

CITY OF UMATILLA
MUNICIPAL POLICE OFFICERS'
RETIREMENT TRUST FUND

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2016

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

September 26, 2017

Board of Trustees
City of Umatilla
Police Officers' Retirement Trust Fund
P.O. Box 2286
Umatilla, FL 32784-2286

Re: City of Umatilla
Municipal Police Officers' Retirement Trust Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Umatilla Police Officers' Retirement Trust Fund. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapters 112, and 185, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

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


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

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

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

Respectfully submitted,

Foster & Foster, Inc.

By: 
Christine M. O'Neal, FSA, MAAA

CMO/lke

Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Umatilla Municipal Police Officers’ Retirement Trust Fund, performed as of October 1, 2016, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ending September 30, 2018.

The contribution requirements, compared with those set forth in the October 1, 2014 actuarial valuation, are as follows:

Valuation Date Applicable to Plan/Fiscal Year Ending	10/1/2016 <u>9/30/2018</u>	10/1/2014 <u>9/30/2016</u>
Total Required Contribution	\$34,735	\$8,317
Member Contributions (Est.)	\$2,586	\$20,457
Required City and State	\$32,149	\$0
State Contribution (Est.) ¹	\$28,623	\$28,623
Balance From City	\$3,526	\$0

¹ Represents the amount received in fiscal 2017. Based on mutual consent between the City and the Membership, all future State Monies can be used to offset the City’s requirement. Additionally, please note that prior reports included the “City for Member Contributions” of 4.5% within the Member Contribution category. The restated Plan does not include this 4.5% requirement and is not included beginning with the October 1, 2016 valuation report.

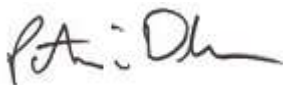
During the past two years, the experience has been less favorable than anticipated. The unfavorable experience was mainly due to a -0.02% investment return during fiscal 2015 that was less than the 7.00% assumption and an average increase in pensionable earnings of 9.18% compared to the 6.89% assumed rate. Experience during fiscal 2016 was better with an 8.17% investment return which exceeded the 7.00% assumption.


Since the prior valuation, Governor Scott signed House Bill 1309 in 2015 (codified as Chapter 2015-157, Laws of Florida) mandating revisions to the valuation mortality assumption. Specifically, Chapter 2015-157 requires that beginning with the October 1, 2016 valuation, all public plans must utilize the mortality table used by the Florida Retirement System (FRS) in one of their previous two valuations. This change is incorporated with this report. This change resulted in an approximate \$4,400 annual increase in the total required contribution.

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

Respectfully submitted,

FOSTER & FOSTER, INC.

By: 
Patrick T. Donlan, EA, ASA, MAAA

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

CHANGES SINCE PRIOR VALUATION

Plan Changes

Since the prior valuation Ordinance 2016-D was adopted which converts the current Chapter 185 “Chapter Plan” to a “Local Law Plan” and restated the pension plan to incorporate all current benefit provisions found in Chapter 185. It added provisions for buy-backs of military and prior police service. Additionally it added provisions for a deferred retirement option plan (DROP) and a partial lump-sum option (PLOP).

Actuarial Assumption/Method Changes

Since the prior valuation the mortality table was changed to the same rates as used by the Florida Retirement System in their July 1, 2015 valuation for special risk lives as required by State law.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Assump <u>10/1/2016</u>	Old Assump <u>10/1/2016</u>	<u>10/1/2014</u>
A. Participant Data			
Actives	9	9	8
Service Retirees	2	2	2
DROP Retirees	0	0	0
Beneficiaries	0	0	0
Disability Retirees	0	0	0
Terminated Vested	<u>2</u>	<u>2</u>	<u>1</u>
 Total	 13	 13	 11
 Total Annual Payroll	 \$467,055	 \$467,055	 \$369,831
Payroll Under Assumed Ret. Age	467,055	467,055	369,831
 Annual Rate of Payments to:			
Service Retirees	46,876	46,876	46,876
DROP Retirees	0	0	0
Beneficiaries	0	0	0
Disability Retirees	0	0	0
Terminated Vested	0	0	0
 B. Assets			
Actuarial Value (AVA) ¹	1,705,205	1,705,205	1,562,864
Market Value (MVA) ¹	1,705,205	1,705,205	1,562,864
 C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	947,886	939,028	688,779
Disability Benefits	26,727	28,877	19,307
Death Benefits	28,340	13,545	9,566
Vested Benefits	342,530	343,808	273,179
Refund of Contributions	9,026	9,085	9,231
Service Retirees	521,225	504,983	522,781
DROP Retirees ¹	0	0	0
Beneficiaries	0	0	0
Disability Retirees	0	0	0
Terminated Vested	<u>1,615</u>	<u>1,615</u>	<u>1,231</u>
 Total	 1,877,349	 1,840,941	 1,524,074

C. Liabilities - (Continued)	New Assump <u>10/1/2016</u>	Old Assump <u>10/1/2016</u>	<u>10/1/2014</u>
Present Value of Future Salaries	4,482,984	4,543,009	3,798,336
Present Value of Future Member Contributions	22,415	22,715	189,917
Total Normal Cost	17,935	13,955	0
Present Value of Future Normal Costs (EAN)	573,788	570,033	479,460
Total Actuarial Accrued Liability (AL) (EAN)	1,303,561	1,270,908	1,044,614
Total Actuarial Accrued Liability (Aggregate)	1,705,205	1,705,205	1,562,864
Unfunded Actuarial Accrued Liability (UAAL)	0	0	0
Funded Ratio (AVA / AL)	130.8%	134.2%	149.6%

D. Actuarial Present Value of Accrued Benefits	New Assump <u>10/1/2016</u>	Old Assump <u>10/1/2016</u>	<u>10/1/2014</u>
Vested Accrued Benefits			
Inactives ¹	522,840	506,598	524,012
Actives	199,412	197,273	61,648
Member Contributions	<u>14,392</u>	<u>14,392</u>	<u>11,016</u>
Total	736,644	718,263	596,676
Non-vested Accrued Benefits	<u>75,045</u>	<u>73,407</u>	<u>101,165</u>
Total Present Value Accrued Benefits (PVAB)	811,689	791,670	697,841
Funded Ratio (MVA / PVAB)	210.1%	215.4%	224.0%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	20,019	0	
New Accrued Benefits	0	93,165	
Benefits Paid	0	(93,752)	
Interest	0	94,416	
Other	<u>0</u>	<u>0</u>	
Total	20,019	93,829	

	New Assump	Old Assump	
Valuation Date	10/1/2016	10/1/2016	10/1/2014
Applicable to Fiscal Year Ending	<u>9/30/2018</u>	<u>9/30/2018</u>	<u>9/30/2016</u>

E. Pension Cost

Normal Cost ²	\$19,860	\$15,453	\$0
Administrative Expenses ²	14,875	14,875	8,317
Payment Required to Amortize Unfunded Actuarial Accrued Liability (as of 10/1/2016) ²	0	0	0
Total Required Contribution	34,735	30,328	8,317
Expected Member Contributions ²	2,586	2,586	20,457
Expected City and State Contribution	32,149	27,742	0

F. Past Contributions

Plan Years Ending: 9/30/2016

City and State Requirement 0

Actual Contributions Made:

Members (excluding buyback)	2,120
City for Members	
City	20,798
State	<u>35,315</u>
Total	58,233

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

¹ The asset values and liabilities for DROP Members include accumulated DROP Balances as of 9/30/2016 and 9/30/2014.

² Contributions developed as of 10/1/2016 displayed above have been adjusted to account for assumed salary increase and interest components.

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

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
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N/A – Aggregate Actuarial Cost Method

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2016	6.07%	6.83%
Year Ended	9/30/2015	9.18%	6.89%
Year Ended	9/30/2014	3.29%	7.00%

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2016	8.17%	7.00%
Year Ended	9/30/2015	-0.02%	7.00%
Year Ended	9/30/2014	8.26%	7.50%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2016	\$467,055
	10/1/2006	286,896
(b) Total Increase		62.80%
(c) Number of Years		10.00
(d) Average Annual Rate		4.99%

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.



Christine M. O'Neal, FSA, EA, MAAA
Enrolled Actuary #17-7916

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

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

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

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Lives:

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

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

Disabled Lives:

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

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

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

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

Interest Rate

7.0% per year compounded annually, gross of investment related expenses.

Retirement Age

5.0% per year eligible for Early Retirement. 10.0% per year eligible for Normal Retirement (with 100% at Age 58 with 13 Years of Service or Age 55 with 28 Years of Service). Also, any member who has reached Normal Retirement Age on the valuation date is assumed to continue employment for one additional year.

Disability Rate

<u>Age</u>	<u>% Becoming Disabled During the Year</u>
20	0.03%
30	0.04
40	0.07
50	0.18

<u>Termination Rate</u>	<u>Service</u>	<u>% Terminating During the Year</u>
	0-2 Years	20.0%
	3-4 Years	15.0%
	5+ Years	5.0%

<u>Salary Increases</u>	<u>Years of Service</u>	<u>Salary Increase</u>
	0	10.0%
	1	8.0%
	2-4	7.0%
	5+	5.5%

Projected Salary in year of retirement is increased 10.0% to account for non-regular compensation (for Members hired before July 1, 2011).

Expenses \$13,433 (prior year admin plus investment expenses).

Payroll Growth Assumption None.

Funding Method Aggregate Actuarial Cost Method. The required contributions reflect a half of year interest load as well as a full year's salary load at the current assumption of 6.99%.

Actuarial Asset Method Market Value of Assets.

VALUATION NOTES

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

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

Normal (Current Year's) Cost Rate is determined in the aggregate as the ratio of (a) and (b) as follows:

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

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

Aggregate 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).

Total Required Contribution is equal to the Normal Cost plus an adjustment for interest according to the timing of sponsor 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>
1999	20,613.00	_____%
2000	20,106.00	-2.5%
2001	19,981.00	-0.6%
2002	24,208.00	21.2%
2003	25,989.00	7.4%
2004	29,479.00	13.4%
2005	30,304.90	2.8%
2006	30,581.23	0.9%
2007	30,304.90	-0.9%
2008	30,304.90	0.0%
2009	27,283.00	-10.0%
2010	25,577.00	-6.3%
2011	23,799.26	-7.0%
2012	49,126.84	106.4%
2013	24,402.40	-50.3%
2014	23,026.92	-5.6%
2015	23,731.20	3.1%
2016	35,314.60	48.8%

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2015

<u>ASSETS</u>	MARKET VALUE
Total Cash and Equivalents	12,627.44
Total Receivable	0.00
Investments:	
Florida Municipal Pension Trust Fund	1,565,802.85
Total Investments	1,565,802.85
Total Assets	1,578,430.29
<u>LIABILITIES</u>	
Total Liabilities	0.00
NET POSITION RESTRICTED FOR PENSIONS	1,578,430.29

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

ADDITIONS

Contributions:

Member	1,888.98
City	47,980.24
State	23,731.20

Total Contributions 73,600.42

Investment Income:

Net Increase in Fair Value of Investments	(245.68)
Less Investment Expense ¹	(3,221.06)

Net Investment Income (3,466.74)

Total Additions 70,133.68

DEDUCTIONS

Distributions to Members:

Benefit Payments	46,875.72
Refunds of Member Contributions	0.00

Total Distributions 46,875.72

Administrative Expense 7,692.02

Total Deductions 54,567.74

Net Increase in Net Position 15,565.94

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year 1,562,864.35

End of the Year 1,578,430.29

Actuarial Asset Rate of Return	0.0%
Actuarial Gain/(Loss) due to Investment Return	(110,199.59)

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

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2016

<u>ASSETS</u>	MARKET VALUE
Total Cash and Equivalents	0.00
Total Receivable	0.00
Investments:	
Florida Municipal Pension Trust Fund	1,705,205.27
Total Investments	1,705,205.27
Total Assets	1,705,205.27
<u>LIABILITIES</u>	
Total Liabilities	0.00
NET POSITION RESTRICTED FOR PENSIONS	1,705,205.27

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

ADDITIONS

Contributions:		
Member	2,119.73	
City	20,797.86	
State	35,314.60	
 Total Contributions		 58,232.19
Investment Income:		
Net Increase in Fair Value of Investments	128,851.71	
Less Investment Expense ¹	(3,241.81)	
 Net Investment Income		 125,609.90
 Total Additions		 183,842.09
<u>DEDUCTIONS</u>		
Distributions to Members:		
Benefit Payments	46,875.72	
Refunds of Member Contributions	0.00	
 Total Distributions		 46,875.72
 Administrative Expense		 10,191.39
 Total Deductions		 57,067.11
 Net Increase in Net Position		 126,774.98
 NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		1,578,430.29
 End of the Year		 1,705,205.27
 Actuarial Asset Rate of Return		 8.2%
Actuarial Gain/(Loss) due to Investment Return		18,434.28

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

STATISTICAL DATA ¹

	<u>10/1/2008</u>	<u>10/1/2011</u>	<u>10/1/2014</u>	<u>10/1/2016</u>
<u>Actives</u>				
Number	8	8	8	9
Average Current Age	35.5	38.5	32.5	36.9
Average Age at Employment	28.9	29.4	27.0	30.7
Average Past Service	6.6	9.1	5.5	6.2
Average Annual Salary	\$45,499	\$43,310	\$46,229	\$51,895
<u>Service Retirees</u>				
Number	N/A	N/A	N/A	2
Average Current Age	N/A	N/A	N/A	68.9
Average Annual Benefit	N/A	N/A	N/A	\$23,438
<u>DROP Retirees</u>				
Number	N/A	N/A	N/A	0
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
<u>Beneficiaries</u>				
Number	N/A	N/A	N/A	0
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
<u>Disability Retirees</u>				
Number	N/A	N/A	N/A	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	N/A	N/A	N/A	2
Average Current Age	N/A	N/A	N/A	30.9
Average Annual Benefit ²	N/A	N/A	N/A	N/A

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

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

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

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

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2014	8
b. Terminations	
i. Vested (partial or full) with deferred benefits ¹	(1)
ii. Non-vested or full lump sum distribution received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	0
f. DROP	<u>0</u>
g. Continuing participants	7
h. New entrants	<u>2</u>
i. Total active life participants in valuation	9

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	2	0	0	0	1	3
Retired	0	0	0	0	0	0
DROP	0	0	0	0	0	0
Vested Deferred	0	0	0	0	1	1
Death, With Survivor	0	0	0	0	0	0
Death, No Survivor	0	0	0	0	0	0
Disabled	0	0	0	0	0	0
Refund of Contributions	0	0	0	0	0	0
Rehires	0	0	0	0	0	0
Expired Annuities	0	0	0	0	0	0
Data Corrections	0	0	0	0	0	0
b. Number current valuation	2	0	0	0	2	4

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

SUMMARY OF PLAN PROVISIONS
(Through Ordinance No. 2016-D)

LATEST AMENDMENT	August 16 th , 2016
CREDITED SERVICE	Years and Fractional Parts of Years of Service with the City as a Police Officer.
SALARY	Total Compensation reportable on form W-2, plus all tax deferred, tax sheltered, and tax-exempt items of income.
AVERAGE FINAL COMPENSATION	Average Salary of the best 5 years of the last 10 years prior to retirement, termination, or death.
NORMAL RETIREMENT	
Eligibility	Earlier of: 1) Age 55 and 10 years of Credit Service, or 2) Age 52 and 25 years of Credited Service.
Benefit Amount	2.50% of Average Final Compensation times Credited Service.
Form of Benefit	10 Year Certain and Life thereafter (options available).
EARLY RETIREMENT	
Eligibility	Age 50 and 10 years of Credited Service.
Benefit Amount	Accrued Benefit, reduced 3.00% for each year that benefit commencement precedes Normal Retirement.
Form of Benefit	10 Year Certain and Life thereafter (options available).
PRE-RETIREMENT DEATH	
Less than 10 Years	Refund of Member Contributions, without interest.
10 or More Years	Accrued Benefit (reduced if Member was not eligible for Normal Retirement) paid to Beneficiary for 10 Years.
Post-Retirement	According to option selected, if any.
DISABILITY	
Eligibility	a.) Date of Hire (Service Incurred); 10 years of Credited Service (Non-Service Incurred). b.) Total and permanent disability prior to Normal Retirement Date.
Benefit Amount	Accrued Benefit to date of disability but not less than 42% of Average Final Compensation (Service Incurred).

VESTING (TERMINATION)

Less than 10 Years

Refund of Member Contributions.

10 or More Years

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

CONTRIBUTIONS

Employee

0.50% of Salary.

City & State

Remaining amount required for actuarial soundness.

BOARD OF TRUSTEES

- a) Two City Council Appointees,
- b) Two elected Police Officers from the Department and
- c) a Fifth Member elected by the other 4 and appointed by the City Council.

DEFERRED RETIREMENT OPTION PLAN (DROP)

Eligibility

Satisfaction of Normal Retirement requirements.

Participation

Not to exceed 60 months.

Rate of Return

Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter.

Form of Distribution

Cash Lump Sum payment at termination of employment.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2016

<u>ASSETS</u>	MARKET VALUE
Total Cash and Equivalents	0
Total Receivable	0
Investments:	
Pooled/Common/Commingled Funds:	
Florida Municipal Pension Trust Fund	1,705,205
Total Investments	1,705,205
Total Assets	1,705,205
Total Liabilities	0
NET POSITION RESTRICTED FOR PENSIONS	1,705,205

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

ADDITIONS

Contributions:

Member	2,120	
City	20,798	
State	35,314	
 Total Contributions		 58,232
 Investment Income:		
Net Increase in Fair Value of Investments	128,852	
Interest & Dividends	0	
Less Investment Expense ¹	(3,242)	
 Net Investment Income		 125,610
 Total Additions		 183,842

DEDUCTIONS

Distributions to Members:

Benefit Payments	46,876	
Refunds of Member Contributions	0	
 Total Distributions		 46,876
 Administrative Expense		 10,191
 Total Deductions		 57,067
 Net Increase in Net Position		 126,775
 NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		1,578,430
 End of the Year		 1,705,205

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

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

Plan Description

Plan Administration

The City of Umatilla Municipal Police Officers' Retirement Trust Fund is a single-employer defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the plan. The Board consists of five Trustees, two of whom shall be legal residents of the City who are appointed by the City Council, two of whom are Members of the plan who are elected by a majority of the Police Officers who are Members of the plan and a fifth Trustee who is chosen by a majority of the first four Trustees.

Plan Membership as of October 1, 2014:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	2
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	1
Active Plan Members	8
	11
	11

Benefits Provided

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

Normal Retirement:

Date: The earlier of: 1) age 55 and the completion of 10 years of Credited Service, or 2) the attainment of age 52 and the completion of 25 years of credit service.

Benefit: 2.50% of Average Final Compensation times Credited Service.

Early Retirement:

Date: Age 50 and 10 years of Credited Service.

Accrued benefit, reduced 3.0% per year.

Vesting:

Schedule: 100% after 10 years of Credited Service.

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

Disability:

Eligibility Service Incurred: Covered from Date of Employment.

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

Benefit accrued to date of disability but not less than 42% of Average Final Compensation (Service Incurred) or 25% of

Pre-Retirement Death Benefits:

Vested: Monthly accrued benefit payable to designated beneficiary for 10 years at the otherwise Normal or Early Retirement Date.

Non-Vested: Refund of accumulated contributions without interest.

Contributions

Police Officers: 0.5%.

City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability as provided for in Part VII in Chapter 112, Florida Statutes.

GASB 67

Investments

Investment Policy:

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

<u>Asset Class</u>	<u>Target Allocation</u>
US Large Cap Equity	39%
US Small Cap Equity	11%
International Equity	10%
Core Bonds	16%
Core Plus	24%
<u>Total</u>	<u>100%</u>

Concentrations:

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

Rate of Return:

For the year ended September 30, 2016, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 7.95 percent.

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

NET PENSION LIABILITY OF THE SPONSOR

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

Total Pension Liability	\$ 1,215,366
Plan Fiduciary Net Position	\$ (1,705,205)
Sponsor's Net Pension Liability	<u>\$ (489,839)</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	140.30%

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2014 updated to September 30, 2016 using the following actuarial assumptions:

Inflation	2.92%
Salary Increases	Service based
Discount Rate	7.00%
Investment Rate of Return	7.00%

Mortality Rate Healthy Lives:

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

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

Mortality Rate Disabled Lives:

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

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

The most recent actuarial experience study used to review the other significant assumptions was dated December 1, 2013.

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

For 2016 the inflation rate assumption of the investment advisor was 2.92%.

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

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

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
US Large Cap Equity	6.08%
US Small Cap Equity	6.83%
International Equity	8.43%
Core Bonds	0.58%
Core Plus	1.08%

GASB 67

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.00 percent.

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Sponsor's Net Pension Liability	\$ (376,186)	\$ (489,839)	\$ (733,153)

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

	09/30/2016	09/30/2015	09/30/2014
Total Pension Liability			
Service Cost	52,149	48,398	45,232
Interest	79,144	73,867	68,715
Changes of benefit terms	-	-	-
Differences between Expected and Actual Experience	-	-	-
Changes of assumptions	25,280	-	-
Benefit Payments, including Refunds of Employee Contributions	(46,876)	(46,876)	(40,168)
Net Change in Total Pension Liability	109,697	75,389	73,779
Total Pension Liability - Beginning	1,105,669	1,030,280	956,501
Total Pension Liability - Ending (a)	<u>\$ 1,215,366</u>	<u>\$ 1,105,669</u>	<u>\$ 1,030,280</u>
Plan Fiduciary Net Position			
Contributions - Employer	20,798	47,980	42,479
Contributions - State	35,314	23,731	23,027
Contributions - Employee	2,120	1,889	1,588
Net Investment Income	125,610	(3,466)	121,384
Benefit Payments, including Refunds of Employee Contributions	(46,876)	(46,876)	(40,168)
Administrative Expense	(10,191)	(7,692)	(7,518)
Net Change in Plan Fiduciary Net Position	126,775	15,566	140,792
Plan Fiduciary Net Position - Beginning	1,578,430	1,562,864	1,422,072
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,705,205</u>	<u>\$ 1,578,430</u>	<u>\$ 1,562,864</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (489,839)</u>	<u>\$ (472,761)</u>	<u>\$ (532,584)</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	140.30%	142.76%	151.69%
Covered Employee Payroll	\$ 424,000	\$ 377,800	\$ 317,519
Net Pension Liability as a percentage of Covered Employee Payroll	-115.53%	-125.14%	-167.73%

Notes to Schedule:

Ordinance No. 2016-D, that was adopted August 16, 2016, transitioned the Plan to "Local Law".

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 2.92%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	09/30/2016	09/30/2015	09/30/2014
Actuarially Determined Contribution	-	57,048	47,944
Contributions in relation to the Actuarially Determined Contributions	56,112	71,711	51,219
Contribution Deficiency (Excess)	\$ (56,112)	\$ (14,663)	\$ (3,275)
Covered Employee Payroll	\$ 424,000	\$ 377,800	\$ 317,519
Contributions as a percentage of Covered Employee Payroll	13.23%	18.98%	16.13%

Notes to Schedule

Valuation Date: 10/01/2014

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

Methods and assumptions used to determine contribution rates:

Funding Method: Aggregate Actuarial Cost Method.
 Mortality: RP-2000 Table (sex distinct).
 Interest Rate: 7.0% per year, compounded annually, gross of investment related expenses.
 Retirement Age: 5.0% per year eligible for Early Retirement. 10.0% per year eligible for Normal Retirement (with 100% at Age 58 with 13 Years of Service or Age 55 with 28 Years of Service). Also, any member who has reached Normal Retirement Age on the valuation date is assumed to continue employment for one additional year.

Disability Rates:	% Becoming Disabled During the	
	Age	Year
	20	0.03%
	30	0.04%
	40	0.07%
	50	0.18%

Termination Rates:	% Terminating During the Year	
	Service	Year
	0-2 Years	20.0%
	3-4 Years	15.0%
	5+ Years	5.0%

Salary Increases:	Salary Increase	
	Years of Service	Year
	0	10.00%
	1	8.00%
	2-4	7.00%
	5+	5.50%

Projected Salary in year of retirement is increased 10.0% to account for non-regular compensation.

Payroll Growth Assumption: None.

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years

	<u>09/30/2016</u>	<u>09/30/2015</u>	<u>09/30/2014</u>
Annual Money-Weighted Rate of Return			
Net of Investment Expense	7.95%	-0.22%	8.48%

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

General Information about the Pension Plan

Plan Description

The City of Umatilla Municipal Police Officers' Retirement Trust Fund is a single-employer defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the plan. The Board consists of five Trustees, two of whom shall be legal residents of the City who are appointed by the City Council, two of whom are Members of the plan who are elected by a majority of the Police Officers who are Members of the plan and a fifth Trustee who is chosen by a majority of the first four. Each person employed by the Umatilla Police Department as a full-time Police Officer becomes a member of the plan as a condition of his employment. All Police Officers are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

Plan Membership as of October 1, 2014:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	2
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	1
Active Plan Members	8
	11
	11

Benefits Provided

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

Normal Retirement:

Date: The earlier of: 1) age 55 and the completion of 10 years of Credited Service, or 2) the attainment of age 52 and the completion of 25 years of credit service.

Benefit: 2.50% of Average Final Compensation times Credited Service.

Early Retirement:

Date: Age 50 and 10 years of Credited Service.

Accrued benefit, reduced 3.0% per year.

Vesting:

Schedule: 100% after 10 years of Credited Service.

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

Disability:

Eligibility Service Incurred: Covered from Date of Employment.

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

Benefit accrued to date of disability but not less than 42% of Average Final Compensation (Service Incurred) or 25% of Average Final Compensation (Not Service Incurred).

Pre-Retirement Death Benefits:

Vested: Monthly accrued benefit payable to designated beneficiary for 10 years at the otherwise Normal or Early Retirement Date.

Non-Vested: Refund of accumulated contributions without interest.

Contributions

Police Officers: 0.5%.

City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability as provided for in Part VII in Chapter 112, Florida Statutes.

Net Pension Liability

The measurement date is September 30, 2016.

The measurement period for the pension expense was October 1, 2015 to September 30, 2016.

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

The Sponsor's Net Pension Liability was measured as of September 30, 2016.

The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2014 updated to September 30, 2016 using the following actuarial assumptions:

Inflation	2.92%
Salary Increases	Service based
Discount Rate	7.00%
Investment Rate of Return	7.00%

Mortality Rate Healthy Lives:

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

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

Mortality Rate Disabled Lives:

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

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

The most recent actuarial experience study used to review the other significant assumptions was dated December 1, 2013.

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

For 2016 the inflation rate assumption of the investment advisor was 2.92%.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
US Large Cap Equity	39%	6.08%
US Small Cap Equity	11%	6.83%
International Equity	10%	8.43%
Core Bonds	16%	0.58%
Core Plus	24%	1.08%
<u>Total</u>	<u>100%</u>	

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.00 percent.

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

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at September 30, 2015	\$ 1,105,669	\$ 1,578,430	\$ (472,761)
Changes for a Year:			
Service Cost	52,149	-	52,149
Interest	79,144	-	79,144
Differences between Expected and Actual Experience	-	-	-
Changes of assumptions	25,280	-	25,280
Changes of benefit terms	-	-	-
Contributions - Employer	-	20,798	(20,798)
Contributions - State	-	35,314	(35,314)
Contributions - Employee	-	2,120	(2,120)
Net Investment Income	-	125,610	(125,610)
Benefit Payments, including Refunds of Employee Contributions	(46,876)	(46,876)	-
Administrative Expense	-	(10,191)	10,191
Net Changes	109,697	126,775	(17,078)
Balances at September 30, 2016	\$ 1,215,366	\$ 1,705,205	\$ (489,839)

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

	Current Discount		
	1% Decrease	Rate	1% Increase
	6.00%	7.00%	8.00%
Sponsor's Net Pension Liability	\$ (376,186)	\$ (489,839)	\$ (733,153)

Pension Plan Fiduciary Net Position.

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

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

For the year ended September 30, 2016, the Sponsor will recognize a Pension Expense of \$47,452.

On September 30, 2016, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	-	-
Changes of assumptions	22,120	-
Net difference between Projected and Actual Earnings on Pension Plan investments	47,593	-
Total	\$ 69,713	\$ -

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

Year ended September 30:		
2017	\$	18,619
2018	\$	18,619
2019	\$	22,851
2020	\$	144
2021	\$	3,160
Thereafter	\$	6,320

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

	09/30/2016	09/30/2015	09/30/2014
Total Pension Liability			
Service Cost	52,149	48,398	45,232
Interest	79,144	73,867	68,715
Changes of benefit terms	-	-	-
Differences between Expected and Actual Experience	-	-	-
Changes of assumptions	25,280	-	-
Benefit Payments, including Refunds of Employee Contributions	(46,876)	(46,876)	(40,168)
Net Change in Total Pension Liability	109,697	75,389	73,779
Total Pension Liability - Beginning	1,105,669	1,030,280	956,501
Total Pension Liability - Ending (a)	<u>\$ 1,215,366</u>	<u>\$ 1,105,669</u>	<u>\$ 1,030,280</u>
Plan Fiduciary Net Position			
Contributions - Employer	20,798	47,980	42,479
Contributions - State	35,314	23,731	23,027
Contributions - Employee	2,120	1,889	1,588
Net Investment Income	125,610	(3,466)	121,384
Benefit Payments, including Refunds of Employee Contributions	(46,876)	(46,876)	(40,168)
Administrative Expense	(10,191)	(7,692)	(7,518)
Net Change in Plan Fiduciary Net Position	126,775	15,566	140,792
Plan Fiduciary Net Position - Beginning	1,578,430	1,562,864	1,422,072
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,705,205</u>	<u>\$ 1,578,430</u>	<u>\$ 1,562,864</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (489,839)</u>	<u>\$ (472,761)</u>	<u>\$ (532,584)</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	140.30%	142.76%	151.69%
Covered Employee Payroll	\$ 424,000	\$ 377,800	\$ 317,519
Net Pension Liability as a percentage of Covered Employee Payroll	-115.53%	-125.14%	-167.73%

Notes to Schedule:

Effective for the City's fiscal year ending 09/30/2016, the GASB 68 measurement date of the Pension Expense has been changed from 09/30/2015 to 09/30/2016.

Ordinance No. 2016-D, that was adopted August 16, 2016, transitioned the Plan to "Local Law".

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 2.92%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	09/30/2016	09/30/2015	09/30/2014
Actuarially Determined Contribution	-	57,048	47,944
Contributions in relation to the			
Actuarially Determined Contributions	56,112	71,711	51,219
Contribution Deficiency (Excess)	\$ (56,112)	\$ (14,663)	\$ (3,275)
Covered Employee Payroll	\$ 424,000	\$ 377,800	\$ 317,519
Contributions as a percentage of			
Covered Employee Payroll	13.23%	18.98%	16.13%

Notes to Schedule

Valuation Date: 10/01/2014

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

Methods and assumptions used to determine contribution rates:

Funding Method: Aggregate Actuarial Cost Method.
 Mortality: RP-2000 Table (sex distinct).
 Interest Rate: 7.0% per year, compounded annually, gross of investment related expenses.
 Retirement Age: 5.0% per year eligible for Early Retirement. 10.0% per year eligible for Normal Retirement (with 100% at Age 58 with 13 Years of Service or Age 55 with 28 Years of Service). Also, any member who has reached Normal Retirement Age on the valuation date is assumed to continue employment for one additional year.

Disability Rates:	% Becoming Disabled During the	
	Age	Year
	20	0.03%
	30	0.04%
	40	0.07%
	50	0.18%

Termination Rates:	% Terminating During the Year	
	Service	Year
	0-2 Years	20.0%
	3-4 Years	15.0%
	5+ Years	5.0%

Salary Increases:	Years of	
	Service	Salary Increase
	0	10.0%
	1	8.0%
	2-4	7.0%
	5+	5.5%

Projected Salary in year of retirement is increased 10.0% to account for non-regular compensation.

Payroll Growth Assumption: None.

FINAL COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2015

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning Balance	\$ (532,584)	\$ 16,928	\$ -	\$ -
Total Pension Liability Factors:				
Service Cost	48,398	-	-	48,398
Interest	73,867	-	-	73,867
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	-	-	-	-
Current year amortization of experience difference	-	-	-	-
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	-	-
Benefit Payments	(46,876)	-	-	(46,876)
Net change	<u>75,389</u>	<u>-</u>	<u>-</u>	<u>75,389</u>
Plan Fiduciary Net Position:				
Contributions - Employer	47,980	-	-	-
Contributions - State	23,731	-	-	-
Contributions - Employee	1,889	-	-	(1,889)
Net Investment Income	110,067	-	-	(110,067)
Difference between projected and actual earnings on Pension Plan investments	(113,533)	-	113,533	-
Current year amortization	-	(4,232)	(22,706)	18,474
Benefit Payments	(46,876)	-	-	46,876
Administrative Expenses	(7,692)	-	-	7,692
Net change	<u>15,566</u>	<u>(4,232)</u>	<u>90,827</u>	<u>(38,914)</u>
Ending Balance	<u>\$ (472,761)</u>	<u>\$ 12,696</u>	<u>\$ 90,827</u>	<u>\$ 36,475</u>

COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2016

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ (472,761)	\$ 12,696	\$ 90,827	\$ -
Total Pension Liability Factors:				
Service Cost	52,149	-	-	52,149
Interest	79,144	-	-	79,144
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	-	-	-	-
Current year amortization of experience difference	-	-	-	-
Change in assumptions about future economic or demographic factors or other inputs	25,280	-	25,280	-
Current year amortization of change in assumptions	-	-	(3,160)	3,160
Benefit Payments	(46,876)	-	-	(46,876)
Net change	<u>109,697</u>	<u>-</u>	<u>22,120</u>	<u>87,577</u>
Plan Fiduciary Net Position:				
Contributions - Employer	20,798	-	-	-
Contributions - State	35,314	-	-	-
Contributions - Employee	2,120	-	-	(2,120)
Net Investment Income	110,531	-	-	(110,531)
Difference between projected and actual earnings on Pension Plan investments	15,079	15,079	-	-
Current year amortization	-	(7,247)	(22,706)	15,459
Benefit Payments	(46,876)	-	-	46,876
Administrative Expenses	(10,191)	-	-	10,191
Net change	<u>126,775</u>	<u>7,832</u>	<u>(22,706)</u>	<u>(40,125)</u>
Ending Balance	<u>\$ (489,839)</u>	<u>\$ 20,528</u>	<u>\$ 90,241</u>	<u>\$ 47,452</u>

AMORTIZATION SCHEDULE - INVESTMENTS

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

Plan Year Ending	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (21,160)	5	\$ (4,232)	\$ (4,232)	\$ (4,232)	\$ (4,232)	\$ (4,232)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	\$ 113,533	5	\$ -	\$ 22,706	\$ 22,706	\$ 22,707	\$ 22,707	\$ 22,707	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ (15,079)	5	\$ -	\$ -	\$ (3,015)	\$ (3,016)	\$ (3,016)	\$ (3,016)	\$ (3,016)	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ (4,232)	\$ 18,474	\$ 15,459	\$ 15,459	\$ 15,459	\$ 19,691	\$ (3,016)	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

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

Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
2016	\$ 25,280	8	\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ 3,160	\$ -	\$ -	\$ -