

**TOWN OF PALM BEACH RETIREMENT SYSTEM**  
**CHAPTER 112.664, F.S. COMPLIANCE REPORT**  
**COMBINED REPORT FOR GENERAL EMPLOYEES INCLUDING**  
**OCEAN RESCUE, POLICE OFFICERS AND FIREFIGHTERS**  
**FOR THE YEAR ENDING SEPTEMBER 30, 2015**

May 6, 2016

Board of Trustees  
Town of Palm Beach Retirement System  
Palm Beach, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the Town of Palm Beach Retirement System to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

This report was prepared at the request of the Board and is intended for use by the Retirement Board and those designated or approved by the Board. This report may be provided to parties other than the Town and the Board only in its entirety and only with the permission of the Town and the Board.

The purpose of the report is to provide the required information specified in Ch. 112.664, F.S. as well as supplement this information with additional exhibits. This report should not be relied on for any purpose other than the purpose described above.

The findings in this report are based on data or other information through September 30, 2015. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the System's funded status); and changes in plan provisions or applicable law. The scope of this engagement does not include an analysis of the potential range of such measurements.

This report was based upon information furnished by the Town and the Board concerning System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the Town.

This report was prepared using certain assumptions prescribed by the Board as described in the actuarial valuation report dated February 26, 2016 and the GASB Statement No. 67 report dated February 12, 2016.

**Note: As required in Section 112.664(c) of the Florida Statutes, the projections of the System assets on pages 13-16 do not include contributions from the employer, employee or state. For this reason, these projections should not be viewed as a representation of the amount of time the System can sustain benefit payments. Under the GASB standards which do include contributions from the employer, employee and State, the System is expected to be able to sustain the benefit payment demands in the near-term and long-term future.**

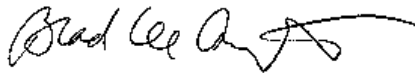
Board of Trustees  
May 6, 2016  
Page 2

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement System as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes. The signing actuaries are independent of the plan sponsor.

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1) F.S., the actuarial disclosures required under this section were prepared and completed by the signed actuaries or under their direct supervision, and they acknowledge responsibility for the results. To the best of their knowledge, the results are complete and accurate, and in their opinion, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Brad Lee Armstrong and Jeffrey T. Tebeau are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,



Brad L. Armstrong  
ASA, EA, FCA, MAAA



Jeffrey T. Tebeau  
ASA, MAAA

BLA/JTT:bd

## TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
Ch. 112.664, F.S. Results	
<b>General Employees Including Ocean Rescue</b>	
Schedule of Changes in Net Pension Liability	
1. Using financial reporting assumptions per GASB Statement No. 67	1
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	2
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	3
4. Using the mandated mortality and funding interest rate +2%	4
<b>Police Officers</b>	
Schedule of Changes in Net Pension Liability	
1. Using financial reporting assumptions per GASB Statement No. 67	5
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	6
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	7
4. Using the mandated mortality and funding interest rate +2%	8
<b>Firefighters</b>	
Schedule of Changes in Net Pension Liability	
1. Using financial reporting assumptions per GASB Statement No. 67	9
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	10
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	11
4. Using the mandated mortality and funding interest rate +2%	12
<b>Combined Retirement System</b>	
Asset Versus Benefit Payments Projections	
1. Using funding assumptions	13
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	14
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	15
4. Using the mandated mortality and funding interest rate +2%	16
Actuarially Determined Contribution – <b>General Employees</b>	17
Actuarially Determined Contribution – <b>Ocean Rescue</b>	18
Actuarially Determined Contribution – <b>Police Officers</b>	19
Actuarially Determined Contribution – <b>Firefighters</b>	20

**Schedule of Changes in the Employers' Net Pension Liability  
Using Financial Reporting Assumptions per GASB Statement No. 67**

General Employees  
Including  
Ocean Rescue

Fiscal year ending September 30,

**2015**

**1. Total pension liability**

a. Service Cost	\$	739,734
b. Interest		7,096,090
c. Benefit Changes		39,572
d. Difference Between Expected and Actual Experience		499,432
e. Assumption Changes		7,152,240
f. Benefit Payments		(9,215,159)
g. Contribution Refunds		(70,488)
h. Other		-
<b>i. Net Change in Total Pension Liability</b>		<b>6,241,422</b>
<b>j. Total Pension Liability - Beginning</b>		<b>98,887,496</b>
<b>k. DROP Accounts - Beginning</b>		<b>-</b>
<b>l. Total Pension Liability - Ending</b>	<b>\$</b>	<b>105,128,918</b>

**2. Plan Fiduciary Net Position**

a. Contributions - Employer	\$	2,008,406
b. Contributions - Non-Employer Contributing Entity		-
c. Contributions - Member		282,284
d. Net Investment Income		(3,318,320)
e. Benefit Payments		(9,215,159)
f. Contribution Refunds		(70,488)
g. Administrative Expense		(175,900)
h. Other		-
<b>i. Net Change in Plan Fiduciary Net Position</b>		<b>(10,489,177)</b>
<b>j. Plan Fiduciary Net Position - Beginning</b>		<b>84,908,713</b>
<b>k. Prior Year Adjustment</b>		<b>-</b>
<b>l. Plan Fiduciary Net Position - Ending</b>	<b>\$</b>	<b>74,419,536</b>

**3. Net Pension Liability / (Asset)**

30,709,382

**Certain Key Assumptions**

Investment Return Assumption

7.50%

Mortality Table

RP-2014 Healthy Annuitant  
Mortality Tables projected  
to 2017 using MP-2014

**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(a), F.S.**

General Employees  
Including  
Ocean Rescue

Fiscal year ending September 30,

**2015**

**1. Total pension liability**

a. Service Cost	\$ 783,859
b. Interest	7,418,311
c. Benefit Changes	-
d. Difference Between Expected and Actual Experience	521,019
e. Assumption Changes	2,105,113
f. Benefit Payments	(9,215,159)
g. Contribution Refunds	(70,488)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<b>1,542,655</b>
<b>j. Total Pension Liability - Beginning</b>	<b>103,161,712</b>
<b>k. DROP Accounts - Beginning</b>	<b>-</b>
<b>l. Total Pension Liability - Ending</b>	<b>\$ 104,704,367</b>

**2. Plan Fiduciary Net Position**

a. Contributions - Employer	\$ 2,008,406
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	282,284
d. Net Investment Income	(3,318,320)
e. Benefit Payments	(9,215,159)
f. Contribution Refunds	(70,488)
g. Administrative Expense	(175,900)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<b>(10,489,177)</b>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<b>84,908,713</b>
<b>k. Prior Year Adjustment</b>	<b>-</b>
<b>l. Plan Fiduciary Net Position - Ending</b>	<b>\$ 74,419,536</b>

**3. Net Pension Liability / (Asset)**

30,284,831

**Certain Key Assumptions**

Investment Return Assumption

7.50%

Mortality Table

RP-2000 fully generational  
using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(b), F.S.**

General Employees  
Including  
Ocean Rescue

Fiscal year ending September 30,

**2015**

**1. Total pension liability**

a. Service Cost	\$ 1,215,632
b. Interest	6,866,820
c. Benefit Changes	-
d. Difference Between Expected and Actual Experience	650,941
e. Assumption Changes	3,543,828
f. Benefit Payments	(9,215,159)
g. Contribution Refunds	(70,488)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<b>2,991,574</b>
<b>j. Total Pension Liability - Beginning</b>	<b>128,886,275</b>
<b>k. DROP Accounts - Beginning</b>	<b>-</b>
<b>l. Total Pension Liability - Ending</b>	<b>\$ 131,877,849</b>

**2. Plan Fiduciary Net Position**

a. Contributions - Employer	\$ 2,008,406
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	282,284
d. Net Investment Income	(3,318,320)
e. Benefit Payments	(9,215,159)
f. Contribution Refunds	(70,488)
g. Administrative Expense	(175,900)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<b>(10,489,177)</b>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<b>84,908,713</b>
<b>k. Prior Year Adjustment</b>	<b>-</b>
<b>l. Plan Fiduciary Net Position - Ending</b>	<b>\$ 74,419,536</b>

**3. Net Pension Liability / (Asset)**

57,458,313

**Certain Key Assumptions**

Investment Return Assumption

5.50%

Mortality Table

RP-2000 fully generational  
using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(b), F.S.  
Except 2% higher investment return assumption**

General Employees  
Including  
Ocean Rescue

Fiscal year ending September 30,

**2015**

**1. Total pension liability**

a. Service Cost	\$ 527,575
b. Interest	7,686,668
c. Benefit Changes	-
d. Difference Between Expected and Actual Experience	430,764
e. Assumption Changes	1,253,724
f. Benefit Payments	(9,215,159)
g. Contribution Refunds	(70,488)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<b>613,085</b>
<b>j. Total Pension Liability - Beginning</b>	<b>85,291,329</b>
<b>k. DROP Accounts - Beginning</b>	<b>-</b>
<b>l. Total Pension Liability - Ending</b>	<b>\$ 85,904,414</b>

**2. Plan Fiduciary Net Position**

a. Contributions - Employer	\$ 2,008,406
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	282,284
d. Net Investment Income	(3,318,320)
e. Benefit Payments	(9,215,159)
f. Contribution Refunds	(70,488)
g. Administrative Expense	(175,900)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<b>(10,489,177)</b>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<b>84,908,713</b>
<b>k. Prior Year Adjustment</b>	<b>-</b>
<b>l. Plan Fiduciary Net Position - Ending</b>	<b>\$ 74,419,536</b>

**3. Net Pension Liability / (Asset)**

11,484,878

**Certain Key Assumptions**

Investment Return Assumption  
Mortality Table

9.50%  
RP-2000 fully generational  
using Scale AA



**Schedule of Changes in the Employers' Net Pension Liability  
Using Financial Reporting Assumptions per GASB Statement No. 67**

	Police Officers
	<u>2015</u>
Fiscal year ending September 30,	
<b>1. Total pension liability</b>	
a. Service Cost	\$ 274,361
b. Interest	6,343,197
c. Benefit Changes	83,392
d. Difference Between Expected and Actual Experience	637,286
e. Assumption Changes	2,464,149
f. Benefit Payments	(7,918,798)
g. Contribution Refunds	(22,377)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<u>1,861,210</u>
<b>j. Total Pension Liability - Beginning</b>	<u>88,409,367</u>
<b>k. DROP Accounts - Beginning</b>	<u>-</u>
<b>l. Total Pension Liability - Ending</b>	<u>\$ 90,270,577</u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 2,144,662
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	98,530
d. Net Investment Income	(2,658,036)
e. Benefit Payments	(7,918,798)
f. Contribution Refunds	(22,377)
g. Administrative Expense	(140,899)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>(8,496,918)</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>68,013,491</u>
<b>k. Prior Year Adjustment</b>	<u>-</u>
<b>l. Plan Fiduciary Net Position - Ending</b>	<u>\$ 59,516,573</u>
<b>3. Net Pension Liability / (Asset)</b>	30,754,004

**Certain Key Assumptions**

Investment Return Assumption

7.50%

Mortality Table

RP-2014 Blue Collar Annuitant  
Mortality Tables projected to  
2017 using MP-2014

**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(a), F.S.**

	Police Officers
	<u>2015</u>
Fiscal year ending September 30,	
<b>1. Total pension liability</b>	
a. Service Cost	\$ 294,996
b. Interest	6,620,556
c. Benefit Changes	-
d. Difference Between Expected and Actual Experience	663,869
e. Assumption Changes	25,576
f. Benefit Payments	(7,918,798)
g. Contribution Refunds	(22,377)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<u>(336,178)</u>
<b>j. Total Pension Liability - Beginning</b>	<u>92,097,174</u>
<b>k. DROP Accounts - Beginning</b>	<u>-</u>
<b>l. Total Pension Liability - Ending</b>	<u><u>\$ 91,760,996</u></u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 2,144,662
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	98,530
d. Net Investment Income	(2,658,036)
e. Benefit Payments	(7,918,798)
f. Contribution Refunds	(22,377)
g. Administrative Expense	(140,899)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>(8,496,918)</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>68,013,491</u>
<b>k. Prior Year Adjustment</b>	<u>-</u>
<b>l. Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 59,516,573</u></u>
<b>3. Net Pension Liability / (Asset)</b>	32,244,423

**Certain Key Assumptions**

Investment Return Assumption	7.50%
Mortality Table	RP-2000 fully generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(b), F.S.**

	Police Officers
	<u>2015</u>
Fiscal year ending September 30,	
<b>1. Total pension liability</b>	
a. Service Cost	\$ 464,859
b. Interest	6,244,081
c. Benefit Changes	-
d. Difference Between Expected and Actual Experience	845,301
e. Assumption Changes	629,223
f. Benefit Payments	(7,918,798)
g. Contribution Refunds	(22,377)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<u>242,289</u>
<b>j. Total Pension Liability - Beginning</b>	<u>117,266,899</u>
<b>k. DROP Accounts - Beginning</b>	<u>-</u>
<b>l. Total Pension Liability - Ending</b>	<u><u>\$ 117,509,188</u></u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 2,144,662
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	98,530
d. Net Investment Income	(2,658,036)
e. Benefit Payments	(7,918,798)
f. Contribution Refunds	(22,377)
g. Administrative Expense	(140,899)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>(8,496,918)</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>68,013,491</u>
<b>k. Prior Year Adjustment</b>	<u>-</u>
<b>l. Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 59,516,573</u></u>
<b>3. Net Pension Liability / (Asset)</b>	57,992,615

**Certain Key Assumptions**

Investment Return Assumption	5.50%
Mortality Table	RP-2000 fully generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(b), F.S.  
Except 2% higher investment return assumption**

	Police Officers
	<u>2015</u>
Fiscal year ending September 30,	
<b>1. Total pension liability</b>	
a. Service Cost	\$ 193,763
b. Interest	6,784,318
c. Benefit Changes	-
d. Difference Between Expected and Actual Experience	542,699
e. Assumption Changes	(333,716)
f. Benefit Payments	(7,918,798)
g. Contribution Refunds	(22,377)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<u>(754,110)</u>
<b>j. Total Pension Liability - Beginning</b>	<u>75,287,575</u>
<b>k. DROP Accounts - Beginning</b>	-
<b>l. Total Pension Liability - Ending</b>	<u><u>\$ 74,533,465</u></u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 2,144,662
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	98,530
d. Net Investment Income	(2,658,036)
e. Benefit Payments	(7,918,798)
f. Contribution Refunds	(22,377)
g. Administrative Expense	(140,899)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>(8,496,918)</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>68,013,491</u>
<b>k. Prior Year Adjustment</b>	-
<b>l. Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 59,516,573</u></u>
<b>3. Net Pension Liability / (Asset)</b>	15,016,892

**Certain Key Assumptions**

Investment Return Assumption	9.50%
Mortality Table	RP-2000 fully generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability  
Using Financial Reporting Assumptions per GASB Statement No. 67**

	Firefighters
	<u>2015</u>
Fiscal year ending September 30,	
<b>1. Total pension liability</b>	
a. Service Cost	\$ 238,556
b. Interest	6,396,715
c. Benefit Changes	35,550
d. Difference Between Expected and Actual Experience	(299,119)
e. Assumption Changes	2,324,039
f. Benefit Payments	(6,098,229)
g. Contribution Refunds	(36,034)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<u>2,561,478</u>
<b>j. Total Pension Liability - Beginning</b>	<u>88,237,386</u>
<b>k. DROP and Share Accounts - Beginning</b>	<u>-</u>
<b>l. Total Pension Liability - Ending</b>	<u><u>\$ 90,798,864</u></u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 2,269,117
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	210,233
d. Net Investment Income	(2,465,198)
e. Benefit Payments	(6,098,229)
f. Contribution Refunds	(36,034)
g. Administrative Expense	(130,676)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>(6,250,787)</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>63,079,168</u>
<b>k. Prior Year Adjustment</b>	<u>-</u>
<b>l. Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 56,828,381</u></u>
<b>3. Net Pension Liability / (Asset)</b>	33,970,483
<b>Certain Key Assumptions</b>	
Investment Return Assumption	7.50%
Mortality Table	RP-2014 Blue Collar Annuitant Mortality Tables projected to 2017 using MP-2014

**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(a), F.S.**

	Firefighters
	<u>2015</u>
Fiscal year ending September 30,	
<b>1. Total pension liability</b>	
a. Service Cost	\$ 260,667
b. Interest	6,613,114
c. Benefit Changes	-
d. Difference Between Expected and Actual Experience	(308,863)
e. Assumption Changes	1,068,127
f. Benefit Payments	(6,098,229)
g. Contribution Refunds	(36,034)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<u>1,498,782</u>
<b>j. Total Pension Liability - Beginning</b>	<u>91,111,650</u>
<b>k. DROP and Share Accounts - Beginning</b>	<u>-</u>
<b>l. Total Pension Liability - Ending</b>	<u><u>\$ 92,610,432</u></u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 2,269,117
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	210,233
d. Net Investment Income	(2,465,198)
e. Benefit Payments	(6,098,229)
f. Contribution Refunds	(36,034)
g. Administrative Expense	(130,676)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>(6,250,787)</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>63,079,168</u>
<b>k. Prior Year Adjustment</b>	<u>-</u>
<b>l. Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 56,828,381</u></u>
<b>3. Net Pension Liability / (Asset)</b>	35,782,051

**Certain Key Assumptions**

Investment Return Assumption	7.50%
Mortality Table	RP-2000 fully generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(b), F.S.**

	Firefighters
	<u>2015</u>
Fiscal year ending September 30,	
<b>1. Total pension liability</b>	
a. Service Cost	\$ 407,865
b. Interest	6,254,192
c. Benefit Changes	-
d. Difference Between Expected and Actual Experience	(395,184)
e. Assumption Changes	1,981,265
f. Benefit Payments	(6,098,229)
g. Contribution Refunds	(36,034)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<u>2,113,875</u>
<b>j. Total Pension Liability - Beginning</b>	<u>116,575,777</u>
<b>k. DROP and Share Accounts - Beginning</b>	<u>-</u>
<b>l. Total Pension Liability - Ending</b>	<u><u>\$ 118,689,652</u></u>
 <b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 2,269,117
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	210,233
d. Net Investment Income	(2,465,198)
e. Benefit Payments	(6,098,229)
f. Contribution Refunds	(36,034)
g. Administrative Expense	(130,676)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>(6,250,787)</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>63,079,168</u>
<b>k. Prior Year Adjustment</b>	<u>-</u>
<b>l. Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 56,828,381</u></u>
 <b>3. Net Pension Liability / (Asset)</b>	 61,861,271

**Certain Key Assumptions**

Investment Return Assumption	5.50%
Mortality Table	RP-2000 fully generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(b), F.S.  
Except 2% higher investment return assumption**

	Firefighters
	<u>2015</u>
Fiscal year ending September 30,	
<b>1. Total pension liability</b>	
a. Service Cost	\$ 162,731
b. Interest	6,777,308
c. Benefit Changes	-
d. Difference Between Expected and Actual Experience	(251,960)
e. Assumption Changes	540,418
f. Benefit Payments	(6,098,229)
g. Contribution Refunds	(36,034)
h. Other	-
<b>i. Net Change in Total Pension Liability</b>	<u>1,094,234</u>
<b>j. Total Pension Liability - Beginning</b>	<u>74,325,855</u>
<b>k. DROP Accounts - Beginning</b>	-
<b>l. Total Pension Liability - Ending</b>	<u><u>\$ 75,420,089</u></u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 2,269,117
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	210,233
d. Net Investment Income	(2,465,198)
e. Benefit Payments	(6,098,229)
f. Contribution Refunds	(36,034)
g. Administrative Expense	(130,676)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>(6,250,787)</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>63,079,168</u>
<b>k. Prior Year Adjustment</b>	-
<b>l. Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 56,828,381</u></u>
<b>3. Net Pension Liability / (Asset)</b>	18,591,708

**Certain Key Assumptions**

Investment Return Assumption	9.50%
Mortality Table	RP-2000 fully generational using Scale AA



**Asset and Benefit Payment Projection**  
**Not Reflecting Any Contributions from the Employer, State or Employee**  
**Using Financial Reporting Assumptions per GASB Statement No. 67**

<b>FYE</b>	<b>Market Value of Assets (BOY)</b>	<b>Expected Investment Return</b>	<b>Projected Benefit Payments</b>	<b>Market Value of Assets (EOY)</b>
2016	\$ 181,471,611	\$ 12,950,216	\$ 17,604,131	\$ 176,817,696
2017	176,817,696	12,578,742	18,202,277	171,194,161
2018	171,194,161	12,138,353	18,698,916	164,633,599
2019	164,633,599	11,627,524	19,199,896	157,061,227
2020	157,061,227	11,040,213	19,716,760	148,384,680
2021	148,384,680	10,371,601	20,193,345	138,562,936
2022	138,562,936	9,616,316	20,690,769	127,488,483
2023	127,488,483	8,768,100	21,160,978	115,095,605
2024	115,095,605	7,822,985	21,578,265	101,340,325
2025	101,340,325	6,771,863	22,097,631	86,014,557
2026	86,014,557	5,606,894	22,511,950	69,109,501
2027	69,109,501	4,326,364	22,849,290	50,586,575
2028	50,586,575	2,925,670	23,155,296	30,356,949
2029	30,356,949	1,399,552	23,392,506	8,363,994
2030	8,363,994	-	23,597,423	-
2031	-	-	23,800,774	-
2032	-	-	23,902,651	-
2033	-	-	23,981,241	-
2034	-	-	23,990,995	-
2035	-	-	23,959,391	-
2036	-	-	23,937,799	-
2037	-	-	23,849,312	-
2038	-	-	23,665,626	-
2039	-	-	23,443,344	-
2040	-	-	23,180,808	-
2041	-	-	22,849,820	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits reflecting no contributions from the Employer, Employee or State: 14.33

**Certain Key Assumptions**

Valuation Investment Return Assumption 7.50%  
 Mortality Table RP-2014 Healthy Annuitant Mortality Tables projected to 2017 using MP-2014

*Share and DROP Accounts are excluded from the Market Value of Assets for the purpose of this projection.*

**Asset and Benefit Payment Projection  
Not Reflecting Any Contributions from the Employer, State or Employee  
Using Assumptions required under 112.664(1)(a), F.S.**

<b>FYE</b>	<b>Market Value of Assets (BOY)</b>	<b>Expected Investment Return</b>	<b>Projected Benefit Payments</b>	<b>Market Value of Assets (EOY)</b>
2016	\$ 181,471,611	\$ 12,950,424	\$ 17,598,579	\$ 176,823,456
2017	176,823,456	12,579,704	18,188,149	171,215,010
2018	171,215,010	12,140,762	18,676,374	164,679,398
2019	164,679,398	11,632,022	19,171,531	157,139,889
2020	157,139,889	11,047,591	19,677,345	148,510,135
2021	148,510,135	10,382,682	20,148,742	138,744,075
2022	138,744,075	9,631,691	20,643,049	127,732,717
2023	127,732,717	8,788,271	21,111,551	115,409,436
2024	115,409,436	7,848,349	21,529,569	101,728,216
2025	101,728,216	6,802,664	22,052,050	86,478,831
2026	86,478,831	5,643,391	22,467,226	69,654,996
2027	69,654,996	4,368,884	22,806,431	51,217,449
2028	51,217,449	2,974,507	23,114,716	31,077,240
2029	31,077,240	1,454,998	23,354,528	9,177,710
2030	9,177,710	-	23,563,024	-
2031	-	-	23,771,648	-
2032	-	-	23,879,736	-
2033	-	-	23,967,174	-
2034	-	-	23,988,089	-
2035	-	-	23,971,496	-
2036	-	-	23,969,046	-
2037	-	-	23,902,089	-
2038	-	-	23,742,308	-
2039	-	-	23,547,463	-
2040	-	-	23,315,545	-
2041	-	-	23,017,566	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits reflecting no contributions from the Employer, Employee or State: 14.42

**Certain Key Assumptions**

Valuation Investment Return Assumption 7.50%  
Valuation Mortality Table RP-2000 fully generational using Scale AA

*Share and DROP Accounts are excluded from the Market Value of Assets for the purpose of this projection.*

**Asset and Benefit Payment Projection  
Not Reflecting Any Contributions from the Employer, State or Employee  
Using Assumptions required under 112.664(1)(b), F.S.**

<b>FYE</b>	<b>Market Value of Assets (BOY)</b>	<b>Expected Investment Return</b>	<b>Projected Benefit Payments</b>	<b>Market Value of Assets (EOY)</b>
2016	\$ 181,471,611	\$ 9,496,978	\$ 17,598,579	\$ 173,370,010
2017	173,370,010	9,035,176	18,188,149	164,217,037
2018	164,217,037	8,518,337	18,676,374	154,058,999
2019	154,058,999	7,946,028	19,171,531	142,833,496
2020	142,833,496	7,314,715	19,677,345	130,470,866
2021	130,470,866	6,621,807	20,148,742	116,943,931
2022	116,943,931	5,864,232	20,643,049	102,165,114
2023	102,165,114	5,038,514	21,111,551	86,092,076
2024	86,092,076	4,143,001	21,529,569	68,705,508
2025	68,705,508	3,172,372	22,052,050	49,825,830
2026	49,825,830	2,122,572	22,467,226	29,481,176
2027	29,481,176	994,288	22,806,431	7,669,033
2028	7,669,033	-	23,114,716	-
2029	-	-	23,354,528	-
2030	-	-	23,563,024	-
2031	-	-	23,771,648	-
2032	-	-	23,879,736	-
2033	-	-	23,967,174	-
2034	-	-	23,988,089	-
2035	-	-	23,971,496	-
2036	-	-	23,969,046	-
2037	-	-	23,902,089	-
2038	-	-	23,742,308	-
2039	-	-	23,547,463	-
2040	-	-	23,315,545	-
2041	-	-	23,017,566	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits reflecting no contributions from the Employer, Employee or State: 12.33

**Certain Key Assumptions**

Valuation Investment Return Assumption 5.50%  
Valuation Mortality Table RP-2000 fully generational using Scale AA

*Share and DROP Accounts are excluded from the Market Value of Assets for the purpose of this projection.*

**Asset and Benefit Payment Projection**  
**Not Reflecting Any Contributions from the Employer, State or Employee**  
**Using Assumptions required under 112.664(1)(b), F.S.**  
**Except 2% higher investment return assumption**

<b>FYE</b>	<b>Market Value of Assets (BOY)</b>	<b>Expected Investment Return</b>	<b>Projected Benefit Payments</b>	<b>Market Value of Assets (EOY)</b>
2016	\$ 181,471,611	\$ 16,403,871	\$ 17,598,579	\$ 180,276,902
2017	180,276,902	16,262,369	18,188,149	178,351,122
2018	178,351,122	16,056,229	18,676,374	175,730,976
2019	175,730,976	15,783,795	19,171,531	172,343,240
2020	172,343,240	15,437,934	19,677,345	168,103,829
2021	168,103,829	15,012,798	20,148,742	162,967,885
2022	162,967,885	14,501,404	20,643,049	156,826,240
2023	156,826,240	13,895,694	21,111,551	149,610,382
2024	149,610,382	13,190,332	21,529,569	141,271,145
2025	141,271,145	12,373,286	22,052,050	131,592,382
2026	131,592,382	11,434,083	22,467,226	120,559,239
2027	120,559,239	10,369,822	22,806,431	108,122,631
2028	108,122,631	9,173,701	23,114,716	94,181,616
2029	94,181,616	7,837,913	23,354,528	78,665,001
2030	78,665,001	6,353,932	23,563,024	61,455,909
2031	61,455,909	4,709,158	23,771,648	42,393,420
2032	42,393,420	2,893,087	23,879,736	21,406,771
2033	21,406,771	895,202	23,967,174	-
2034	-	-	23,988,089	-
2035	-	-	23,971,496	-
2036	-	-	23,969,046	-
2037	-	-	23,902,089	-
2038	-	-	23,742,308	-
2039	-	-	23,547,463	-
2040	-	-	23,315,545	-
2041	-	-	23,017,566	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits reflecting no contributions from the Employer, Employee or State: 17.92

**Certain Key Assumptions**

Valuation Investment Return Assumption 9.50%  
Valuation Mortality Table RP-2000 fully generational using Scale AA

*Share and DROP Accounts are excluded from the Market Value of Assets for the purpose of this projection.*

Town of Palm Beach Retirement System

ACTUARIALLY DETERMINED CONTRIBUTION - GENERAL EMPLOYEES				
	GASB No. 67 Assumptions	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. Except 2% Higher Investment Return Assumption
A. Valuation Date	September 30, 2015	September 30, 2015	September 30, 2015	September 30, 2015
B. Actuarial Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2017	9/30/2017	9/30/2017
C. Assumed Dates of Employer Contributions	Quarterly	Quarterly	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 1,848,006	\$ 1,769,712	\$ 2,647,151	\$ 831,080
E. Total Normal Cost	<u>833,919</u>	<u>861,560</u>	<u>1,219,441</u>	<u>648,547</u>
F. ADC: D + E	\$ 2,681,925	\$ 2,631,272	\$ 3,866,592	\$ 1,479,627
G. As a % of Covered Payroll	26.22 %	25.72 %	37.80 %	14.47 %
H. Assumed Rate of Increase in Covered Payroll to Contribution Year	5.30 %	5.30 %	5.30 %	5.30 %
I. Covered Payroll for Contribution Year	\$ 10,228,544	\$ 10,228,544	\$ 10,228,544	\$ 10,228,544
J. ADC for Contribution Year: G x I	2,681,925	2,631,272	3,866,592	1,479,627
K. Allowable Credit for State Revenue in Contribution Year	0	0	0	0
L. Member Contributions	<u>266,965</u>	<u>266,965</u>	<u>266,965</u>	<u>266,965</u>
M. Employer ADC in Contribution Year	\$ 2,414,960	\$ 2,364,307	\$ 3,599,627	\$ 1,212,662
N. Employer ADC as % of Covered Payroll in Contribution Year: M ÷ I	23.61 %	23.11 %	35.19 %	11.86 %
O. Certain Key Assumptions				
Investment Return Assumption	7.50%	7.50%	5.50%	9.50%
Mortality Table	RP-2014 Healthy Annuitant Mortality Tables projected to 2017 using MP-2014	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA

Town of Palm Beach Retirement System

ACTUARIALLY DETERMINED CONTRIBUTION - OCEAN RESCUE				
	GASB No. 67 Assumptions	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. Except 2% Higher Investment Return Assumption
A. Valuation Date	September 30, 2015	September 30, 2015	September 30, 2015	September 30, 2015
B. Actuarial Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2017	9/30/2017	9/30/2017
C. Assumed Dates of Employer Contributions	Quarterly	Quarterly	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 157,080	\$ 160,597	\$ 203,594	\$ 116,512
E. Total Normal Cost	<u>10,064</u>	<u>10,373</u>	<u>15,073</u>	<u>7,813</u>
F. ADC: D + E	\$ 167,144	\$ 170,970	\$ 218,667	\$ 124,324
G. As a % of Covered Payroll	111.56 %	114.11 %	145.95 %	82.98 %
H. Assumed Rate of Increase in Covered Payroll to Contribution Year	5.30 %	5.30 %	5.30 %	5.30 %
I. Covered Payroll for Contribution Year	\$ 149,824	\$ 149,824	\$ 149,824	\$ 149,824
J. ADC for Contribution Year: G x I	167,144	170,970	218,667	124,324
K. Allowable Credit for State Revenue in Contribution Year	0	0	0	0
L. Member Contributions	<u>3,701</u>	<u>3,701</u>	<u>3,701</u>	<u>3,701</u>
M. Employer ADC in Contribution Year	\$ 163,443	\$ 167,269	\$ 214,966	\$ 120,623
N. Employer ADC as % of Covered Payroll in Contribution Year: M ÷ I	109.09 %	111.64 %	143.48 %	80.51 %
O. Certain Key Assumptions				
Investment Return Assumption	7.50%	7.50%	5.50%	9.50%
Mortality Table	RP-2014 Blue Collar Annuitant Mortality Tables projected to 2017 using MP-2014	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA

Town of Palm Beach Retirement System

ACTUARIALLY DETERMINED CONTRIBUTION - POLICE OFFICERS				
	GASB No. 67 Assumptions	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. Except 2% Higher Investment Return Assumption
A. Valuation Date	September 30, 2015	September 30, 2015	September 30, 2015	September 30, 2015
B. Actuarial Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2017	9/30/2017	9/30/2017
C. Assumed Dates of Employer Contributions	Quarterly	Quarterly	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 2,241,054	\$ 2,299,705	\$ 3,129,227	\$ 1,454,896
E. Total Normal Cost	<u>386,253</u>	<u>394,350</u>	<u>529,848</u>	<u>317,609</u>
F. ADC: D + E	\$ 2,627,307	\$ 2,694,055	\$ 3,659,075	\$ 1,772,506
G. As a % of Covered Payroll	68.02 %	69.75 %	94.73 %	45.89 %
H. Assumed Rate of Increase in Covered Payroll to Contribution Year	5.30 %	5.30 %	5.30 %	5.30 %
I. Covered Payroll for Contribution Year	\$ 3,862,550	\$ 3,862,550	\$ 3,862,550	\$ 3,862,550
J. ADC for Contribution Year: G x I	2,627,307	2,694,055	3,659,075	1,772,506
K. Allowable Credit for State Revenue in Contribution Year	0	0	0	0
L. Member Contributions	<u>95,405</u>	<u>95,405</u>	<u>95,405</u>	<u>95,405</u>
M. Employer ADC in Contribution Year	\$ 2,531,902	\$ 2,598,650	\$ 3,563,670	\$ 1,677,101
N. Employer ADC as % of Covered Payroll in Contribution Year: M ÷ I	65.55 %	67.28 %	92.26 %	43.42 %
O. Certain Key Assumptions				
Investment Return Assumption	7.50%	7.50%	5.50%	9.50%
Mortality Table	RP-2014 Blue Collar Annuitant Mortality Tables projected to 2017 using MP-2014	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA

Town of Palm Beach Retirement System

ACTUARIALLY DETERMINED CONTRIBUTION - FIREFIGHTERS				
	GASB No. 67 Assumptions	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. Except 2% Higher Investment Return Assumption
A. Valuation Date	September 30, 2015	September 30, 2015	September 30, 2015	September 30, 2015
B. Actuarial Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2017	9/30/2017	9/30/2017
C. Assumed Dates of Employer Contributions	Quarterly	Quarterly	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 2,410,156	\$ 2,453,061	\$ 3,256,273	\$ 1,654,580
E. Total Normal Cost	<u>331,379</u>	<u>327,118</u>	<u>434,346</u>	<u>268,754</u>
F. ADC: D + E	\$ 2,741,535	\$ 2,780,179	\$ 3,690,619	\$ 1,923,335
G. As a % of Covered Payroll	80.29 %	81.42 %	108.09 %	56.33 %
H. Assumed Rate of Increase in Covered Payroll to Contribution Year	5.30 %	5.30 %	5.30 %	5.30 %
I. Covered Payroll for Contribution Year	\$ 3,414,540	\$ 3,414,540	\$ 3,414,540	\$ 3,414,540
J. ADC for Contribution Year: G x I	2,741,535	2,780,179	3,690,619	1,923,335
K. Allowable Credit for State Revenue in Contribution Year	0	0	0	0
L. Member Contributions	<u>143,069</u>	<u>143,069</u>	<u>143,069</u>	<u>143,069</u>
M. Employer ADC in Contribution Year	\$ 2,598,466	\$ 2,637,110	\$ 3,547,550	\$ 1,780,266
N. Employer ADC as % of Covered Payroll in Contribution Year: M ÷ I	76.10 %	77.23 %	103.90 %	52.14 %
O. Certain Key Assumptions				
Investment Return Assumption	7.50%	7.50%	5.50%	9.50%
Mortality Table	RP-2014 Blue Collar Annuitant Mortality Tables projected to 2017 using MP-2014	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA