

CITY OF BUSHNELL
REGULAR EMPLOYEES' PENSION PLAN

ACTUARIAL VALUATION REPORT
AS OF OCTOBER 1, 2015

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

January 18, 2016

Board of Trustees
Bushnell Regular Employees'
Pension Board
Post Office Box 115
Bushnell, FL 33513

Re: Regular Employees' Pension Plan

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Bushnell Regular Employees' Pension Plan. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. Please note that this valuation may not be applicable for any other purposes.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapter 112, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations.

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


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

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

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

Respectfully submitted,

Foster & Foster, Inc.

By: 
Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #14-6595

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Enclosures

Enclosures

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SUMMARY OF REPORT

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

The funding requirements, compared with the amounts developed in the October 1, 2014 actuarial valuation report, are as follows:

Valuation Date	10/1/2015	10/1/2014
Applicable Fiscal Year	<u>9/30/2017</u>	<u>9/30/2016</u>
Total Required Contribution % of Total Annual Payroll	16.9%	16.9%

Overall actuarial experience during the past year was more favorable than expected, on the basis of the actuarial assumptions. The primary components of favorable experience included an 8.39% investment return (Actuarial Asset Basis) that was slightly greater than the 7.75% assumption, and average increases in Pensionable Earnings that fell below the assumed rate. These gains were offset by the effect of unfavorable employee turnover and increased administrative expenses. For a specific analysis that details the gains and losses by component, please refer to Page 14.

The balance of this report presents additional details of the actuarial valuation and the regular 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
Patrick T. Donlan, ASA, EA, MAAA

By: Sara Baumer
Sara E. Baumer

CHANGES SINCE PRIOR VALUATION

Plan Changes

There have been no plan changes since the prior valuation.

Actuarial Assumption/Method Changes

There have been no changes in assumptions or methods since the prior valuation.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2015</u>	<u>10/1/2014</u>
A. Participant Data		
Number Included		
Actives	18	19
Service Retirees	1	1
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	<u>9</u>	<u>8</u>
Total	28	28
Total Annual Payroll	\$1,001,832	\$1,016,735
Payroll Under Assumed Ret. Age	1,001,832	1,016,735
Annual Rate of Payments to:		
Service Retirees	3,459	3,358
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	40,161	27,519
B. Assets		
Actuarial Value	2,261,201	1,937,446
Market Value	2,221,400	2,106,488
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	2,409,880	2,259,713
Disability Benefits	168,237	186,094
Death Benefits	33,498	34,772
Vested Benefits	165,493	161,654
Refund of Contributions	0	0
Service Retirees	33,417	33,033
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	<u>358,612</u>	<u>249,136</u>
Total	3,169,137	2,924,402

C. Liabilities - (Continued)	<u>10/1/2015</u>	<u>10/1/2014</u>
Present Value of Future Salaries	7,758,834	7,913,039
Present Value of Future Member Contributions	0	0
Normal Cost (Retirement)	87,944	91,470
Normal Cost (Disability)	8,873	14,818
Normal Cost (Death)	1,323	1,472
Normal Cost (Vesting)	10,701	10,355
Normal Cost (Refunds)	<u>0</u>	<u>0</u>
Total Normal Cost	108,841	118,115
Present Value of Future Normal Costs	753,963	800,355
Accrued Liability (Retirement)	1,797,729	1,616,302
Accrued Liability (Disability)	89,184	94,284
Accrued Liability (Death)	21,834	21,893
Accrued Liability (Vesting)	114,398	109,399
Accrued Liability (Refunds)	0	0
Accrued Liability (Inactives)	<u>392,029</u>	<u>282,169</u>
Total Actuarial Accrued Liability	2,415,174	2,124,047
Unfunded Actuarial Accrued Liability (UAAL)	153,973	186,601
Funded Ratio (AVA / AL)	93.6%	91.2%
 D. Actuarial Present Value of Accrued Benefits		
Vested Accrued Benefits		
Inactives	392,029	282,169
Actives	1,124,630	1,011,984
Member Contributions	<u>0</u>	<u>0</u>
Total	1,516,659	1,294,153
Non-vested Accrued Benefits	<u>41,038</u>	<u>69,969</u>
Total Present Value Accrued Benefits	1,557,697	1,364,122
Funded Ratio (MVA / PVAB)	142.6%	154.4%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
New Accrued Benefits	91,242	
Benefits Paid	(3,260)	
Interest	105,593	
Other	<u>0</u>	
Total	193,575	

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

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll ¹	11.3	12.1
Administrative Expenses (with interest) % of Total Annual Payroll ¹	1.4	0.6
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 20 years (as of 10/1/2015, with interest) % of Total Annual Payroll ¹	4.2	4.2
Total Required Contribution % of Total Annual Payroll ¹	16.9	16.9
Expected Member Contributions % of Total Annual Payroll ¹	0.0	0.0
Expected City Contribution % of Total Annual Payroll ¹	16.9	16.9

F. Past Contributions

Plan Years Ending:	<u>9/30/2015</u>
Total Required Contribution	171,231
City Requirement	171,231
Actual Contributions Made:	
Members (excluding buyback)	0
City	<u>171,231</u>
Total	171,231

G. Net Actuarial (Gain)/Loss (2,309)

¹ Contributions developed as of 10/1/2015 are expressed as a percentage of total annual payroll at 10/1/2015 of \$1,001,832.

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

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2015	153,973
2016	122,278
2017	88,125
2022	30,718
2026	25,329
2031	6,352
2035	0

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2015	5.95%	6.00%
Year Ended	9/30/2014	5.20%	6.00%
Year Ended	9/30/2013	7.24%	6.00%

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

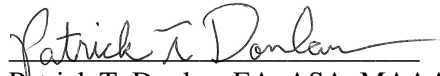
		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2015	8.39%	7.75%
Year Ended	9/30/2014	8.28%	7.75%
Year Ended	9/30/2013	7.14%	8.00%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2015	\$1,001,832
	10/1/2005	616,093
(b) Total Increase		62.61%
(c) Number of Years		10.00
(d) Average Annual Rate		4.98%

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.


Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #14-6595

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

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

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1) Unfunded Actuarial Accrued Liability as of October 1, 2014	\$186,601
(2) Sponsor Normal Cost developed as of October 1, 2014	118,115
(3) Expected administrative expenses for the year ended September 30, 2015	5,600
(4) Expected interest on (1), (2) and (3)	23,832
(5) Sponsor contributions to the System during the year ended September 30, 2015	171,231
(6) Expected interest on (5)	6,635
(7) Expected Unfunded Actuarial Accrued Liability as of September 30, 2015 (1)+(2)+(3)+(4)-(5)-(6)	156,282
(8) Change to UAAL due to Assumption Change	0
(9) Change to UAAL due to Actuarial (Gain)/Loss	(2,309)
(10) Unfunded Accrued Liability as of October 1, 2015	153,973

<u>Type of Base</u>	<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2015 Amount</u>	<u>Amortization Amount</u>
Method Change	10/1/2003	20	\$18,115	\$1,681
Prior Losses	10/1/2004	13	16,071	1,861
Actuarial Gain	10/1/2004	13	(17,924)	(2,076)
Actuarial Loss	10/1/2005	13	133,108	15,416
Actuarial Loss	10/1/2006	3	73,099	26,206
Method Change	10/1/2007	13	(117,058)	(13,557)
Actuarial Loss	10/1/2008	4	25,335	7,060
Actuarial Gain	10/1/2008	5	(25,770)	(5,951)
Assumption Change	10/1/2009	15	8,182	874
Actuarial Loss	10/1/2010	6	89,941	17,920
Actuarial Gain	10/1/2010	7	(40,682)	(7,190)
Assumption Change	10/1/2011	17	31,803	3,182
Actuarial Loss	10/1/2011	8	15,666	2,506
Software Change	10/1/2012	18	(92,349)	(8,987)
Assumption Change	10/1/2013	18	77,144	7,507
Actuarial Gain	10/1/2014	9	(38,399)	(5,646)
Actuarial Gain	10/1/2015	10	<u>(2,309)</u>	<u>(316)</u>
			153,973	40,490

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2014	\$186,601
(2) Expected UAAL as of October 1, 2015	156,282
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	(12,954)
Salary Increases	(10,144)
Active Decrements	21,962
Inactive Mortality	696
Other	<u>(1,869)</u>
Increase in UAAL due to (Gain)/Loss	(2,309)
Assumption Changes	<u>0</u>
(4) Actual UAAL as of October 1, 2015	\$153,973

ACTUARIAL ASSUMPTIONS AND METHODS

<u>Mortality Rate</u>	RP 2000 Combined Healthy (sex distinct), projected to valuation year using scale AA. Disabled lives are set forward 5 years. We feel this assumption accommodates expected mortality improvements.
<u>Interest Rate</u>	7.75% per year compounded annually, net of investment related expenses. This assumption is in line with the national average for public programs and is reasonable based on the asset allocation.
<u>Retirement Age</u>	Earlier of age 62 or 30 years of service, regardless of age. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year. We feel that this assumption is reasonable based on the plan provisions.
<u>Early Retirement</u>	Beginning 10 years prior to Normal Retirement, Members are assumed to retire with an immediate subsidized benefit at the rate of 3% per year. We feel that this assumption is reasonable based on the plan provisions.
<u>Disability Rate</u>	See table on following page (1202). This assumption was developed from those used by other plans containing Florida municipal General Employees. It is assumed that 25% of disablements that occur are service related.
<u>Termination Rate</u>	See table on following page (1305). These rates are similar to those utilized by other municipal General Employee programs.
<u>Salary Increases</u>	6.0% per year until the assumed retirement age; see table on following page. This assumption was developed from those used by other plans containing general municipal employees.
<u>Payroll Growth</u>	None for amortizing UAAL.
<u>Administrative Expenses</u>	\$13,400 annually. This is equal to the actual non-investment related expenses paid out of the trust during the year, rounded to the nearest \$100.
<u>Funding Method</u>	Entry Age Normal Actuarial Cost Method.

Actuarial Asset Method

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>	<u>Current Salary as % of Salary at age 62</u>
20	17.2%	0.05%	8.7%
30	15.0	0.06	15.5
40	8.2	0.12	27.8
50	1.7	0.43	49.7
60	0.5	1.61	89.0

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.

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.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age .

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

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

ADDITIONS

Contributions:

City		171,231.34	
Total Contributions			171,231.34
Investment Income:			
Net Realized Gain (Loss)	60,126.75		
Unrealized Gain (Loss)	(120,650.42)		
Net Increase in Fair Value of Investments		(60,523.67)	
Interest & Dividends		41,844.66	
Less Investment Expense ¹		(21,064.52)	
Net Investment Income			(39,743.53)
Total Additions			131,487.81

DEDUCTIONS

Distributions to Members:

Benefit Payments		3,260.04	
Total Distributions			3,260.04
Administrative Expense			13,316.00
Total Deductions			16,576.04
Net Increase in Net Position			114,911.77
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			2,106,487.93
End of the Year			2,221,399.70

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

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

REVENUES

Contributions:		
City	171,231.34	
Total Contributions		171,231.34
Earnings from Investments:		
Interest & Dividends	41,844.66	
Net Realized Gain (Loss)	60,126.75	
Change in Actuarial Value	88,192.59	
Total Earnings and Investment Gains		190,164.00

EXPENDITURES

Distributions to Members:		
Benefit Payments	3,260.04	
Total Distributions		3,260.04
Expenses:		
Investment Related ¹	21,064.52	
Administrative	13,316.00	
Total Expenses		34,380.52
Change in Net Assets for the Year		323,754.78
Net Assets Beginning of the Year		1,937,446.38
Net Assets End of the Year ²		2,261,201.16

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

²Net Assets may be limited for actuarial consideration.

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2015

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

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return*	
09/30/2012	16.49%	
09/30/2013	10.25%	
09/30/2014	9.50%	
09/30/2015	-1.84%	
Annualized Rate of Return for prior four (4) years:		8.39%
(A) 10/01/2014 Actuarial Assets:		\$1,937,446.38
(I) Net Investment Income:		
1. Interest and Dividends	41,844.66	
2. Realized Gains (Losses)	60,126.75	
3. Change in Actuarial Value	88,192.59	
4. Investment Related Expenses	(21,064.52)	
Total		169,099.48
(B) 10/01/2015 Actuarial Assets:		\$2,261,201.16
Actuarial Asset Rate of Return = $2I/(A+B-I)$:		8.39%
10/01/2015 Limited Actuarial Assets:		\$2,261,201.16
10/01/2015 Market Value of Assets:		\$2,221,399.70
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)		\$12,954.49

*Market Value Basis, net of investment related expenses.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2015

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Prepaid Benefits	271.67	271.67
Money Market	95,225.19	95,225.12
Cash	333.39	333.39
 Total Cash and Equivalents	 95,830.25	 95,830.18
Receivables:		
City Contributions in Transit	19,360.81	19,360.81
From Broker for Investments Sold	1,908.20	1,908.20
Investment Income	5,507.71	5,507.71
 Total Receivable	 26,776.72	 26,776.72
Investments:		
U. S. Bonds and Bills	319,903.04	322,977.57
Federal Agency Guaranteed Securities	142,991.60	141,988.01
Corporate Bonds	274,123.40	274,384.12
Equities	1,237,173.01	1,362,579.64
 Total Investments	 1,974,191.05	 2,101,929.34
 Total Assets	 2,096,798.02	 2,224,536.24
 <u>LIABILITIES</u>		
Payables:		
To Broker for Investments Purchased	3,136.54	3,136.54
 Total Liabilities	 3,136.54	 3,136.54
 NET POSITION RESTRICTED FOR PENSIONS	 2,093,661.48	 2,221,399.70

STATISTICAL DATA ¹

	<u>10/1/2012</u>	<u>10/1/2013</u>	<u>10/1/2014</u>	<u>10/1/2015</u>
<u>Actives</u>				
Number	22	21	19	18
Average Current Age	43.6	45.5	44.4	44.8
Average Age at Employment	35.8	36.7	35.8	34.8
Average Past Service	7.8	8.8	8.6	10.0
Average Annual Salary	\$43,928	\$49,651	\$53,512	\$55,657
<u>Service Retirees</u>				
Number			1	1
Average Current Age			63.4	64.4
Average Annual Benefit			\$3,358	\$3,459
<u>Beneficiaries</u>				
Number			0	0
Average Current Age			N/A	N/A
Average Annual Benefit			N/A	N/A
<u>Disability Retirees</u>				
Number			0	0
Average Current Age			N/A	N/A
Average Annual Benefit			N/A	N/A
<u>Terminated Vested</u>				
Number			8	9
Average Current Age			41.8	44.2
Average Annual Benefit			\$3,440	\$4,462

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

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	0	0	0	0	0	1	0	0	0	0	0	1
30 - 34	0	0	0	0	0	1	2	0	0	0	0	3
35 - 39	0	0	0	0	0	1	0	0	0	0	0	1
40 - 44	0	0	0	0	1	2	0	2	0	0	0	5
45 - 49	0	0	0	0	1	2	0	0	0	0	0	3
50 - 54	0	0	0	0	0	0	1	0	0	0	0	1
55 - 59	0	0	0	0	1	0	0	1	0	0	0	2
60 - 64	0	0	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	2	0	0	0	0	2
Total	0	0	0	0	3	7	5	3	0	0	0	18

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2014	19
b. Terminations	
i. Vested (partial or full) with deferred benefits	(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	<u>0</u>
f. Continuing participants	18
g. New entrants	<u>0</u>
h. Total active life participants in valuation	18

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

	Service Retirees, Vested Receiving <u>Benefits</u>	Receiving Death <u>Benefits</u>	Receiving Disability <u>Benefits</u>	Vested <u>Deferred</u>	<u>Total</u>
a. Number prior valuation	1	0	0	8	9
Retired	0	0	0	0	0
Vested Deferred	0	0	0	1	1
Death, With Survivor	0	0	0	0	0
Death, No Survivor	0	0	0	0	0
Disabled	0	0	0	0	0
Refund of Contributions	0	0	0	0	0
Rehires	0	0	0	0	0
Expired Annuities	0	0	0	0	0
Data Corrections	0	0	0	0	0
b. Number current valuation	1	0	0	9	10

SUMMARY OF PLAN PROVISIONS
(Through Ordinance 2012-09)

<u>Eligibility</u>	Full-time General Employees and Regular Employees, including Senior Management Employees, hired on or after January 1, 1996, and on or before September 30, 2012 shall participate in the Plan as a condition of employment.
<u>Credited Service</u>	Total years and completed days of service with the City.
<u>Salary</u>	Base compensation, including regular earnings, vacation pay, sick pay, and all tax deferred items, but excluding lump sum payments.
<u>Average Final Compensation</u>	Average of Salary paid during the best five (5) years of covered employment.
<u>Normal Retirement</u>	
Date	Earlier of age 62, or 30 years of Credited Service, regardless of age.
Benefit	1.6% of Average Final Compensation <u>times</u> Credited Service. Benefit rate increases to 1.63% at age 63 or 31 years, to 1.65% at age 64 or 32 years, and 1.68% at age 65 or 33 years. Benefit Rate for Senior Management is 2.0%.
Form of Benefit	Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	6 Years of Credited Service, regardless of age.
Benefit	Accrued benefit, reduced 5% for each year prior to Normal Retirement.
<u>Vesting</u>	
Schedule	100% after 6 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.

Non-Service Incurred 6 years of Credited Service.

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

Duration Payable for life (with 10 year guarantee) or until recovery (as determined by the Board).

Death Benefits

Pre-Retirement

Vested Joint Annuitant receives an immediate or deferred monthly benefit computed based on the assumption that the Member retired on the date of death and elected the 100% joint and survivor annuity. Joint Annuitant is a spouse, dependent child, or any person receiving 50% or more of their support from the Member.

Non-Vested Refund of any Member contributions.

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

Cost-of-Living Adjustments

Each July 1 following the retirement the monthly benefit amount is increased 3%. The increase is based on the June benefit, excluding any health insurance subsidy.

Member Contributions

None.

City Contributions

Amounts required in order to pay current costs and amortize unfunded past service cost, if any, over no more than 40 years.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2015

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Prepaid Benefits	272
Money Market	95,225
Cash	333
Total Cash and Equivalents	95,830
Receivables:	
City Contributions in Transit	19,361
From Broker for Investments Sold	1,908
Investment Income	5,508
Total Receivable	26,777
Investments:	
U. S. Bonds and Bills	322,978
Federal Agency Guaranteed Securities	141,988
Corporate Bonds	274,384
Equities	1,362,580
Mutual Funds:	
Total Investments	2,101,930
Total Assets	2,224,537
<u>LIABILITIES</u>	
Payables:	
To Broker for Investments Purchased	3,137
Total Liabilities	3,137
NET POSITION RESTRICTED FOR PENSIONS	2,221,400

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

ADDITIONS

Contributions:

City	171,231	
Total Contributions		171,231
Investment Income:		
Net Increase in Fair Value of Investments	(60,523)	
Interest & Dividends	41,845	
Less Investment Expense ¹	(21,065)	
Net Investment Income		(39,743)
Total Additions		131,488

DEDUCTIONS

Distributions to Members:

Benefit Payments	3,260	
Total Distributions		3,260
Administrative Expense		13,316
Total Deductions		16,576
Net Increase in Net Position		114,912

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		2,106,488
End of the Year		2,221,400

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

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

Plan Description

Plan Administration

The City of Bushnell General Employees' Pension Plan 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 5 Trustees, 2 who are legal residents of the City appointed by the City Council, 2 who are employee members elected by a majority of the Members of the Plan, and a fifth Trustee, who is chosen by a majority of the first 4 Trustees.

Plan Membership as of October 1, 2014:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	8
Active Plan Members	19
	28

Benefits Provided

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

Normal Retirement:

Date: Earlier of age 62, or 30 years of Credited Service, regardless of age.

Benefit: 1.6% of Average Final Compensation times Credited Service. Benefit rate increases to 1.63% at age 63 or 31 years, to 1.65% at age 64 or 32 years, and 1.68% at age 65 or 33 years. Benefit Rate for Senior Management is 2.0%.

Early Retirement:

Eligibility: 6 Years of Credited Service, regardless of age.

Benefit: Accrued benefit, reduced 5% for each year prior to Normal Retirement.

Vesting:

Schedule: 100% after 6 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.

Non-Service Incurred: 6 years of Credited Service.

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

Pre-Retirement Death Benefits:

Vested: Joint Annuitant receives an immediate or deferred monthly benefit computed based on the assumption that the Member retired on the date of death and elected the 100% joint and survivor annuity. Joint Annuitant is a spouse, dependent child, or any person receiving 50% or more of their support from the Member.

Non-Vested: Refund of any Member contributions.

Cost-of-Living Adjustments:

Each July 1 following the retirement the monthly benefit amount is increased 3%. The increase is based on the June benefit, excluding any health insurance subsidy.

Contributions

Member Contributions: None.

City Contributions: Amounts required in order to pay current costs and amortize unfunded past service cost, if any, over no more than 40 years.

Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of September 30, 2015:

Asset Class	Target Allocation
Domestic Equity	50%
International Equity	10%
Fixed Income	40%
Total	100%

Concentrations:

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

Rate of Return:

For the year ended September 30, 2015, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was -1.84 percent.

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

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the Sponsor on September 30, 2015 were as follows:

Total Pension Liability	\$ 2,374,465
Plan Fiduciary Net Position	\$ (2,221,400)
Sponsor's Net Pension Liability	\$ 153,065
Plan Fiduciary Net Position as a percentage of Total Pension Liability	93.55%

Actuarial Assumptions:

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

Inflation	3.00%
Salary Increases	6.00%
Discount Rate	7.75%
Investment Rate of Return	7.75%

Mortality Rate: RP 2000 Combined Healthy (sex distinct), projected to valuation year using scale AA. Disabled lives are set forward 5 years. We feel this assumption accommodates expected mortality improvements.

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

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

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2015 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return
Domestic Equity	7.65%
International Equity	7.72%
Fixed Income	2.37%

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	Current	1% Increase
	6.75%	Discount Rate 7.75%	8.75%
Sponsor's Net Pension Liability	\$ 573,702	\$ 153,065	\$ (186,362)

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

	<u>09/30/2015</u>	<u>09/30/2014</u>
Total Pension Liability		
Service Cost	117,691	123,708
Interest	173,476	152,883
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	(35,779)	-
Changes of assumptions	-	-
Benefit Payments, including Refunds of Employee Contributions	<u>(3,260)</u>	<u>(6,460)</u>
Net Change in Total Pension Liability	252,128	270,131
Total Pension Liability - Beginning	<u>2,122,337</u>	<u>1,852,206</u>
Total Pension Liability - Ending (a)	<u><u>\$ 2,374,465</u></u>	<u><u>\$ 2,122,337</u></u>
Plan Fiduciary Net Position		
Contributions - Employer	171,231	176,075
Net Investment Income	(39,743)	173,326
Benefit Payments, including Refunds of Employee Contributions	(3,260)	(6,460)
Administrative Expense	<u>(13,316)</u>	<u>(5,524)</u>
Net Change in Plan Fiduciary Net Position	114,912	337,417
Plan Fiduciary Net Position - Beginning	<u>2,106,488</u>	<u>1,769,071</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 2,221,400</u></u>	<u><u>\$ 2,106,488</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 153,065</u></u>	<u><u>\$ 15,849</u></u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	93.55%	99.25%
Covered Employee Payroll*	\$ 968,164	\$ 989,185
Net Pension Liability as a percentage of Covered Employee Payroll	15.81%	1.60%

Notes to Schedule:

**For the 2014 Fiscal year, the Covered Employee Payroll was based on Pensionable Salary.*

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	09/30/2015	09/30/2014
Actuarially Determined Contribution	171,231	176,075
Contributions in relation to the Actuarially Determined Contributions	171,231	176,075
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Employee Payroll*	\$ 968,164	\$ 989,185
Contributions as a percentage of Covered Employee Payroll	17.69%	17.80%

*For the 2014 Fiscal year, the Covered Employee Payroll was based on Pensionable Salary.

Notes to Schedule

Valuation Date: 10/01/2013
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.
 Amortization Method: Level Percentage of Pay, Closed.
 Remaining Amortization Period: 22 Years (as of 10/01/2013).
 Inflation: 3.0% per year.
 Mortality: RP 2000 Combined Healthy – Projected to Valuation Date. Disabled lives are set forward 5 years.
 Interest Rate: 7.75% per year compounded annually, net of investment related expenses.
 Retirement Age: Earlier of age 62 or 30 years of service, regardless of age. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year.
 Early Retirement: Beginning at 10 years of service, Members are assumed to retire with an immediate subsidized benefit at the rate of 3% per year.
 Disability Rates: See table below. It is assumed that 75% of disablements that occur are service related.
 Termination Rates: See table below.
 Salary Increases: 6.0% per year until the assumed retirement age.
 Payroll Growth: None for amortizing UAAL.
 Actuarial Asset Method: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

Termination and Disability Rate Table:	% Terminating	% Becoming
	During the	Disabled During
Age	Year	the Year
20	17.20%	0.05%
30	15.00%	0.06%
40	8.20%	0.12%
50	1.70%	0.43%
60	0.50%	1.61%

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years

	<u>09/30/2015</u>	<u>09/30/2014</u>
Annual Money-Weighted Rate of Return		
Net of Investment Expense	-1.84%	9.50%

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended September 30, 2016)

General Information about the Pension Plan

Plan Description

The City of Bushnell General Employees' Pension Plan 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 5 Trustees, 2 who are legal residents of the City appointed by the City Council, 2 who are employee members elected by a majority of the Members of the Plan, and a fifth Trustee, who is chosen by a majority of the first 4 Trustees.

Full-time General Employees and Regular Employees, including Senior Management Employees, hired on or after January 1, 1996, and on or before September 30, 2012 shall participate in the Plan as a condition of employment.

Plan Membership as of October 1, 2014:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	8
Active Plan Members	19
	28
	28

Benefits Provided

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

Normal Retirement:

Date: Earlier of age 62, or 30 years of Credited Service, regardless of age.

Benefit: 1.6% of Average Final Compensation times Credited Service. Benefit rate increases to 1.63% at age 63 or 31 years, to 1.65% at age 64 or 32 years, and 1.68% at age 65 or 33 years. Benefit Rate for Senior Management is 2.0%.

Early Retirement:

Eligibility: 6 Years of Credited Service, regardless of age.

Benefit: Accrued benefit, reduced 5% for each year prior to Normal Retirement.

Vesting:

Schedule: 100% after 6 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.

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

Pre-Retirement Death Benefits:

Vested: Joint Annuitant receives an immediate or deferred monthly benefit computed based on the assumption that the Member retired on the date of death and elected the 100% joint and survivor annuity. Joint Annuitant is a spouse, dependent child, or any person receiving 50% or more of their support from the Member.

Non-Vested: Refund of any Member contributions.

Cost-of-Living Adjustments:

Each July 1 following the retirement the monthly benefit amount is increased 3%. The increase is based on the June benefit, excluding any health insurance subsidy.

Contributions

Member Contributions: None.

City Contributions: Amounts required in order to pay current costs and amortize unfunded past service cost, if any, over no more than 40 years.

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Net Pension Liability

The measurement date is September 30, 2015.

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

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

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

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

Actuarial Assumptions:

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

Inflation	3.00%
Salary Increases	6.00%
Discount Rate	7.75%
Investment Rate of Return	7.75%

Mortality Rate: RP 2000 Combined Healthy (sex distinct), projected to valuation year using scale AA. Disabled lives are set forward 5 years. We feel this assumption accommodates expected mortality improvements.

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

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

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	50%	7.65%
International Equity	10%	7.72%
Fixed Income	40%	2.37%
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, 2015	\$ 2,122,337	\$ 2,106,488	\$ 15,849
Changes for a Year:			
Service Cost	117,691	-	117,691
Interest	173,476	-	173,476
Differences between Expected and Actual Experience	(35,779)	-	(35,779)
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - Employer	-	171,231	(171,231)
Net Investment Income	-	(39,743)	39,743
Benefit Payments, including Refunds of Employee Contributions	(3,260)	(3,260)	-
Administrative Expense	-	(13,316)	13,316
Net Changes	252,128	114,912	137,216
Reporting Period Ending September 30, 2016	\$ 2,374,465	\$ 2,221,400	\$ 153,065

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	\$ 573,702	\$ 153,065	\$ (186,362)

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 \$165,949.

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	-	30,667
Changes of assumptions	-	-
Net difference between Projected and Actual Earnings on Pension Plan investments	149,273	-
Employers contributions subsequent to the measurement date <input type="checkbox"/>	-	-
Total	\$ 149,273	\$ 30,667

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended September 30, 2016.

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

Year ended September 30:			
2017	\$	30,713	
2018	\$	30,714	
2019	\$	30,714	
2020	\$	36,687	
2021	\$	(5,111)	
Thereafter	\$	(5,111)	

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

Reporting Period Ending	09/30/2016	09/30/2015
Measurement Date	<u>09/30/2015</u>	<u>09/30/2014</u>
Total Pension Liability		
Service Cost	117,691	123,708
Interest	173,476	152,883
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	(35,779)	-
Changes of assumptions	-	-
Benefit Payments, including Refunds of Employee Contributions	<u>(3,260)</u>	<u>(6,460)</u>
Net Change in Total Pension Liability	252,128	270,131
Total Pension Liability - Beginning	<u>2,122,337</u>	<u>1,852,206</u>
Total Pension Liability - Ending (a)	<u><u>\$ 2,374,465</u></u>	<u><u>\$ 2,122,337</u></u>
Plan Fiduciary Net Position		
Contributions - Employer	171,231	176,075
Net Investment Income	(39,743)	173,326
Benefit Payments, including Refunds of Employee Contributions	(3,260)	(6,460)
Administrative Expense	<u>(13,316)</u>	<u>(5,524)</u>
Net Change in Plan Fiduciary Net Position	114,912	337,417
Plan Fiduciary Net Position - Beginning	<u>2,106,488</u>	<u>1,769,071</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 2,221,400</u></u>	<u><u>\$ 2,106,488</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 153,065</u></u>	<u><u>\$ 15,849</u></u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	93.55%	99.25%
Covered Employee Payroll*	\$ 968,164	\$ 989,185
Net Pension Liability as a percentage of Covered Employee Payroll	15.81%	1.60%

Notes to Schedule:

**For the 2015 Reporting Period Ending year, the Covered Employee Payroll was based on Pensionable Salary.*

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

Reporting Period Ending	09/30/2016	09/30/2015
Measurement Date	09/30/2015	09/30/2014
Actuarially Determined Contribution	171,231	176,075
Contributions in relation to the Actuarially Determined Contributions	171,231	176,075
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Employee Payroll*	\$ 968,164	\$ 989,185
Contributions as a percentage of Covered Employee Payroll	17.69%	17.80%

*For the 2015 Reporting Period Ending year, the Covered Employee Payroll was based on Pensionable Salary.

Notes to Schedule

Valuation Date: 10/01/2013
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.
 Amortization Method: Level Percentage of Pay, Closed.
 Remaining Amortization Period: 22 Years (as of 10/01/2013).
 Inflation: 3.0% per year.
 Mortality: RP 2000 Combined Healthy – Projected to Valuation Date. Disabled lives are set forward 5 years.
 Interest Rate: 7.75% per year compounded annually, net of investment related expenses.
 Retirement Age: Earlier of age 62 or 30 years of service, regardless of age. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year.
 Early Retirement: Beginning at 10 years of service, Members are assumed to retire with an immediate subsidized benefit at the rate of 3% per year.
 Disability Rates: See table below. It is assumed that 75% of disablements that occur are service related.
 Termination Rates: See table below.
 Salary Increases: 6.0% per year until the assumed retirement age.
 Payroll Growth: None for amortizing UAAL.
 Actuarial Asset Method: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

Termination and Disability Rate Table:	% Terminating During the Year	% Becoming Disabled During the Year
Age	Year	the Year
20	17.20%	0.05%
30	15.00%	0.06%
40	8.20%	0.12%
50	1.70%	0.43%
60	0.50%	1.61%

FINAL COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2015

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 83,136	\$ -	\$ 176,075	\$ -
Employer Contributions made after September 30, 2014	-	-	171,231	-
Total Pension Liability Factors:				
Service Cost	123,708	-	-	123,708
Interest	152,883	-	-	152,883
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	(6,460)	-	-	(6,460)
Net change	<u>270,131</u>	<u>-</u>	<u>171,231</u>	<u>270,131</u>
Plan Fiduciary Net Position:				
Contributions - Employer	176,075	-	(176,075)	-
Net Investment Income	143,462	-	-	(143,462)
Difference between projected and actual earnings on Pension Plan investments	29,865	29,865	-	-
Current year amortization	-	(5,973)	-	(5,973)
Benefit Payments	(6,460)	-	-	6,460
Administrative Expenses	(5,524)	-	-	5,524
Net change	<u>337,418</u>	<u>23,892</u>	<u>(176,075)</u>	<u>(137,451)</u>
Ending Balance	<u>\$ 15,849</u>	<u>\$ 23,892</u>	<u>\$ 171,231</u>	<u>\$ 132,680</u>

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2016

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 15,849	\$ 23,892	\$ 171,231	\$ -
Employer Contributions made after September 30, 2015	-	-	TBD*	-
Total Pension Liability Factors:				
Service Cost	117,691	-	-	117,691
Interest	173,476	-	-	173,476
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	(35,779)	35,779	-	-
Current year amortization of experience difference	-	(5,112)	-	(5,112)
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	-	-
Benefit Payments	(3,260)	-	-	(3,260)
Net change	<u>252,128</u>	<u>30,667</u>	<u>-</u>	<u>282,795</u>
Plan Fiduciary Net Position:				
Contributions - Employer	171,231	-	(171,231)	-
Net Investment Income	169,246	-	-	(169,246)
Difference between projected and actual earnings on Pension Plan investments	(208,989)	-	208,989	-
Current year amortization	-	(5,973)	(41,797)	35,824
Benefit Payments	(3,260)	-	-	3,260
Administrative Expenses	(13,316)	-	-	13,316
Net change	<u>114,912</u>	<u>(5,973)</u>	<u>(4,039)</u>	<u>(116,846)</u>
Ending Balance	<u>\$ 153,065</u>	<u>\$ 48,586</u>	<u>TBD</u>	<u>\$ 165,949</u>

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