



**City of Boca Raton  
General Employees' Pension Plan**

**Actuarial Valuation as of  
October 1, 2013**

**This Valuation Determines the Annual  
Contribution for the Plan Year October 1,  
2014, through September 30, 2015, to be  
Paid in Fiscal Year October 1, 2014, through  
September 30, 2015**

**Report Dated: March 5, 2014**



March 5, 2014

Board of Trustees  
City of Boca Raton  
General Employees' Pension Plan  
c/o Ms. Nadine Joesphs  
Interim Plan Administrator  
2333 West Glades Road  
Boca Raton, FL 33431

Re: **October 1, 2013, Actuarial Valuation of the  
City of Boca Raton General Employees' Pension Plan**

Dear Trustees:

We are pleased to present the October 1, 2013, Actuarial Valuation for the City of Boca Raton General Employees' Pension Plan. The purpose of this report is to indicate appropriate contribution levels, comment on the actuarial stability of the Plan, provide accounting expense and disclosure information, and satisfy State requirements. Aon Hewitt, as Plan actuary, has been authorized by the Pension Board to prepare an annual actuarial valuation under Section 12-87 of the Plan.

This report consists of this commentary and detailed Tables I through XVII. The Tables contain basic Plan cost figures plus significant details on the benefits, liabilities and experience of the Plan.

### **Pension Plan Costs**

The Actuarial Valuation develops the **City Minimum Required Contribution** under the Florida Protection of Public Employee Retirement Benefits Act for the fiscal year ending September 30, 2015, to be paid in the fiscal year ending September 30, 2015. The minimum contribution consists of annual normal cost, reimbursement of administrative expenses, and amortization of the components of the unfunded actuarial accrued liability over various periods as prescribed by law. The **City Minimum Required Contribution** for the fiscal year ending September 30, 2015, to be paid as of October 1, 2014, is **\$3,925,569** or **13.81%** of expected covered payroll.



Under the current state interpretation, the actual required contribution is either this dollar amount, \$3,925,569, which is based on *projected* Members' Compensation below the maximum assumed retirement age (age 70) (the "Dollar Method") or the percent shown, 13.81%, of *actual* Members' Compensation below the maximum assumed retirement age for the fiscal year ending September 30, 2015, (the Percentage Method), which may be more or less than the \$3,925,569. The City, the Board, and the actuary are to select and maintain whichever method "best fits the funding requirements of the Plan and satisfies the legislative intent found in Section 112.61, Florida Statutes." The Board and the City have formally adopted the Dollar Method.

The split of the minimum contribution between Plans A, B and C is summarized below:

		City	Credit From Plan A to Plan B
Plan A	Dollar Amount	\$232,600	(\$0)
	% of Payroll	5.67%	(0.00%)
Plan B	Dollar Amount	\$3,469,986	\$0
	% of Payroll	14.30%	0.00%
Plan C	Dollar Amount	\$222,983	-
	% of Payroll	6.32%	-

For purposes of the allocation of costs between Plan A and Plan B, the outstanding bases and amortization payments existing prior to 1999 were allocated on the basis established by the prior actuary. Subsequent to 1998, experience gain/loss bases and amortizations were separately calculated for Plan A and Plan B, and starting in 2008, for Plan C. Administrative expenses were allocated on the basis of covered payroll as in the prior year valuations.

### **Changes in Actuarial Assumptions, Methods and Plan Benefits**

There were no changes in Plan benefits, actuarial assumptions, or methods for this valuation that had an effect on the contribution.

### **Actuarial Gains (Losses)**

The Plan experienced an actuarial loss of **\$1,721,752**. Table VI (page 10) shows that this loss is composed of an investment gain of approximately \$2.9 million and a loss on plan liabilities of approximately \$4.7 million. Table XII (pages 31-32) presents salary experience and tracks employee turnover and retirement experience. Table XIII (pages 33-35) provides information on investment yields.

Table XII provides a history of increases in pay experienced by Plan Members. Average increases have been as follows:

<b>Period Ended September 30, 2013</b>	<b>Average Pay Increase</b>
1 Year	0.7%
3 Years	0.7%
5 Years	2.0%

Table XII also provides statistics for employees terminating service in comparison to the number that are expected to terminate. Fiscal 2012-13 expected terminations numbered approximately 21 Members. In fact, 20 employees from the prior year valuation terminated. The 3- and 5-year experience also shows a fairly close correlation between gross expected and actual terminations.

Table XII also shows statistics for employees retiring (including DROP enrollments) in comparison with the number expected to retire. Fiscal 2012-13 expected retirements numbered approximately 39 Members. In fact, 23 Members retired or enrolled in the DROP.

Table XIII (page 33-35) provides the investment experience for the Plan in comparison to the actuarial assumption. The actuarial value return was 10.1%. The market value return was 11.9%. The compound average rate of actuarial value returns over the last 3, 5 and 10 years has been 4.9%, 3.4% and 5.9%, respectively.

## **Comparison of October 1, 2012, and October 1, 2013, Valuation Results**

Table II (page 4) of the report provides information of a comparative nature. Comparing the columns of Table II shows the effect of Plan experience during the year. The number of active Members decreased by 3.4% and covered payroll also decreased by 3.4%. The total normal cost increased as a percentage of covered payroll but decreased as a dollar amount. The unfunded actuarial accrued liability increased from \$27.9 million to \$30.0 million primarily as a result of the liability loss, but also because of the expected increase due to the amortization method (\$0.4 million). The increase was offset by the investment gain.

The actuarial value of assets was less than the plan's accrued liability, resulting in an Accrued Liability Funded Ratio of 84.63%. The prior year's Accrued Liability Funded Ratio was 84.81%.

The actuarial value of assets exceeds the value of vested accrued benefits, resulting in a Vested Benefit Security Ratio of 99.46%. The prior year's Vested Benefit Security Ratio was 102.04%.

## **Accounting Information**

Based upon information provided by the Board, the 2012–2013 City contribution was equal to the Government Accounting Standards Board (GASB) Statement 27 Annual Required Contribution (ARC) for the fiscal year ended September 30, 2013. The net pension obligation changed from (\$164,203) to (\$167,070). The City contribution met the minimum funding requirement under State rules.

## **Member Census and Financial Data**

The Member census data used for this valuation was submitted to us by the Board. This information contains name, Social Security number, date of birth, date of hire, date of participation, and actual compensation paid and Member contributions deducted for the previous year. Dates of termination and retirement were provided where applicable. Information on DROP Members and inactive Members including retirees, beneficiaries and vested terminations was also updated by the Board.

We were supplied with information on the assets of the Plan by the Board. We do not audit the Member census data and asset information that is provided to us. However, we perform certain reasonableness checks and on this basis we believe that the information that we received was reliable.



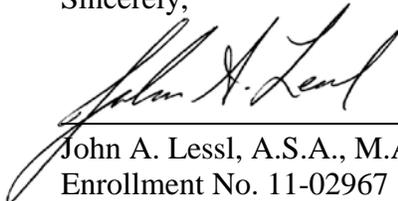
## Conclusion

In our opinion the benefits provided for under the current Plan will be sufficiently funded through the payment of the amount as indicated in this and future Actuarial Valuation reports. We will continue to update you on the future payment requirements for the Plan through our actuarial reports. These reports will also continue to monitor the future experience of the Plan. If after the review of this Actuarial Valuation report you have any questions, please do not hesitate to contact us.

The undersigned is a Member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

This actuarial valuation and/or cost determination 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 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 current liabilities or current costs have not been established or otherwise provided for 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.

Sincerely,

  
\_\_\_\_\_  
John A. Lessl, A.S.A., M.A.A.A., E.A.  
Enrollment No. 11-02967

\_\_\_\_\_  
3/05/2014  
Date

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**TABLE OF CONTENTS**

<b><u>Table</u></b>	<b><u>Page</u></b>
I. Summary of Retirement Plan Costs.....	1
II. Comparison of Cost Data of Prior and Current Valuations.....	4
III. Characteristics of Participants in Actuarial Valuation.....	6
IV. Statement of Assets.....	7
V. Reconciliation of Plan Assets and Derivation of Actuarial Value of Assets.....	8
VI. Actuarial Gains (Losses) for Plan Year.....	10
VII. Historical Data.....	11
VIII. Accounting Disclosure Exhibit.....	14
IX. Statistics for Participants Entitled to Deferred Benefits and Receiving Benefits.....	20
X. Reconciliation of Employee Data and Age-Service-Salary Distribution.....	22
XI. Projected Retirement Benefits.....	30
XII. Review of Salary, Termination and Retirement Experience.....	31
XIII. Analysis of Investment Yield.....	33
XIV. State Required Exhibit.....	36
XV. Unfunded Actuarial Accrued Liability.....	39
XVI. Outline of Principal Provisions of the Retirement Plan.....	42
XVII. Actuarial Assumptions and Actuarial Cost Method.....	47

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Summary of Retirement Plan Costs as of October 1, 2013**

	<u>Plan A</u>	<u>% of Payroll</u>	<u>Plan B</u>	<u>% of Payroll</u>	<u>Plan C</u>	<u>% of Payroll</u>	<u>Total</u>	<u>% of Payroll</u>
<b>A. Member Data Summary</b>								
1. Active Employees	34	N/A	444	N/A	83	N/A	561	N/A
2. DROP Employees	26	N/A	20	N/A	0	N/A	46	N/A
3. Terminated Vested	7	N/A	25	N/A	0	N/A	32	N/A
4. Receiving Benefits	282	N/A	137	N/A	0	N/A	419	N/A
5. Expected Active Payroll for Valuation Year	\$ 2,000,716	100.00%	\$ 22,172,773	100.00%	\$ 3,424,375	100.00%	\$ 27,597,864	100.00%
<b>B. Total Normal Costs</b>								
1. Age Retirement Benefits	\$ 180,030	9.00%	\$ 2,330,697	10.51%	\$ 223,110	6.52%	\$ 2,733,837	9.91%
2. Vesting Benefits	56,635	2.83%	422,093	1.90%	39,219	1.15%	517,947	1.88%
3. Death Benefits	6,385	0.32%	134,741	0.61%	19,622	0.57%	160,748	0.58%
4. Disability Benefits	23,670	1.18%	562,080	2.54%	72,059	2.10%	657,809	2.38%
5. Administrative Expenses	34,207	1.71%	317,066	1.43%	35,500	1.04%	386,773	1.40%
6. Total Annual Normal Costs	\$ 300,927	15.04%	\$ 3,766,677	16.99%	\$ 389,510	11.37%	\$ 4,457,114	16.15%
<b>C. Total Actuarial Accrued Liability</b>								
1. Age Retirement Benefits Active Employees	\$ 15,647,009	782.07%	\$ 67,936,278	306.40%	\$ 973,190	28.42%	\$ 84,556,477	306.39%
2. Vesting Benefits Active Employees	(151,925)	(7.59%)	(34,999)	(0.16%)	53,374	1.56%	(133,550)	(0.48%)
3. Death Benefits Active Employees	45,329	2.27%	638,725	2.88%	28,101	0.82%	712,155	2.58%
3. Disability Benefits Active Employees	264,644	13.23%	3,337,498	15.05%	159,747	4.66%	3,761,889	13.63%
5. Retired Members	53,963,543	2697.21%	17,517,541	79.00%	-	0.00%	71,481,084	259.01%
6. DROP Members (Includes DROP Balances)	16,506,659	825.04%	8,326,454	37.55%	-	0.00%	24,833,113	89.98%
7. Terminated Vested Members	565,915	28.29%	1,593,959	7.19%	-	0.00%	2,159,874	7.83%
8. Beneficiaries of Deceased Members	3,828,683	191.37%	2,358,361	10.64%	-	0.00%	6,187,044	22.42%
9. Disabled Members	790,164	39.49%	1,346,439	6.07%	-	0.00%	2,136,603	7.74%
10. Total Actuarial Accrued Liability	\$ 91,460,021	4571.36%	\$ 103,020,256	464.63%	\$ 1,214,412	35.46%	\$ 195,694,689	709.09%

Table I  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Summary of Retirement Plan Costs as of October 1, 2013

	Plan A	% of Payroll	Plan B	% of Payroll	Plan C	% of Payroll	Total	% of Payroll
D. Actuarial Value of Assets (Table V)	\$ 89,989,945	4497.89%	\$ 74,846,767	337.56%	\$ 783,985	22.89%	\$ 165,620,697	600.12%
E. Unfunded Actuarial Accrued Liability (C-D)	\$ 1,470,076	73.48%	\$ 28,173,489	127.06%	\$ 430,427	12.57%	\$ 30,073,992	108.97%
F. Valuation Year Contribution								
1. Normal Cost Excluding Expenses	\$ 266,720	13.33%	\$ 3,449,611	15.56%	\$ 354,010	10.34%	\$ 4,070,341	14.75%
2. Amortization of Unfunded Liability	111,898	5.59%	1,672,650	7.54%	26,019	0.76%	1,810,567	6.56%
3. Normal Cost plus Amortization if Paid Biweekly = (1. + 2.) x 1.03923	\$ 393,471	19.67%	\$ 5,323,207	24.01%	\$ 394,938	11.53%	\$ 6,111,616	22.15%
4. Minimum Required Contribution, Paid Biweekly = 3. + B.5.	\$ 427,678	21.38%	\$ 5,640,273	25.44%	\$ 430,438	12.57%	\$ 6,498,389	23.55%
5. Expected Member Contribution	\$ 193,069	9.65%	\$ 2,139,673	9.65%	\$ 205,463	6.00%	\$ 2,538,205	9.20%
6. City Minimum Required Contribution for Valuation Year = 4. - 5.	\$ 234,609	11.73%	\$ 3,500,600	15.79%	\$ 224,975	6.57%	\$ 3,960,184	14.35%
G. City Minimum Required Contribution (MRC) for Contribution Year Ending September 30, 2015*								
1. Expected Compensation for Contribution Year = A.5. x 1.030	\$ 2,060,737	100.00%	\$ 22,837,956	100.00%	\$ 3,527,106	100.00%	\$ 28,425,800	100.00%
2. City MRC if Paid on First Day of Contribution Year = 1. x F.6. Percentages / 1.03923	\$ 232,600	11.29%	\$ 3,469,986	15.19%	\$ 222,983	6.32%	\$ 3,925,569	13.81%
3. Credit from Plan A to Plan B	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
4. City Minimum Required Contribution After Credit = 2. - 3.	\$ 232,600	11.29%	\$ 3,469,986	15.19%	\$ 222,983	6.32%	\$ 3,925,569	13.81%
5. Estimated Compensation for Contribution Year for DROP Members**	\$ 2,040,000	100.00%	\$ 1,420,000	100.00%	\$ -	100.00%	\$ 3,460,000	100.00%
6. Expected Compensation for Contribution Year for Active and DROP = 1. + 5.	\$ 4,100,737	100.00%	\$ 24,257,956	100.00%	\$ 3,527,106	100.00%	\$ 31,885,799	100.00%
7. City Minimum Required Contribution	\$ 232,600	5.67%	\$ 3,469,986	14.30%	\$ 222,983	6.32%	\$ 3,925,569	12.31%

\* Percentages shown are of Expected Compensation for Active Members for the Contribution Year, except that Items 6 and 7 include DROP Members as well.

\*\* Reported compensation for the 2012-2013 Year, if Member was in DROP at the beginning of the year; otherwise expected compensation for the next year.

Table I  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Summary of Retirement Plan Costs as of October 1, 2013

	<u>Plan A</u>	<u>% of Payroll</u>	<u>Plan B</u>	<u>% of Payroll</u>	<u>Plan C</u>	<u>% of Payroll</u>	<u>Total</u>	<u>% of Payroll</u>
H. Actuarial Gains (Losses) (Table VI)	\$ (4,766,301)	(238.23%)	\$ 3,091,169	13.94%	\$ (46,620)	(1.36%)	\$ (1,721,752)	(6.24%)
I. Actuarial Present Value of Vested Accrued Benefits								
1. Retired, Beneficiaries, and Disableds	\$ 58,582,390	2928.07%	\$ 21,222,341	95.71%	\$ -	0.00%	\$ 79,804,731	289.17%
2. Terminated Vested Members	565,915	28.29%	1,593,959	7.19%	-	0.00%	2,159,874	7.83%
3. Active Members	13,692,782	684.39%	45,075,471	203.29%	953,710	27.85%	59,721,963	216.40%
4. DROP Members and Remaining Balances	16,506,659	825.04%	8,326,454	37.55%	-	0.00%	24,833,113	89.98%
5. Total Actuarial Present Value of Vested Accrued Benefits	\$ 89,347,746	4465.79%	\$ 76,218,225	343.75%	\$ 953,710	27.85%	\$ 166,519,681	603.38%
J. Unfunded Actuarial Present Value of Vested Accrued Benefits (I. - D., not less than zero)	\$ 0	0.00%	\$ 1,371,458 *	6.19%	\$ 169,725 *	4.96%	\$ 1,541,183 *	5.58%
K. Vested Benefit Security Ratio (D. ÷ I.)	100.72%	N/A	98.20%	N/A	82.20%	N/A	99.46%	N/A
L. Accrued Liability Funded Ratio (D. ÷ C.10.)	98.39%	N/A	72.65%	N/A	64.56%	N/A	84.63%	N/A

\* Determined on a plan-by-plan basis, not in total

Table II

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Comparison of Cost Data as of October 1, 2012 and October 1, 2013 Valuations**

	October 1, 2012		October 1, 2013	
	Cost Data	% of Annual Payroll	Cost Data	% of Annual Payroll
A. Participants				
1. Active Employees	581	N/A	561	N/A
2. Terminated Vested	34	N/A	32	N/A
3. Receiving Benefits	397	N/A	419	N/A
4. DROP Participants	54	N/A	46	N/A
5. Expected Active Payroll for Valuation Year	\$ 28,583,981	100.00%	\$ 27,597,864	100.00%
B. Total Normal Costs	\$ 4,560,690	15.96%	\$ 4,457,114	16.15%
C. Total Actuarial Accrued Liability	\$ 183,855,688	643.21%	\$ 195,694,689	709.09%
D. Actuarial Value of Assets	\$ 155,927,986	545.51%	\$ 165,620,697	600.12%
E. Unfunded Actuarial Accrued Liability	\$ 27,927,702	97.70%	\$ 30,073,992	108.97%
F. Net City Minimum Funding Payment	\$ 3,744,111	12.72%	\$ 3,925,569	13.81%
G. Actuarial Gain (Loss)	\$ (1,200,665)	(4.20%)	\$ (1,721,752)	(6.24%)
H. Unfunded Actuarial Present Value of Vested Accrued Benefits**	\$ 3,585,903	12.55%	\$ 1,541,183	5.58%
I. Vested Benefit Security Ratio	102.04%	N/A	99.46%	N/A
J. Accrued Liability Funded Ratio	84.81%	N/A	84.63%	N/A

\* Determined on a plan-by-plan basis, not in total

Table II  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Normal Cost, Accrued Liability and Present Value of Future Benefits

	10/1/2010	10/1/2011	10/1/2012	10/1/2013
	<u>Final</u>	<u>Final</u>	<u>Final</u>	<u>Final</u>
<b>Normal Cost</b>				
Active Members				
Service pensions	3,605,960	3,532,289	2,860,247	2,733,837
Vested termination pensions	370,175	372,681	520,883	517,947
Survivor pensions	287,178	183,529	165,507	160,748
Disability pensions	742,839	730,627	674,707	657,809
Administrative Expenses	295,805	364,775	339,345	386,773
Total - Active Members	5,301,957	5,183,901	4,560,690	4,457,114
<b>Accrued Liability</b>				
Retired Members and Beneficiaries (including DROP)	74,819,683	84,494,599	91,500,362	104,637,844
Vested Terminated Members	2,660,236	3,306,121	2,780,091	2,159,874
Pending Asset Transfers Out	-	-	-	-
Active Members				
Service pensions	86,559,912	85,221,158	84,800,705	84,556,477
Vested termination pensions	(95,721)	(144,423)	99,034	(133,550)
Survivor pensions	1,698,988	821,180	745,864	712,155
Disability pensions	4,020,327	3,992,213	3,929,632	3,761,889
Subtotal - Active Members	92,183,507	89,890,128	89,575,235	88,896,971
Total Accrued Liability	169,663,427	177,690,848	183,855,688	195,694,689
<b>Present Value of Future Benefits</b>				
Retired Members and Beneficiaries (including DROP)	74,819,683	84,494,599	91,500,362	104,637,844
Vested Terminated Members	2,660,236	3,306,121	2,780,091	2,159,874
Pending Asset Transfers Out	-	-	-	-
Active Members				
Service pensions	113,773,571	111,465,586	104,182,285	102,524,619
Vested termination pensions	2,799,023	2,760,378	3,709,631	3,356,056
Survivor pensions	3,689,708	2,048,846	1,753,002	1,661,268
Disability pensions	9,435,505	9,231,508	8,290,447	7,897,800
Subtotal - Active Members	129,697,808	125,506,318	117,935,365	115,439,743
Total Present Value of Future Benefits	207,177,727	213,307,038	212,215,818	222,237,461

Table III

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Characteristics of Participants in Actuarial  
Valuation as of October 1, 2013**

	Plan A	Plan B	Plan C	Total
<b>A. <u>Active Plan Participants Summary</u></b>				
1. Active Participants Fully Vested	34	299	0	333
2. Active Participants Partially Vested	0	0	0	0
3. Active Participants Non-Vested	<u>0</u>	<u>145</u>	<u>83</u>	<u>228</u>
4. Total Active Participants	34	444	83	561
5. Actual Prior Year Active Compensation	\$1,913,883	\$21,160,789	\$3,237,555	\$26,312,227
<b>B. <u>Retired and Terminated Vested Participant Summary</u></b>				
1. Retired Participants	247	111	0	358
2. DROP Participants	26	20	0	46
3. Terminated Vested Participants	7	25	0	32
4. Beneficiaries of Deceased Participants	33	18	0	51
5. Disabled Participants	<u>2</u>	<u>8</u>	<u>0</u>	<u>10</u>
6. Total	315	182	0	497
<b>C. <u>Annual Retirement Benefits for Non-Active Participants</u></b>				
1. Retired Participants	\$5,884,893	\$1,843,280	\$0	\$7,728,173
2. DROP Participants	1,212,227	657,291	0	1,869,518
3. Terminated Vested Participants	71,454	368,145	0	439,599
4. Beneficiaries of Deceased Participants	431,376	263,334	0	694,710
5. Disabled Participants	<u>147,081</u>	<u>244,729</u>	<u>0</u>	<u>391,810</u>
6. Total	\$7,747,030	\$3,376,779	\$0	\$11,123,809

Table IV

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Statement of Assets as of October 1, 2013**

## Assets:

Cash and Short-term Investments	<u>\$ 5,573,482.27</u>
Investments, at fair value:	
Common Stock	\$ 61,413,125.98
Common Stock Int'l	19,271,956.92
Common Stock Mutual Fund	16,314,071.17
Common Stock Int'l Mutual Fund	8,513,643.81
Preferred Stock	71,703.12
Convertible Equity	2,127,718.21
US Government Securities	28,600,470.16
Corporate Convertible Bonds	9,206,085.09
Corporate Bonds	21,020,024.52
Real Estate	<u>16,513,861.18</u>
Total Investments	<u>\$ 183,052,660.16</u>
Interest and Dividends Receivable	\$ 499,715.18
Unsettled Trade Receivables	1,199,028.63
Contributions Receivable	-
Prepaid Expenses	16,552.88
Fixed Assets	<u>6,934.09</u>
Total Other Assets	<u>\$ 1,722,230.78</u>
Total Assets	<u>\$ 190,348,373.21</u>
Liabilities:	
Accounts Payable	\$ 250,065.08
Unsettled Trade Payables	<u>1,087,672.74</u>
Total Liabilities	<u>\$ 1,337,737.82</u>
Net Assets Held In Trust	<u><u>\$ 189,010,635.39</u></u>

Table V

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Reconciliation of Plan Assets for the Fiscal Year Ended September 30, 2013**

Additions:	Total	Plan A	Plan B	Plan C
Contributions:				
City	\$ 4,268,083.70	\$ -	\$ 4,103,812.75	\$ 164,270.95
Employee	2,502,194.63	206,499.74	2,125,411.28	170,283.61
Inter Plan Adjustments	-	-	-	-
Employee Buybacks	4,974.00	-	-	4,974.00
Transfer from Police & Fire Plan	-	-	-	-
Total Contributions	<u>\$ 6,775,252.33</u>	<u>\$ 206,499.74</u>	<u>\$ 6,229,224.03</u>	<u>\$ 339,528.56</u>
Investment Income:				
Net Appreciation (Depreciation)	\$ 16,812,262.94			
Interest	2,162,734.66			
Dividends	2,188,849.59			
Other Income	3,525.33			
Investment Expense	<u>(813,408.89)</u>			
Net Investment Income	<u>\$ 20,353,963.63</u>			
Total Additions	<u>\$ 27,129,215.96</u>			
Deductions:				
Benefits Paid:				
Retirement	\$ 7,256,380.20	\$ 5,651,509.95	\$ 1,604,870.25	
Disability	90,468.30	13,605.60	76,862.70	
Death	729,026.75	439,624.01	289,402.74	
DROP	3,278,319.67	2,304,729.37	973,590.30	
Termination Refunds	364,810.89	-	330,732.55	34,078.34
Transfer to Other Plans	447,233.00	-	447,233.00	-
Total Benefits	<u>\$ 12,166,238.81</u>	<u>\$ 8,409,468.93</u>	<u>\$ 3,722,691.54</u>	<u>\$ 34,078.34</u>
Administrative Expenses:				
Professional Fees	\$ 85,393.08			
Trustee Expenses	36,257.45			
Personnel Costs	494,679.96			
Office Expenses	39,242.72			
Costs Shared by Police Fire	<u>(268,800.00)</u>			
Total Administrative Expenses	<u>\$ 386,773.21</u>	\$ 34,207.34	\$ 317,065.73	\$ 35,500.14
Total Deductions	<u>\$ 12,553,012.02</u>	<u>\$ 8,443,676.27</u>	<u>\$ 4,039,757.27</u>	<u>\$ 69,578.48</u>
Net Increase	\$ 14,576,203.94			
Net Assets Held In Trust, Beginning Of Year	<u>\$ 174,434,431.45</u>			
Net Assets Held In Trust, End Of Year	<u><u>\$ 189,010,635.39</u></u>			
Non-Investment Net Cash Flow	\$ (5,777,759.69)	\$ (8,237,176.53)	\$ 2,189,466.76	\$ 269,950.08

**Table V  
(Cont'd)**

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Derivation of Actuarial Value of Assets as of October 1, 2013**

	Total	Plan A	Plan B	Plan C
A. Actuarial Value as of Prior Valuation Date	\$ 155,927,986	\$ 89,587,237	\$ 65,886,298	\$ 454,451
B. Market Value as of Prior Valuation Date	\$ 174,434,431			
C. Non-Investment Net Cash Flow	\$ (5,777,760)	\$ (8,237,177)	\$ 2,189,467	\$ 269,950
D. Investment Income (Net of Investment Expense)				
1. Market Total	\$ 20,353,964			
2. Amount for Immediate Recognition	\$ 3,541,701			
3. Amount for Phased-In Recognition	\$ 16,812,263			
E. Phased-In Recognition of Past Capital Gains / (Losses)				
1. Current Year (0.25 x D3)	\$ 4,203,066			
2. First Prior Year	5,901,987			
3. Second Prior Year	(1,023,235)			
4. Third Prior Year	2,846,952			
5. Total Recognized Capital Gains / (Losses)	\$ 11,928,770			
F. Actuarial Value as of Valuation Date				
1. Preliminary Value: A + C + D2 + E5	\$ 165,620,697			
2. Adjustment for 80%/120% of market value	\$ -			
3. Actuarial Value of Assets	\$ 165,620,697			
G. Allocation to Plans				
1. Allocation Base: A + .5 x C	\$ 153,039,106	\$ 85,468,649	\$ 66,981,032	\$ 589,426
2. D2 + E5 + F2 Allocated in Proportion to G1	\$ 15,470,471	\$ 8,639,885	\$ 6,771,002	\$ 59,584
3. Actuarial Value as of Assets: A + C + G2	\$ 165,620,697	\$ 89,989,945	\$ 74,846,767	\$ 783,985
H. Market Value as of Valuation Date: B + C + D1	\$ 189,010,635			
I. Rate of Return				
1. Actuarial Value	10.1%	10.1%	10.1%	10.1%
2. Market Value	11.9%			

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

Actuarial Gains (Losses) for  
Plan Year Ending September 30, 2013

	Total	Plan A	Plan B	Plan C
<b>A. <u>Derivation of Actuarial Gain (Loss)</u></b>				
1. Unfunded actuarial accrued liability previous valuation	27,927,702	(3,335,311)	30,888,134	374,880
2. BOY annual amortization payment for prior year	1,675,628	(283,251)	1,939,376	19,503
3. Interest on:				
a. Unfunded actuarial accrued liability	2,234,216	(266,825)	2,471,051	29,990
b. Amortization payment	134,050	(22,660)	155,150	1,560
c. Net total: (a) - (b)	2,100,166	(244,165)	2,315,901	28,430
4. Expected unfunded actuarial accrued liability current year = (1. - 2. + 3c.)	28,352,240	(3,296,225)	31,264,659	383,807
5. Actual unfunded actuarial accrued liability current year (before assumption changes)	30,073,992	1,470,076	28,173,489	430,427
6. Actuarial gain (loss) = (4. - 5.)	(1,721,752)	(4,766,301)	3,091,169	(46,620)
7. Effect of assumption or method changes	-	-	-	-
8. Actual unfunded actuarial accrued liability before plan amendment	30,073,992	1,470,076	28,173,489	430,427
9. Effect of plan amendments	-	-	-	-
10. Actual unfunded actuarial accrued liability current year	30,073,992	1,470,076	28,173,489	430,427
<b>B. <u>Approximate Portion of Gain (Loss) - Investments</u></b>				
1. Actuarial value of assets previous year	155,927,986	89,587,237	65,886,298	454,451
2. Contributions during period	6,775,253	206,500	6,229,224	339,529
3. Benefits, refunds and expenses during period	12,553,011	8,443,676	4,039,757	69,578
4. Expected appreciation for period	12,523,805	6,852,254	5,610,762	60,789
5. Expected actuarial value of assets current year = (1. + 2. - 3. + 4.)	162,674,033	88,202,315	73,686,527	785,191
6. Actual actuarial value of assets current year	165,620,697	89,989,945	74,846,767	783,985
7. Approximate investment gain (loss) = (6. - 5.)	2,946,664	1,787,630	1,160,240	(1,206)
<b>C. <u>Approximate Portion Of Gain (Loss) - Liabilities = A.6. - B.7.</u></b>				
	(4,668,416)	(6,553,931)	1,930,929	(45,414)

Table VII

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Historical Data - City Contributions**

Valuation Year	Contribution Year	Computed % of Covered Payroll				Projected Chapter 112 Minimum \$*	Actual Dollars
		Plan A	Plan B	Plan C	Aggregate		
1986(a)	1987-88	12.82			12.82	1,477,080	1,614,137
1987	1988-89	12.60			12.60	1,558,161	1,737,071
1988(a)	1989-90	n/a	n/a		12.08	1,703,667	1,748,247
1989	1990-91	12.13	8.93		11.78	1,772,929	1,865,237
1990(a)	1991-92	12.67	7.27		11.63	1,946,844	2,029,376
1991	1992-93	12.38	7.22		10.93	2,076,165	2,132,247
1992	1993-94	12.10	7.12		10.47	2,185,635	2,085,293
1993	1994-95	11.62	6.72		9.89	2,110,135	2,278,862
1994(a)	1995-96	14.71	6.29		11.59	2,494,103	2,243,355
1995	1996-97	14.31	5.72		10.88	2,270,472	2,170,549
1996	1997-98	14.07	5.72		10.44	2,258,606	2,167,569
1997	1998-99	13.45	4.06		8.91	2,027,816	1,907,330
1998(a)	1999-00	9.75	9.56		9.65	2,189,403	2,257,985
1999	2000-01	7.43	9.82		8.75	2,254,406	2,132,060
2000(a)	2001-02	0.00	3.45		2.06	507,413	586,116
2001(a)	2002-03	0.00	8.89		5.71	1,592,175	1,652,210
2002(a)	2003-04	0.00	11.31		7.68	2,223,636	2,140,939
2003(a)	2004-05	0.00	10.90		7.73	2,349,175	2,223,146
2004(b)	2005-06	0.00	11.34		8.33	2,574,376	
2004(a)	2005-06	0.00	12.77		9.38	2,900,060	2,775,177
2005(b)	2006-07	0.00	12.58		9.69	3,006,606	
2005(a)	2006-07	0.00	7.12		5.48	1,698,578	1,625,342
2006	2007-08	0.00	8.31		6.57	2,088,217	1,998,068
2007(b)	2008-09	0.00	8.11		6.57	2,123,915	
2007(a)	2008-09	0.00	8.37		6.79	2,195,036	2,099,218
2008	2009-10	0.00	9.22	10.61	7.80	2,503,965	2,503,965
2009	2010-11	0.00	11.30	6.64	9.72	3,333,945	3,333,945
2010(b)	2011-12	0.00	12.52	7.23	10.83	3,640,820	
2010(a)	2011-12	0.00	11.99	6.37	10.35	3,427,410	3,427,410
2011(b)	2012-13	0.00	14.00	7.29	12.25	3,819,893	
2011(a)	2012-13	0.00	15.68	7.52	13.68	4,268,084	4,268,084
2012(b)	2013-14	0.00	16.98	7.30	14.60	4,294,693	
2012(a)	2013-14	0.00	14.80	6.34	12.72	3,744,111	Not Available
2013	2014-15	11.29	15.19	6.32	13.81	3,925,569	Not Available

(a) After changes in benefit provisions and/or experience assumptions.

(b) Before changes in benefit provisions and/or experience assumptions.

\* Beginning with the 2008 valuation, the projected contribution is the City Minimum Required Contribution for the Contribution Year, as developed in Table I. Beginning with the 2012 valuation, the projected contribution has been changed from payable biweekly during the Contribution Year to payable as of the first day of the Contribution Year. (For the 2011 valuation, a year of transition, the projected contribution was calculated assuming \$255,369 was deposited on 10/29/2012 and the remainder on 12/1/2012.)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Historical Data - Indicators

There is no single all-encompassing measure of a pension plan's funding progress and current funded status. The Board believes that an understanding of short term funding progress and status can be achieved using the following indicators.

*Indicator (1)* The gains or losses realized in the operation of the Retirement System. Gains and losses are expected to cancel each other over a period of years but sizable year to year fluctuations may occur.

*Indicator (2)* The ratio of the funding value of assets to the actuarial accrued liability. This ratio is a required disclosure item under GASB # 25. The ratio is expected to reach 100% over time, but this trend may be interrupted by benefit improvements and changes in actuarial assumptions and/or methods.

*Indicator (3)* The ratio of the unfunded actuarial accrued liability (UAAL) to participant payroll. This ratio is a required disclosure item under GASB # 25. Generally, the UAAL is not expected to increase in the absence of benefit improvements or changes in actuarial assumptions and/or methods. In an inflationary environment, the UAAL may increase as a dollar amount. This ratio of UAAL to payroll recognizes inflation in both terms. This ratio is expected to decrease over time, but, the basic trend may be interrupted by benefit improvements or changes in actuarial assumptions and/or methods.

**Table VII  
(Cont'd)**

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Historical Data - Indicators (Cont'd)**  
**(Dollar Amounts in Thousands)**

Valuation Year	Indicator (1)	Indicator (2)			Indicator (3)		
	Gain/ (Loss)	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio	UAAL	Active Member Payroll	Ratio to Payroll
1987(a)	1,400	22,190	24,540	90.4	2,350	11,494	20.4
1988(a)	(89)	24,459	27,142	90.1	2,683	13,108	20.5
1989	203	27,372	29,730	92.1	2,358	13,988	16.9
1990(a)	(579)	29,829	32,905	90.7	3,076	15,558	19.8
1991	577	33,422	35,881	93.1	2,469	17,655	14.0
1992	844	37,984	39,507	96.1	1,523	19,402	7.8
1993	2,178	42,891	42,150	101.8	741	19,830	3.7
1994(a)	2,060	47,896	53,234	90.0	5,349	20,001	26.7
1995	2,596	55,556	57,366	96.8	1,810	19,396	9.3
1996	1,859	61,976	63,291	97.9	1,315	20,107	6.5
1997	6,546	73,112	68,949	106.0	(4,163)	21,153	-
1998(a)	8,865	84,991	78,517	108.2	(6,473)	21,608	-
1999	415	95,543	88,643	107.8	(6,901)	24,526	-
2000(a)	8,624	109,851	88,902	123.6	(20,949)	24,640	-
2001(b)	361	112,856	89,233	126.5	(23,622)	26,692	-
2001(a)	361	112,856	96,794	116.6	(16,061)	26,692	-
2002(a)	(8,199)	110,665	103,138	107.3	(7,527)	27,725	-
2003(b)	(4,038)	112,005	108,710	103.0	(3,295)	29,087	-
2003(a)	(4,038)	112,005	108,783	103.0	(3,222)	29,087	-
2004(b)	(4,038)	111,740	112,476	99.3	736	29,574	2.5
2004(a)	(4,038)	111,740	118,124	94.6	6,384	29,574	21.6
2005(b)	813	122,169	128,337	95.2	6,168	29,661	20.8
2005(a)	813	145,252	128,393	113.1	(16,859)	29,661	-
2006	(6,504)	149,013	136,934	108.8	(12,078)	30,415	-
2007(b)	3,937	155,901	139,859	111.5	(16,042)	30,935	-
2007(a)	3,937	155,901	145,647	107.1	(10,254)	30,935	-
2008	(4,694)	156,186	150,363	103.9	(5,823)	32,119	-
2009	(12,641)	155,671	162,631	95.7	6,960	32,811	21.2
2010(b) & (a)	(6,731)	155,042	169,663	91.4	14,621	32,166	45.5
2011(b)	(7,583)	150,589	173,573	86.8	22,984	29,916	76.8
2011(a)	(7,583)	150,589	177,691	84.7	27,102	29,916	90.6
2012(b)	(1,201)	155,928	185,463	84.1	29,535	28,584	103.3
2012(a)	(1,201)	155,928	183,856	84.8	27,928	28,584	97.7
2013	(1,722)	165,621	195,695	84.6	30,074	27,598	109.0

(a) After changes in benefit provisions and/or experience assumptions.

(b) Before changes in benefit provisions and/or experience assumptions.

UAAL is the Unfunded Actuarial Accrued Liability using the entry age actuarial cost method.

Table VIII

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Accounting Disclosure Exhibit**

I. Financial Accounting Statement 35

	<u>10/1/2012</u>	<u>10/1/2013</u>
<b>A. <u>Statement of Accumulated Plan Benefits</u></b>		
1. Actuarial present value of accumulated vested plan benefits		
a. Participants currently receiving benefits	\$ 91,500,362	\$ 104,637,844
b. Other participants	61,302,853	61,881,837
c. Total	\$ 152,803,215	\$ 166,519,681
2. Actuarial present value of accumulated non-vested plan benefits	14,617,386	14,396,640
3. Total actuarial present value of accumulated plan benefits	\$ 167,420,601	\$ 180,916,321
<b>B. <u>Statement of Change in Accumulated Plan Benefits</u></b>		
1. Actuarial present value of accumulated plan benefits as of Prior Valuation Date	\$ 159,226,055	\$ 167,420,601
2. Increase (decrease) during year attributable to:		
a. Plan amendment	0	0
b. Change in actuarial assumptions	(1,589,957)	0
c. Benefits paid	(10,666,977)	(12,166,239)
d. Other, including benefits accumulated, increase for interest due to decrease in the discount period	20,451,480	25,661,959
e. Net increase	\$ 8,194,546	\$ 13,495,720
3. Actuarial present value of accumulated plan benefits as of Current Valuation Date	\$ 167,420,601	\$ 180,916,321

**Table VIII  
(Cont'd)**

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Accounting Disclosure Exhibit**

	<u>10/1/2012</u>	<u>10/1/2013</u>
<b>C. <u>Significant Matters Affecting Calculations</u></b>		
1. Assumed rate of return used in determining present values	8.0%	8.0%
2. Change in plan provisions	None	None
3. Change in actuarial assumptions: The retirement, termination, and marital assumptions were changed.		None
4. Change in actuarial method:	None	None

**Table VIII  
(Cont'd)**

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Accounting Disclosure Exhibit**

II. Annual Pension Cost For the 2014 - 2015 Plan Year  
and Related Information:

Valuation Date	October 1, 2013
Contribution rates:	
City	13.81%
Plan members	
- Plans A and B	9.65%
- Plan C	6.00%
Annual pension cost (projected) (thousands)	\$ 3,926
Contributions made (thousands)	To be determined
Actuarial valuation date	10/1/2013
Actuarial cost method	Entry Age
Amortization method	Level percent, closed
Asset valuation method	Four year smoothed average with 80% / 120% corridor.
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	3.9% to 7.3%
Cost of living adjustments	None assumed

Table VIII  
(Cont'd)

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Accounting Disclosure Exhibit**

III. Development of Annual Required Contribution (ARC), Annual Pension Cost (APC), and Net Pension Obligation (NPO)

Actuarial Valuation Date For Contribution Year	10/1/2011 2012-13	10/1/2012 2013-14	10/1/2013 2014-15
1. Annual Required Contribution (ARC) = City Minimum Required Contribution	<u>\$4,268,084</u> **	<u>\$ 3,744,111</u>	<u>\$ 3,925,569</u>
2. Annual Pension Cost (APC)			
a. ARC	\$4,268,084	\$3,744,111	\$3,925,569
b. Interest on the Net Pension Obligation	(13,136)	(13,366)	pending
c. Adjustment to ARC*	<u>10,481</u>	<u>10,664</u>	<u>pending</u>
d. APC	<u>\$4,265,429</u>	<u>\$3,741,409</u>	<u>pending</u>
3. Net Pension Obligation (NPO)			
a. APC	\$4,265,429	\$3,741,409	pending
b. City Contributions	(4,268,084)	pending	pending
c. Interest on (a + b) to End of Year	(212)	<u>pending</u>	<u>pending</u>
d. Increase (decrease) in NPO	(\$2,867)	pending	pending
e. NPO (beginning of year)	<u>(164,203)</u>	<u>(167,070)</u>	<u>pending</u>
f. NPO (end of year)	<u>(\$167,070)</u>	<u>pending</u>	<u>pending</u>

\*Amortization over the same period and using the same method as for the latest component of the Unfunded Actuarial Accrued Liability.

\*\*This disclosure has been revised for the 2011 valuation, a year of transition from the contribution being payable biweekly during the year to being payable as of the first day of the year; the ARC has been recalculated assuming \$255,369 was deposited on 10/29/2012 and the remainder on 12/1/2012.

Table VIII  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Accounting Disclosure Exhibit

IV. Historical Trend Information

Fiscal Year Ending	Annual Required Contribution (ARC)	Actual City Contribution	Percentage of ARC Contributed	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/1996		\$ 2,243,355		\$ 2,243,000	100%	0
9/30/1997		\$ 2,170,549		\$ 2,171,000	100%	0
9/30/1998		\$ 2,167,569		\$ 2,166,000	100%	0
9/30/1999		\$ 1,907,330		\$ 1,839,000	104%	(69,000)
9/30/2000		\$ 2,257,985		\$ 2,222,000	102%	(105,000)
9/30/2001		\$ 2,132,060		\$ 2,222,000	96%	(15,000)
9/30/2002		\$ 586,116		\$ 542,335	108%	(58,781)
9/30/2003		\$ 1,652,210		\$ 1,592,350	104%	(118,641)
9/30/2004		\$ 2,140,939		\$ 2,176,195	98%	(83,385)
9/30/2005		\$ 2,223,146		\$ 2,198,117	101%	(108,414)
9/30/2006	\$ 2,775,177	\$ 2,775,177	100%	\$ 2,734,973	101%	(148,618)
9/30/2007	\$ 1,625,342	\$ 1,625,342	100%	\$ 1,622,137	100%	(151,823)
9/30/2008	\$ 1,998,068	\$ 1,998,068	100%	\$ 2,020,361	99%	(129,530)
9/30/2009	\$ 2,099,218	\$ 2,099,218	100%	\$ 2,055,509	102%	(173,239)
9/30/2010	\$ 2,503,965	\$ 2,503,965	100%	\$ 2,506,293	100%	(170,820)
9/30/2011	\$ 3,333,945	\$ 3,333,945	100%	\$ 3,336,240	100%	(168,435)
9/30/2012	\$ 3,427,410	\$ 3,427,410	100%	\$ 3,431,482	100%	(164,203)
9/30/2013 *	\$ 4,268,084	\$ 4,268,084	100%	\$ 4,265,429	100%	(167,070)
9/30/2014	\$ 3,744,111	pending		\$ 3,741,409	pending	pending
9/30/2015	\$ 3,925,569	pending		pending	pending	pending

\* Beginning with the Fiscal Year Ending 9/30/2014, the ARC and APC have been changed from payable biweekly during the year to payable as of the first day of the year. For the year ended 9/30/2013, a year of transition, the ARC and APC have been recalculated assuming \$255,369 was deposited on 10/29/2012 and the remainder on 12/1/2012.

Table VIII  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Schedule of Funding Progress

V. Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - (Entry Age) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/1995	\$ 54,555,597	\$ 57,366,363	\$ 2,810,766	95.10%	\$ 19,395,601	14.49%
10/1/1996	\$ 61,976,224	\$ 63,291,132	\$ 1,314,908	97.92%	\$ 20,107,404	6.54%
10/1/1997	\$ 73,111,836	\$ 68,949,314	\$ (4,162,522)	106.04%	\$ 21,152,746	(19.68%)
10/1/1998	\$ 84,990,891	\$ 78,517,439	\$ (6,473,452)	108.24%	\$ 21,607,723	(29.96%)
10/1/1999	\$ 95,543,388	\$ 88,642,760	\$ (6,900,628)	107.78%	\$ 24,526,141	(28.14%)
10/1/2000	\$ 109,851,045	\$ 88,902,238	\$ (20,948,807)	123.56%	\$ 24,640,031	(85.02%)
10/1/2001	\$ 112,855,556	\$ 96,794,087	\$ (16,061,469)	116.59%	\$ 26,692,470	(60.17%)
10/1/2002	\$ 110,664,526	\$ 103,137,669	\$ (7,526,857)	107.30%	\$ 27,724,580	(27.15%)
10/1/2003	\$ 112,005,274	\$ 108,783,170	\$ (3,222,104)	102.96%	\$ 29,087,326	(11.08%)
10/1/2004	\$ 111,739,576	\$ 118,123,844	\$ 6,384,268	94.60%	\$ 29,574,041	21.59%
10/1/2005	\$ 145,251,606	\$ 128,392,610	\$ (16,858,996)	113.13%	\$ 29,661,189	(56.84%)
10/1/2006	\$ 149,012,517	\$ 136,934,499	\$ (12,078,018)	108.82%	\$ 30,415,428	(39.71%)
10/1/2007	\$ 155,901,366	\$ 145,647,102	\$ (10,254,264)	107.04%	\$ 30,935,387	(33.15%)
10/1/2008	\$ 156,186,054	\$ 150,363,336	\$ (5,822,718)	103.87%	\$ 32,118,651	(18.13%)
10/1/2009	\$ 155,671,483	\$ 162,631,384	\$ 6,959,901	95.72%	\$ 32,810,590	21.21%
10/1/2010	\$ 155,041,982	\$ 169,663,427	\$ 14,621,445	91.38%	\$ 32,165,959	45.46%
10/1/2011	\$ 150,588,964	\$ 177,690,848	\$ 27,101,884	84.75%	\$ 29,915,815	90.59%
10/1/2012	\$ 155,927,986	\$ 183,855,688	\$ 27,927,702	84.81%	\$ 28,583,981	97.70%
10/1/2013	\$ 165,620,697	\$ 195,694,689	\$ 30,073,992	84.63%	\$ 27,597,864	108.97%

Table IX

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Statistics for Participants Entitled to Deferred Benefits  
and Participants Receiving Benefits**

**A. Entitled to Deferred Benefits: Vested Terminated Participants**

<b><u>Current Age Group</u></b>	<b><u>Count</u></b>	<b><u>Total Annual Benefit</u></b>	<b><u>Average Annual Benefit</u></b>
Less than 45	2	\$ 38,208	\$ 19,104
45-49	4	54,445	13,611
50-54	18	273,822	15,212
55-59	5	43,116	8,623
60-64	<u>3</u>	<u>30,008</u>	<u>10,003</u>
<b>TOTAL</b>	<b>32</b>	<b>\$ 439,599</b>	<b>\$ 13,737</b>

**B. Entitled to Deferred Benefits: DROP Participants**

<b><u>Current Age Group</u></b>	<b><u>Count</u></b>	<b><u>Total Annual Benefit</u></b>	<b><u>Average Annual Benefit</u></b>	<b><u>Total DROP Balance</u></b>
50-54	9	\$ 442,156	\$ 49,128	\$ 769,188
55-59	20	811,507	40,575	2,042,656
60-64	9	333,326	37,036	843,542
65-69	5	189,609	37,922	459,047
70-74	2	53,884	26,942	211,965
75-79	0	0	-	0
80 & Over	<u>1</u>	<u>39,035</u>	<u>39,035</u>	<u>123,707</u>
<b>TOTAL</b>	<b>46</b>	<b>\$ 1,869,518</b>	<b>\$ 40,642</b>	<b>\$ 4,450,106</b>

**C. Receiving Benefits**

<b><u>Current Age Group</u></b>	<b><u>Count</u></b>	<b><u>Total Annual Benefit</u></b>	<b><u>Average Annual Benefit</u></b>
Less than 50	6	\$ 90,021	\$ 15,003
50-54	12	397,300	33,108
55-59	59	1,958,631	33,197
60-64	72	1,912,983	26,569
65-69	81	1,667,102	20,582
70-74	65	1,121,750	17,258
75-79	45	814,265	18,095
80 & Over	<u>79</u>	<u>852,641</u>	<u>10,793</u>
<b>TOTAL</b>	<b>419</b>	<b>\$ 8,814,693</b>	<b>\$ 21,037</b>

**Table IX  
(Cont'd)**

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Statistics for Participants Entitled to Deferred Benefits  
and Participants Receiving Benefits**

D. Retired Member and Beneficiary Data by Category of Retirement

<u>Category of Benefits Being Paid</u>	<u>Count</u>	<u>Annual Benefits</u>
<b>PLAN A</b>		
Normal Retirement	201	\$ 5,087,427
Early Retirement	46	797,466
Disability Benefits	2	147,081
Surviving Beneficiaries	<u>33</u>	<u>431,376</u>
Total Plan A Benefits	282	\$ 6,463,350
<b>PLAN B</b>		
Normal Retirement	84	\$ 1,550,416
Early Retirement	27	292,864
Disability Benefits	8	244,729
Surviving Beneficiaries	<u>18</u>	<u>263,334</u>
Total Plan B Benefits	<u>137</u>	<u>\$ 2,351,343</u>
<b>TOTAL ANNUAL BENEFITS</b>	419	\$ 8,814,693

Table X

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

	<u>Reconciliation of Employee Data</u>						Total
	Active	DROP	Vested	Disabled	Retired	Beneficiaries	
<b>October 1, 2012</b>	<b>581</b>	<b>54</b>	<b>34</b>	<b>10</b>	<b>335</b>	<b>52</b>	<b>1,066</b>
New Entrants	23	-	-	-	-	-	23
Retirements	(10)	(20)	(1)	(1)	32	-	-
Disabilities	(1)	-	-	1	-	-	-
Terminations							
a) with refund	(16)	-	(1)	-	-	-	(17)
b) without refund	(4)	-	-	-	-	-	(4)
c) refund pending	-	-	-	-	-	-	-
DROP enrollments	(12)	12	-	-	-	-	-
Transfers in/(out) or corrections	-	-	-	-	-	1	1
Deaths							
a) with beneficiaries	-	-	-	-	(2)	2	-
b) without beneficiaries	-	-	-	-	(7)	(4)	(11)
Benefits Expired	-	-	-	-	-	-	-
Rehire	-	-	-	-	-	-	-
<b>October 1, 2013</b>	<b>561</b>	<b>46</b>	<b>32</b>	<b>10</b>	<b>358</b>	<b>51</b>	<b>1,058</b>

Table X

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

	<u>Reconciliation of Employee Data</u>						Total
	<u>Plan A</u>						
	Active	DROP	Terminated Vested	Disabled	Retired	Beneficiaries	
<b>October 1, 2012</b>	42	30	7	3	239	32	353
New Entrants							-
Retirements	(2)	(10)		(1)	13		-
Disabilities							-
Terminations							-
a) with refund							-
b) without refund							-
c) refund pending							-
DROP enrollments	(6)	6					-
Transfers in/(out) or corrections						1	1
Deaths							-
a) with beneficiaries					(1)	1	-
b) without beneficiaries					(4)	(1)	(5)
Benefits Expired							-
Rehire							-
<b>October 1, 2013</b>	34	26	7	2	247	33	349

Table X

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

	<u>Reconciliation of Employee Data</u>						Total
	Active	DROP	Terminated Vested	Disabled	Retired	Beneficiaries	
<b>October 1, 2012</b>	<b>472</b>	<b>24</b>	<b>27</b>	<b>7</b>	<b>96</b>	<b>20</b>	<b>646</b>
New Entrants							-
Retirements	(8)	(10)	(1)		19		-
Disabilities	(1)			1			-
Terminations							
a) with refund	(10)		(1)				(11)
b) without refund	(3)						(3)
c) refund pending							-
DROP enrollments	(6)	6					-
Transfers in/(out) or corrections							-
Deaths							
a) with beneficiaries					(1)	1	-
b) without beneficiaries					(3)	(3)	(6)
Benefits Expired							-
Rehire							-
<b>October 1, 2013</b>	<b>444</b>	<b>20</b>	<b>25</b>	<b>8</b>	<b>111</b>	<b>18</b>	<b>626</b>

Table X

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

	<u>Reconciliation of Employee Data</u>					Total
	Active	DROP	Terminated Vested	Disabled	Retired	
<b>October 1, 2012</b>	67	-	-	-	-	67
New Entrants	23					23
Retirements						-
Disabilities						-
Terminations						
a) with refund	(6)					(6)
b) without refund	(1)					(1)
c) refund pending						-
DROP enrollments						-
Transfers in/(out) or corrections						-
Deaths						
a) with beneficiaries						-
b) without beneficiaries						-
Benefits Expired						-
Rehire						-
<b>October 1, 2013</b>	<b>83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83</b>

Table X  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Age-Service-Salary Distribution  
All Active Participants

AGE	COMPLETED YEARS OF SERVICE											TOTAL		
	00-00	01-04	05-09	10-14	15-19	20-24	25-29	30-34	35-39	40+				
15-24	-	1	-	-	-	-	-	-	-	-	-	-	1	
		\$ 38,958											\$ 38,958	
25-29	-	11	12	-	-	-	-	-	-	-	-	-	23	
		\$ 36,657	\$ 36,504										\$ 36,577	
30-34	-	14	23	4	-	-	-	-	-	-	-	-	41	
		\$ 43,382	\$ 40,302	\$ 50,215									\$ 42,321	
35-39	-	11	20	13	3	-	-	-	-	-	-	-	47	
		\$ 44,427	\$ 42,038	\$ 55,133	\$ 45,414								\$ 46,435	
40-44	-	6	19	24	8	4	1	-	-	-	-	-	62	
		\$ 35,025	\$ 41,898	\$ 52,595	\$ 61,707	\$ 50,360	\$ 76,682						\$ 49,037	
45-49	-	12	22	25	16	16	12	-	-	-	-	-	103	
		\$ 39,433	\$ 40,923	\$ 47,166	\$ 54,817	\$ 57,499	\$ 60,912						\$ 49,327	
50-54	-	4	29	30	23	16	17	10	-	-	-	-	129	
		\$ 39,628	\$ 45,998	\$ 47,465	\$ 54,193	\$ 60,440	\$ 56,396	\$ 64,245					\$ 52,179	
55-59	-	3	20	22	19	7	2	-	-	-	-	-	74	
		\$ 38,852	\$ 48,946	\$ 51,653	\$ 52,671	\$ 64,244	\$ 50,057						\$ 52,069	
60-64	-	3	8	25	14	1	1	1	1	-	-	-	54	
		\$ 45,103	\$ 44,964	\$ 47,952	\$ 56,081	\$ 74,085	\$ 83,378	\$ 53,986	\$ 70,584				\$ 51,129	
65-69	-	2	6	8	5	1	-	-	-	-	-	-	22	
		\$ 40,856	\$ 51,132	\$ 45,879	\$ 57,939	\$ 55,434							\$ 50,030	
70+	-	-	2	3	-	-	-	-	-	-	-	-	5	
		\$ 40,297	\$ 50,907										\$ 46,663	
TOTAL		\$ 67	\$ 161	\$ 154	\$ 88	\$ 45	\$ 33	\$ 11	\$ 2	\$ 561	\$ 49,194	\$ 70,618	\$ 49,194	

Average Age: 49.10 Average Service: 12.89

Table X  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Age-Service-Salary Distribution  
Plan A

AGE	COMPLETED YEARS OF SERVICE-----										TOTAL	
	00-00	01-04	05-09	10-14	15-19	20-24	25-29	30-34	35-39	40+		
15-24	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	\$ -
30-34	-	-	-	-	-	-	-	-	-	-	-	\$ -
35-39	-	-	-	-	-	-	-	-	-	-	-	\$ -
40-44	-	-	-	-	-	-	-	-	-	-	-	\$ -
45-49	-	-	-	-	-	-	7	-	-	-	-	\$ -
50-54	-	-	-	-	-	-	58,893	10	-	-	-	\$ 58,893
55-59	-	-	-	-	-	-	55,978	64,245	-	-	-	\$ 59,736
60-64	-	-	-	-	1	1	43,414	1	1	1	3	\$ 49,902
65-69	-	-	-	-	35,642	-	-	53,986	70,652	-	-	\$ 62,285
70+	-	-	-	-	-	-	-	-	-	-	-	\$ -
TOTAL	-	-	-	\$ -	\$ 35,642	\$ -	\$ 56,370	\$ 63,312	\$ 70,618	\$ -	\$ -	\$ 58,845

Average Age: 52.71 Average Service: 28.87



Table X  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Age-Service-Salary Distribution  
Plan C

AGE	COMPLETED YEARS OF SERVICE											TOTAL	
	00-00	01-04	05-09	10-14	15-19	20-24	25-29	30-34	35-39	40+	TOTAL		
15-24	-	1	-	-	-	-	-	-	-	-	-	1	\$ 38,958
25-29	-	11	4	-	-	-	-	-	-	-	-	15	\$ 36,925
30-34	-	14	1	-	-	-	-	-	-	-	-	15	\$ 43,457
35-39	-	11	-	-	-	-	-	-	-	-	-	11	\$ 44,427
40-44	-	6	4	-	-	-	-	-	-	-	-	10	\$ 42,310
45-49	-	12	4	-	-	-	-	-	-	-	-	16	\$ 39,405
50-54	-	4	2	-	-	-	-	-	-	-	-	6	\$ 42,288
55-59	-	3	1	-	-	-	-	-	-	-	-	4	\$ 41,668
60-64	-	3	-	-	-	-	-	-	-	-	-	3	\$ 45,103
65-69	-	2	-	-	-	-	-	-	-	-	-	2	\$ 40,856
70+	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
TOTAL	\$ -	\$ 40,502	\$ 44,419	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83	\$ 41,258

Average Age: 40.73 Average Service: 3.45

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Projected Retirement Benefits**

<b><u>Fiscal Year</u></b>	<b><u>Projected Total Annual Payout</u></b>
2013-14	\$ 11,933,542
2014-15	\$ 12,951,573
2015-16	\$ 13,950,680
2016-17	\$ 14,757,770
2017-18	\$ 15,502,219
2018-19	\$ 16,249,829
2019-20	\$ 16,910,213
2020-21	\$ 17,610,862
2021-22	\$ 18,196,598
2022-23	\$ 18,824,597

The above projected payout of plan benefits during the next ten years is based on assumptions involving all decrements. The actual payouts may differ from the above estimates depending upon the salary, retirement, withdrawal, disability and death experience of the plan. However, since the projected payment is recomputed each valuation date, there is an automatic correction to the extent that actual experience varies from expected experience. The payouts exclude payments of DROP balances as current DROP Members actually retire.

Table XII

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Review of Salary and Termination Experience**

**A. Recent Salary Experience\***

<u>Period Ending</u>	<u>Actual Increase</u>	<u>Assumed Increase</u>
9/30/2013	0.7%	5.6%
9/30/2012	0.6%	4.9%
9/30/2011	0.7%	5.0%
9/30/2010	1.9%	5.0%
9/30/2009	6.0%	5.0%
9/30/2008	5.6%	5.0%
9/30/2007	6.2%	5.5%
9/30/2006	5.5%	5.6%
9/30/2005	5.2%	5.7%
9/30/2004	6.4%	5.7%
9/30/2003	6.1%	5.8%
9/30/2002	5.7%	5.8%
Last 3 Years	0.7%	5.2%
Last 5 Years	2.0%	5.1%

\* Includes only Members who have full years of pay provided for the two consecutive years ending on the date shown

**B. Recent Termination Experience**

<u>Valuation Date</u>	<u>Number of Employees Previous Valuation</u>	<u>Expected * Terminations</u>	<u>Actual* Terminations</u>	<u>Ratio of Actual To Expected</u>
10/1/2013	581	21.4	20	0.9
10/1/2012	600	14.7	16	1.1
10/1/2011	640	18.1	25	1.4
10/1/2010	662	20.5	21	1.0
10/1/2009	668	22.8	11	0.5
10/1/2008	650	23.7	15	0.6
10/1/2007	667	23.5	47	2.0
10/1/2006	683	25.7	46	1.8
10/1/2005	702	28.9	37	1.3
10/1/2004	710	31.9	50	1.6
10/1/2003	700	32.2	36	1.1
10/1/2002	677	32.2	32	1.0
Last 3 Years	1,821	54.2	61	1.1
Last 5 Years	3,151	97.5	93	1.0

\*Based upon census data and expected rates of termination used in completing the previous valuation

Table XII  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

Review of Retirement Experience

C. Recent Retirement Experience\*

<u>Valuation Date</u>	<u>Employees Eligible to Retire Previous Valuation</u>	<u>Expected * Retirements</u>	<u>Actual** Retirements</u>	<u>Employees DROPP Eligible Previous Valuation</u>	<u>DROPP Enrollments</u>
10/1/2013	133	39	23	58	12
10/1/2012	125	36	15	73	8
10/1/2011	127	35	28	80	21
10/1/2010	127	40.0	24	77	15
10/1/2009	120	37.6	22	67	7
10/1/2008	99	24.4	29	21	20
10/1/2007	98	24.2	29	14	7
10/1/2006	94	21.1	16	9	4
10/1/2005	79	22.4	30	25	12
10/1/2004	70	18.7	12	14	3
10/1/2003	59	18.3	13	10	2
10/1/2002	78	37.8	21	12	5
Last 3 Years	385	110.0	66	211	41
Last 5 Years	632	187.6	112	355	63

\* Based upon the expected rates of retirement used in completing the previous valuation.

\*\* Includes DROPP enrollments and disablements.

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Analysis of Investment Yield**

This Table sets forth the results of an analysis made of investment yields on the assets held under the City of Boca Raton General Employees Pension Plan.

The sources for this analysis were the Statements produced by the Plan Administrator.

The basic data was initially checked for internal consistency. Since no difficulties were encountered with the data, yield rates were calculated directly from the transaction information submitted. A summary of the transaction information is set forth on the following page.

Table XIII  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

SUMMARY OF TRANSACTION INFORMATION

Year Ending	Benefits Paid	Administrative Expenses	Investment Expenses	Employee Contributions	City Contributions	Market Value	Actuarial Value
9/30/2013	\$ 12,166,239	\$ 386,773	\$ 813,409	\$ 2,502,195	\$ 4,268,084	\$ 189,010,635	\$ 165,620,697
9/30/2012	10,666,977	339,345	741,712	2,635,010	3,427,410	174,434,431	155,927,986
9/30/2011	7,483,811	364,775	708,721	2,767,937	3,333,945	152,479,417	150,588,964
9/30/2010	7,599,962	295,805	667,614	2,684,704	2,503,965	154,861,378	155,041,982
9/30/2009	6,705,298	303,949	594,595	2,758,377	2,099,218	142,839,381	155,671,483
9/30/2008	6,336,326	311,833	850,593	2,646,339	1,998,068	144,794,207	156,186,054
9/30/2007	6,241,978	266,878	963,243	2,457,698	1,625,342	172,764,407	155,901,366
9/30/2006	6,224,262	335,068	698,829	2,166,436	2,775,177	156,860,256	149,012,517
9/30/2005	5,499,827	273,348	711,923	2,103,032	2,223,146	145,251,606	145,251,606
9/30/2004	6,744,124	180,421	818,546	1,729,674	2,140,939	129,757,857	111,739,576
9/30/2003	4,588,813	137,368	658,351	1,635,938	1,652,210	115,138,818	112,005,274
9/30/2002	3,972,685	148,855	564,504	1,377,698	586,116	95,484,422	110,664,526
9/30/2001	3,648,243	152,571	545,820	1,179,690	2,132,060	107,314,251	112,855,556
9/30/2000	3,339,075	138,421	567,291	1,166,138	2,257,985	124,980,077	109,851,045
9/30/1999	2,805,242	123,581	366,205	1,144,032	1,907,330	105,975,287	95,543,388
9/30/1998	2,707,612	111,791	363,712	1,019,016	2,167,569	96,959,600	84,990,891
9/30/1997	2,354,159	110,927	290,147	1,020,048	2,170,549	91,338,146	73,111,836
9/30/1996					2,243,355		61,976,000
9/30/1995					2,278,862		55,556,000
9/30/1994					2,085,293		47,896,000
9/30/1993					2,132,247		42,891,000
9/30/1992					2,029,376		37,984,000
9/30/1991					1,865,237		33,422,000
9/30/1990					1,748,247		29,829,000
9/30/1989					1,737,071		27,372,000
9/30/1988					1,614,137		24,459,000
9/30/1987					1,533,943		22,190,000

**Table XIII  
(Cont'd)**

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**RECENT PLAN EXPERIENCE**

<u>Year Ended</u>	<u>Actuarial Assumed Interest Rate</u>	<u>Approximate Actuarial Value Yield*</u>	<u>Approximate Market Value Yield*</u>
9/30/2013	8.0%	10.1%	11.9%
9/30/2012	8.0%	6.9%	17.9%
9/30/2011	8.0%	-1.8%	-0.4%
9/30/2010	8.0%	1.2%	10.3%
9/30/2009	8.0%	1.0%	0.1%
9/30/2008	8.0%	1.8%	-14.9%
9/30/2007	8.0%	6.3%	11.8%
9/30/2006	8.0%	3.6%	9.0%
9/30/2005	8.0%	31.2% (after reset) 10.4% (before reset)	12.9%
9/30/2004	8.0%	2.2%	15.2%
9/30/2003	8.0%	2.5%	22.3%
9/30/2002	8.0%	0.0%	-9.1%
9/30/2001	8.0%	3.2%	-13.8%
9/30/2000	7.5%	15.0%	18.0%
9/30/1999	7.5%	12.3%	10.0%
Last 3 Years	8.0%	4.9%	9.5%
Last 5 Years	8.0%	3.4%	7.7%
Last 10 Years	8.0%	5.9%	6.9%

\* Calculated as:

$$\frac{2 \times \text{Investment Earnings}}{(\text{Beginning Balance} + \text{Ending Balance} - \text{Investment Earnings})}$$

Table XIV

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Actuarial Valuation as of October 1, 2013**

**State Required Exhibit**

	<u>10/1/2012</u>	<u>10/1/2013</u>
<b>A. <u>Participant Data</u></b>		
1. Active and DROP participants	635	607
2. Retired participants and beneficiaries receiving benefits	387	409
3. Disabled participants receiving benefits	10	10
4. Terminated vested participants	34	32
5. Prior year active compensation	\$ 27,245,827	\$ 26,312,227
6. Annual benefits payable to those currently receiving benefits	\$ 7,823,002	\$ 8,814,693
<b>B. <u>Assets</u></b>		
1. Actuarial value	\$ 155,927,986	\$ 165,620,697
2. Market value	\$ 174,434,431	\$ 189,010,635
<b>C. <u>Liabilities</u></b>		
1. Actuarial present value of future expected benefit payments for active members		
a. Retirement benefits	\$ 104,182,285	\$ 102,524,619
b. Termination benefits	3,709,631	3,356,056
c. Death benefits	1,753,002	1,661,268
d. Disability benefits	8,290,447	7,897,800
e. Total	<u>\$ 117,935,365</u>	<u>\$ 115,439,743</u>
2. Actuarial present value of future expected benefit payments for terminated vested members	\$ 2,780,091	\$ 2,159,874
3. Actuarial present value of future expected benefit payments for members currently receiving benefits		
a. Service retired and beneficiaries	\$ 69,400,202	\$ 77,668,128
b. DROP members	20,328,138	24,833,113
c. Disability retired	1,772,022	2,136,603
d. Total	<u>\$ 91,500,362</u>	<u>\$ 104,637,844</u>
4. Total actuarial present value of future expected benefit payments	\$ 212,215,818	\$ 222,237,461
5. Actuarial accrued liabilities	\$ 183,855,688	\$ 195,694,689
6. Unfunded actuarial accrued liabilities	\$ 27,927,702	\$ 30,073,992
7. Liabilities at FRS discount rate		
a. Discount rate	7.75%	7.75%
b. Actuarial accrued liabilities	\$ 188,537,927	\$ 200,462,655
c. Unfunded actuarial accrued liabilities	\$ 32,609,941	\$ 34,841,958

**Table XIV  
(Cont'd)**

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**State Required Exhibit**

	<u>10/1/2012</u>	<u>10/1/2013</u>
<b>D. <u>Statement of Accumulated Plan Benefits</u></b>		
1. Actuarial present value of accumulated vested benefits		
a. Participants currently receiving benefits	\$ 91,500,362	\$ 104,637,844
b. Other participants	61,302,853	61,881,837
c. Total	<u>\$ 152,803,215</u>	<u>\$ 166,519,681</u>
2. Actuarial present value of accumulated non-vested plan benefits	<u>14,617,386</u>	<u>14,396,640</u>
3. Total actuarial present value of accumulated plan benefits	\$ 167,420,601	\$ 180,916,321
4. Liabilities at FRS discount rate		
a. Discount rate	7.75%	7.75%
b. Actuarial present value of accumulated vested benefits	\$ 156,544,369	\$ 170,418,946
c. Total actuarial present value of accumulated plan benefits	\$ 171,617,397	\$ 185,263,241
<b>E. <u>Statement of Change in Accumulated Plan Benefits</u></b>		
1. Actuarial present value of accumulated plan benefits as of Prior Valuation Date	\$ 159,226,055	\$ 167,420,601
2. Increase (decrease) during year attributable to:		
a. Plan amendment	0	0
b. Change in actuarial assumptions	(1,589,957)	0
c. Benefits paid	(10,666,977)	(12,166,239)
d. Other, including benefits accumulated, increase for interest due to decrease in the discount period	<u>20,451,480</u>	<u>25,661,959</u>
e. Net increase	\$ 8,194,546	\$ 13,495,720
3. Actuarial present value of accumulated plan benefits as of Current Valuation Date	\$ 167,420,601	\$ 180,916,321

Table XIV  
(Cont'd)

CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN

State Required Exhibit

Actuarial Valuation Date For Contribution Year	<u>10/1/2011</u> 2012-13	<u>10/1/2012</u> 2013-14	<u>10/1/2013</u> 2014-15
<b>F. <u>Past Contributions</u></b>			
1. Total contribution required			
a. City	\$ 4,268,084 *	\$ 3,744,111	\$ 3,925,569
b. Member	2,662,594	2,538,205	N/A
c. Total	<u>\$ 6,930,678</u>	<u>\$ 6,282,316</u>	<u>N/A</u>
2. Actual contributions made:			
a. City	\$ 4,268,084	N/A	N/A
b. Member	2,502,195	N/A	N/A
c. Total	<u>\$ 6,770,279</u>	<u>N/A</u>	<u>N/A</u>
<b>G. <u>Net Actuarial Gain (Loss)</u></b>		\$ (1,200,665)	\$ (1,721,752)
<b>H. <u>Disclosure of Following Items:</u></b>			
1. Actuarial present value of future salaries - attained age		\$ 197,888,348	\$ 186,686,082
2. Actuarial present value of future employee contributions - attained age		\$ 18,206,741	\$ 16,833,217
3. Actuarial present value of future contributions from other sources		N/A	N/A
4. Amount of active members' accumulated contributions		\$ 21,990,135	\$ 23,121,481
5. Actuarial present value of future salaries and future benefits at entry age		Not provided by software	
6. Actuarial present value of future employee contributions at entry age		Not provided by software	
7. Reconciliation of DROP Assets:			
Assets as of Prior Valuation Date		\$ 5,376,695	\$ 5,582,016
Payments into DROP	\$ 2,313,778		\$ 1,987,177
Earnings	426,692		159,232
Distributions	(2,535,150)		(3,278,320)
Expenses	-		-
Adjustments	-		-
Assets as of Current Valuation Date		\$ 5,582,016	\$ 4,450,106

\*For 2012-13, a year of transition toward BOY contributions, the contribution required was calculated assuming \$255,369 was deposited on 10/29/2012 and the remainder on 12/1/2012.

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

**Unfunded Actuarial Accrued Liability**

October 1, 2013

Date Established	Description	Original Amount	Original Amortization Period (Years)	2012 - 2013 Plan Year			2013 - 2014 Plan Year			2014 - 2015 Plan Year		
				Actual Outstanding Balance	BOY Annual Amortization Payment	Actual Outstanding Balance	BOY Annual Amortization Payment	Expected Outstanding Balance	BOY Annual Amortization Payment	Payment Before 3.0% Adjustment		
10/1/1980	Initial Unfunded Liability	2,849,080	35	1,037,531	362,361	729,184	373,232	384,428	384,428	373,231		
10/1/1985	Actuarial Loss (Gain)	(514,610)	30	(281,618)	(98,356)	(197,923)	(101,307)	(104,345)	(104,345)	(101,306)		
10/1/1986	Actuarial Loss (Gain)	(377,227)	30	(258,565)	(69,307)	(204,399)	(71,387)	(73,529)	(73,529)	(71,387)		
10/1/1986	Assumption/ Method Change	1,614,336	30	1,122,070	300,767	887,007	309,790	623,394	319,083	309,789		
10/1/1987	Actuarial Loss (Gain)	(1,399,556)	30	(1,147,553)	(251,768)	(967,448)	(259,321)	(764,777)	(267,101)	(259,321)		
10/1/1988	Actuarial Loss (Gain)	88,925	30	81,661	15,272	71,700	15,731	60,447	16,203	15,731		
10/1/1988	Plan Amendment	228,068	30	205,924	38,512	180,805	39,668	152,428	40,858	39,668		
10/1/1989	Actuarial Loss (Gain)	(203,399)	30	(203,678)	(33,393)	(183,908)	(34,395)	(161,474)	(35,427)	(34,395)		
10/1/1990	Actuarial Loss (Gain)	579,348	30	620,400	91,007	571,744	93,737	516,248	96,550	93,738		
10/1/1991	Actuarial Loss (Gain)	(576,691)	30	(650,620)	(86,733)	(608,998)	(89,335)	(561,236)	(92,015)	(89,335)		
10/1/1992	Actuarial Loss (Gain)	(843,818)	30	(991,247)	(121,564)	(939,258)	(125,210)	(879,172)	(128,967)	(125,211)		
10/1/1993	Actuarial Loss (Gain)	(2,178,323)	30	(2,639,360)	(300,726)	(2,325,725)	(309,747)	(2,393,256)	(319,040)	(309,748)		
10/1/1994	Actuarial Loss (Gain)	(2,059,609)	30	(2,553,915)	(272,554)	(2,463,870)	(280,731)	(2,357,790)	(289,152)	(280,730)		
10/1/1994	Assumption/ Method Change	1,053,776	30	1,274,066	135,968	1,229,146	140,047	1,176,227	144,249	140,048		
10/1/1994	Plan Amendment	7,255,431	30	8,772,166	936,166	8,462,880	964,251	8,098,519	993,178	964,250		
10/1/1995	Actuarial Loss (Gain)	(2,595,968)	30	(3,273,004)	(329,392)	(3,179,101)	(339,274)	(3,067,013)	(349,452)	(339,274)		
10/1/1996	Actuarial Loss (Gain)	(1,859,126)	30	(2,369,956)	(226,217)	(2,315,238)	(233,003)	(2,248,814)	(239,994)	(233,004)		
10/1/1996	Plan Amendment	403,930	30	515,472	49,203	503,571	50,679	489,123	52,199	50,679		
10/1/1997	Actuarial Loss (Gain)	(6,546,259)	30	(8,396,641)	(763,924)	(8,243,334)	(786,842)	(8,053,011)	(810,447)	(786,842)		
10/1/1997	Plan Amendment	1,074,166	30	1,377,792	125,351	1,352,636	129,112	1,321,406	132,985	129,112		
10/1/1998	Actuarial Loss (Gain)	(8,865,932)	30	(11,395,480)	(992,414)	(11,235,311)	(1,022,186)	(11,030,175)	(1,052,851)	(1,022,185)		
10/1/1998	Assumption/ Method Change	(2,750,514)	30	(3,535,269)	(307,881)	(3,485,579)	(317,117)	(3,421,939)	(326,631)	(317,117)		
10/1/1998	Plan Amendment	9,720,566	30	12,493,947	1,088,077	12,318,340	1,120,720	12,093,430	1,154,341	1,120,719		
10/1/1999	Actuarial Loss (Gain)	(415,108)	30	(567,509)	(47,486)	(561,625)	(48,911)	(553,731)	(50,378)	(48,911)		
10/1/2000	Actuarial Loss (Gain)	(8,623,708)	30	(11,506,153)	(928,087)	(11,424,311)	(955,930)	(11,305,851)	(984,608)	(955,930)		
10/1/2000	Plan Amendment	843,108	30	1,124,912	90,736	1,116,910	93,458	1,105,328	96,261	93,457		
10/1/2000	Assumption/ Method Change	(5,979,724)	30	(7,911,714)	(638,160)	(7,855,438)	(657,304)	(7,773,985)	(677,024)	(657,305)		
10/1/2001	Actuarial Loss (Gain)	(360,811)	30	(440,734)	(34,369)	(438,874)	(35,400)	(435,752)	(36,462)	(35,400)		
10/1/2001	Plan Amendment	7,561,024	30	9,235,872	720,217	9,196,907	741,823	9,131,491	764,078	741,823		
10/1/2002	Actuarial Loss (Gain)	8,199,035	30	10,562,451	798,369	10,545,209	822,320	10,500,720	846,989	822,319		
10/1/2002	Assumption/ Method Change	(104,258)	30	(134,309)	(10,152)	(134,090)	(10,456)	(133,525)	(10,770)	(10,456)		
10/1/2003	Actuarial Loss (Gain)	4,038,441	30	5,422,661	398,211	5,426,406	410,158	5,417,548	422,463	410,158		
10/1/2003	Plan Amendment	72,778	30	97,719	7,176	97,786	7,391	97,627	7,613	7,391		
10/1/2004	Actuarial Loss (Gain)	4,037,902	30	5,332,671	381,256	5,347,528	392,694	5,351,221	404,475	392,694		
10/1/2004	Plan Amendment	5,648,313	30	7,459,469	533,311	7,480,251	549,310	7,485,416	565,789	549,310		
10/1/2005	Actuarial Loss (Gain)	(813,009)	30	(987,479)	(68,864)	(992,104)	(70,930)	(994,868)	(73,058)	(70,930)		
10/1/2005	Assumption/ Method Change	(23,082,692)	30	(28,036,187)	(1,955,165)	(28,167,504)	(2,013,820)	(28,245,979)	(2,074,235)	(2,013,820)		

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN**

Unfunded Actuarial Accrued Liability

October 1, 2013

Date Established	Description	Original Amount	Original Amortization Period (Years)	2012 - 2013 Plan Year			2013 - 2014 Plan Year			2014 - 2015 Plan Year		
				Actual Outstanding Balance	BOY Annual Amortization Payment	BOY Annual Outstanding Balance	Actual Outstanding Balance	BOY Annual Amortization Payment	BOY Annual Outstanding Balance	Expected Outstanding Balance	BOY Annual Amortization Payment	BOY Annual Outstanding Balance
10/1/2005	Plan Amendment	55,331	30	67,203	4,687	67,517	4,827	67,705	4,972	67,705	4,972	4,827
10/1/2006	Actuarial Loss (Gain)	6,504,020	30	7,227,638	492,491	7,273,959	507,266	7,308,028	522,483	7,308,028	522,483	507,265
10/1/2007	Actuarial Loss (Gain)	(3,936,958)	30	(4,385,204)	(292,420)	(4,420,207)	(301,193)	(4,448,535)	(310,228)	(4,448,535)	(310,228)	(301,192)
10/1/2007	Assumption/ Method Change	(889,980)	30	(991,310)	(66,104)	(999,222)	(68,087)	(1,005,626)	(70,130)	(1,005,626)	(70,130)	(68,087)
10/1/2007	Plan Amendment	6,678,538	30	7,438,928	496,052	7,498,306	510,934	7,546,362	526,262	7,546,362	526,262	510,934
10/1/2008	Actuarial Loss (Gain)	4,693,770	30	5,384,543	351,885	5,435,271	362,442	5,478,655	373,315	5,478,655	373,315	362,442
10/1/2009	Actuarial Loss (Gain)	12,641,435	30	14,135,387	906,489	14,287,210	933,684	14,421,808	961,694	14,421,808	961,694	933,683
10/1/2010	Actuarial Loss (Gain)	6,731,151	30	7,364,674	464,015	7,452,712	477,935	7,532,759	492,273	7,532,759	492,273	477,935
10/1/2011	Assumption/ Method Change	4,117,957	30	4,447,394	275,605	4,505,532	283,873	4,559,392	292,389	4,559,392	292,389	283,873
10/1/2011	Actuarial Loss (Gain)	7,582,515	30	8,189,116	507,480	8,296,167	522,704	8,395,340	538,385	8,395,340	538,385	522,704
10/1/2012	Assumption/ Method Change	(1,607,125)	30	(1,607,125)	-	(1,735,695)	(107,561)	(1,758,385)	(110,788)	(1,758,385)	(110,788)	(107,561)
10/1/2012	Actuarial Loss (Gain)	1,200,665	30	1,200,665	-	1,296,718	80,358	1,313,669	82,768	1,313,669	82,768	80,357
10/1/2013	Assumption/ Method Change	-	30	-	-	-	-	-	-	-	-	-
10/1/2013	Actuarial Loss (Gain)	1,721,752	30	-	-	1,721,752	-	1,859,492	115,233	1,859,492	115,233	111,877
				27,927,702	1,675,628	30,073,992	1,698,697	30,645,319	1,864,884	30,645,319	1,864,884	1,810,567
				Allocation of Prior Amortization Bases								
			Plan A	(3,335,311)	(283,251)	(3,296,225)	(192,500)	(3,352,023)	(203,742)	(3,352,023)	(203,742)	(197,808)
			Plan B	30,888,134	1,939,376	31,264,658	1,868,096	31,748,287	1,929,714	31,748,287	1,929,714	1,873,509
			Plan C	374,880	19,503	383,807	23,101	389,563	23,679	389,563	23,679	22,989
			Total	27,927,702	1,675,628	28,352,240	1,698,697	28,785,827	1,749,651	28,785,827	1,749,651	1,698,690
			Allocation of Current Year Amortization Base(s)									
			Plan A			4,766,301		5,147,605	318,997	5,147,605	318,997	309,706
			Plan B			(3,091,169)		(3,338,462)	(206,885)	(3,338,462)	(206,885)	(200,859)
			Plan C			46,620		50,349	3,121	50,349	3,121	3,030
			Total			1,721,752		1,859,492	115,233	1,859,492	115,233	111,877
			Allocation of All Amortization Bases									
			Plan A	(3,335,311)	(283,251)	1,470,076	(192,500)	1,795,582	115,255	1,795,582	115,255	111,898
			Plan B	30,888,134	1,939,376	28,173,489	1,868,096	28,409,825	1,722,829	28,409,825	1,722,829	1,672,650
			Plan C	374,880	19,503	430,427	23,101	439,912	26,800	439,912	26,800	26,019
			Total	27,927,702	1,675,628	30,073,992	1,698,697	30,645,319	1,864,884	30,645,319	1,864,884	1,810,567

**CITY OF BOCA RATON**  
**GENERAL EMPLOYEES' PENSION PLAN**

**Schedule Illustrating the Amortization of  
Unfunded Liabilities Existing This Date**

**October 1, 2013**

**Projected Unfunded Actuarial Accrued Liability**

<b>October 1</b>	<b>Liability</b>
2013	\$ 30,073,992
2014	\$ 30,645,319
2015	\$ 31,082,870
2016	\$ 31,806,569
2021	\$ 36,000,081
2026	\$ 39,625,286
2031	\$ 32,656,521
2036	\$ 18,787,777
2041	\$ 438,292
2042	\$ 264,130
2043	\$ 521

The first figure is the Unfunded Actuarial Accrued Liability as of the current valuation date. For each year thereafter, the preceding year's Unfunded Liability is reduced by the annual amortization payment (increased each year by the 3.0% assumed annual increase in payroll) and adjusted with interest at 8.0% per annum.

Thus the remaining amortization period as of the October 1, 2013, valuation is 2043 less 2013, or 30 years.

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN  
October 1, 2013**

**Outline of Principal Provisions of the Retirement Plan  
(Reflecting all changes through Ordinance 5189, adopted 2011)**

**A. Eligibility Requirements**

All regular full-time employees of the City or unclassified department and division heads are eligible to participate upon the completion of 1 year of service. Division and department heads have the option to elect not to participate at the time of hire or promotion.

The Plan is divided into Plans A, B and C. Employees hired or rehired after October 31, 2007, are enrolled in Plan C. Employees hired or rehired after September 30, 1987, but before November 1, 2007, are enrolled in Plan B. Employees hired before October 1, 1987, are enrolled in Plan A and were given a one-time option of transfer to Plan B. Plan A and B employees may transfer to Plan C. Plan A, B or C employees may also transfer to a defined contribution plan.

**B. Continuous Service**

Uninterrupted service (except for leave and military service) as a qualifying employee measured in years and completed months (including prior City employment purchased by a rehired former employee). For the purpose of determining the amount of benefit (but not for the purpose of determining retirement eligibility), continuous service includes other governmental or military service purchased by the Member. Service while a Member of the City's defined contribution plan is excluded.

**C. Average Monthly Earnings (AME) and Earnings**

Average of highest 5 consecutive years of Earnings out of last 15 years of Continuous Service. Earnings mean base wages and longevity only, and exclude overtime, bonuses, any other extra compensation, and COLAs or merit increases which exceed the salary range. Earnings may not exceed the IRC Section 401(a)(17) cap.

**D. Normal Retirement**

**1. Eligibility**

For Plans A, B and C, the earlier of age 55 with 20 years of Continuous Service, or age 65 with 10 years of Continuous Service, except that if a Member is actively employed at age 65, he may retire with unreduced benefits at any time thereafter without regard to service.  
(continued)

Effective October 1, 2004, a Member may retire with unreduced benefits at age 53 with 30 years of Continuous Service.

**2. Benefit (Effective October 1 , 2007)**

For Plans A and B, 3.00% times AME times Continuous Service. For Plan C, 1.75% times AME times Continuous Service. Benefit may not exceed 100% of AME.

**3. Form of Benefit for This and Other Retirement and Termination Benefits**

Five year certain and life monthly payments. Actuarially equivalent optional forms may be elected. Actuarial equivalence is based on mortality in accordance with the GAM-1971 Male mortality table for Members and the same table set back 5 years for joint annuitants, and 6.00% interest.

**E. Regular Early Retirement**

**1. Eligibility**

Age 50 with 20 years of Continuous Service.

**2. Benefit**

Computed as for Normal Retirement based upon Continuous Service and AME as of Early Retirement Date, reduced by 5/12 of 1.00% for each month Early Retirement precedes age 55. Benefit before reduction may not exceed 100% of AME.

**F. 55/15 Early Retirement**

**1. Eligibility**

For Members employed on October 1, 2001, age 55 with 15 years of Continuous Service.

**2. Benefit**

For Plans A and B, Continuous Service times 2.00% times AME, with no early commencement reduction. For Plan C, Continuous Service times 1.75% times AME, with no early commencement reduction. Benefit may not exceed 100% of AME.

**G. Rule of 68 Early Retirement**

**1. Eligibility**

Age plus Continuous Service equals 68, minimum age 50, minimum 15 years of Continuous Service. A Member need not be actively employed by the City at the time of Rule of 68 Early Retirement.

**2. Benefit**

For Plan A, Continuous Service times 2.50% times AME. For Plans B and C, Continuous Service times 1.50% times AME. Benefit may not exceed 100% of AME.

**H. Delayed Retirement**

**1. Eligibility**

Continued employment after Normal Retirement Date.

**2. Benefit**

Computed as for Normal Retirement based upon Continuous Service and AME as of Delayed Retirement Date. Benefit may not exceed 100% of AME.

**I. Disability Retirement**

**1. Eligibility**

Total and permanent disability while actively employed from a non-disqualifying cause.

**2. Benefit**

60% of Earnings (effective October 1, 2004, for non-service incurred disabilities, 50% of Earnings) at date of disability, reduced by the amount of any public disability benefits including Social Security. Amount is recalculated at age 65 (or after 5 years, if later) based upon Normal Retirement pension formula including as Continuous Service the period of time on Disability pension. This later benefit may not exceed 100% of AME.

**J. Pre-Retirement Death Benefit**

**1. Eligibility**

- a. Lump sum benefit – death while an active Member of the Pension Plan or receiving a Disability Pension.
- b. Monthly pension to qualifying spouse – death after completion of 10 years of Continuous Service and age 52.

**2. Benefit**

- a. Lump sum benefit – 3 1/2 times annual Earnings paid as follows: 1/2 times annual Earnings paid in a lump sum (up to \$7,500) and the balance, including interest, in monthly installments equal to 2/3 of monthly Earnings at time of death.
- b. Monthly pension to qualifying spouse – 50% of what the Member would have received had the Member retired immediately prior to death, payable for life or until remarriage,

commencing after the last installment under a. above. This benefit, before reduction for early commencement, if applicable, may not exceed 50% of AME.

- c. In accordance with the HEART Act, a Member who dies while performing qualified military service shall be treated for purposes of survivor benefits as if he or she resumed employment and then terminated on account of death. The Member's survivor(s) shall be eligible for any additional benefits attributable to such "reemployment," other than benefit accruals related to the qualified military service. (The liability for the additional benefits attributable to the deemed reemployment is relatively small and has a small probability of occurrence; therefore it is not anticipated or funded in advance.)

**K. Employee Contributions**

Plan A and B Members – 9.65% of annual Earnings (8.65% prior to October 22, 2010, and 7.65% prior to January 4, 2008). Plan C Members – 6.00% of annual Earnings (5.00% prior to October 22, 2010). (3% interest is paid on refunds of Member contributions. Each Member is guaranteed benefit payments at least equal to his Member contributions plus interest.)

**L. Termination Benefit**

If termination occurs after the completion of 10 years of Continuous Service, the full accrued retirement benefit is payable at age 65, or an immediate benefit is payable reduced 5/12 of 1% per month from age 65. If such Member dies before benefits begin, but after age 52, the 5-year certain portion of his benefit shall be paid as if he qualified for Regular Early Retirement including the 5/12 of 1% per month reduction for commencement before age 55; if he dies prior to age 52, the death benefit is refund of contributions with interest. If termination occurs prior to the completion of 10 years of Continuous Service, a refund of contributions with interest is made.

**M. DROP Plan**

A Deferred Retirement Option Plan (DROP) is available to Members age 55 with 20 years Continuous Service, or age 53 with 30 years of Continuous Service, or age 50 with 20 years of Continuous Service (in the last case, the DROP benefit is reduced as for Regular Early Retirement). The maximum length of DROP participation is 60 months. DROP accounts are credited with the same overall rate of return on pension fund investments, or, at the participant's election, with the lesser of the U.S. Federal Funds Target Rate or the assumed actuarial rate of return on pension fund investments. No Disability or Pre-Retirement Death Benefits are provided while a Member is on DROP.

**N. Past Service**

Members may purchase up to 5 years of past service for prior military or governmental service (up to 10 years for prior service with the City) for the full actuarial cost, in accordance with provisions of the Code of Ordinances.

**O. Transfers**

Employees who transfer from the Police and Firefighters Pension Plan to this Plan:

1. Have their Member and City contributions transferred to this Plan (considered in total to be the Entry Age Actuarial Accrued Liability and Normal Cost through the effective date of the employee's transfer), and
2. Have their accrued benefit provided by this Plan, based on their respective multipliers and Continuous Service under each plan and on their AME under this Plan, subject to the maximum of 100% of AME, excluding any supplemental pension or COLA. The early commencement reduction shall apply only to the portion attributable to the multiplier and Continuous Service under this Plan.

Employees who transfer from this Plan to the Executive Employees' Retirement Plan shall have their Entry Age Normal Actuarial Accrued Liability transferred to such Plan. Employees who transfer to the City's Defined Contribution Plan shall have the Actuarial Present Value of their Accrued Benefit transferred to such plan, or they may elect to retain their right to their accrued benefit from this Plan as a deferred vested employee.

**P. Changes From Previous Valuation**

None.

**CITY OF BOCA RATON  
GENERAL EMPLOYEES' PENSION PLAN  
October 1, 2013**

**Actuarial Assumptions and Actuarial Cost Method  
Used in the Valuation**

**A. Mortality**

Mortality is based on the RP-2000 (Retirement Plans-2000) IRS Generational Non-Annuitant/Annuitant Tables for Males and Females, as described in Regulation §1.430(h)(3)-1(d), which include projected mortality improvements for each year in the future.

**B. Investment Return**

8.0%, compounded annually; net of investment-related expense

**C. Allowances for Expenses or Contingencies**

Estimated expenses are assumed to equal actual expenses for the prior year, net of investment-related expenses, and are allocated to Plans A, B, and C in proportion to compensation per the prior valuation.

**D. Employee Termination Rates**

See table below

**E. Disablement Assumption**

Rates of disablement:	See table below
Other Public Disability Benefits:	None assumed

**F. Salary Increase Factors**

See table below

**G. Employee Retirement Rates**

See table below (minimum 1 year of future service)

**H. Actuarial Value of Assets**

The Actuarial Value of Assets is determined using a 4-year smoothing method, with an 80%/120% corridor. Each year the prior year's Actuarial Value is increased by the non-investment net cash flow and by the net investment income excluding the net appreciation in the fair value of investments. This net appreciation is only recognized over a four-year period, i.e., the amount from the previous sentence is further increased by only 25% of the appreciation for each of the last four years. This preliminary Actuarial Value is further constrained to be within a corridor of 80% to 120% of fair market value. A characteristic of this asset valuation method is that, over time, it is more likely to produce an actuarial value of assets that is less than the market value of assets, and hence it is considered a conservative smoothing method.

The Actuarial Value of Assets was reset to the Market Value of Assets as of September 30, 2005.

**I. Marital Assumptions**

70% of active Members are assumed to be married. Female spouses are assumed to be 3 years younger than male spouses. No remarriage is assumed for surviving spouses of deceased Members.

**J. Payroll Growth Projection**

3.0% per annum

**K. Actuarial Funding Method**

**Normal Retirement, Termination, Disability and Death Benefits**

Entry Age Actuarial Cost Method. Under this method the normal cost for each active employee is the amount which is calculated to be a level percentage of pay that would be required annually from his age at hire to his assumed retirement age to fund his estimated benefits, assuming the current Plan has always been in effect. The normal cost for the Plan is the sum of such amounts for all employees. The actuarial accrued liability as of any valuation date for each active employee or inactive employee who is eligible to receive benefits under the Plan is the excess of the actuarial present value of estimated future benefits over the actuarial present value of current and future normal costs. The unfunded actuarial accrued liability as of any valuation date is the excess of the actuarial accrued liability over the actuarial value of assets of the Plan.

Unfunded actuarial accrued liability bases are funded as a level percentage of increasing payroll.

**L. Assumed Rates of Employment Termination and Disability**

<b>Annual Rate of Employment Termination</b>			<b>Annual Rate of Disability*</b>	
<b>Age</b>	<b>Years of Service</b>	<b>Rates of Withdrawal</b>	<b>Age</b>	<b>Disability</b>
All	1	18%	20	0.03%
	2	15%	25	0.04%
	3	10%	30	0.06%
	4	8%	35	0.10%
20-24	5 and over	8%	40	0.16%
25-29		8%	45	0.26%
30-34		7%	50	0.45%
35-39		4%	55	0.84%
40-44		4%	60	1.20%
45-49		2%		
50-54	2%			
55-59	3%			
60-64	5%			

\* All disabilities are assumed to be service incurred.

**M. Assumed Rate of Salary Increase**

Sample rates are as follows:

<b>Age</b>	<b>Salary Increase</b>	<b>Age</b>	<b>Salary Increase</b>
20	7.3%	45	4.9%
25	7.3%	50	4.7%
30	7.3%	55	4.3%
35	6.7%	60	3.9%
40	5.5%	65	3.9%

The client provides annualized salaries for Members hired during the year prior to the valuation date.

**N. Assumed Rate of Retirement**

Early Retirement

Plan A: 20% per year; after age 54: 10% per year

Plan B and C: 5% per year; after age 51 or after 30 years of Continuous Service: 10% per year

Normal Retirement (Plans A, B and C, including DROP enrollments)

After 55/20 or 53/30, but before age 65: 50% per year, otherwise:

<b>Age</b>	<b>Annual Rate of Retirement</b>
65	60%
66	30%
67	40%
68	50%
69	90%
70	100%

**O. Changes from Previous Valuation**

None.