

December 29, 2014

Board of Trustees
City of Leesburg Municipal
Police Officers' Pension Trust Fund
115 East Magnolia Street
Leesburg, FL 34748

RE: GASB Statement No. 67 and No. 68 – City of Leesburg Municipal Police Officers' Pension Trust Fund

Dear Board:

We are pleased to present to the Board the GASB Statement No. 67 and No. 68 measured as of September 30, 2014 for the City of Leesburg Municipal Police Officers' Pension Trust Fund.

The calculation of the liability associated with the benefits referenced in this report was performed for the purpose of satisfying the requirements of GASB No.67 and No.68 and is not applicable for purposes, such as determining the plans' funding requirements. A calculation of the plan's liability for other purposes may produce significantly different results.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of October 1, 2013. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ending September 30th, 2014 to obtain the beginning amount using generally accepted actuarial principles. There were no assumption changes that required an adjustment to the roll-forward liabilities. It is our opinion that the assumptions used for this purposes are internally consistent, reasonable, and comply with the requirements under GASB No.67 and No.68.

Certain schedules should include a 10-year history of information. As provided for in GASB No. 67 and No.68, this historical information is only presented for the years in which the information was measured in conformity with the requirements of GASB No. 67. The historical information in this report will begin with the information presented for the fiscal year ending September 30th, 2013.

To the best of our knowledge, these statements are complete and accurate and are in accordance with generally recognized actuarial practices and methods.

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/lke
Enclosures

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2014

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Money Market	589,171.00
Cash	9,701.19
Total Cash and Equivalents	598,872.19
Total Receivable	0.00
Investments:	
Corporate Bonds	4,247,784.45
Stocks	11,567,215.73
Pooled/Common/Commingled Funds:	
Equity	1,378,027.44
Total Investments	17,193,027.62
Total Assets	17,791,899.81
 <u>LIABILITIES</u>	
Payables:	
Prepaid City Contribution	10,798.05
Total Liabilities	10,798.05
NET POSITION RESTRICTED FOR PENSIONS	17,781,101.76
TOTAL LIABILITIES AND NET ASSETS	17,791,899.81

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2014
Market Value Basis

ADDITIONS

Contributions:

Member	258,984.96
City	371,963.60
State	160,225.10

Total Contributions	791,173.66
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Investment Income:

Net Increase in Fair Value of Investments	1,608,528.24
Interest & Dividends	369,364.49
Less Investment Expense ¹	(109,825.17)

Net Investment Income	1,868,067.56
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Total Additions	2,659,241.22
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DEDUCTIONS

Distributions to Members:

Benefit Payments	729,522.97
Refunds of Member Contributions	93,296.07

Total Distributions	822,819.04
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Administrative Expense	43,004.57
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Total Deductions	865,823.61
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Net Increase in Net Position	1,793,417.61
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year	15,987,684.15
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End of the Year	17,781,101.76
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¹Investment Related expenses include investment advisory, custodial and performance monitoring fees.

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended September 30, 2014)

Plan Description

Plan Administration

The Board of Trustees consist of:

- a.) Two City residents appointed by the City Commission,
- b.) Two Police Officers elected by a majority of Police Officers and
- c.) A fifth Member elected by the Board and appointed (as a ministerial duty) by the City Commission.

Plan Membership as of October 1, 2013:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	29
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	9
Active Plan Members	70
	108

Benefits Provided

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

Normal Retirement:

Date: Earlier of 1.) Age 50 and the completion of 25 Years of Credited Service, or 2.) Age 55 and the completion of 10 years of Credited Service.

Benefit: 3.00% of Average Final Compensation times Credited Service prior to May 27, 2003, and 2.00% for each year between May 27, 2003, and September 30, 2009 and 2.5% for each year of Credited Service thereafter.

Early Retirement:

Date: Age 50 (Age 45 for Members who will be eligible for Early Retirement as of October 1, 2015 under the prior provisions) and completion of 10 years of Credited Service.

Benefit: Accrued benefit, reduced 3.0% per year.

Vesting (Termination of Employment):

Less than 10 years: Refund of Member Contributions.

10 years or more: Accrued pension payable on a reduced basis at Normal (unreduced) or Early (reduced) Retirement Date.

Disability:

Eligibility: Total and permanent; Medical proof required. 10 years of Credited Service required for non-service incurred disability benefit.

Benefit: Service Connected: Greater of accrued benefit or 50% of Average Final Compensation.

Non-Service Connected: Greater of accrued benefit or 25% of Average Final Compensation.

Pre-Retirement Death Benefits:

Service Connected: Beneficiary receives a monthly benefit which can be provided by the greater of: 1.) present value of Member's accrued benefit, or 2.) lesser of 24 times the Member's Average Final Compensation, or 100 times the Member's anticipated normal retirement benefit.

Non-Service Connected: If less than 10 years of service, beneficiary receives a refund of Member contributions; otherwise, same as service connected benefits.

Contributions

Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of September 30, 2014:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	45.00%
International Equity	15.00%
Broad Market Fixed Income	20.00%
Global Fixed Income	5.00%
TIPS	5.00%
Real Estate	10.00%
<u>Total</u>	<u>100.00%</u>

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

Rate of Return:

For the year ended September 30, 2014 the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 11.76 percent.

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

Deferred Retirement Option Program

Eligibility: Satisfaction of Normal Retirement requirements.

Participation: Not to Exceed 60 Months.

Rate of Return: Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter.

The DROP balance as September 30, 2014 is \$130,561.

NET PENSION LIABILITY OF THE SPONSOR

The components of the net pension liability of the sponsor on September 30, 2014 were as follows:

Total Pension Liability	\$ 17,654,396
Plan Fiduciary Net Position	\$ (17,781,102)
Sponsor's Net Pension Liability	<u>\$ (126,706)</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	<u>100.72%</u>

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of October 1, 2013 updated to September 30, 2014 using the following actuarial assumptions applied to all measurement periods.

Inflation	3.00%
Salary Increases	5.20%
Investment Rate of Return	7.75%

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. (Disabled lives set forward 5 years.)

The actuarial assumptions used in the October 1, 2013 valuation were based on the results of an actuarial experience study for the period 1988-2009.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2014 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return
Domestic Equity	7.50%
International Equity	8.50%
Broad Market Fixed Income	2.50%
Global Fixed Income	3.50%
TIPS	2.50%
Real Estate	4.50%

Discount Rate:

The discount rate used to measure the total pension liability was 7.75 percent.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Sponsor's Net Pension Liability	\$ 2,036,531	\$ (126,706)	\$ (1,834,202)

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

	<u>09/30/2014</u>	<u>09/30/2013</u>
Total Pension Liability		
Service Cost	612,234	568,199
Interest	1,299,397	1,219,007
Change in Excess State Money	-	-
Share Plan Allocation	-	-
Changes of Benefit Terms		
Differences Between Expected and Actual Experience	-	-
Changes of Assumptions		
Benefit Payments, Including Refunds of Employee Contributions	(822,819)	(765,084)
Net Change in Total Pension Liability	1,088,812	1,022,122
Total Pension Liability - Beginning	16,565,584	15,543,462
Total Pension Liability - Ending (a)	<u>\$ 17,654,396</u>	<u>\$ 16,565,584</u>
Plan Fiduciary Net Position		
Contributions - Employer	371,964	406,147
Contributions- State	160,225	155,997
Contributions - Employee	258,985	276,198
Net Investment Income	1,868,068	1,685,318
Benefit Payments, Including Refunds of Employee Contributions	(822,819)	(765,084)
Administrative Expense	(43,005)	(31,140)
Other	-	-
Net Change in Plan Fiduciary Net Position	1,793,418	1,727,436
Plan Fiduciary Net Position - Beginning	15,987,684	14,260,248
Plan Fiduciary Net Position - Ending (b)	<u>\$ 17,781,102</u>	<u>\$ 15,987,684</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (126,706)</u>	<u>\$ 577,900</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.72%	96.51%
Covered Employee Payroll	\$ 3,385,424	\$ 3,610,429
Net Pension Liability as a Percentage of covered Employee Payroll	-3.74%	16.01%

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	09/30/2014	9/30/2013
Actuarially Determined Contribution Contributions in Relation to the Actuarially Determined Contributions	\$ 532,189	\$ 562,144
Contribution Deficiency (Excess)	\$ 0	\$ 0
 Covered Employee Payroll	 \$ 3,385,424	 \$ 3,610,429
Contributions as a Percentage of Covered Employee Payroll	15.72%	15.57%

Notes to Schedule

Valuation Date: 10/01/2012

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

- Funding Method: Frozen Entry Age Actuarial Cost Method.
- Amortization Method: Level Percentage of Pay, Closed.
- Remaining Amortization Period: 30 Years (as of 10/01/2012).
- Asset Valuation: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.
- Inflation: 3.0% per year.
- Salary Increases: 6.2% per year until the assumed retirement age. Projected salary at retirement is increased individually to account for non-regular compensation.
- Interest Rate: 7.9% per year, compounded annually, net of investment related expenses.
- Payroll Growth Assumption: 3.0% annually for amortizing UAAL.
- Retirement Age: Earlier of: 1) Age 50 and 25 years of Credited Service, or 2.) Age 55 and 10 years of Credited Service. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year.
- Early Retirement: Commencing at eligibility for Early Retirement (Age 45 with 10 years of Credited Service), Members are assumed to retire with an immediate benefit at the rate of 2% per year.

Termination Rates: See table below.

Disability Rates: See table below. It is assumed that 75% of disablements and active member deaths are service related.

Mortality: 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. (Disabled lives set forward 5 years).

Other Information: Termination and Disability Rate Table.

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>
20	9.0%	0.07%
30	7.5%	0.11%
40	3.9%	0.19%
50	1.2%	0.51%

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years

	<u>09/30/2014</u>	<u>09/30/2013</u>
Annual Money-Weighted Rate of Return		
Net of Investment Expense	11.76%	11.80%

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended September 30, 2014)

General Information about the Pension Plan

Plan Description

Each person employed by the City Police Department as a full-time Police Officer becomes a member of the Plan as a condition of his employment. All members are therefore eligible for all plan benefits as provided for in the plan document and by applicable law. The Plan is a defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the Plan. The Board of Trustees consists of:

- a.) Two City residents appointed by the City Commission,
- b.) Two Police Officers elected by a majority of Police Officers and
- c.) A fifth Member elected by the Board and appointed (as a ministerial duty) by the City Commission.

Plan Membership as of October 1, 2013:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	29
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	9
Active Plan Members	70
	108

Benefits Provided

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

Normal Retirement:

Date: Earlier of 1.) Age 50 and the completion of 25 Years of Credited Service, or 2.) Age 55 and the completion of 10 years of Credited Service.

Benefit: 3.00% of Average Final Compensation times Credited Service prior to May 27, 2003, and 2.00% for each year between May 27, 2003, and September 30, 2009 and 2.5% for each year of Credited Service thereafter.

Early Retirement:

Date: Age 50 (Age 45 for Members who will be eligible for Early Retirement as of October 1, 2015 under the prior provisions) and completion of 10 years of Credited Service.

Benefit: Accrued benefit, reduced 3.0% per year.

Vesting (Termination of Employment):

Less than 10 years: Refund of Member Contributions.

10 years or more: Accrued pension payable on a reduced basis at Normal (unreduced) or Early (reduced) Retirement Date.

Disability:

Eligibility: Total and permanent; Medical proof required. 10 years of Credited Service required for non-service incurred disability benefit.

Benefit: Service Connected: Greater of accrued benefit or 50% of Average Final Compensation.

Non-Service Connected: Greater of accrued benefit or 25% of Average Final Compensation.

Pre-Retirement Death Benefits:

Service Connected: Beneficiary receives a monthly benefit which can be provided by the greater of: 1.) present value of Member's accrued benefit, or 2.) lesser of 24 times the Member's Average Final Compensation, or 100 times the Member's anticipated normal retirement benefit.

Non-Service Connected: If less than 10 years of service, beneficiary receives a refund of Member contributions; otherwise, same as service connected benefits.

Contributions

Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

Net Pension Liability

The Sponsor's net pension liability was measured as of September 30, 2014.

The total pension liability used to calculate the net pension liability was determined as of that date.

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of October 1, 2013 updated to September 30, 2014 using the following actuarial assumptions applied to all measurement periods.

Inflation	3.00%
Salary Increases	5.20%
Investment Rate of Return	7.75%

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. (Disabled lives set forward 5 years.)

The actuarial assumptions used in the October 1, 2013 valuation were based on the results of an actuarial experience study for the period 1988-2009.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September, 30 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	45.00%	7.50%
International Equity	15.00%	8.50%
Broad Market Fixed Income	20.00%	2.50%
Global Fixed Income	5.00%	3.50%
TIPS	5.00%	2.50%
Real Estate	10.00%	4.50%
Total	<u>100.00%</u>	

Discount Rate:

The discount rate used to measure the total pension liability was 7.75 percent.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at September 30, 2013	\$ 16,565,584	\$ 15,987,684	\$ 577,900
Changes for a Year:			
Service Cost	612,234		612,234
Interest	1,299,397		1,299,397
Change In Excess State Money	-		-
Share Plan Allocation	-		-
Differences Between Expected and Actual Experience	-		-
Contributions - Employer		371,964	(371,964)
Contributions -State		160,225	(160,225)
Contributions - Employee		258,985	(258,985)
Net Investment Income		1,868,068	(1,868,068)
Benefit Payments, Including Refunds of Employee Contributions	(822,819)	(822,819)	-
Administrative Expense		(43,005)	43,005
Other Changes	-	-	-
New Changes	1,088,812	1,793,418	(704,606)
Balances at September 30, 2014	\$ 17,654,396	17,781,102	(126,706)

Sensitivity of the net pension liability to changes in the discount rate.

	Current Discount		
	1% Decrease	Rate	1% Increase
	6.75%	7.75%	8.75%
Sponsor's Net Pension Liability	\$ 2,036,531	\$ (126,706)	\$ (1,834,202)

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in a separately issued Plan financial report.

PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended September 30, 2015 the Sponsor will recognize a pension expense of \$172,889. On September 30, 2015 the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	-	-
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	505,532
Total	<u>\$ -</u>	<u>\$ 505,532</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2016	\$ (126,383)
2017	\$ (126,383)
2018	\$ (126,383)
2019	\$ (126,383)
2020	\$ -
Thereafter	\$ -

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

	<u>09/30/2014</u>	<u>09/30/2013</u>
Total Pension Liability		
Service Cost	612,234	568,199
Interest	1,299,397	1,219,007
Change in Excess State Money	-	-
Share Plan Allocation	-	-
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	-
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	(822,819)	(765,084)
Net Change in Total Pension Liability	1,088,812	1,022,122
Total Pension Liability - Beginning	16,565,584	15,543,462
Total Pension Liability - Ending (a)	<u>\$ 17,654,396</u>	<u>\$ 16,565,584</u>
Plan Fiduciary Net Position		
Contributions - Employer	371,964	406,147
Contributions- State	160,225	155,997
Contributions - Employee	258,985	276,198
Net Investment Income	1,868,068	1,685,318
Benefit Payments, Including Refunds of Employee Contributions	822,819	(765,084)
Administrative Expense	(43,005)	(31,140)
Other	-	-
Net Change in Plan Fiduciary Net Position	3,439,056	1,727,436
Plan Fiduciary Net Position - Beginning	15,987,684	14,260,248
Plan Fiduciary Net Position - Ending (b)	<u>\$ 17,781,102</u>	<u>\$ 15,987,684</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (126,706)</u>	<u>\$ 577,900</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.72%	96.51%
Covered Employee Payroll	\$ 3,385,424	\$ 3,610,429
Net Pension Liability as a Percentage of covered Employee Payroll	-3.74%	16.01%

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

	09/30/2014	09/30/2013
Actuarially Determined Contribution	532,189	562,144
Contributions in Relation to the		
Actuarially Determined Contributions	532,189	562,144
Contribution Deficiency (Excess)	\$ 0	\$ 0
Covered Employee Payroll	\$ 3,385,424	\$ 3,610,429
Contributions as a Percentage of		
Covered Employee Payroll	15.72%	15.57%

Notes to Schedule

Valuation Date: 10/01/2012
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method:	Frozen Entry Age Actuarial Cost Method.
Amortization Method:	Level Percentage of Pay, Closed.
Remaining Amortization Period:	30 Years (as of 10/01/2012).
Asset Valuation:	Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.
Inflation:	3.0% per year.
Salary Increases:	6.2% per year until the assumed retirement age. Projected salary at retirement is increased individually to account for non-regular compensation.
Interest Rate:	7.9% per year, compounded annually, net of investment related expenses.
Payroll Growth Assumption:	3.0% annually for amortizing UAAL.
Retirement Age:	Earlier of: 1) Age 50 and 25 years of Credited Service, or 2.) Age 55 and 10 years of Credited Service. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year.
Early Retirement:	Commencing at eligibility for Early Retirement (Age 45 with 10 years of Credited Service), Members are assumed to retire with an immediate benefit at the rate of 2% per year.

Termination Rates: See table below.
 Disability Rates: See table below. It is assumed that 75% of disablements and active member deaths are service related.
 Mortality: 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. (Disabled lives set forward 5 years).
 Other Information: Termination and Disability Rate Table.

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the</u>
20	9.0%	0.07%
30	7.5%	0.11%
40	3.9%	0.19%
50	1.2%	0.51%

COMPONENTS OF PENSION EXPENSE
 FISCAL YEAR SEPTEMBER 30, 2015

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	577,900	-	371,964	
Total pension liability factors:				
Service cost	612,234			612,234
Interest	1,299,397			1,299,397
Change in Excess State Money	-			-
Share Plan Allocation	-			-
Changes in benefit terms	-			-
Differences between expected and actual experience with regard to economic or demographic assumptions				
Current year amortization	-	-	-	-
Changes in assumptions about future economic or demographic factors or other inputs				
Current year amortization	-	-	-	-
Benefit payments	(822,819)			(822,819)
Net change	<u>1,088,812</u>	<u>-</u>	<u>-</u>	<u>1,088,812</u>
Plan fiduciary net position:				
Contributions - employer	371,964		(371,964)	
Contributions - state	160,225			(160,225)
Contributions - employee	258,985			(258,985)
Net investment income	1,236,153			(1,236,153)
Difference between projected and actual earnings on pension plan investments				
Current year amortization	631,915	631,915	-	(126,383)
Benefit payments	(822,819)		-	822,819
Administrative expenses	(43,005)			43,005
Other	-			-
Net change	<u>1,793,418</u>	<u>505,532</u>	<u>(371,964)</u>	<u>(915,922)</u>
Ending Balance	<u>(126,706)</u>	<u>505,532</u>	<u>-</u>	<u>172,889</u>