

RETIREMENT PLAN FOR THE EMPLOYEES OF THE
BOCA RATON HOUSING AUTHORITY

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2015

DETERMINES THE CONTRIBUTION
FOR THE 2015/16 FISCAL YEAR



	<u>Page</u>
Discussion	1
 <u>Funding Results</u>	
Table I-A	Minimum Required Contribution I-1
Table I-B	Sensitivity Analysis I-2
Table I-C	Gain and Loss Analysis I-3
Table I-D	Present Value of Future Benefits I-4
Table I-E	Present Value of Accrued Benefits I-5
Table I-F	Present Value of Vested Benefits I-6
Table I-G	Entry Age Normal Accrued Liability I-7
 <u>Assets</u>	
Table II-A	Actuarial Value of Assets II-1
Table II-B	Market Value of Assets II-2
Table II-C	Investment Return II-3
Table II-D	Asset Reconciliation II-4
Table II-E	Historical Trust Fund Detail II-5
Table II-F	Other Reconciliations II-6
 <u>Data</u>	
Table III-A	Summary of Participant Data III-1
Table III-B	Data Reconciliation III-2
Table III-C	Active Participant Data III-3
Table III-D	Active Age-Service Distribution III-4
Table III-E	Active Age-Service-Salary Table III-5
Table III-F	Inactive Participant Data III-6
Table III-G	Projected Benefit Payments III-7
 <u>Methods & Assumptions</u>	
Table IV-A	Summary of Actuarial Methods and Assumptions IV-1
Table IV-B	Changes in Actuarial Methods and Assumptions IV-3
 <u>Plan Provisions</u>	
Table V-A	Summary of Plan Provisions V-1
Table V-B	Summary of Plan Amendments V-5



January 30, 2016

Introduction

This report presents the results of the October 1, 2015 actuarial valuation for the Retirement Plan for the Employees of the Boca Raton Housing Authority. The report is based on the participant data and asset information provided by the pension plan administrator and, except for a cursory review for reasonableness including a comparison to the data provided for the previous valuation, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of October 1, 2015 and to determine the minimum required contribution under Chapter 112, Florida Statutes, for the 2015/16 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the contribution rate.

Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2015/16 plan year. The minimum required contribution rate is 0.42% of covered payroll, which represents a decrease of 7.83% of payroll from the prior valuation.

The normal cost rate as of October 1, 2015 is 0.40%, as compared to a rate of 7.95% determined in the prior valuation. Table I-C provides a breakdown of the sources of change in the normal cost rate. Significantly, the rate increased by 2.13% of payroll due to investment losses, decreased by 9.87% of payroll due to demographic experience, and increased by 0.19% of payroll due to the plan amendments described below. The market value of assets earned 8.54% during the 2013/14 plan year and lost 0.10% during the 2014/15 plan year, whereas a 7.00% annual investment



return was required to maintain a stable contribution rate. The demographic gain occurred primarily because pay increases during the past two years were lower than expected and the plan added several new employees which resulted in plan costs' being spread over a longer period of time.

Chapter 112, Florida Statutes, sets forth the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the Authority must contribute an amount equal to the annual normal cost of the plan, adjusted as necessary for administrative expenses and to reflect interest on any delayed payment of the contribution beyond the valuation date. On this basis, the Authority's 2015/16 minimum required contribution will be equal to 0.42% multiplied by the total pensionable earnings for the 2015/16 fiscal year for the active employees who are covered by the plan. Assuming that an October 1, 2016 actuarial valuation is not prepared, the 0.42% contribution rate will apply for the 2016/17 plan year as well.

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$2,954,968. As illustrated in Table I-A, current assets are sufficient to cover \$2,511,547 of this amount, the employer's 2015/16 expected contribution will cover \$2,727 of this amount, and future employee contributions are expected to cover \$417,240 of this amount, leaving \$23,454 to be covered by future employer funding beyond the 2015/16 fiscal year. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

Contents of the Report

Tables I-D through I-G provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of October 1, 2015, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

Plan Amendments

Since the previous valuation was prepared, two plan amendments were adopted. Resolution 2014-07 was adopted to be effective January 31, 2014. This resolution eliminated the service requirement for vesting with respect to three former employees who lost their position due to the sale of Banyan Place. Resolution 2014-19 was adopted to be effective November 1, 2014. This resolution added a 10-year service requirement for normal retirement eligibility at age 65. The effect of the plan amendments was to increase the normal cost rate by 0.19% of payroll.



Certification

This actuarial valuation was prepared 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 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 change in plan costs or required contribution rates have been taken into account in the valuation.

For the firm,



Charles T. Carr
Consulting Actuary
Southern Actuarial Services Company, Inc.

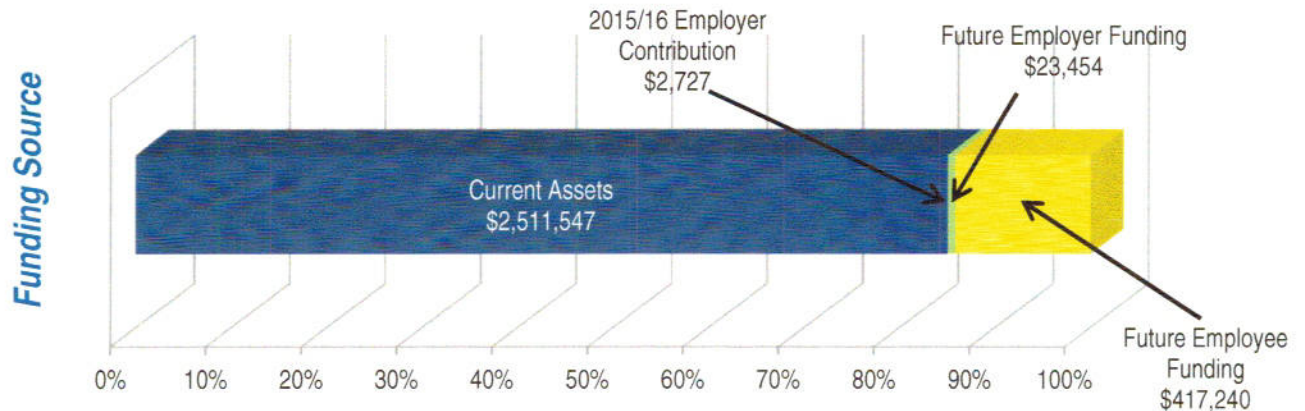
Enrolled Actuary No. 14-04927

The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



Minimum Required Contribution

Table I-A



For the 2015/16 Plan Year

Present Value of Future Benefits	\$2,911,299
Present Value of Future Administrative Expenses	\$43,669
Actuarial Value of Assets	(\$2,511,547)
Present Value of Future Employee Contributions	(\$417,240)
Present Value of Future Normal Costs	\$26,181
Present Value of Future Payroll	÷ \$6,502,841
Normal Cost Rate	= 0.4026%
Expected Payroll	x \$652,983
Normal Cost	\$2,629
Adjustment to Reflect Monthly Employer Contributions	\$98
Preliminary Employer Contribution for the 2015/16 Plan Year	\$2,727
Expected Payroll for the 2015/16 Plan Year	÷ \$652,983

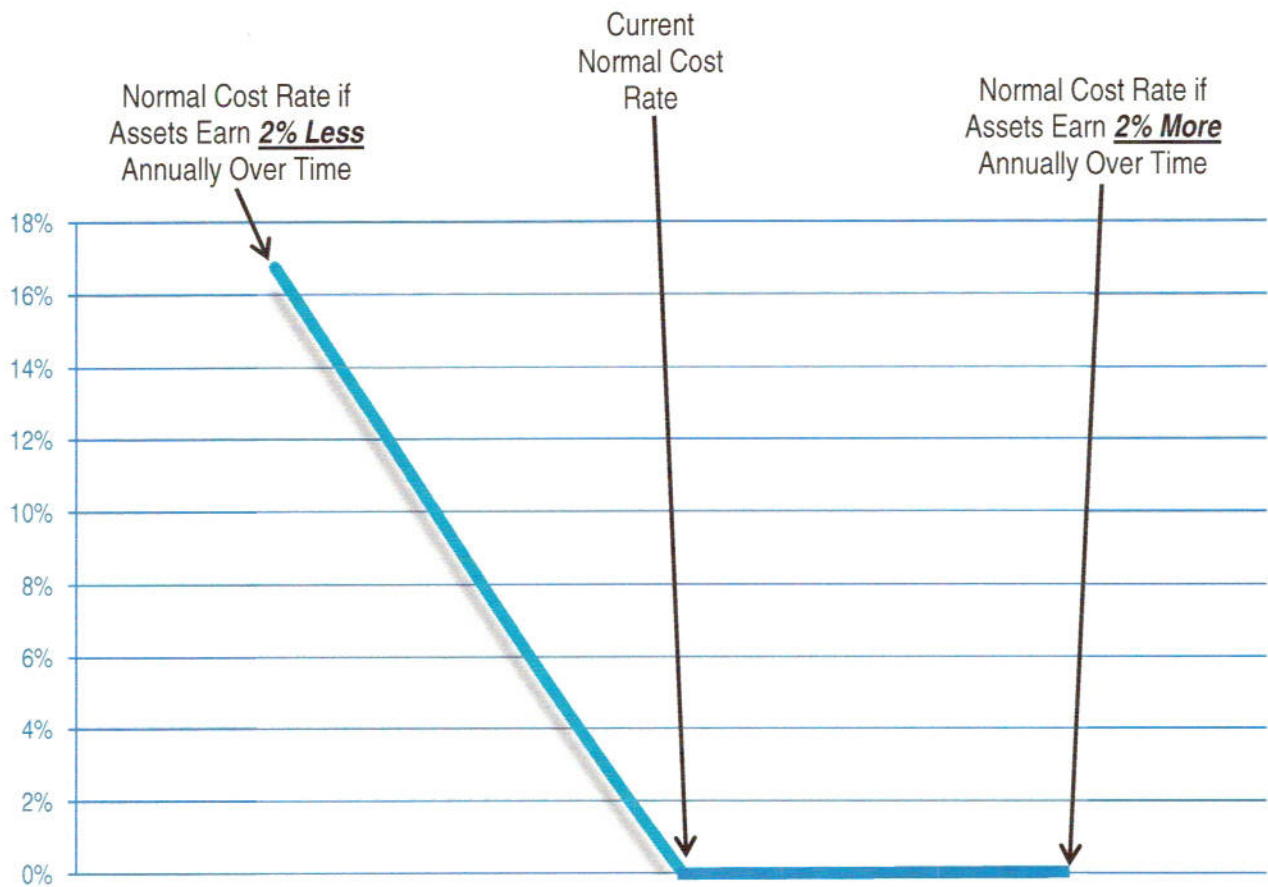
Minimum Required Contribution Rate 0.42%

(The actual contribution should be based on the minimum required contribution rate multiplied by the actual payroll for the year.)



Sensitivity Analysis

Table I-B



The line above illustrates the sensitivity of the contribution rate to changes in the long-term investment return.



Gain and Loss Analysis

Table I-C

Previous normal cost rate	7.95%
Increase (decrease) due to investment gains and losses	2.13%
Increase (decrease) due to demographic experience	-9.87%
Increase (decrease) due to plan amendments	0.19%
Increase (decrease) due to actuarial assumption changes	0.00%
Increase (decrease) due to actuarial method changes	0.00%
Current normal cost rate	<u>0.40%</u>



Present Value of Future Benefits

Table I-D

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$2,467,877	\$2,493,772	\$2,493,772
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$2,467,877	\$2,493,772	\$2,493,772
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$128,929	\$128,929	\$128,929
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$128,929	\$128,929	\$128,929
<i><u>Due a Refund of Contributions</u></i>	\$43,995	\$43,995	\$43,995
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$244,603	\$244,603	\$244,603
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$244,603	\$244,603	\$244,603
<i><u>Grand Total</u></i>	<u>\$2,885,404</u>	<u>\$2,911,299</u>	<u>\$2,911,299</u>
Present Value of Future Payroll	\$6,278,002	\$6,502,841	\$6,502,841
Present Value of Future Employee Contribs.	\$403,750	\$417,240	\$417,240
Present Value of Future Employer Contribs.	\$13,388	\$26,181	\$26,181



Present Value of Accrued Benefits

Table I-E

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$1,108,997	\$1,103,349	\$1,103,349
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,108,997	\$1,103,349	\$1,103,349
<u>Deferred Vested Participants</u>			
Retirement benefits	\$128,929	\$128,929	\$128,929
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$128,929	\$128,929	\$128,929
<u>Due a Refund of Contributions</u>	\$43,995	\$43,995	\$43,995
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$244,603	\$244,603	\$244,603
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$244,603	\$244,603	\$244,603
<u>Grand Total</u>	<u>\$1,526,524</u>	<u>\$1,520,876</u>	<u>\$1,520,876</u>



Present Value of Vested Benefits

Table I-F

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$865,703	\$865,703	\$865,703
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$865,703	\$865,703	\$865,703
<u>Deferred Vested Participants</u>			
Retirement benefits	\$128,929	\$128,929	\$128,929
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$128,929	\$128,929	\$128,929
<u>Due a Refund of Contributions</u>	\$43,995	\$43,995	\$43,995
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$244,603	\$244,603	\$244,603
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$244,603	\$244,603	\$244,603
<u>Grand Total</u>	<u>\$1,283,230</u>	<u>\$1,283,230</u>	<u>\$1,283,230</u>



Entry Age Normal Accrued Liability

Table I-G

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$1,351,969	\$1,349,106	\$1,349,106
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,351,969	\$1,349,106	\$1,349,106
<u>Deferred Vested Participants</u>			
Retirement benefits	\$128,929	\$128,929	\$128,929
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$128,929	\$128,929	\$128,929
<u>Due a Refund of Contributions</u>	\$43,995	\$43,995	\$43,995
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$244,603	\$244,603	\$244,603
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$244,603	\$244,603	\$244,603
<u>Grand Total</u>	<u>\$1,769,496</u>	<u>\$1,766,633</u>	<u>\$1,766,633</u>



Actuarial Value of Assets

Table II-A

Market Value of Assets as of October 1, 2015 \$2,511,547

Minus advance employer contribution \$0

Actuarial Value of Assets as of October 1, 2015 \$2,511,547

Historical Actuarial Value of Assets

October 1, 2006	\$876,992
October 1, 2007	\$1,112,331
October 1, 2008	\$1,093,785
October 1, 2009	\$1,201,094
October 1, 2010	\$1,413,281
October 1, 2011	\$1,528,642
October 1, 2012	\$1,928,895
October 1, 2013	\$2,244,979
October 1, 2014	\$2,440,510
October 1, 2015	\$2,511,547

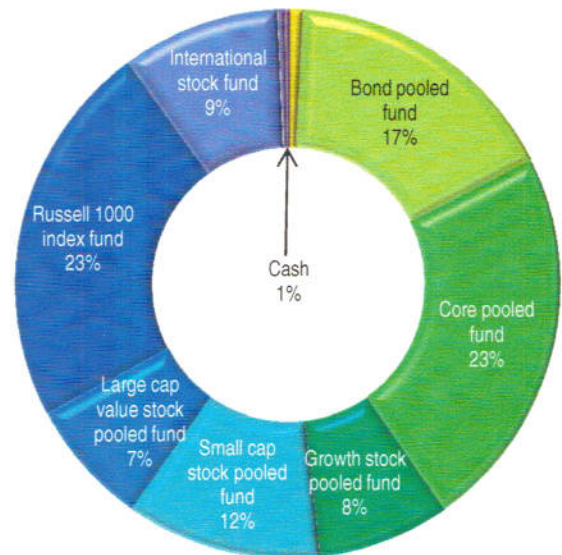


Market Value of Assets

Table II-B

As of October 1, 2015

Market Value of Assets	<u>\$2,511,547</u>
Cash	\$19,957
Bond pooled fund	\$419,098
Core pooled fund	\$573,766
Growth stock pooled fund	\$197,076
Small cap stock pooled fund	\$291,872
Large cap value stock pooled fund	\$187,098
Russell 1000 index fund	\$571,271
International stock fund	\$234,496
Employer contribution receivable	\$9,992
Employee contribution receivable	\$6,921

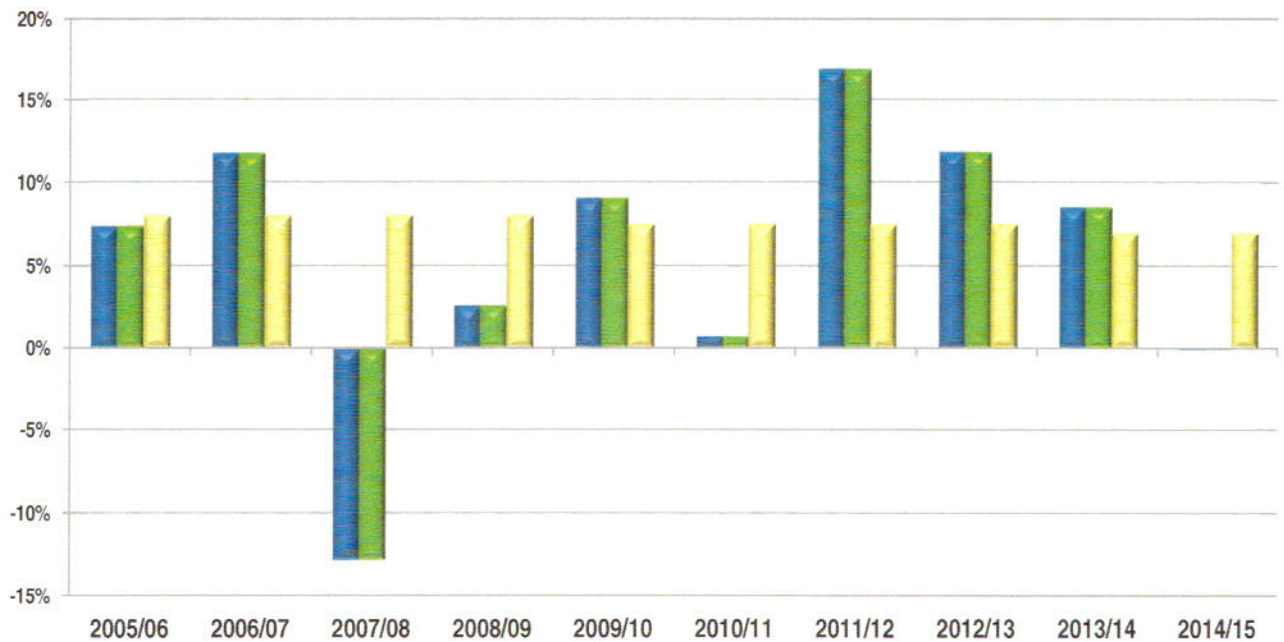
**Historical Market Value of Assets**

October 1, 2006	\$876,992
October 1, 2007	\$1,112,331
October 1, 2008	\$1,093,785
October 1, 2009	\$1,201,094
October 1, 2010	\$1,413,281
October 1, 2011	\$1,528,642
October 1, 2012	\$1,928,895
October 1, 2013	\$2,244,979
October 1, 2014	\$2,440,510
October 1, 2015	\$2,511,547



Investment Return

Table II-C

*Annual Investment Returns*

■ Market Value Return
 ■ Actuarial Value Return
 ■ Assumed Return

Plan Year	Market Value Return	Actuarial Value Return	Assumed Return
2005/06	7.40%	7.40%	8.00%
2006/07	11.78%	11.78%	8.00%
2007/08	-12.82%	-12.82%	8.00%
2008/09	2.60%	2.60%	8.00%
2009/10	9.07%	9.07%	7.50%
2010/11	0.74%	0.74%	7.50%
2011/12	16.90%	16.90%	7.50%
2012/13	11.85%	11.85%	7.50%
2013/14	8.54%	8.54%	7.00%
2014/15	-0.10%	-0.10%	7.00%
10yr. Avg.	5.28%	5.28%	7.60%



Asset Reconciliation

Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of October 1, 2013	\$2,244,979	\$2,244,979
<i>Increases Due To:</i>		
Employer Contributions	\$131,648	\$131,648
Employee Contributions	\$91,791	\$91,791
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$223,439</u>	<u>\$223,439</u>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	\$189,422	
Total Investment Income	<u>\$189,422</u>	\$189,422
Other Income	\$0	
Total Income	<u>\$412,861</u>	<u>\$412,861</u>
<i>Decreases Due To:</i>		
Monthly Benefit Payments	(\$52,718)	(\$52,718)
Refund of Employee Contributions	(\$72,967)	(\$72,967)
Total Benefit Payments	<u>(\$125,685)</u>	<u>(\$125,685)</u>
Investment Expenses	\$0	
Administrative Expenses	(\$20,608)	(\$20,608)
Advance Employer Contribution		\$0
Total Expenses	<u>(\$146,293)</u>	<u>(\$146,293)</u>
As of October 1, 2015	<u>\$2,511,547</u>	<u>\$2,511,547</u>



Historical Trust Fund Detail

Table II-E

Income

Plan	Employer	Employee	Service	Interest /	Realized	Unrealized	Other
<u>Year</u>	<u>Contribs.</u>	<u>Contribs.</u>	<u>Purchase</u>	<u>Dividends</u>	<u>Gains /</u>	<u>Gains /</u>	<u>Income</u>
			<u>Contribs.</u>		<u>Losses</u>	<u>Losses</u>	
2005/06	\$86,360	\$53,543	\$0	\$0	\$0	\$56,213	\$0
2006/07	\$84,696	\$56,426	\$0	\$0	\$0	\$110,693	\$0
2007/08	\$86,459	\$61,904	\$0	\$0	\$0	-\$151,145	\$0
2008/09	\$85,783	\$60,478	\$0	\$0	\$0	\$29,431	\$0
2009/10	\$82,010	\$56,897	\$0	\$0	\$0	\$113,469	\$0
2010/11	\$88,313	\$56,005	\$0	\$0	\$0	\$10,832	\$0
2011/12	\$93,385	\$61,301	\$0	\$0	\$0	\$269,352	\$0
2012/13	\$85,150	\$55,850	\$0	\$0	\$0	\$233,555	\$0
2013/14	\$65,558	\$46,259	\$0	\$0	\$0	\$191,873	\$0
2014/15	\$66,090	\$45,532	\$0	\$0	\$0	-\$2,451	\$0

Expenses

Plan	Monthly	Contrib.	Admin.	Invest.
<u>Year</u>	<u>Benefit</u>	<u>Refunds</u>	<u>Expenses</u>	<u>Expenses</u>
	<u>Payments</u>			
2005/06	\$0	\$15,093	\$2,514	\$0
2006/07	\$0	\$13,560	\$2,916	\$0
2007/08	\$0	\$12,525	\$3,239	\$0
2008/09	\$1,114	\$64,226	\$3,043	\$0
2009/10	\$2,673	\$27,720	\$9,796	\$0
2010/11	\$2,673	\$32,774	\$4,342	\$0
2011/12	\$6,352	\$8,249	\$9,184	\$0
2012/13	\$10,202	\$42,550	\$5,719	\$0
2013/14	\$28,096	\$66,206	\$13,857	\$0
2014/15	\$24,622	\$6,761	\$6,751	\$0

Other Actuarial Adjustments

Advance
Employer
Contribs.

\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0

Note: Information was not available to separate the investment expenses from the investment income nor was information available to separate the investment income by source.



Other Reconciliations

Table II-F

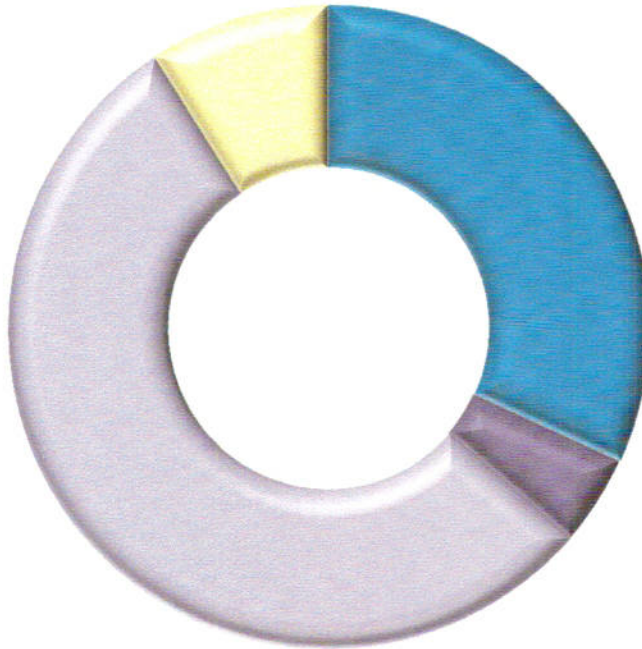
Advance Employer Contribution

Advance Employer Contribution as of October 1, 2013	\$0
Additional Employer Contribution	\$65,558
Minimum Required Contribution	(\$65,558)
Net Increase in Advance Employer Contribution	\$0
Advance Employer Contribution as of October 1, 2014	\$0
Additional Employer Contribution	\$66,090
Minimum Required Contribution	(\$66,090)
Net Increase in Advance Employer Contribution	\$0
Advance Employer Contribution as of October 1, 2015	\$0



Summary of Participant Data

Table III-A

As of October 1, 2015**Participant Distribution by Status**Actively Employed Participants

◆ Active Participants	14
◆ DROP Participants	0

Inactive Participants

◆ Deferred Vested Participants	2
◆ Due a Refund of Contributions	24
◆ Deferred Beneficiaries	0

Participants Receiving a Benefit

◆ Service Retirements	4
◆ Disability Retirements	0
◆ Beneficiaries Receiving	0

Total Participants 44Number of Participants Included in Prior Valuations

	<i>Active</i>	<i>DROP</i>	<i>Inactive</i>	<i>Retired</i>	<i>Total</i>
October 1, 2006	N/A	N/A	N/A	N/A	N/A
October 1, 2007	20	0	0	0	20
October 1, 2008	N/A	N/A	N/A	N/A	N/A
October 1, 2009	21	0	4	1	26
October 1, 2010	N/A	N/A	N/A	N/A	N/A
October 1, 2011	23	0	7	1	31
October 1, 2012	N/A	N/A	N/A	N/A	N/A
October 1, 2013	17	0	20	4	41
October 1, 2014	N/A	N/A	N/A	N/A	N/A
October 1, 2015	14	0	26	4	44



Data Reconciliation

Table III-B

	<u>Active</u>	<u>DROP</u>	<u>Deferred Vested</u>	<u>Due a Refund</u>	<u>Def. Benef.</u>	<u>Service Retiree</u>	<u>Disabled Retiree</u>	<u>Benef. Rec'v.</u>	<u>Total</u>
<u>October 1, 2013</u>	17	0	1	19	0	4	0	0	41
<u>Change in Status</u>									
Re-employed									
Terminated	(15)		1	14					
Retired									
<u>Participation Ended</u>									
Transferred Out									
Cashed Out				(9)					(9)
Died									
<u>Participation Began</u>									
Newly Hired	12								12
Transferred In									
New Beneficiary									
<u>Other Adjustment</u>									
<u>October 1, 2015</u>	14	0	2	24	0	4	0	0	44

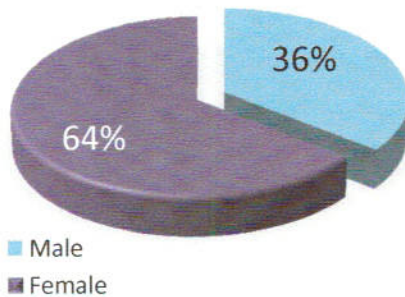


Active Participant Data

Table III-C

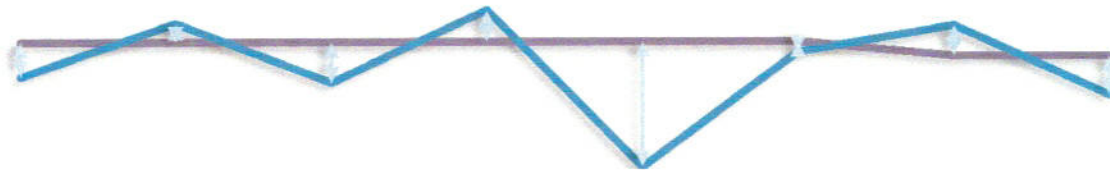
As of October 1, 2015

Gender Mix



Average Age	44.3 years
Average Service	4.6 years
Total Annualized Compensation for the Prior Year	\$624,863
Total Expected Compensation for the Current Year	\$652,983
Average Increase in Compensation for the Prior Year	1.85%
Expected Increase in Compensation for the Current Year	4.50%
Accumulated Contributions for Active Employees	\$308,776

Actual vs. Expected Salary Increases



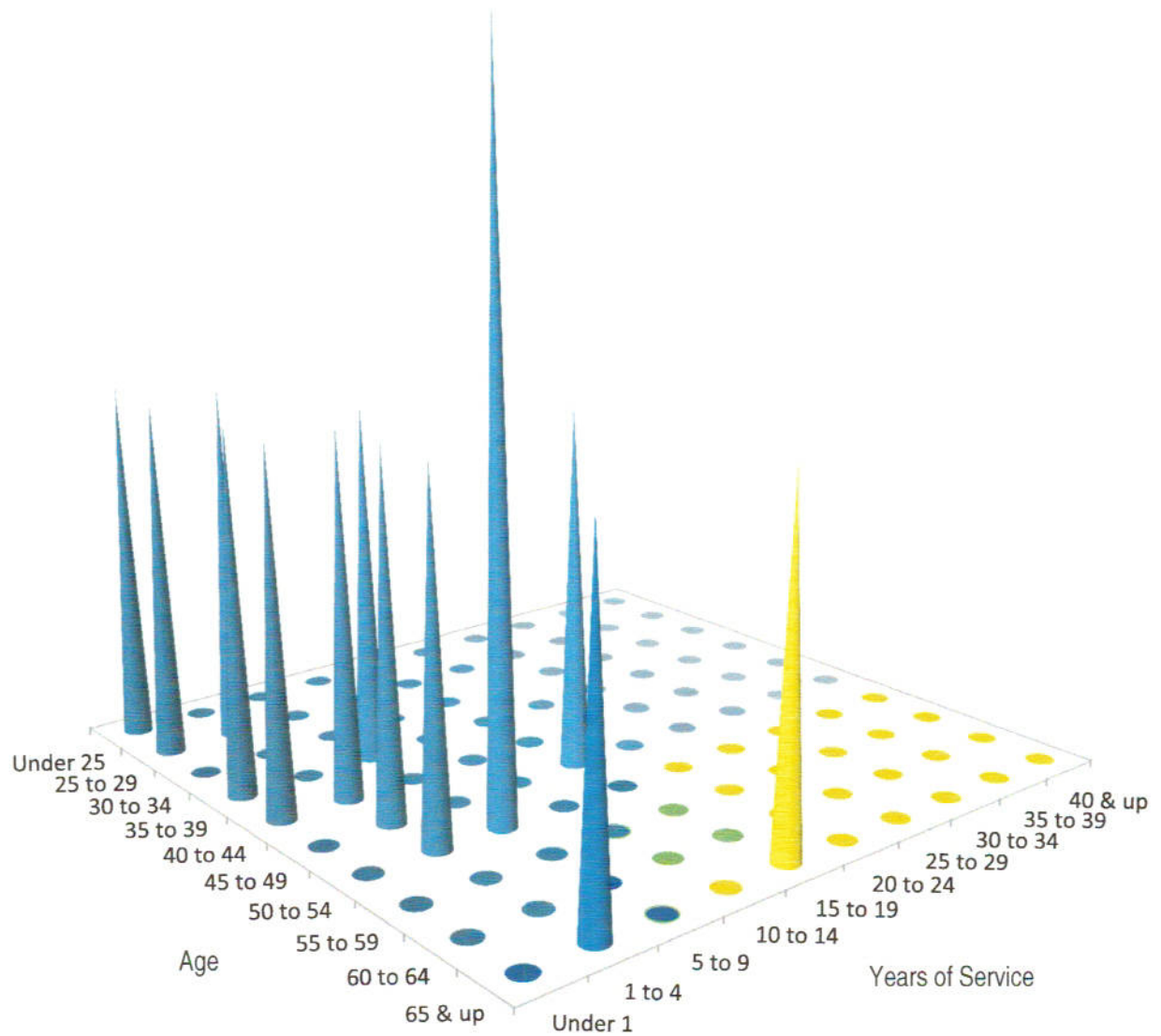
Active Participant Statistics From Prior Valuations

	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
October 1, 2006	N/A	N/A	\$34,241	5.50%	6.53%
October 1, 2007	49.4	3.4	\$37,254	5.50%	8.30%
October 1, 2008	N/A	N/A	N/A	5.50%	3.17%
October 1, 2009	51.8	2.8	\$38,559	5.50%	6.77%
October 1, 2010	N/A	N/A	N/A	5.50%	2.76%
October 1, 2011	47.3	3.4	\$36,277	5.50%	7.68%
October 1, 2012	N/A	N/A	N/A	5.50%	-2.96%
October 1, 2013	46.5	4.2	\$38,122	5.50%	4.79%
October 1, 2014	N/A	N/A	N/A	4.50%	6.58%
October 1, 2015	44.3	4.6	\$44,633	4.50%	1.85%



Active Age-Service Distribution

Table III-D



- ▲ Eligible to retire
- ▲ May be eligible to retire
- ▲ Not eligible to retire



Active Age-Service-Salary Table

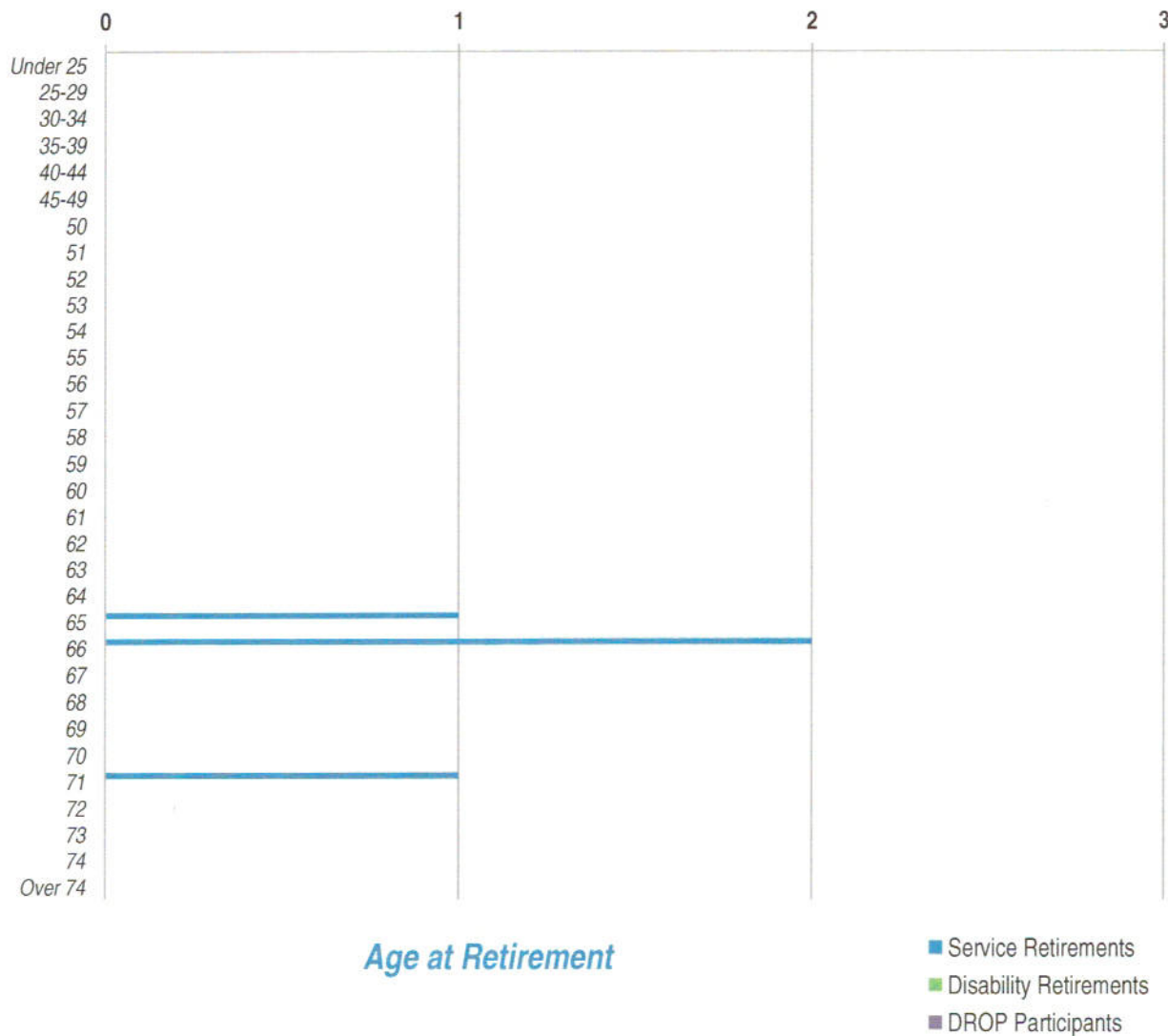
Table III-E

Attained Age	Completed Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	1	0	0	0	0	0	0	0	0	0	1
Avg. Pay	28,697	0	0	0	0	0	0	0	0	0	28,697
25 to 29	1	1	0	0	0	0	0	0	0	0	2
Avg. Pay	37,283	29,592	0	0	0	0	0	0	0	0	33,438
30 to 34	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0
35 to 39	1	0	1	0	0	0	0	0	0	0	2
Avg. Pay	24,492	0	48,310	0	0	0	0	0	0	0	36,401
40 to 44	1	1	0	0	0	0	0	0	0	0	2
Avg. Pay	26,929	26,797	0	0	0	0	0	0	0	0	26,863
45 to 49	0	1	0	0	1	0	0	0	0	0	2
Avg. Pay	0	35,500	0	0	50,065	0	0	0	0	0	42,783
50 to 54	0	1	2	0	0	0	0	0	0	0	3
Avg. Pay	0	41,044	58,489	0	0	0	0	0	0	0	52,674
55 to 59	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0
60 to 64	0	0	0	0	0	0	0	0	0	0	0
Avg. Pay	0	0	0	0	0	0	0	0	0	0	0
65 & up	0	1	0	0	1	0	0	0	0	0	2
Avg. Pay	0	34,951	0	0	124,226	0	0	0	0	0	79,589
Total	4	5	3	0	2	0	0	0	0	0	14
Avg. Pay	29,350	33,577	55,096	0	87,146	0	0	0	0	0	44,633



Inactive Participant Data

Table III-F

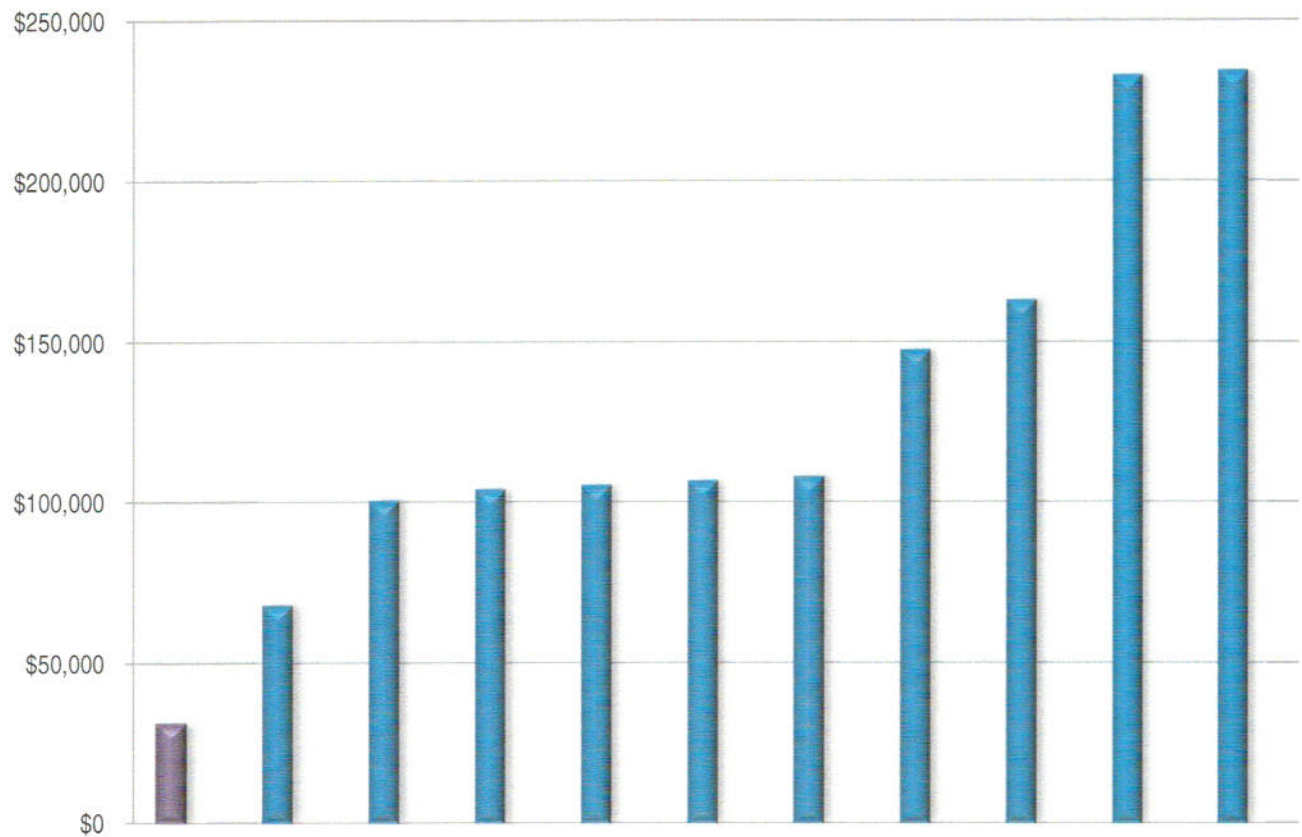
Average Monthly Benefit

Service Retirements	\$512.96
Disability Retirements	Not applicable
Beneficiaries Receiving	Not applicable
DROP Participants	Not applicable
Deferred Vested Participants	\$748.70
Deferred Beneficiaries	Not applicable



Projected Benefit Payments

Table III-G

Actual

For the period October 1, 2014 through September 30, 2015

\$31,383

Projected

For the period October 1, 2015 through September 30, 2016

\$68,302

For the period October 1, 2016 through September 30, 2017

\$100,816

For the period October 1, 2017 through September 30, 2018

\$104,248

For the period October 1, 2018 through September 30, 2019

\$105,570

For the period October 1, 2019 through September 30, 2020

\$106,881

For the period October 1, 2020 through September 30, 2021

\$108,182

For the period October 1, 2021 through September 30, 2022

\$147,778

For the period October 1, 2022 through September 30, 2023

\$163,206

For the period October 1, 2023 through September 30, 2024

\$233,305

For the period October 1, 2024 through September 30, 2025

\$234,516



Summary of Actuarial Methods and Assumptions

Table IV-A

1. **Actuarial Cost Method**

Aggregate cost method. Under this actuarial cost method, a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the expected future payroll for current active participants. The normal cost is equal to the level funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

2. **Asset Method**

The actuarial value of assets is equal to the market value of assets.

3. **Interest (or Discount) Rate**

7.00% per annum

4. **Salary Increases**

Plan compensation is assumed to increase at the rate of 4.50% per annum, unless actual plan compensation is known for a prior plan year.

5. **Decrements**

- Pre-retirement mortality: None is assumed.
- Post-retirement mortality: Sex-distinct rates set forth in the RP-2000 Mortality Table for annuitants, projected to 2015 by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430; future generational improvements in mortality have not been reflected.
- Disability: None is assumed.
- Termination: None is assumed.
- Retirement: Retirement is assumed to occur upon the attainment of normal retirement age.

No decrements are assumed to occur during the year immediately following the valuation date.



Summary of Actuarial Methods and Assumptions

Table IV-A

(continued)

6. Form of Payment

Future retirees have been assumed to select the 10-year certain and life annuity.

7. Expenses

The total projected benefit liability has been loaded by 1.50% to account for anticipated administrative expenses. In addition, the interest rate set forth in item 3. above is assumed to be net of investment expenses and commissions.



Changes in Actuarial Methods and Assumptions

Table IV-B

No methods or assumptions were changed since the previous valuation was completed.



Summary of Plan Provisions

Table V-A

1. Monthly Accrued Benefit

<i>For Division 1:</i>	3.00% of Average Final Compensation multiplied by Credited Service
<i>For Division 2:</i>	2.70% of Average Final Compensation multiplied by Credited Service
<i>For Division 3:</i>	2.60% of Average Final Compensation multiplied by Credited Service
<i>For Group C:</i>	2.00% of Average Final Compensation multiplied by Credited Service

2. Normal Retirement Age and Benefit

• Age

<i>For Division 1:</i>	Age 55 with at least 20 years of Credited Service; or Age 62 with at least 10 years of Credited Service; or <i>For those participants hired on or before October 1, 2004 with the City of Boca Raton:</i> Age 55 with at least 15 years of Credited Service; or Age 65 with at least 10 years of Credited Service <i>For all other participants:</i> Age 55 with at least 20 years of Credited Service; or Age 65 with at least 10 years of Credited Service
------------------------	---

• Amount

Monthly Accrued Benefit

• Form of Payment

Actuarially increased single life annuity (optional);
10-year certain and life annuity (normal form of payment);
Actuarially reduced 50% joint and contingent annuity (optional);
Actuarially reduced 66²/₃% joint and contingent annuity (optional);
Actuarially reduced 75% joint and contingent annuity (optional);
Actuarially reduced 100% joint and contingent annuity (optional);
Any other actuarially equivalent form of payment approved by the Board; or
Actuarially equivalent lump sum distribution (automatic if the single sum value of the participant's benefit is less than or equal to \$5,000 or the monthly annuity is less than \$100)

(Note: A participant may change his joint annuitant up to two times after retirement.)



Summary of Plan Provisions

Table V-A

(continued)

3. Early Retirement Age and Benefit

- **Age**
Age 50 with at least 20 years of Credited Service
- **Amount**
Monthly Accrued Benefit (payable at Normal Retirement Age); or
Monthly Accrued Benefit reduced by 5% for each year by which the participant's Early Retirement Date precedes his Normal Retirement Date (payable at Early Retirement Age)
- **Form of Payment**
Same as for Normal Retirement

4. Service Incurred Disability Eligibility and Benefit

- **Eligibility**
The participant is eligible if his disability was incurred during the course of his employment with the Housing Authority.
- **Condition**
The Board must find that the participant has a physical or mental condition resulting from bodily injury, disease, or a mental disorder which renders him incapable of employment with the Housing Authority.
- **Amount Payable**
Monthly Accrued Benefit
- **Form of Payment**
Single life annuity

5. Non-Service Incurred Disability Eligibility and Benefit

No benefit is provided other than the Early or Normal Retirement Benefit.

6. Delayed Retirement Age and Benefit

- **Age**
After Normal Retirement Age
- **Amount**
Monthly Accrued Benefit
- **Form of Payment**
Same as for Normal Retirement



Summary of Plan Provisions

Table V-A

(continued)

7. Deferred Vested Benefit

- **Age**
Any age with at least 10 years of Credited Service *(Three former employees who lost their position due to the sale of Banyan Place are fully vested in their accrued benefit under the plan regardless of their service.)*
- **Amount**
Monthly Accrued Benefit (payable at Normal Retirement Age); or
Monthly Accrued Benefit reduced by 5% for each year by which the participant's Early Retirement Date precedes his Normal Retirement Date (payable at Early Retirement Age)
- **Form of Payment**
Same as for Normal Retirement

8. Pre-Retirement Death Benefit

In the case of the death of a vested participant prior to retirement, his beneficiary will receive the participant's Monthly Accrued Benefit payable for 10 years beginning on the participant's early or normal retirement date. In the case of the death of a non-vested participant prior to retirement, his beneficiary will receive the participant's Accumulated Contributions in lieu of any other benefits payable from the plan.

9. Average Final Compensation

Average of the highest five years of Compensation (or career average, if higher); for the Division 1 participant, the terms of the employment contract call for an Average Final Compensation based on the last year of Credited Service.

10. Compensation

Total compensation paid by the employer for services rendered, excluding sick payout to the participant at retirement, bonuses, and vacation payout to the participant at employment termination; annual compensation in excess of \$200,000 (as indexed) is excluded in accordance with IRC §401(a)(17).

11. Credited Service

The elapsed time from the participant's date of hire until his date of termination, retirement, or death, provided that the participant transfers or purchases his prior service with the Boca Raton Housing Authority, under the City of Boca Raton General Employees Retirement Plan, or under the City of Boca Raton Management Employees Retirement Plan, as applicable.



Summary of Plan Provisions

Table V-A

(continued)

12. Participation Requirement

Prior full-time employees of the City of Boca Raton who became employees of the Boca Raton Housing Authority as of October 1, 2004 are designated as "Division 1, 2, or 3"; all other employees of the Boca Raton Housing Authority are designated as "Group C".

13. Accumulated Contributions

The Employee Contributions accumulated with interest at the rate of 5.00% per annum; if the participant terminates his employment with less than 10 years of Credited Service, he receives his Accumulated Contributions in lieu of any other benefits payable from the plan.

12. Participant Contribution

6.00% of earnings *(for Division 1 participants, 9.00% of earnings; for Division 2 participants, 8.00% of earnings; for Division 3 participants, 7.00% of earnings)*

13. Definition of Actuarially Equivalent

Based on 7.00% interest per annum and the unisex mortality table promulgated by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 417(e)(3).

14. Plan Effective Date

October 1, 2004

15. Automatic Annual Cost-of-Living Adjustment

Division 1 participants receive an automatic 2.00% annual cost-of-living adjustment for all retirement payments made at least two years after retirement; Division 2 participants receive an automatic 1.50% annual cost-of-living adjustment for all retirement payments made at least five years after retirement.



Summary of Plan Amendments

Table V-B

Since the completion of the previous valuation, two plan amendments were adopted as follows:

- (1) Resolution 2014-07 was adopted to be effective January 31, 2014. This resolution eliminated the service requirement for vesting with respect to three former employees who lost their position due to the sale of Banyan Place.
- (2) Resolution 2014-19 was adopted to be effective November 1, 2014. This resolution added a 10-year service requirement for normal retirement eligibility at age 65.

