



June 26, 2015

Ms. Nadine Joesphs  
City of Boca Raton General Employees' Pension Plan  
2333 West Glades Road  
Boca Raton, FL 33431

Dear Nadine:

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

Sincerely,

A handwritten signature in black ink, which appears to read "Michael J. Schooley".

Michael J. Schooley, ASA, MAAA, EA  
Aon Hewitt  
14-06225

## Plan Reporting – Additional State Requirements

### Sensitivity

The following table illustrates the impact of interest rate sensitivity on the Net Pension Liability for plan year end September 30, 2014:

	2% Decrease (6.00%)	Current Rate (8.00%)	FRS Interest (7.75%)
(1) Total Pension Liability	\$245,084,138	\$200,760,699	\$205,538,733
(2) Plan Fiduciary Net Position	\$203,220,179	\$203,220,179	\$203,220,179
(3) Net Pension Liability	\$41,863,959	(\$2,459,480)	\$2,318,554

The following table illustrates the impact of interest rate sensitivity on the Net Pension Liability for plan year end September 30, 2013:

	2% Decrease (6.00%)	Current Rate (8.00%)	FRS Interest (7.75%)
(1) Total Pension Liability	\$239,974,889	\$195,694,689	\$200,462,655
(2) Plan Fiduciary Net Position	\$189,010,635	\$189,010,635	\$189,010,635
(3) Net Pension Liability	\$50,964,254	\$6,684,054	\$11,452,020

## Disclosure – Changes in the Net Pension Liability and Related Ratios Additional State Requirements – 2% Sensitivity

### Changes in the Net Pension Liability and Related Ratios – 6.0% Interest

GASB 68 is effective for fiscal year ending September 30, 2015. The follow exhibit is a 10 year history of change in Net Pension Liability.

	2005	2006	2007	2008	Fiscal Year Ending		2011	2012	2013	2014
					2009	2010				
<b>Total Pension Liability</b>										
Service Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$5,954,329
Interest Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$14,427,709
Changes of Benefit Terms	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Differences Between Expected and Actual Experiences	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(\$4,337,976)
Changes of Assumptions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(\$10,934,813)
<b>Net Change in Total Pension Liability</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$5,109,249
<b>Total Pension Liability (Beginning)</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$239,974,889
<b>Total Pension Liability (Ending)</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$245,084,138
<b>Plan Fiduciary Net Position</b>										
Contributions—Employer	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$3,744,111
Contributions—Member	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$2,360,378
Net Investment Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$14,917,879
Benefit Payments, Including Refunds of Member Contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(\$10,934,813)
Administrative Expense	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$243,981
Other	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Net Change in Plan Fiduciary Net Position</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$9,843,574
<b>Plan Fiduciary Net Position (Beginning)</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$189,010,635
<b>Plan Fiduciary Net Position (Ending)</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$203,220,179
<b>Net Pension Liability (Ending)</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$41,863,959
<b>Net Position as a % of Pension Liability</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	82.92%
<b>Covered-Employee Payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$25,467,061
<b>Net Pension Liability as a % of Payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	164.38%

**Notes to Schedule:**

- No changes have been made over the 10 year history since GASB 68 has become effective.

## Disclosure – Contribution Schedule Additional State Requirements – 2% Sensitivity

### Contributions – 6.0% Interest

GASB 68 is effective for fiscal year ending September 30, 2015. The follow exhibit is a 10 year history of Contributions.

	2005	2006	2007	2008	Fiscal Year Ending		2011	2012	2013	2014
					2009	2010				
Actuarially Determined Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$3,925,569
Contributions made in Relation to the Actuarially Determined Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$3,744,111
Contribution Deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$181,458
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$25,467,061
Contributions as a % of Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14.70%

**Notes to Schedule:**

*Valuation Date: Actuarially determined contribution rates are calculated as of October 1, 1 year prior to the end of the fiscal year in which contributions are reported.*

*Methods and assumptions used to determine contribution rates:*

<i>Measurement date</i>	<i>October 1</i>
<i>Actuarial Cost Method</i>	<i>Entry Age</i>
<i>Asset Valuation Method</i>	<i>4 year smoothing</i>
<i>Salary Increases</i>	<i>Varies</i>
<i>General Inflation</i>	<i>3.00%</i>
<i>Investment Rate of Return</i>	<i>6.00%</i>

*Mortality rates were based on the RP-2000 Generational Mortality Table for healthy Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.*

*No changes have been made over the 10 year history since GASB 67 has become effective.*