

TOWN OF MEDLEY
POLICE OFFICERS' RETIREMENT SYSTEM

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2013

CONTRIBUTIONS APPLICABLE TO THE TOWN'S
PLAN/FISCAL YEAR ENDED SEPTEMBER 30, 2015

June 4, 2014

Board of Trustees
Town of Medley
Police Officers' Retirement System
7331 NW 74th St.
Medley, FL 33166

Re: Town of Medley
Police Officers' Retirement System

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Town of Medley Police Officers' Retirement System. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year(s).

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

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


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

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

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

Respectfully submitted,

Foster & Foster, Inc.

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

PTD/bdb

Enclosures

TABLE OF CONTENTS

Section	Title	Page
I	Introduction	
	a. Discussion	5
	b. Changes Since Prior Report	7
	c. Comparative Summary of Principal Valuation Results	8
II	Valuation Results	
	a. Reconciliation of Unfunded Actuarial Accrued Liabilities	13
	b. Actuarial Assumptions and Methods	14
	c. Valuation Notes	15
	d. History of State Contributions	16
III	Trust Fund	17
IV	Member Statistics	
	a. Statistical Data	22
	b. Age and Service Distribution	23
	c. Member Reconciliation	24
V	Summary of Plan Provisions	25
VI	Governmental Accounting Standards Board Disclosure Information	27

INTRODUCTORY DISCUSSION

The regular annual actuarial valuation of the Town of Medley Police Officers' Retirement System, performed as of October 1, 2013, has been completed, and the results are presented in this Report. The results of this valuation are applicable to the Town's fiscal year ended September 30, 2015.

The contribution requirements developed in this valuation, compared with the amounts developed in the October 1, 2012 valuation, are as follows:

Valuation Date	10/1/2013	10/1/2012
Applicable Plan/Fiscal Year End	<u>9/30/2015</u>	<u>9/30/2014</u>
Sponsor Required Contribution		
% of Pensionable Payroll	36.0%	45.0%
Applicable State Contribution *		
% of Pensionable Payroll	73,866	73,866
% of Pensionable Payroll	2.6%	2.6%
Balance From Town **		
% of Pensionable Payroll	33.4%	42.4%

* Amount shown represents actual State Monies received in fiscal 2013. The Town may use contributions of up to \$645,866, if received, in determining their requirement, based on “traditional” interpretation of Chapter 99-1, Florida Statutes.

** For budgeting purposes, the required Sponsor Contribution is 36.0% of Pensionable Earnings for the fiscal year ending September 30, 2015. The precise Town requirement for the year is this amount, less actual State Contributions (up to the maximum \$645,866). Additionally, please note that there is a prepaid Town contribution of \$632,599.50 (see Page 21) which may be used to help offset the above stated requirement for fiscal 2014.

As can be seen, the Sponsor Required Contribution has decreased when expressed as a percentage of Pensionable Payroll. This decrease is a result of net favorable actuarial experience during the past year. The primary components of favorable experience included an 9.9% investment return (Actuarial Asset Basis) that exceeded the 7.5% assumption and average increases in Pensionable Earnings that were below the assumed rate. These gains were partially offset by the effect of lower than expected employee turnover.

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

Respectfully submitted,

FOSTER & FOSTER, INC.

By: 
Patrick T. Donlan, ASA, MAAA

By: 
Drew D. Ballard

PLAN CHANGES SINCE PRIOR VALUATION

There have been no changes in benefits since the prior valuation.

ACTUARIAL ASSUMPTION/METHOD CHANGES SINCE PRIOR VALUATION

There have been no assumption or method changes since the prior valuation report.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2013</u>	<u>10/1/2012</u>
A. Participant Data		
Number Included		
Actives	37	34
Service Retirees	10	8
Beneficiaries	0	0
Terminated Vested	3	4
Disability Retirees	0	0
Total	<u>50</u>	<u>46</u>
Total Annual Payroll	\$2,879,647	\$2,688,574
Payroll Under Assumed Ret. Age	2,879,647	2,688,574
Annual Rate of Payments to:		
Service Retirees	686,889	537,897
Beneficiaries	0	0
Terminated Vested	118,116	114,294
Disability Retirees	0	0
B. Assets		
Actuarial Value	14,222,962	11,981,793
Market Value	16,430,607	13,222,908
C. Liabilities		
Present Value of Benefits		
Active Members		
Retirement Benefits	14,053,152	14,576,506
Disability Benefits	688,457	662,210
Death Benefits	62,496	62,514
Vested Benefits	468,599	460,767
Refund of Contributions	52,124	42,453
Service Retirees	7,727,329	6,182,739
Beneficiaries	0	0
Terminated Vested	1,183,784	1,127,704
Disability Retirees	0	0
Total	<u>24,235,941</u>	<u>23,114,893</u>

	<u>10/1/2013</u>	<u>10/1/2012</u>
C. Liabilities - (Continued)		
Present Value of Future Salaries (Attained Age)	21,238,800	18,528,575
FIL Normal Cost (Sponsor)	388,483	524,209
Present Value of Future Member Contributions	1,061,940	926,429
Present Value of Future Normal Costs (Entry Age)	4,302,927	3,875,242
Actuarial Accrued Liability	20,308,747	18,575,827
Unfunded Actuarial Accrued Liability (UAAL)	6,085,785	6,594,034
D. Actuarial Present Value of Accrued Benefits		
Vested Accrued Benefits		
Inactives	8,911,113	7,310,443
Actives	7,579,804	8,394,935
Member Contributions	715,841	641,693
	<hr/>	<hr/>
Total	17,206,758	16,347,071
Non-vested Accrued Benefits	<hr/> 681,494	<hr/> 648,484
Total Present Value Accrued Benefits	17,888,252	16,995,555
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
New Accrued Benefits	272,112	
Benefits Paid	(630,440)	
Interest	1,251,025	
Other	0	
	<hr/>	
Total:	892,697	

Valuation Date	10/1/2013	10/1/2012
Applicable Fiscal Year End	<u>9/30/2015</u>	<u>9/30/2014</u>

E. Pension Cost

Sponsor Normal Cost (with interest) % of Pensionable Annual Payroll*	14.0	20.2
Administrative Expenses (with int.) % of Pensionable Annual Payroll*	0.8	0.8
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 28 years (as of 10/1/13) % of Pensionable Annual Payroll*	21.2	24.0
Required Town & State Contribution % of Pensionable Annual Payroll*	36.0	45.0

F. Past Contributions

Plan Years Ending:	<u>9/30/2013</u>
Town and State Requirement	1,510,349
Actual Contributions Made:	
Members	143,297
Town	1,436,483
State	<u>73,866</u>
Total	1,653,646

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

* Contributions developed as of 10/1/13 are expressed as a percentage of payroll under assumed retirement age at 10/1/13 of \$2,879,647.

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

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2013	6,085,785
2014	5,909,262
2015	5,719,500
2018	5,060,471
2023	3,588,500
2041	0

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2013	4.1%	5.2%
Year Ended	9/30/2012	0.2%	5.2%
Year Ended	9/30/2011	7.3%	6.0%

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


		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2013	9.9%	7.5%
Year Ended	9/30/2012	8.3%	7.5%
Year Ended	9/30/2011	-1.6%	7.5%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2013	\$2,879,647
	10/1/2006	2,183,767
(b) Total Increase		31.9%
(c) Number of Years		7.00
(d) Average Annual Rate		4.0%

STATEMENT BY ENROLLED ACTUARY

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


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

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

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

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

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2012	\$6,594,034
(2)	City and State Normal Cost Applicable for the year *	545,209
(3)	Interest on (1) and (2)	535,443
(4)	Sponsor Contributions to the System during the year ending September 30, 2013	1,510,349
(5)	Interest on (4)	78,552
(6)	Unfunded Accrued Liability as of October 1, 2013 (1)+(2)+(3)-(4)-(5)	\$6,085,785

<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2013 Amount</u>	<u>Amortization Amount</u>
10/1/2010	17	5,466,370	539,010
10/1/2011	28	619,415	49,787
		<u>6,085,785</u>	<u>588,797</u>

*Includes \$21,000 for administrative expenses.

ACTUARIAL ASSUMPTIONS AND METHODS

<u>Mortality Rate</u>	RP-2000 Table with no projection – Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements.
<u>Interest Rate</u>	7.5% per year compounded annually, net of investment related expenses.
<u>Retirement Age</u>	Earlier of Age 55 and 10 years of service or Age 52 and 25 years of service. Also, any member who has reached the above criteria is assumed to continue employment for one additional year.
<u>Early Retirement</u>	Commencing with the earliest Early Retirement Age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
<u>Disability Rates</u>	See table on following page. It is assumed that 75% of disablements and active Member deaths are service related.
<u>Termination Rate</u>	See table on following page (1302).
<u>Salary Increases</u>	APH Table S-5 + 2.5%; see table on following page. Projected salary in the year of retirement is increased 20% to account for non-regular compensation.
<u>Administrative Expenses</u>	\$22,100 annually.
<u>Payroll Increase</u>	N/A (UAAL amortized as level dollar).
<u>Funding Method</u>	Frozen Initial Liability Cost Method.
<u>Actuarial Asset Method</u>	Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return (net-of-fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value.

<u>Age</u>	<u>% Becoming Disabled During the Year</u>	<u>% Terminating During the Year</u>	<u>% of Salary Increase</u>
20	0.14%	6.0%	6.68% (age 25)
30	0.18%	5.0%	6.07%
40	0.30%	2.6%	5.22%
50	1.00%	0.8%	4.62%

VALUATION NOTES

Total Annual Payroll is the projected rate of pay as of the valuation date of all covered Members.

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

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded.

Total Required Contribution is equal to the Normal Cost plus administrative expenses adjusted for interest according to the timing of contributions during the year.

Frozen Initial Liability Funding Method (Level Percent of Compensation) is the method used to determine required contributions under the Plan. The use of this method involves the systematic funding of the Normal Cost (described above) and the Unfunded Actuarial Accrued Liability (UAAL). The UAAL is reconciled each valuation with charges and credits as follows:

- (a) Charges: the Normal Cost for the prior year, in addition to interest (at the valuation assumption of 7.5%) on the Normal Cost and prior year's UAAL balance.
- (b) Credits: Sponsor contributions with interest at the valuation assumption of 7.5%.

New UAAL bases will be created only for changes in methods, assumptions, or benefits. Actuarial gains and losses are funded as part of the Normal Cost.

HISTORY OF PREMIUM TAX REFUNDS

<u>Received During Fiscal Year</u>	<u>Amount</u>	<u>Increase from Previous Year</u>
2006	50,461.55	_____%
2007	58,214.43	15.4%
2008	44,764.83	-23.1%
2009	73,584.94	64.4%
2010	64,298.13	-12.6%
2011	56,266.95	-12.5%
2012	72,718.45	29.2%
2013	73,866.06	1.6%

BALANCE SHEET
September 30, 2013

<u>ASSETS</u>	MARKET VALUE
Total Cash and Equivalents	0.00
Receivable:	
Member Contributions in Transit	5,017.72
Total Receivable	5,017.72
Investments:	
Mutual Funds:	
Fixed Income	4,930,897.17
Equity	12,127,291.83
Total Investments	17,058,189.00
TOTAL ASSETS	17,063,206.72
 <u>LIABILITIES AND NET ASSETS</u>	
Liabilities:	
Prepaid Town Contribution	632,599.50
Total Liabilities	632,599.50
Net Assets	16,430,607.22
TOTAL LIABILITIES AND NET ASSETS	17,063,206.72

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
September 30, 2013
Market Value Basis

REVENUES

Contributions:		
Member	143,296.94	
Town	1,436,483.37	
State	73,866.06	
Total Contributions		1,653,646.37
Total Earnings and Investment Gains		2,208,538.00

EXPENDITURES

Expenses:		
Investment Related ¹	2,000.00	
Administrative	22,045.42	
Total Expenses		24,045.42
Distributions to Members:		
Benefit Payments	630,439.64	
Termination Payments	0.00	
Total Distributions		630,439.64
Change in Net Assets for the Year		3,207,699.31
Net Assets Beginning of the Year		13,222,907.91
Net Assets End of the Year		16,430,607.22

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

ACTUARIAL ASSET VALUATION
September 30, 2013

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

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return*	
09/30/2010	10.06%	
09/30/2011	-2.56%	
09/30/2012	18.05%	
09/30/2013	15.36%	
Annualized Rate of Return for prior four (4) years:		9.93%
(A) 10/01/2012 Actuarial Assets:		\$11,981,792.50
(I) Net Investment Income:		
1. Earnings and Investment Gains		2,208,538.00
2. Change in Actuarial Value		(966,529.34)
3. Investment Related Expenses		(2,000.00)
	Total	1,240,008.66
(B) 10/01/2013 Actuarial Assets:		\$14,222,962.47
Actuarial Asset Rate of Return = $2I/(A+B-I)$:		9.93%
10/01/2013 Limited Actuarial Assets:		\$14,222,962.47

*Market Value Basis, net of investment related expenses.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
September 30, 2013
Actuarial Asset Basis

REVENUES

Contributions:		
Member	143,296.94	
Town	1,436,483.37	
State	73,866.06	
 Total Contributions		 1,653,646.37
 Total Earnings and Investment Gains		 1,242,008.66

EXPENDITURES

Expenses:		
Investment Related ¹	2,000.00	
Administrative	22,045.42	
 Total Expenses		 24,045.42
 Distributions to Members:		
Benefit Payments	630,439.64	
Termination Payments	0.00	
 Total Distributions		 630,439.64
 Change in Net Assets for the Year		 2,241,169.97
 Net Assets Beginning of the Year		 11,981,792.50
 Net Assets End of the Year ²		 14,222,962.47

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

²Net Assets may be limited for actuarial consideration.

RECONCILIATION OF TOWN'S PREPAID CONTRIBUTION FOR THE
FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2013

(1) Town and State Required Contribution Rate (from the February 29, 2012 Actuarial Impact Statement)	52.7%
(2) Pensionable Payroll Derived from Member Contributions	\$2,865,938.20
(3) Required Town and State Contribution (1) x (2)	1,510,349.43
(4) Less Allowable State Contribution	<u>(73,866.06)</u>
(5) Equals Required Town Contribution	1,436,483.37
(6) Less Town's Prepaid Contribution on September 30, 2012	(644,082.87)
(7) Less Actual Town Contributions	<u>(1,425,000.00)</u>
(8) Equals Town's Prepaid Contribution as of September 30, 2013	\$632,599.50

STATISTICAL DATA

(Averages are salary weighted)

	<u>10/1/2010</u>	<u>10/1/2011</u>	<u>10/1/2012</u>	<u>10/1/2013</u>
<u>Active Members</u>				
Number	37	37	34	37
Average Current Age	43.9	43.8	42.7	41.8
Average Age at Employment	28.9	29.3	30.1	30.6
Average Past Service	15.0	14.4	12.6	11.2
Average Annual Salary	\$73,307	\$76,860	\$79,076	\$77,828

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	1	0	0	0	0	0	0	0	0	0	0	1
25 - 29	0	1	0	1	1	0	0	0	0	0	0	3
30 - 34	1	0	0	1	0	2	0	0	0	0	0	4
35 - 39	1	0	0	1	1	1	0	0	0	0	0	4
40 - 44	0	0	1	1	3	3	0	2	0	0	0	10
45 - 49	1	0	0	1	0	0	0	4	0	1	0	7
50 - 54	0	0	0	0	0	0	0	0	2	3	0	5
55 - 59	0	0	0	0	0	0	0	1	0	1	0	2
60 - 64	0	0	0	0	0	0	0	0	0	1	0	1
65+	0	0	0	0	0	0	0	0	0	0	0	0
Total	4	1	1	5	5	6	0	7	2	6	0	37

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/12	34
b. Terminations	
i. Vested (partial or full) with deferred benefits	0
ii. Non-vested or full lump sum distribution received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	2
f. Voluntary withdrawal	0
g. Continuing participants	32
h. New entrants	5
i. Total active life participants in valuation	37

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	8	0	0	4	12
b. In	2	0	0	0	2
c. Out	0	0	0	1	1
d. Number current valuation	10	0	0	3	13

POLICE OFFICERS'
RETIREMENT SYSTEM
(Through Ordinance C-346)

<u>Eligibility</u>	Employees who are classified as full-time sworn police officers shall participate in the System as a condition of employment.
<u>Credited Service</u>	Total years and fractional parts of years of employment with the Town as a Police Officer.
<u>Salary</u>	Total W-2 compensation plus tax exempt, tax sheltered, and tax deferred items of income (including overtime payments up to 300 hours per calendar year, but not including payments for extra duty or special detail work for second party employer).
<u>Average Final Compensation</u>	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination.
<u>Member Contributions</u>	5.0% of Salary.
<u>Town and State Contributions</u>	Remaining amount required in order to pay current costs and amortize any unfunded past service cost over 30 years.
<u>Normal Retirement</u>	
Date	Earlier of: 1) age 55 and 10 years of Credited Service, or 2) age 52 and 25 years of Credited Service.
Benefit	3.0% of Average Final Compensation <u>times</u> Credited Service (maximum 75% for those hired on and after October 1, 2008).
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Age 50 and 10 Years of Credited Service.
Benefit	Accrued benefit, reduced 3% for each year prior to Normal Retirement.
<u>Vesting</u>	
Schedule	100% after 10 years of Credited Service.
Benefit Amount	Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date (no imputing).

Disability

Eligibility

Service Incurred

Covered from Date of Employment.

Non-Service Incurred

10 years of Credited Service.

Exclusions

Disability resulting from use of drugs, illegal participation in riots, service in military, etc.

Benefit

Benefit accrued to date of disability under 2.5% benefit accrual rate but not less than 42% of Average Final Compensation (if Service Incurred) or 25% of Average Final Compensation (if not in-line-of-duty).

Duration

Payable for life and ten years certain or until recovery (as determined by the Board). Options available.

Death Benefits

Pre-Retirement

Vested

Monthly accrued benefit payable to designated beneficiary for 10 years at otherwise Normal Retirement Date or Early Retirement Date (reduced).

Non-Vested

Refund of accumulated contributions without interest.

Post-Retirement

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

DISCLOSURE INFORMATION PER STATEMENT NO. 25 OF THE
GOVERNMENTAL ACCOUNTING STANDARDS BOARD

The schedule provided below has been prepared in accordance with the requirements
of paragraph 37 of Statement No. 25 of the Governmental Accounting Standards Board.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - FIL (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
10/01/13	14,222,962	20,308,747	6,085,785	70.03%	2,879,647	211.34%
10/01/12	11,981,793	18,575,827	6,594,034	64.50%	2,688,574	245.26%
10/01/11	10,205,507	16,242,013	6,036,506	62.83%	2,381,807	253.44%
10/01/10	8,690,799	15,864,972	7,174,173	54.78%	2,416,247	296.91%
10/01/08	5,188,928	12,479,015	7,290,087 (1)	41.58%	2,411,734	302.28%

(1) - Beginning with the October 1, 2007, actuarial valuation report, GASB Statement 50 requires that plans utilizing the aggregate actuarial cost method disclose the funded ratio the plan would have if it were utilizing the entry age normal cost method.

The schedule provided below has been prepared in accordance with the requirements
of paragraph 38 of Statement No. 25 of the Governmental Accounting Standards Board.

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER AND OTHER CONTRIBUTING ENTITIES

Year Ended September 30	Annual Required Contribution	Town Contribution	State Contribution	Percentage Contributed
2013	1,510,349	1,436,483	73,866	100.00%
2012	1,260,370	1,187,651	72,718	100.00%
2011	1,989,783	1,933,516	56,267	100.00%
2010	1,905,525	1,841,227	64,298	100.00%
2009	1,653,198	1,579,613	73,585	100.00%
2008	1,289,507	1,244,742	44,765	100.00%

DISCLOSURE INFORMATION PER STATEMENT NO. 27 OF THE
GOVERNMENTAL ACCOUNTING STANDARDS BOARD

ANNUAL PENSION COSTS AND RELATED INFORMATION

Contribution rates as of 9/30/13

Town and State	52.7%	
Plan Members	5.0%	
Annual Pension Cost	1,510,349	*
Contributions made	1,510,349	*
Applicable Actuarial valuation date	10/1/2011	
Actuarial cost method	Frozen Initial Liability	
Amortization method	Level Dollar	
Remaining amortization period	30 Years (as of 10/1/11)	
Asset valuation method	4 Year Smooth	
Actuarial assumptions:		
Investment rate of return	7.5%	
Projected salary increase*	Varies	
* Includes inflation at	2.5%	
Post Retirement COLA	0.0%	

THREE YEAR TREND INFORMATION

Year Ending	Annual Pension Cost (APC) *	Percentage of APC Contribution	Net Pension Obligation
9/30/13	1,510,349	100%	0
9/30/12	1,260,370	100%	0
9/30/11	1,933,516	100%	0

* Beginning with the fiscal year ended September 30, 2012, this amount includes both City and State contributions.