

Asset Smoothing Methodology:

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Termination and Disability Rate Table:

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	6.0%	0.03%
30	5.0%	0.04%
40	2.6%	0.07%
50	0.8%	0.18%

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years

	<u>09/30/2017</u>	<u>09/30/2016</u>	<u>09/30/2015</u>	<u>09/30/2014</u>	<u>09/30/2013</u>
Annual Money-Weighted Rate of Return					
Net of Investment Expense	11.81%	6.51%	-0.74%	9.97%	8.77%

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended September 30, 2018)

General Information about the Pension Plan

Plan Description

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of: Two legal residents appointed by the City Council, two Members of the System elected by the other covered Members, and a fifth Member elected by the other four and appointed by City Council.

Each person employed by the City Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of his employment. All Firefighters are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

Plan Membership as of October 1, 2016:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	11
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	2
Active Plan Members	10
	23
	23

Benefits Provided

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

Normal Retirement:

Eligibility: Earlier of: a) Age 55 and the completion of 10 years of Credited Service, or b) Age 52 and 25 years of Credited Service.

Benefit Amount: 3.16% of Average Final Compensation times Credited Service. For Members hired after October 31, 2013, the benefit accrual rate is 2.0% for each year of Credited Service.

Early Retirement:

Eligibility: Age 50 and 10 years of Credited Service.

Benefit: Accrued benefit, reduced 3% for each year that early retirement precedes normal retirement.

Pre-Retirement Death Benefits:

Non-Vested: Return of Member's Accumulated Contributions.

Vested: Beneficiary to receive the Member's accrued benefit for 10 years.

Disability:

Eligibility: a. Non-Service Incurred: 10 years of Credited Service.

Benefit amount: Accrued benefit, but not less than 42% of Average Final Compensation for service incurred disabilities.

Vesting (Termination):

Less than 10 years of Credited Service: Refund of Member Contributions without interest.

10 years or more: Accrued benefit payable at Member's otherwise Early (reduced) or Normal Retirement Date, or a refund of Member Contributions.

Cost-Of-Living Adjustments:

All retirees, including disability retirees, and beneficiaries, but excluding vested terminated Members, who complete at least 15 years of Credited Service receive five annual 3.0% increase adjustments in their benefits each October 1 beginning the later of age 58 and one year after retirement.

Contributions

Employee: 5.0% of Salary.

Premium Tax: 1.85% tax on premiums for fire insurance.

City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability, if any, as provided in Part VII of Chapter 112, Florida Statutes, but in no event less than 5% of the total Salary of the Members.

Net Pension Liability

The measurement date is September 30, 2017.

The measurement period for the pension expense was October 1, 2016 to September 30, 2017.

The reporting period is October 1, 2017 through September 30, 2018.

The Sponsor's Net Pension Liability was measured as of September 30, 2017.

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, 2016 updated to September 30, 2017 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	6.00%
Discount Rate	7.75%
Investment Rate of Return	7.75%

Mortality Rate Healthy Lives:

Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: RP2000 Generational, 10% Annuitant White Collar /90% Annuitant Blue Collar, Scale BB.

Mortality Rate Disabled Lives:

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

Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.

The date of the most recent experience study for which significant assumptions are based upon is not available.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, Net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2017, the inflation rate assumption of the investment advisor was 2.50%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	50%	7.50%
International Equity	15%	8.50%
Domestic Fixed Income	20%	2.50%
Global Fixed Income	5%	3.50%
Real Estate	10%	4.50%
Total	100%	

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.75 percent.

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

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Reporting Period Ending September 30, 2017	\$ 7,023,636	\$ 5,302,286	\$ 1,721,350
Changes for a Year:			
Service Cost	108,643	-	108,643
Interest	532,439	-	532,439
Change in Excess State Money	(81,652)	-	(81,652)
Share Plan Allocation	43,839	-	43,839
Differences between Expected and Actual Experience	(184,278)	-	(184,278)
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - Employer	-	363,321	(363,321)
Contributions - State	-	49,927	(49,927)
Contributions - Employee	-	32,690	(32,690)
Net Investment Income	-	639,290	(639,290)
Benefit Payments, including Refunds of Employee Contributions	(360,884)	(360,884)	-
Administrative Expense	-	(70,684)	70,684
Net Changes	58,107	653,660	(595,553)
Reporting Period Ending September 30, 2018	\$ 7,081,743	\$ 5,955,946	\$ 1,125,797

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

	Current Discount		
	1% Decrease	Rate	1% Increase
	6.75%	7.75%	8.75%
Sponsor's Net Pension Liability	\$ 1,977,073	\$ 1,125,797	\$ 418,037

Pension Plan Fiduciary Net Position.

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

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

For the year ended September 30, 2017, the Sponsor has recognized a Pension Expense of \$356,449.

On September 30, 2017, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	119,845
Changes of assumptions	171,896	-
Net difference between Projected and Actual Earnings on Pension Plan investments	241,880	-
Employer and State contributions subsequent to the measurement date	413,248	-
Total	\$ 827,024	\$ 119,845

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer and State contributions subsequent to the measurement date has been recognized as a reduction of the Net Pension Liability in the year ended September 30, 2017.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:		
2018	\$	76,762
2019	\$	76,761
2020	\$	98,687
2021	\$	17,431
2022	\$	24,290
Thereafter	\$	-

**PRELIMINARY PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND
DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2018**

For the year ended September 30, 2018, the Sponsor will recognize a Pension Expense of \$224,125.

On September 30, 2018, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	239,830
Changes of assumptions	137,516	-
Net difference between Projected and Actual Earnings on Pension Plan investments	-	10,185
Employer and State contributions subsequent to the measurement date	TBD	-
Total	TBD	\$ 250,015

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer and State contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended September 30, 2018.

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:			
2019		\$	(5,656)
2020		\$	16,270
2021		\$	(64,986)
2022		\$	(58,127)
2023		\$	-
Thereafter		\$	-

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

Reporting Period Ending	09/30/2018	09/30/2017	09/30/2016
Measurement Date	09/30/2017	09/30/2016	09/30/2015
Total Pension Liability			
Service Cost	108,643	143,226	153,105
Interest	532,439	497,788	475,799
Change in Excess State Money	(81,652)	5,991	4,481
Share Plan Allocation	43,839	-	-
Changes of benefit terms	-	-	-
Differences between Expected and Actual Experience	(184,278)	(60,536)	(104,097)
Changes of assumptions	-	206,276	-
Benefit Payments, including Refunds of Employee Contributions	(360,884)	(249,242)	(213,139)
Net Change in Total Pension Liability	58,107	543,503	316,149
Total Pension Liability - Beginning	7,023,636	6,480,133	6,163,984
Total Pension Liability - Ending (a)	\$ 7,081,743	\$ 7,023,636	\$ 6,480,133
Plan Fiduciary Net Position			
Contributions - Employer	363,321	372,661	369,826
Contributions - State	49,927	43,087	41,577
Contributions - Employee	32,690	29,590	33,005
Net Investment Income	639,290	327,142	(36,249)
Benefit Payments, including Refunds of Employee Contributions	(360,884)	(249,242)	(213,139)
Administrative Expense	(70,684)	(41,869)	(66,088)
Net Change in Plan Fiduciary Net Position	653,660	481,369	128,932
Plan Fiduciary Net Position - Beginning	5,302,286	4,820,917	4,691,985
Plan Fiduciary Net Position - Ending (b)	\$ 5,955,946	\$ 5,302,286	\$ 4,820,917
Net Pension Liability - Ending (a) - (b)	\$ 1,125,797	\$ 1,721,350	\$ 1,659,216
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	84.10%	75.49%	74.40%
Covered Employee Payroll ¹	\$ 653,809	\$ 591,797	\$ 749,322
Net Pension Liability as a percentage of Covered Employee Payroll	172.19%	290.87%	221.43%

Notes to Schedule:

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

Changes of assumptions:

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

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

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

Reporting Period Ending	09/30/2016	09/30/2014
Measurement Date	<u>09/30/2014</u>	<u>09/30/2013</u>
Total Pension Liability		
Service Cost	146,250	135,731
Interest	445,552	417,438
Change in Excess State Money	9,205	-
Share Plan Allocation	-	-
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	-	-
Changes of assumptions	-	-
Benefit Payments, including Refunds of Employee Contributions	<u>(203,603)</u>	<u>(198,271)</u>
Net Change in Total Pension Liability	397,404	354,899
Total Pension Liability - Beginning	<u>5,766,580</u>	<u>5,411,681</u>
Total Pension Liability - Ending (a)	<u><u>\$ 6,163,984</u></u>	<u><u>\$ 5,766,580</u></u>
Plan Fiduciary Net Position		
Contributions - Employer	342,083	284,329
Contributions - State	46,301	43,902
Contributions - Employee	33,858	35,509
Net Investment Income	433,063	325,256
Benefit Payments, including Refunds of Employee Contributions	(203,603)	(198,271)
Administrative Expense	<u>(47,508)</u>	<u>(56,004)</u>
Net Change in Plan Fiduciary Net Position	604,194	434,721
Plan Fiduciary Net Position - Beginning	<u>4,087,791</u>	<u>3,653,070</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 4,691,985</u></u>	<u><u>\$ 4,087,791</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 1,471,999</u></u>	<u><u>\$ 1,678,789</u></u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	76.12%	70.89%
Covered Employee Payroll ¹	\$ 677,160	\$ 710,174
Net Pension Liability as a percentage of Covered Employee Payroll	217.38%	236.39%

Notes to Schedule:

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

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	09/30/2017	09/30/2016	09/30/2015	09/30/2014	09/30/2013
Actuarially Determined Contribution	406,640	400,417	406,922	379,179	321,425
Contributions in relation to the Actuarially Determined Contributions	410,236	409,757	406,922	379,179	321,425
Contribution Deficiency (Excess)	\$ (3,596)	\$ (9,340)	\$ -	\$ -	\$ -
Covered Employee Payroll ¹	\$ 653,809	\$ 591,797	\$ 749,322	\$ 677,160	\$ 710,174
Contributions as a percentage of Covered Employee Payroll	62.75%	69.24%	54.31%	56.00%	45.26%

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

Notes to Schedule

Valuation Date: 10/01/2015

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

Methods and assumptions used to determine contribution rates:

Funding Method:	Entry Age Normal Actuarial Cost Method. The following loads are applied for determination of the Sponsor funding requirement: Interest – None, assuming a lump sum City deposit at the beginning of each fiscal year.
Amortization Method:	Level Percentage of Pay, Closed.
Remaining Amortization Period:	23 Years (as of 10/01/2015).
Interest Rate:	7.75% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class. Additionally, it is consistent with the national average utilized for public pension programs.
Retirement Age:	Earlier of age 55 and 10 years of service or age 52 and 25 years of service. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year. This assumption is reasonable, based on Plan provisions.
Early Retirement:	Commencing with eligibility for Early Retirement Age (age 50 with 10 years of Service), Members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year. This assumption is reasonable, based on Plan provisions.
Disability Rates:	See table on following page (1201). It is assumed that 75% of Disability Retirements are service-related. These rates are consistent with average Florida municipal safety plans.
Termination Rates:	See table on following page (1302). These rates are consistent with average Florida municipal safety plans.
Salary Increases:	6.0% per year until the assumed retirement age; see table on following page. This assumption is reasonable, based on long term plan experience.
Payroll Growth:	1.07%. By statute, this assumption cannot exceed the ten-year average payroll growth.
Cost-of-Living:	3% automatic adjustments for five years for all retirees, excluding vested terminated Members, beginning the first October 1 following the later of retirement and age 58.
Asset Smoothing Methodology:	The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minis bias that is above or below the Market Value of Assets.

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Termination and Disability Rate Table:

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	6.00%	0.03%
30	5.00%	0.04%
40	2.60%	0.07%
50	0.80%	0.18%

FINAL COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2017

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 1,659,216	\$ 152,526	\$ 740,772	\$ -
Employer and State Contributions made after 09/30/2016	-	-	413,248	-
Total Pension Liability Factors:				
Service Cost	143,226	-	-	143,226
Interest	497,788	-	-	497,788
Change in Excess State Money	5,991	-	-	5,991
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(60,536)	60,536	-	-
Current year amortization of experience difference	-	(27,439)	-	(27,439)
Change in assumptions about future economic or demographic factors or other inputs	206,276	-	206,276	-
Current year amortization of change in assumptions	-	-	(34,380)	34,380
Benefit Payments, including Refunds of Employee Contributions	(249,242)	-	-	-
Net change	<u>543,503</u>	<u>33,097</u>	<u>585,144</u>	<u>653,946</u>
Plan Fiduciary Net Position:				
Contributions - Employer	372,661	-	(372,661)	-
Contributions - State	43,087	-	(43,087)	-
Contributions - Employee	29,590	-	-	(29,590)
Projected Net Investment Income	379,597	-	-	(379,597)
Difference between projected and actual earnings on Pension Plan investments	(52,455)	-	52,455	-
Current year amortization	-	(21,926)	(91,747)	69,821
Benefit Payments, including Refunds of Employee Contributions	(249,242)	-	-	-
Administrative Expenses	(41,869)	-	-	41,869
Net change	<u>481,369</u>	<u>(21,926)</u>	<u>(455,040)</u>	<u>(297,497)</u>
Ending Balance	<u>\$ 1,721,350</u>	<u>\$ 163,697</u>	<u>\$ 870,876</u>	<u>\$ 356,449</u>

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2018

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 1,721,350	\$ 163,697	\$ 870,876	\$ -
Employer and State Contributions made after 09/30/2017	-	-	TBD*	-
Total Pension Liability Factors:				
Service Cost	108,643	-	-	108,643
Interest	532,439	-	-	532,439
Change in Excess State Money	(81,652)	-	-	(81,652)
Share Plan Allocation	43,839	-	-	43,839
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(184,278)	184,278	-	-
Current year amortization of experience difference	-	(64,293)	-	(64,293)
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	(34,380)	34,380
Benefit Payments, including Refunds of Employee Contributions	(360,884)	-	-	-
Net change	<u>58,107</u>	<u>119,985</u>	<u>(34,380)</u>	<u>573,356</u>
Plan Fiduciary Net Position:				
Contributions - Employer	363,321	-	(363,321)	-
Contributions - State	49,927	-	(49,927)	-
Contributions - Employee	32,690	-	-	(32,690)
Projected Net Investment Income	411,484	-	-	(411,484)
Difference between projected and actual earnings on Pension Plan investments	227,806	227,806	-	-
Current year amortization	-	(67,488)	(91,747)	24,259
Benefit Payments, including Refunds of Employee Contributions	(360,884)	-	-	-
Administrative Expenses	(70,684)	-	-	70,684
Net change	<u>653,660</u>	<u>160,318</u>	<u>(504,995)</u>	<u>(349,231)</u>
Ending Balance	<u>\$ 1,125,797</u>	<u>\$ 444,000</u>	<u>TBD</u>	<u>\$ 224,125</u>

* Employer and State Contributions subsequent to the measurement date made after September 30, 2017 but made on or before September 30, 2018 need to be added.

AMORTIZATION SCHEDULE - INVESTMENTS

Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments

Plan Year Ending	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2025
2014	\$ (109,628)	5	\$ (21,926)	\$ (21,926)	\$ (21,926)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	\$ 406,279	5	\$ 81,256	\$ 81,256	\$ 81,256	\$ 81,256	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ 52,455	5	\$ 10,491	\$ 10,491	\$ 10,491	\$ 10,491	\$ 10,491	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (227,806)	5	\$ -	\$ (45,562)	\$ (45,561)	\$ (45,561)	\$ (45,561)	\$ (45,561)	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 69,821	\$ 24,259	\$ 24,260	\$ 46,186	\$ (35,070)	\$ (45,561)	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions

Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
2016	\$ 206,276	6	\$ 34,380	\$ 34,380	\$ 34,379	\$ 34,379	\$ 34,379	\$ 34,379	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 34,380	\$ 34,380	\$ 34,379	\$ 34,379	\$ 34,379	\$ 34,379	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - EXPERIENCE

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Plan Year Ending	Differences Between		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
	Expected and Actual Experience	Recognition Period (Years)										
2015	\$ (104,097)	6	\$ (17,349)	\$ (17,349)	\$ (17,350)	\$ (17,350)	\$ (17,350)	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ (60,536)	6	\$ (10,090)	\$ (10,090)	\$ (10,089)	\$ (10,089)	\$ (10,089)	\$ (10,089)	\$ -	\$ -	\$ -	\$ -
2017	\$ (184,278)	5	\$ -	\$ (36,854)	\$ (36,856)	\$ (36,856)	\$ (36,856)	\$ (36,856)	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ (27,439)	\$ (64,293)	\$ (64,295)	\$ (64,295)	\$ (64,295)	\$ (46,945)	\$ -	\$ -	\$ -	\$ -