

CITY OF EDGEWATER
POLICE RETIREMENT PLAN

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2017

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

March 16, 2018

Board of Trustees
City of Edgewater
Police Officers' Pension Board
P. O. Box 100
Edgewater, FL 32132-0100

Re: City of Edgewater
Police Retirement Plan

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Edgewater Police Retirement Plan. Included are the related results for GASB Statements No. 67 and No. 68. The funding valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. The calculation of the liability for GASB results was performed for the purpose of satisfying the requirements of GASB Statements No. 67 and No. 68. Please note that these valuations may not be applicable for any other purposes.

The valuations have been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflect laws and regulations issued to date pursuant to the provisions of Chapters 112, 185, and 185, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in these valuations, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations.

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

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


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

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Edgewater, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the City of Edgewater Police Retirement 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: 

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

DHL/lke

Enclosures

TABLE OF CONTENTS

Section	Title	Page
I	Introduction	
	a. Summary of Report	5
	b. Contribution Impact of Annual Changes	7
	c. Changes Since Prior Valuation	8
	d. Comparative Summary of Principal Valuation Results	9
II	Valuation Information	
	a. Reconciliation of Unfunded Actuarial Accrued Liabilities	15
	b. Detailed Actuarial (Gain)/Loss Analysis	16
	c. Actuarial Assumptions and Methods	17
	d. Glossary	19
	e. Partial History of Premium Tax Refunds	20
III	Trust Fund	21
IV	Member Statistics	
	a. Statistical Data	27
	b. Age and Service Distribution	28
	c. Valuation Participant Reconciliation	29
V	Summary of Plan Provisions	30
VI	Governmental Accounting Standards Board Disclosure Information	33

SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Edgewater Police Retirement Plan, performed as of October 1, 2017, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ended September 30, 2019.

The contribution requirements, compared with those developed in the October 1, 2016 Actuarial Valuation Report, are as follows:

Valuation Date	10/1/2017	10/1/2016
Applicable Plan Year End	<u>9/30/2019</u>	<u>9/30/2018</u>
Total Required Contribution		
% of Total Annual Payroll	57.7%	57.7%
Member Contributions (Est.)		
% of Total Annual Payroll	6.0%	6.0%
City and State Required Contribution		
% of Total Annual Payroll	51.7%	51.7%
State Contribution (est.) ¹	0	0
% of Total Annual Payroll	0.0%	0.0%
Balance from City ¹		
% of Total Annual Payroll	51.7%	51.7%

¹ Per agreement between the Membership and City, all State Monies are allocated to the Share Plan established with Ordinance 2016-O-34.

Please note there is a City shortfall contribution of \$21,934 for the fiscal year ended September 30, 2017. An interest charge of \$137 is payable for each full month after September 30, 2017 until this shortfall contribution is deposited. It is important to note that the September 30, 2016 Funding Standard Account Credit Balance was utilized in its entirety to meet the City’s required funding obligation for the fiscal year ended September 30, 2017. The Credit Balance is now exhausted, and the shortfall contribution (plus interest) noted above is the amount still due from the City.

Experience since the prior valuation was less favorable than expected, relative to the actuarial assumptions. The primary sources of loss included unfavorable turnover experience, a 6.85% investment return (Actuarial Asset Basis), falling short of the 7.50% assumption, no retiree mortality, and the granting of Disability Retirements for two prior Vested Terminated Members. These losses were partially offset by average increases in pensionable earnings that were lower than the assumed rate.

Additionally, this valuation of the Plan reflects a statutory change in the mortality assumption under Chapter 2015-39, Laws of Florida.

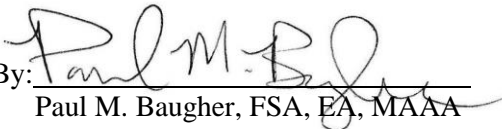
The balance of this Report presents additional details of the actuarial valuation and the general operation of the Fund. The undersigned would be pleased to meet with the Board of Trustees in order to discuss the Report and any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.

By: 

Douglas H. Lozen, EA, MAAA

By: 

Paul M. Baugher, FSA, EA, MAAA

CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1) Contribution Determined as of October 1, 2016	51.7%
(2) Summary of Contribution Impact by component:	
Change in Normal Cost Rate	0.0%
Change in Administrative Expense Percentage	-1.0%
Payroll Change Effect on UAAL Amortization	-2.9%
Investment Return (Actuarial Asset Basis)	0.5%
Salary Increases	-0.4%
Active Decrements	1.6%
Inactive Mortality	0.4%
Other ¹	<u>1.8%</u>
Total Change in Contribution	0.0%
(3) Contribution Determined as of October 1, 2017	51.7%

¹ Includes Disability Retirements for two prior Vested Terminated Members and statutory change in mortality assumption.

CHANGES SINCE PRIOR VALUATION

Plan Changes

Ordinance 2017-O-21, adopted and effective June 5, 2017, amended the City's line-of-duty injury health benefit. As this benefit is not directly payable from the Police Officers' Trust Fund, a letter of No Actuarial Impact was submitted for the amendment.

Actuarial Assumption/Method Changes Since Prior Valuation

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

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2017</u>	<u>10/1/2016</u>
A. Participant Data		
Actives	28	27
Service Retirees	23	23
Beneficiaries	1	1
Disability Retirees	4	2
Terminated Vested	<u>10</u>	<u>12</u>
 Total	 66	 65
 Total Annual Payroll	 \$1,578,352	 \$1,462,787
Payroll Under Assumed Ret. Age	1,578,352	1,462,787
 Annual Rate of Payments to:		
Service Retirees	686,317	686,317
Beneficiaries	20,793	20,793
Disability Retirees	95,498	51,382
Terminated Vested	96,325	125,341
 B. Assets		
Actuarial Value (AVA) ¹	9,405,638	8,833,738
Market Value (MVA) ¹	9,463,990	8,545,786
 C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	4,816,715	4,050,711
Disability Benefits	266,603	230,707
Death Benefits	24,166	42,376
Vested Benefits	244,051	219,787
Refund of Contributions	41,753	44,861
Accumulated Leave	168,585	141,775
Service Retirees	7,903,503	7,979,920
Beneficiaries	254,488	256,234
Disability Retirees	1,214,655	672,501
Terminated Vested	884,928	1,047,133
Share Plan Balances ¹	299,469	138,245
Funding Standard Account	<u>0</u>	<u>164,086</u>
 Total	 16,118,916	 14,988,336

C. Liabilities - (Continued)	<u>10/1/2017</u>	<u>10/1/2016</u>
Present Value of Future Salaries	12,239,035	11,271,131
Present Value of Future Member Contributions	734,342	676,268
Normal Cost (Retirement)	203,577	184,833
Normal Cost (Disability)	18,305	16,756
Normal Cost (Death)	1,191	2,277
Normal Cost (Vesting)	27,955	26,096
Normal Cost (Refunds)	<u>11,433</u>	<u>13,822</u>
Total Normal Cost	262,461	243,784
Present Value of Future Normal Costs	2,038,944	1,710,238
Accrued Liability (Retirement)	3,225,565	2,758,505
Accrued Liability (Disability)	125,435	103,746
Accrued Liability (Death)	15,202	25,890
Accrued Liability (Vesting)	143,946	120,657
Accrued Liability (Refunds)	12,781	11,181
Accrued Liability (Inactives)	10,257,574	9,955,788
Share Plan Balances ¹	299,469	138,245
Funding Standard Account	<u>0</u>	<u>164,086</u>
Total Actuarial Accrued Liability (EAN AL)	14,079,972	13,278,098
Unfunded Actuarial Accrued Liability (UAAL)	4,674,334	4,444,360
Funded Ratio (AVA / EAN AL)	66.8%	66.5%

D. Actuarial Present Value of Accrued Benefits	<u>10/1/2017</u>	<u>10/1/2016</u>
Vested Accrued Benefits		
Inactives + Share Plan Balances ¹	10,557,043	10,094,033
Actives	776,382	610,977
Member Contributions	<u>486,817</u>	<u>403,728</u>
Total	11,820,242	11,108,738
Non-vested Accrued Benefits	<u>852,958</u>	<u>668,020</u>
Total Present Value		
Accrued Benefits (PVAB)	12,673,200	11,776,758
Funded Ratio (MVA / PVAB)	74.7%	72.6%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
New Accrued Benefits	834,223	
Benefits Paid	(791,362)	
Interest	853,581	
Other	<u>0</u>	
Total	896,442	

Valuation Date	10/1/2017	10/1/2016
Applicable to Fiscal Year Ending	<u>9/30/2019</u>	<u>9/30/2018</u>

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll ²	17.3	17.3
Administrative Expenses (with interest) % of Total Annual Payroll ²	3.8	4.8
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 19 years (as of 10/1/2017, with interest) % of Total Annual Payroll ²	36.6	35.6
Total Required Contribution % of Total Annual Payroll ²	57.7	57.7
Expected Member Contributions % of Total Annual Payroll ²	6.0	6.0
Expected City and State Contribution % of Total Annual Payroll ²	51.7	51.7

F. Past Contributions

Plan Years Ending:	<u>9/30/2017</u>
City and State Requirement	742,241
Actual Contributions Made:	
Members (excluding buyback)	92,395
City ³	742,241
State (allocated to the Share Plan)	<u>147,327</u>
Total	981,963

G. Net Actuarial (Gain)/Loss 434,792

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

² Contributions developed as of 10/1/2017 are expressed as a percentage of total annual payroll at 10/1/2017 of \$1,578,352.

³ City contribution includes monies from the Funding Standard Account.

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

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2017	4,674,334
2018	4,425,688
2019	4,158,394
2023	2,967,685
2028	1,130,332
2032	97,409
2036	0

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2017	5.66%	6.80%
Year Ended	9/30/2016	6.57%	6.74%
Year Ended	9/30/2015	9.44%	6.77%

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2017	6.85%	7.50%
Year Ended	9/30/2016	6.71%	7.50%
Year Ended	9/30/2015	9.90%	7.50%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2017	\$1,578,352
	10/1/2007	1,149,547
(b) Total Increase		37.30%
(c) Number of Years		10.00
(d) Average Annual Rate		3.22%

STATEMENT BY ENROLLED ACTUARY

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



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

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

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

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

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1) Unfunded Actuarial Accrued Liability as of October 1, 2016	\$4,444,360
(2) Sponsor Normal Cost developed as of October 1, 2016	156,017
(3) Expected administrative expenses for the year ended September 30, 2017	67,029
(4) Expected interest on (1), (2) and (3)	347,542
(5) Sponsor contributions to the System during the year ended September 30, 2017	742,241
(6) Expected interest on (5)	33,165
(7) Expected Unfunded Actuarial Accrued Liability as of September 30, 2017 (1)+(2)+(3)+(4)-(5)-(6)	4,239,542
(8) Change to UAAL due to Assumption Change	0
(9) Change to UAAL due to Actuarial (Gain)/Loss	434,792
(10) Unfunded Actuarial Accrued Liability as of October 1, 2017	4,674,334

Type of <u>Base</u>	Date <u>Established</u>	Years <u>Remaining</u>	10/1/2017 <u>Amount</u>	Amortization <u>Amount</u>
Benefit Change	10/1/1989	2	5,621	2,912
Benefit Change	10/1/1989	2	10,332	5,353
Benefit Change	10/1/1990	3	37,879	13,550
Benefit Change	10/1/1999	12	886,472	106,606
Benefit Change	10/1/2003	16	133,415	13,576
Method Change	10/1/2011	14	2,575,762	282,249
Assump Change	10/1/2011	14	94,764	10,384
Experience Loss	10/1/2012	5	31,326	7,202
Experience Loss	10/1/2013	6	75,015	14,867
Experience Gain	10/1/2014	7	(97,596)	(17,141)
Experience Loss	10/1/2015	8	80,478	12,781
Experience Loss	10/1/2016	9	156,817	22,869
Assump Change	10/1/2016	19	249,257	23,282
Experience Loss	10/1/2017	10	<u>434,792</u>	<u>58,924</u>
			4,674,334	557,414

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2016	\$4,444,360
(2) Expected UAAL as of October 1, 2017	4,239,542
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	57,533
Salary Increases	(49,026)
Active Decrements	176,758
Inactive Mortality	43,223
Other ¹	<u>206,304</u>
Increase in UAAL due to (Gain)/Loss	434,792
Assumption Changes	<u>0</u>
(4) Actual UAAL as of October 1, 2017	\$4,674,334

¹ Includes Disability Retirements for two prior Vested Terminated Members and statutory change in mortality assumption.

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:

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

Healthy Inactive Lives:

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

Disabled Lives:

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

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

Interest Rate

7.50% per year compounded annually, net of investment related expenses. This assumption is supported by the Plan’s investment policy and long-term expected returns by asset class.

Normal Retirement

Years Eligible for Normal Retirement	Retirement Probability
0	50%
1	0%
2	33%
3	60%
4	60%
5	60%
6 and greater	100%

It is assumed that no one works past age 58 if they are eligible to retire. The retirement assumptions were adopted based on the September 12, 2013 experience study.

Early Retirement

None assumed.

Salary Increases

Credited Service	Assumption
Less than 10 Years	7.50%
10 Years and Greater	4.20%

This assumption was adopted based on the September 12, 2013 experience study.

Administrative Expenses

\$58,416 per year based on the prior year expense.

Amortization Method

Level dollar.

Funding Method

Entry Age Normal Actuarial Cost Method.

Actuarial Asset Method

All assets are valued at market value with an adjustment made to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a four-year period.

Termination Rates

Credited Service	Assumption
Less than 5 Years	18%
5-9 Years	14%
10 Years and Greater	0%

This assumption was adopted based on the September 12, 2013 experience study.

Disability Rates

See sample rates below; 80% of disablements are assumed to be service-related.

Age	Assumption
40	0.33%
45	0.57%
50	1.09 %
55	1.69%

GLOSSARY

Total Annual Payroll is the projected annual rate of pay for the fiscal year following 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.

PARTIAL HISTORY OF PREMIUM TAX REFUNDS

<u>Received During Fiscal Year</u>	<u>Amount</u>	<u>Increase from Previous Year</u>
1998	62,640.03	_____%
1999	73,930.98	18.0%
2000	66,743.47	-9.7%
2001	70,794.89	6.1%
2002	83,308.98	17.7%
2003	94,334.37	13.2%
2004	108,374.65	14.9%
2005	114,652.41	5.8%
2006	119,224.68	4.0%
2007	126,824.09	6.4%
2008	126,189.05	-0.5%
2009	131,228.05	4.0%
2010	125,155.52	-4.6%
2011	125,638.65	0.4%
2012	122,039.14	-2.9%
2013	121,374.86	-0.5%
2014	125,386.65	3.3%
2015	127,668.11	1.8%
2016	138,244.76	8.3%
2017	147,326.57	6.6%

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2017

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	441,229.46	441,229.46
Cash	26,554.42	26,554.42
Total Cash and Equivalents	467,783.88	467,783.88
Receivables:		
Additional City Contributions	21,934.24	21,934.24
Investment Income	29,014.21	29,014.21
Total Receivable	50,948.45	50,948.45
Investments:		
U. S. Bonds and Bills	495,027.75	498,915.00
Federal Agency Guaranteed Securities	603,025.82	602,368.87
Corporate Bonds	2,434,162.80	2,395,763.84
Municipal Obligations	110,992.10	111,577.80
Mutual Funds:		
Equity	4,484,744.87	5,344,608.64
Total Investments	8,127,953.34	8,953,234.15
Total Assets	8,646,685.67	9,471,966.48
<u>LIABILITIES</u>		
Payables:		
Investment Expenses	2,125.00	2,125.00
Administrative Expenses	1,809.85	1,809.85
Prepaid Member Contribution	4,041.38	4,041.38
Total Liabilities	7,976.23	7,976.23
NET POSITION RESTRICTED FOR PENSIONS	8,638,709.44	9,463,990.25

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

ADDITIONS

Contributions:		
Member		92,395.15
City		578,155.04
State		147,326.57
Total Contributions		817,876.76
Investment Income:		
Net Realized Gain (Loss)	138,295.69	
Unrealized Gain (Loss)	605,520.22	
Net Increase in Fair Value of Investments		743,815.91
Interest & Dividends		243,814.02
Less Investment Expense ¹		(37,524.43)
Net Investment Income		950,105.50
Total Additions		1,767,982.26

DEDUCTIONS

Distributions to Members:		
Benefit Payments		785,801.16
Lump Sum Share Distributions		0.00
Refunds of Member Contributions		5,560.60
Total Distributions		791,361.76
Administrative Expense		58,416.14
Total Deductions		849,777.90
Net Increase in Net Position		918,204.36
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		8,545,785.89
End of the Year		9,463,990.25

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

ACTUARIAL ASSET VALUATION
September 30, 2017

Actuarial Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year over a four year period. In the first year, 25% of the gain or loss is recognized. In the second year 50%, in the third year 75%, and in the fourth year 100% of the gain or loss is recognized. The actuarial investment gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Plan Year Ending	Gain/(Loss)	<u>Gains/Losses Not Yet Recognized</u>			2020
		Amounts Not Yet Recognized by Valuation Year			
		2017	2018	2019	
09/30/2014	207,117	0	0	0	0
09/30/2015	(624,785)	(156,197)	0	0	0
09/30/2016	(36,452)	(18,226)	(9,113)	0	0
09/30/2017	310,367	232,775	155,183	77,591	0
Total		58,352	146,070	77,591	0

<u>Development of Investment Gain/Loss</u>	
Actual Return Net of Investment Expenses	950,105
Expected Investment Earnings*	639,738
2017 Actuarial Investment Gain/(Loss)	310,367

*Expected Investment Earnings = $0.075 * [8,545,786 + 0.5 * (31,901)]$

<u>Development of Actuarial Value of Assets</u>	
(1) Market Value of Assets, 09/30/2017	9,463,990
(2) Gains/(Losses) Not Yet Recognized	58,352
(3) Actuarial Value of Assets, 09/30/2017, (1) - (2)	9,405,638
(A) 09/30/2016 Actuarial Assets:	8,833,738
(I) Net Investment Income:	
1. Interest and Dividends	243,814.02
2. Realized Gains (Losses)	138,295.69
2. Change in Actuarial Value	259,216.22
3. Investment Expenses	(37,524.43)
Total	603,801.50
(B) 09/30/2017 Actuarial Assets:	9,405,638
Actuarial Assets Rate of Return = $2I/(A+B-I)$	6.85%
Market Value of Assets Rate of Return:	11.26%
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(57,533)
10/01/2017 Limited Actuarial Assets:	9,405,638

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

REVENUES

Contributions:		
Member	92,395.15	
City	578,155.04	
State	147,326.57	
 Total Contributions		 817,876.76
Earnings from Investments:		
Interest & Dividends	243,814.02	
Net Realized Gain (Loss)	138,295.69	
Change in Actuarial Value	259,216.22	
 Total Earnings and Investment Gains		 641,325.93

EXPENDITURES

Distributions to Members:		
Benefit Payments	785,801.16	
Lump Sum Share Distributions	0.00	
Refunds of Member Contributions	5,560.60	
 Total Distributions		 791,361.76
Expenses:		
Investment related ¹	37,524.43	
Administrative	58,416.14	
 Total Expenses		 95,940.57
 Change in Net Assets for the Year		 571,900.36
 Net Assets Beginning of the Year		 8,833,737.89
 Net Assets End of the Year ²		 9,405,638.25

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

²Net Assets may be limited for actuarial consideration.

SUPPLEMENTAL CHAPTER 185 SHARE PLAN ACTIVITY
October 1, 2016 through September 30, 2017

9/30/2016 Balance	138,245
Prior Year Adjustment	-
Plus Additions	147,327
Investment Return Earned (est.)	15,397
Administrative Fees	(1,500)
Less Distributions	-
9/30/2017 Balance (est.)	299,469

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

(1)	Total Required Contribution Rate	54.2%
(2)	Pensionable Payroll Derived from Member Contributions	\$1,539,919.17
(3)	Total Required Contribution (1) x (2)	834,636.19
(4)	Less Actual Member Contributions	(92,395.15)
(5)	Less Allowable State Contribution	<u>0.00</u>
(6)	Equals Required City Contribution for Fiscal 2017	742,241.04
(7)	Less 2016 Prepaid Contribution (from Funding Standard Account)	(164,086.00)
(8)	Less Actual City Contributions	<u>(556,220.80)</u>
(9)	Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2017	\$21,934.24

STATISTICAL DATA

	<u>10/1/2014</u>	<u>10/1/2015</u>	<u>10/1/2016</u>	<u>10/1/2017</u>
<u>Actives</u>				
Number	23	27	27	28
Average Current Age	35.8	34.0	32.7	33.4
Average Age at Employment	29.1	28.1	27.1	27.1
Average Past Service	6.7	5.9	5.6	6.3
Average Annual Salary	\$52,710	\$53,895	\$54,177	\$56,370
<u>Service Retirees</u>				
Number	23	22	23	23
Average Current Age	N/A	58.9	59.5	60.5
Average Annual Benefit	\$28,976	\$29,348	\$29,840	\$29,840
<u>Beneficiaries</u>				
Number	0	1	1	1
Average Current Age	N/A	50.6	51.6	52.6
Average Annual Benefit	N/A	\$20,793	\$20,793	\$20,793
<u>Disability Retirees</u>				
Number	1	1	2	4
Average Current Age	N/A	53.1	44.2	45.5
Average Annual Benefit	\$28,580	\$28,580	\$25,691	\$23,875
<u>Terminated Vested</u>				
Number	10	9	12	10
Average Current Age	N/A	45.8	46.8	48.2
Average Annual Benefit	\$4,843	\$9,446	\$10,445	\$9,633

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	2	1	0	0	0	0	0	0	0	0	3
25 - 29	1	2	3	2	0	1	0	0	0	0	0	9
30 - 34	0	0	0	1	0	2	1	0	0	0	0	4
35 - 39	0	1	0	0	0	4	2	0	0	0	0	7
40 - 44	0	0	0	0	0	3	0	1	0	0	0	4
45 - 49	0	0	0	0	0	0	0	0	0	0	0	0
50 - 54	0	0	0	0	0	0	0	0	1	0	0	1
55 - 59	0	0	0	0	0	0	0	0	0	0	0	0
60 - 64	0	0	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0	0	0
Total	1	5	4	3	0	10	3	1	1	0	0	28

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2016	27
b. Terminations	
i. Vested (partial or full) with deferred benefits	0
ii. Non-vested or full lump sum distribution received	(1)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	<u>0</u>
f. Continuing participants	26
g. New entrants	<u>2</u>
h. Total active life participants in valuation	28

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	23	1	2	12	38
Retired	0	0	0	0	0
Vested Deferred	0	0	0	0	0
Death, With Survivor	0	0	0	0	0
Death, No Survivor	0	0	0	0	0
Disabled	0	0	2	(2)	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	23	1	4	10	38

SUMMARY OF PLAN PROVISIONS
(Through Ordinance 2017-O-21)

<u>Eligibility</u>	Full-time police officers shall participate in the system as a condition of employment.
<u>Salary</u>	Total Compensation.
<u>Average Final Compensation (AFC)</u>	Average Salary for the highest 3 years during the 5 years immediately preceding retirement or termination.
<u>Credited Service</u>	Total years and fractional parts of years of service with the City as a Police Officer.
<u>Member Contributions</u>	6.00% of Salary.
<u>City and State Contributions</u>	Remaining amount necessary to pay current costs and amortize past service cost, if any, as provided in Part VII of Florida Statutes, Chapter 112.
<u>Normal Retirement</u>	
Date	The earlier of: 1) age 55 and the completion of 5 years of Credited Service, or 2) the completion of 20 years of Credited Service, regardless of age.
Benefit	2.00% of Average Final Compensation times Credited Service as of 10/1/1987 plus 3.00% of Average Final Compensation times Credited Service after 10/1/1987.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Date	Age 50 and 5 years of Credited Service.
Benefit	Determined as for Normal Retirement and reduced 3.00% for each year that Early Retirement precedes Normal Retirement.
<u>Disability Benefit</u>	
Eligibility	
Service Incurred	Covered from Date of Employment.
Non-Service Incurred	5 years of Credited Service.
Exclusions	Disability resulting from use of drugs, illegal participation in riots, service in military, etc.

Chapter 185 Share Plan

Established with Ordinance 2016-11-14. By way of Mutual Consent under Chapter 2015-39, Laws of Florida, all Chapter 185 Premium Tax Monies are allocated to a Share Plan for the active Membership, beginning with the fiscal year ended September 30, 2016.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2017

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Short Term Investments	441,230
Cash	26,554
Total Cash and Equivalents	467,784
Receivables:	
Additional City Contributions	21,934
Investment Income	29,014
Total Receivable	50,948
Investments:	
U. S. Bonds and Bills	498,915
Federal Agency Guaranteed Securities	602,369
Corporate Bonds	2,395,764
Municipal Obligations	111,578
Mutual Funds:	
Equity	5,344,609
Total Investments	8,953,235
Total Assets	9,471,967
<u>LIABILITIES</u>	
Payables:	
Investment Expenses	2,125
Administrative Expenses	1,810
Total Liabilities	3,935
NET POSITION RESTRICTED FOR PENSIONS	9,468,032

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

ADDITIONS

Contributions:

Member	96,436	
City	578,155	
State	147,327	
 Total Contributions		 821,918
 Investment Income:		
Net Increase in Fair Value of Investments	743,816	
Interest & Dividends	243,814	
Less Investment Expense ¹	(37,524)	
 Net Investment Income		 950,106
 Total Additions		 1,772,024

DEDUCTIONS

Distributions to Members:

Benefit Payments	785,801	
Lump Sum DROP Distributions	0	
Refunds of Member Contributions	5,561	
 Total Distributions		 791,362
 Administrative Expense		 58,416
 Total Deductions		 849,778
 Net Increase in Net Position		 922,246
 NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		8,545,786
 End of the Year		 9,468,032

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

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

Plan Description

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a. Two Council appointees,
- b. Two Members of the Department elected by the membership, and
- c. Fifth Member elected by the other 4 and appointed by Council.

Plan Membership as of October 1, 2016:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	26
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	12
Active Plan Members	27
	65

Benefits Provided

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

Normal Retirement:

Date: The earlier of: 1) age 55 and the completion of 5 years of Credited Service, or 2) the completion of 20 years of Credited Service, regardless of age.

Benefit: 2.0% of Average Final Compensation times Credited Service as of 10/1/1987 plus 3.0% of Average Final Compensation times Credited Service after 10/1/1987.

Early Retirement:

Date: Age 50 and 5 years of Credited Service.

Benefit: Determined as for Normal Retirement and reduced 3.0% for each year that Early Retirement precedes Normal Retirement.

Disability:

Eligibility: Service Incurred: Covered from Date of Employment.

Non-Service Incurred: 5 years of Credited Service.

Benefit: Benefit accrued to date of disability. Minimum benefit for Service Incurred is 42% of AFC, for Non-Service Incurred is 25% of AFC.

Pre-Retirement Death Benefits:

Vested: A monthly benefit determined assuming the participant terminated employment on his date of death, survived to his earliest retirement date, elected a 100% qualified joint and survivor annuity and then died the next day.

Not Vested: Refund of accumulated contributions without interest.

Termination of Employment:

Benefit Less than 5 years: Refund of accumulated contributions without interest.

5 or more: Refund of Contributions or Accrued benefit payable at retirement age.

Contributions

Member Contributions: 6.00% of Salary.

City and State Contributions: 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, 2017:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	45%
International Equity	15%
Domestic Fixed Income	40%
<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, 2017, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 11.26 percent.

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

Deferred Retirement Option Program

Eligibility: Eligibility for Normal Retirement.

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.

The DROP balance as September 30, 2017 is \$0.

NET PENSION LIABILITY OF THE SPONSOR

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

Total Pension Liability	\$ 13,364,601
Plan Fiduciary Net Position	\$ (9,468,032)
Sponsor's Net Pension Liability	\$ 3,896,569
Plan Fiduciary Net Position as a percentage of Total Pension Liability	70.84%

Actuarial Assumptions:

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

Inflation	2.50%
Salary Increases	4.20% - 7.50%
Discount Rate	7.50%
Investment Rate of Return	7.50%

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 September 13, 2013.

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

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

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

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

Asset Class	Long Term Expected Real Rate of Return
Domestic Equity	7.5%
International Equity	8.5%
Domestic Fixed Income	2.5%

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.50 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 Discount Rate	1% Increase
	6.50%	7.50%	8.50%
Sponsor's Net Pension Liability	\$ 5,513,715	\$ 3,896,569	\$ 2,561,958

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

	<u>09/30/2017</u>	<u>09/30/2016</u>	<u>09/30/2015</u>
Total Pension Liability			
Prior Period Adjustment	-	-	-
Service Cost	241,471	248,453	209,572
Interest	939,389	874,946	855,433
Share Plan Allocation	147,327	138,245	-
Changes of benefit terms	-	-	-
Differences between Expected and Actual Experience	148,378	230,533	(19,907)
Changes of assumptions	-	244,939	-
Benefit Payments, including Refunds of Employee Contributions	(791,362)	(950,417)	(697,208)
Net Change in Total Pension Liability	<u>685,203</u>	<u>786,699</u>	<u>347,890</u>
Total Pension Liability - Beginning	<u>12,679,398</u>	<u>11,892,699</u>	<u>11,544,809</u>
Total Pension Liability - Ending (a)	<u>\$ 13,364,601</u>	<u>\$ 12,679,398</u>	<u>\$ 11,892,699</u>
Plan Fiduciary Net Position			
Contributions - Employer	578,155	621,470	618,054
Contributions - State	147,327	138,245	127,668
Contributions - Employee	96,436	84,939	79,610
Net Investment Income	950,106	568,335	(15,324)
Benefit Payments, including Refunds of Employee Contributions	(791,362)	(950,417)	(697,208)
Administrative Expense	(58,416)	(67,029)	(49,324)
Net Change in Plan Fiduciary Net Position	<u>922,246</u>	<u>395,543</u>	<u>63,476</u>
Plan Fiduciary Net Position - Beginning	<u>8,545,786</u>	<u>8,150,243</u>	<u>8,086,767</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 9,468,032</u>	<u>\$ 8,545,786</u>	<u>\$ 8,150,243</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 3,896,569</u>	<u>\$ 4,133,612</u>	<u>\$ 3,742,456</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	70.84%	67.40%	68.53%
Covered Employee Payroll ¹	\$ 1,539,919	\$ 1,415,650	\$ 1,396,624
Net Pension Liability as a percentage of Covered Employee Payroll	253.04%	291.99%	267.96%

Notes to Schedule:

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

Changes of assumptions:

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

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

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

	<u>09/30/2014</u>	<u>09/30/2013</u>
Total Pension Liability		
Prior Period Adjustment	(386,259)	-
Service Cost	206,976	192,536
Interest	859,397	836,080
Share Plan Allocation	-	-
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	-	-
Changes of assumptions	-	-
Benefit Payments, including Refunds of Employee Contributions	(773,904)	(690,444)
Net Change in Total Pension Liability	(93,790)	338,172
Total Pension Liability - Beginning	11,638,599	11,300,427
Total Pension Liability - Ending (a)	<u>\$ 11,544,809</u>	<u>\$ 11,638,599</u>
Plan Fiduciary Net Position		
Contributions - Employer	534,795	768,448
Contributions - State	125,387	121,375
Contributions - Employee	76,054	70,431
Net Investment Income	759,444	769,004
Benefit Payments, including Refunds of Employee Contributions	(773,904)	(690,444)
Administrative Expense	(36,404)	(82,988)
Net Change in Plan Fiduciary Net Position	685,372	955,826
Plan Fiduciary Net Position - Beginning	7,401,395	6,445,569
Plan Fiduciary Net Position - Ending (b)	<u>\$ 8,086,767</u>	<u>\$ 7,401,395</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 3,458,042</u>	<u>\$ 4,237,204</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	70.05%	63.59%
Covered Employee Payroll ¹	\$ 1,267,568	\$ 1,173,844
Net Pension Liability as a percentage of Covered Employee Payroll	272.81%	360.97%

Notes to Schedule:

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

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	09/30/2017	09/30/2016	09/30/2015	09/30/2014	09/30/2013
Actuarially Determined Contribution	742,241	746,047	768,235	766,878	874,513
Contributions in relation to the Actuarially Determined Contributions	578,155	621,470	745,722	660,182	768,448
Contribution Deficiency (Excess)	<u>\$ 164,086</u>	<u>\$ 124,577</u>	<u>\$ 22,513</u>	<u>\$ 106,696</u>	<u>\$ 106,065</u>
Covered Employee Payroll ¹	\$ 1,539,919	\$ 1,415,650	\$ 1,396,624	\$ 1,267,568	\$ 1,173,844
Contributions as a percentage of Covered Employee Payroll	37.54%	43.90%	53.39%	52.08%	65.46%

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

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.
Amortization Method: Level dollar.
Remaining Amortization Period: 18 Years (as of 10/01/2015).
Mortality: RP-2000 Combined Healthy Mortality, projected to 2005 using scale AA. We believe this assumption sufficiently accommodates future mortality improvements.
Interest Rate: 7.50% per year compounded annually, net of investment related expenses. This assumption is supported by the Plan’s investment policy and long-term expected returns by asset class.

Retirement Age:

Years Eligible for Normal Retirement	Retirement Probability
0	50%
1	0%
2	33%
3	60%
4	60%
5	60%
6 and greater	100%

It is assumed that no one works past age 58 if they are eligible to retire. This assumption was adopted based on the September 12, 2013 experiences study.
None assumed.

Early Retirement:

Salary Increases:

Credited Service	Assumption
Less than 10 Years	7.5%
10 Years or Greater	4.2%

Actuarial Asset Method:

This assumption was adopted based on the September 12, 2013 experiences study. All assets are valued at market value with an adjustment made to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a four-year period.

GASB 67

Termination Rates:

Credited Service	Assumption
Less than 5 Years	18%
5-9 Years	14%
10 Years and Greater	0%

Disability Rates:

This assumption was adopted based on the September 12, 2013 experiences study. See sample rates below. 80% of disablements are assumed as service-related.

Age	% Becoming Disabled During the Year
40	0.33%
45	0.56%
50	1.09%
55	1.69%

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years

	<u>09/30/2017</u>	<u>09/30/2016</u>	<u>09/30/2015</u>	<u>09/30/2014</u>	<u>09/30/2013</u>
Annual Money-Weighted Rate of Return					
Net of Investment Expense	11.26%	7.05%	-0.19%	10.40%	10.40%

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

General Information about the Pension Plan

Plan Description

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a. Two Council appointees,
- b. Two Members of the Department elected by the membership, and
- c. Fifth Member elected by the other 4 and appointed by Council.

Full-time police officers shall participate in the system as a condition of employment.

Plan Membership as of October 1, 2016:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	26
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	12
Active Plan Members	27
	65
	65

Benefits Provided

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

Normal Retirement:

Date: The earlier of: 1) age 55 and the completion of 5 years of Credited Service, or 2) the completion of 20 years of Credited Service, regardless of age.

Benefit: 2.0% of Average Final Compensation times Credited Service as of 10/1/1987 plus 3.0% of Average Final Compensation times Credited Service after 10/1/1987.

Early Retirement:

Date: Age 50 and 5 years of Credited Service.

Benefit: Determined as for Normal Retirement and reduced 3.0% for each year that Early Retirement precedes Normal Retirement.

Disability:

Eligibility: Service Incurred: Covered from Date of Employment.

Benefit: Benefit accrued to date of disability. Minimum benefit for Service Incurred is 42% of AFC, for Non-Service Incurred is 25% of AFC.

Pre-Retirement Death Benefits:

Vested: A monthly benefit determined assuming the participant terminated employment on his date of death, survived to his earliest retirement date, elected a 100% qualified joint and survivor annuity and then died the next day.

Not Vested: Refund of accumulated contributions without interest.

Termination of Employment:

Benefit Less than 5 years: Refund of accumulated contributions without interest.

5 or more: Refund of Contributions or Accrued benefit payable at retirement age.

Contributions

Member Contributions: 6.00% of Salary.

City and State Contributions: 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, 2017.

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

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

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

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

Actuarial Assumptions:

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

Inflation	2.50%
Salary Increases	4.20% - 7.50%
Discount Rate	7.50%
Investment Rate of Return	7.50%

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 September 13, 2013.

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

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	45%	7.5%
International Equity	15%	8.5%
Domestic Fixed Income	40%	2.5%
Total	<u>100%</u>	

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.50 percent.

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

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Reporting Period Ending September 30, 2017	\$ 12,679,398	\$ 8,545,786	\$ 4,133,612
Changes for a Year:			
Service Cost	241,471	-	241,471
Interest	939,389	-	939,389
Share Plan Allocation	147,327	-	147,327
Differences between Expected and Actual Experience	148,378	-	148,378
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - Employer	-	578,155	(578,155)
Contributions - State	-	147,327	(147,327)
Contributions - Employee	-	96,436	(96,436)
Net Investment Income	-	950,106	(950,106)
Benefit Payments, including Refunds of Employee Contributions	(791,362)	(791,362)	-
Administrative Expense	-	(58,416)	58,416
Net Changes	685,203	922,246	(237,043)
Reporting Period Ending September 30, 2018	\$ 13,364,601	\$ 9,468,032	\$ 3,896,569

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

	Current Discount		
	1% Decrease	Rate	1% Increase
	6.50%	7.50%	8.50%
Sponsor's Net Pension Liability	\$ 5,513,715	\$ 3,896,569	\$ 2,561,958

Pension Plan Fiduciary Net Position.

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

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

For the year ended September 30, 2017, the Sponsor has recognized a Pension Expense of \$787,945.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	172,899	9,954
Changes of assumptions	183,705	-
Net difference between Projected and Actual Earnings on Pension Plan investments	265,473	-
Employer and State contributions subsequent to the measurement date	725,482	-
Total	\$ 1,347,559	\$ 9,954

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

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

Year ended September 30:	
2018	\$ 149,000
2019	\$ 204,716
2020	\$ 251,116
2021	\$ 7,291
2022	\$ -
Thereafter	\$ -

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

For the year ended September 30, 2018, the Sponsor will recognize a Pension Expense of \$774,326.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	226,551	4,977
Changes of assumptions	122,470	-
Net difference between Projected and Actual Earnings on Pension Plan investments	-	17,808
Employer and State contributions subsequent to the measurement date	TBD	-
Total	TBD	\$ 22,785

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

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

Year ended September 30:		
2019	\$	179,768
2020	\$	226,168
2021	\$	(17,657)
2022	\$	(62,043)
2023	\$	-
Thereafter	\$	-

Payable to the Pension Plan

On September 30, 2017, the Sponsor reported a payable of \$21,934 for the outstanding amount of contributions of the Pension Plan required for the year ended September 30, 2017.

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

Reporting Period Ending Measurement Date	09/30/2018 09/30/2017	09/30/2017 09/30/2016	09/30/2016 09/30/2015
Total Pension Liability			
Prior Period Adjustment	-	-	-
Service Cost	241,471	248,453	209,572
Interest	939,389	874,946	855,433
Share Plan Allocation	147,327	138,245	-
Changes of benefit terms	-	-	-
Differences between Expected and Actual Experience	148,378	230,533	(19,907)
Changes of assumptions	-	244,939	-
Benefit Payments, including Refunds of Employee Contributions	(791,362)	(950,417)	(697,208)
Net Change in Total Pension Liability	685,203	786,699	347,890
Total Pension Liability - Beginning	12,679,398	11,892,699	11,544,809
Total Pension Liability - Ending (a)	<u>\$ 13,364,601</u>	<u>\$ 12,679,398</u>	<u>\$ 11,892,699</u>
Plan Fiduciary Net Position			
Contributions - Employer	578,155	621,470	618,054
Contributions - State	147,327	138,245	127,668
Contributions - Employee	96,436	84,939	79,610
Net Investment Income	950,106	568,335	(15,324)
Benefit Payments, including Refunds of Employee Contributions	(791,362)	(950,417)	(697,208)
Administrative Expense	(58,416)	(67,029)	(49,324)
Net Change in Plan Fiduciary Net Position	922,246	395,543	63,476
Plan Fiduciary Net Position - Beginning	8,545,786	8,150,243	8,086,767
Plan Fiduciary Net Position - Ending (b)	<u>\$ 9,468,032</u>	<u>\$ 8,545,786</u>	<u>\$ 8,150,243</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 3,896,569</u>	<u>\$ 4,133,612</u>	<u>\$ 3,742,456</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	70.84%	67.40%	68.53%
Covered Employee Payroll ¹	\$ 1,539,919	\$ 1,415,650	\$ 1,396,624
Net Pension Liability as a percentage of Covered Employee Payroll	253.04%	291.99%	267.96%

Notes to Schedule:

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

Changes of assumptions:

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

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

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

Reporting Period Ending	09/30/2015	09/30/2014
Measurement Date	<u>09/30/2014</u>	<u>09/30/2013</u>
Total Pension Liability		
Prior Period Adjustment	(386,259)	-
Service Cost	206,976	192,536
Interest	859,397	836,080
Share Plan Allocation	-	-
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	-	-
Changes of assumptions	-	-
Benefit Payments, including Refunds of Employee Contributions	<u>(773,904)</u>	<u>(690,444)</u>
Net Change in Total Pension Liability	(93,790)	338,172
Total Pension Liability - Beginning	<u>11,638,599</u>	<u>11,300,427</u>
Total Pension Liability - Ending (a)	<u>\$ 11,544,809</u>	<u>\$ 11,638,599</u>
Plan Fiduciary Net Position		
Contributions - Employer	534,795	768,448
Contributions - State	125,387	121,375
Contributions - Employee	76,054	70,431
Net Investment Income	759,444	769,004
Benefit Payments, including Refunds of Employee Contributions	(773,904)	(690,444)
Administrative Expense	<u>(36,404)</u>	<u>(82,988)</u>
Net Change in Plan Fiduciary Net Position	685,372	955,826
Plan Fiduciary Net Position - Beginning	<u>7,401,395</u>	<u>6,445,569</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 8,086,767</u>	<u>\$ 7,401,395</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 3,458,042</u>	<u>\$ 4,237,204</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	70.05%	63.59%
Covered Employee Payroll ¹	\$ 1,267,568	\$ 1,173,844
Net Pension Liability as a percentage of Covered Employee Payroll	272.81%	360.97%

Notes to Schedule:

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

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	09/30/2017	09/30/2016	09/30/2015	09/30/2014	09/30/2013
Actuarially Determined Contribution	742,241	746,047	768,235	766,878	874,513
Contributions in relation to the Actuarially Determined Contributions	578,155	621,470	745,722	660,182	768,448
Contribution Deficiency (Excess)	<u>\$ 164,086</u>	<u>\$ 124,577</u>	<u>\$ 22,513</u>	<u>\$ 106,696</u>	<u>\$ 106,065</u>
Covered Employee Payroll ¹	\$ 1,539,919	\$ 1,415,650	\$ 1,396,624	\$ 1,267,568	\$ 1,173,844
Contributions as a percentage of Covered Employee Payroll	37.54%	43.90%	53.39%	52.08%	65.46%

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

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.
Amortization Method: Level dollar.
Remaining Amortization Period: 18 Years (as of 10/01/2015).
Mortality: RP-2000 Combined Healthy Mortality, projected to 2005 using scale AA. We believe this assumption sufficiently accommodates future mortality improvements.
Interest Rate: 7.50% per year compounded annually, net of investment related expenses. This assumption is supported by the Plan’s investment policy and long-term expected returns by asset class.

Retirement Age:	Years Eligible for Normal Retirement	Retirement Probability
	0	50%
	1	0%
	2	33%
	3	60%
	4	60%
	5	60%
	6 and greater	100%

It is assumed that no one works past age 58 if they are eligible to retire. This assumption was adopted based on the September 12, 2013 experiences study.
None assumed.

Early Retirement:	Credited Service	Assumption
	Less than 10 Years	7.5%
	10 Years or Greater	4.2%

Actuarial Asset Method: This assumption was adopted based on the September 12, 2013 experiences study. All assets are valued at market value with an adjustment made to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a four-year period.

GASB 68

Termination Rates:

Credited Service	Assumption
Less than 5 Years	18%
5-9 Years	14%
10 Years and Greater	0%

Disability Rates:

This assumption was adopted based on the September 12, 2013 experiences study. See sample rates below. 80% of disablements are assumed as service-related.

Age	% Becoming Disabled During the Year
40	0.33%
45	0.56%
50	1.09%
55	1.69%

FINAL COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2017

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning Balance	\$ 3,742,456	\$ 250,632	\$ 1,259,544	\$ -
Employer and State contributions made after 09/30/2016	-	-	725,482	-
Total Pension Liability Factors:				
Service Cost	248,453	-	-	248,453
Interest	874,946	-	-	874,946
Share Plan Allocation	138,245	-	-	138,245
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	230,533	-	230,533	-
Current year amortization of experience difference	-	(4,977)	(57,634)	52,657
Change in assumptions about future economic or demographic factors or other inputs	244,939	-	244,939	-
Current year amortization of change in assumptions	-	-	(61,234)	61,234
Benefit Payments, including Refunds of Employee Contributions	(950,417)	-	-	-
Net change	<u>786,699</u>	<u>(4,977)</u>	<u>1,082,086</u>	<u>1,375,535</u>
Plan Fiduciary Net Position:				
Contributions - Employer	621,470	-	(621,470)	-
Contributions - State	138,245	-	(138,245)	-
Contributions - Employee	84,939	-	-	(84,939)
Projected Net Investment Income	604,789	-	-	(604,789)
Difference between projected and actual earnings on Pension Plan investments	(36,454)	-	36,454	-
Current year amortization	-	(97,139)	(132,248)	35,109
Benefit Payments, including Refunds of Employee Contributions	(950,417)	-	-	-
Administrative Expenses	(67,029)	-	-	67,029
Net change	<u>395,543</u>	<u>(97,139)</u>	<u>(855,509)</u>	<u>(587,590)</u>
Ending Balance	<u>\$ 4,133,612</u>	<u>\$ 148,516</u>	<u>\$ 1,486,121</u>	<u>\$ 787,945</u>

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2018

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 4,133,612	\$ 148,516	\$ 1,486,121	\$ -
Employer and State Contributions made after 09/30/2017	-	-	TBD*	-
Total Pension Liability Factors:				
Service Cost	241,471	-	-	241,471
Interest	939,389	-	-	939,389
Share Plan Allocation	147,327	-	-	147,327
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	148,378	-	148,378	-
Current year amortization of experience difference	-	(4,977)	(94,726)	89,749
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	(61,235)	61,235
Benefit Payments, including Refunds of Employee Contributions	(791,362)	-	-	-
Net change	<u>685,203</u>	<u>(4,977)</u>	<u>(7,583)</u>	<u>1,479,171</u>
Plan Fiduciary Net Position:				
Contributions - Employer	578,155	-	(578,155)	-
Contributions - State	147,327	-	(147,327)	-
Contributions - Employee	96,436	-	-	(96,436)
Projected Net Investment Income	639,889	-	-	(639,889)
Difference between projected and actual earnings on Pension Plan investments	310,217	310,217	-	-
Current year amortization	-	(159,184)	(132,248)	(26,936)
Benefit Payments, including Refunds of Employee Contributions	(791,362)	-	-	-
Administrative Expenses	(58,416)	-	-	58,416
Net change	<u>922,246</u>	<u>151,033</u>	<u>(857,730)</u>	<u>(704,845)</u>
Ending Balance	<u>\$ 3,896,569</u>	<u>\$ 294,572</u>	<u>TBD</u>	<u>\$ 774,326</u>

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

AMORTIZATION SCHEDULE - INVESTMENTS

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

Plan Year Ending	Differences Between Expected and Actual Experience*	Recognition Period (Years)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2013	\$ (278,581)	5	\$ (55,716)	\$ (55,716)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2014	\$ (207,117)	5	\$ (41,423)	\$ (41,423)	\$ (41,423)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	\$ 624,787	5	\$ 124,958	\$ 124,957	\$ 124,957	\$ 124,957	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ 36,454	5	\$ 7,290	\$ 7,291	\$ 7,291	\$ 7,291	\$ 7,291	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (310,217)	5	\$ -	\$ (62,045)	\$ (62,043)	\$ (62,043)	\$ (62,043)	\$ (62,043)	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 35,109	\$ (26,936)	\$ 28,782	\$ 70,205	\$ (54,752)	\$ (62,043)	\$ -	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEUDLE - CHANGES OF ASSUMPTIONS

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

Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2016	\$ 244,939	4	\$ 61,234	\$ 61,235	\$ 61,235	\$ 61,235	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 61,234	\$ 61,235	\$ 61,235	\$ 61,235	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - EXPERIENCE

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

Plan Year Ending	Differences Between Expected and Actual Experience	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience												
			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027		
2015	\$ (19,907)	4	\$ (4,977)	\$ (4,977)	\$ (4,977)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ 230,533	4	\$ 57,634	\$ 57,633	\$ 57,633	\$ 57,633	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ 148,378	4	\$ -	\$ 37,093	\$ 37,095	\$ 37,095	\$ 37,095	\$ 37,095	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 52,657	\$ 89,749	\$ 89,751	\$ 94,728	\$ 37,095	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -