



**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN – CONTRACT EMPLOYEES**

Financial Statements

For the years ended
June 30, 2014 and 2013

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

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**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN – CONTRACT EMPLOYEES**

Principal Officials

Board of Directors

Freda Hinsche Otto	Chair of the Board
Barbara Sullivan George	Vice Chair
Maricela de Rivera	Secretary/Treasurer
Victor Irwin	Director
Dr. James P. Norman, Jr.	Director
*April Economides	Director
*Sumire Gant	Director
Amy Bodek	Ex-Officio Member, City of Long Beach
David Roseman	Ex-Officio Member, City of Long Beach

*Appointed by City of Long Beach Mayor in October 2014 with an effective start date of January 2014.

Pension Committee Members

Kenneth McDonald	President & Chief Executive Officer
Lisa Patton	Executive Director, VP Financial Services
LaVerne David	Executive Director, VP Risk Management, Training & Human Resources

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Long Beach Public Transportation Company
Retirement Plan – Contract Employees

Report on the Financial Statements

We have audited the accompanying financial statements of the Long Beach Public Transportation Company Retirement Plan – Contract Employees, which comprise the statements of fiduciary net position as of June 30, 2014 and 2013 and the related statements of changes in fiduciary net position for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the fiduciary activities of the Long Beach Public Transportation Company Retirement Plan – Contract Employees as of June 30, 2014 and 2013, and the changes in its financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (MD&A) on pages 4-7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the Plan's basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes, schedule of funding progress and contributions and changes in net pension liability and related ratios, and schedule of revenues by source and expenses by type are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Long Beach, California
December 22, 2014

LONG BEACH PUBLIC TRANSPORTATION COMPANY RETIREMENT PLAN - CONTRACT EMPLOYEES

Management's Discussion and Analysis

As management of Long Beach Public Transportation Company (Long Beach Transit or the Company), we offer readers this narrative overview and analysis of the financial activities of the Long Beach Public Transportation Company Retirement Plan – Contract Employees (the Plan) for the fiscal years ended June 30, 2014, 2013, and 2012.

FINANCIAL HIGHLIGHTS

- The net position of the Plan at the close of the fiscal year 2014 is \$46.3 million. All of the assets are available to meet the Plan's ongoing obligations to plan participants and their beneficiaries.
- The Plan's total net position increased by \$5.0 million, or 12.1%, primarily due to the increase in investment market value over the prior fiscal year.
- The Plan's contribution increased by approximately \$1.0 million, or 28.2%, primarily due to increase in actuarially determined rate of required annual contribution.
- Pension benefit distributions increased by approximately \$1.9 million, or 76.7%, for the year due to an increase in number of long-term employees retiring.

OVERVIEW of the FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Plan's financial statements and notes to the financial statements.

The Statements of Fiduciary Net Position is a snapshot of account balances at fiscal year-end. It indicates the assets available for future payments to retirees and any current liabilities that are owed at this time. The Statements of Changes in Fiduciary Net Position provides a view of current year additions to and deductions from the Plan. Both statements are in compliance with accounting principles generally accepted in the United States of America (GAAP) and by the Governmental Accounting Standards Board (GASB).

The Statements of Fiduciary Net Position and the Statements of Changes in Fiduciary Net Position report information about the Plan's activities. These statements include all assets and liabilities using the accrual basis of accounting. All of the current year's additions and deductions are taken into account regardless of when cash is received or paid. In addition, both realized and unrealized gains and losses are shown on investments.

The Statements of Changes in Fiduciary Net Position present information showing how the Plan's net position changed for the two most recent fiscal years. Over time, increases and decreases in the Plan's net position is one indicator of whether its financial health is improving or deteriorating. Other factors, such as market conditions, should also be considered in measuring the Plan's overall financial health.

The Plan's financial statements can be found beginning on page 8 of this report.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found beginning on page 10 of this report.

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

Management's Discussion and Analysis, continued

FINANCIAL STATEMENT ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Plan's financial position. The assets of the Plan exceeded its liabilities at the close of fiscal years 2014, 2013, and 2012.

Condensed Summary of Net Position

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Cash and receivables	\$ 1,061,247	\$ 1,141,462	\$ 559,407
Investments, at fair value	<u>45,491,055</u>	<u>40,183,843</u>	<u>36,465,986</u>
Total assets	<u>46,552,302</u>	<u>41,325,305</u>	<u>37,025,393</u>
 Payable due Salaried Plan	 <u>241,886</u>	 <u>—</u>	 <u>—</u>
Total liabilities	<u>241,886</u>	<u>—</u>	<u>—</u>
 Net position	 <u>\$ 46,310,416</u>	 <u>\$ 41,325,305</u>	 <u>\$ 37,025,393</u>

As of June 30, 2014, \$46.3 million in total net position is held in trust for pension benefits. All of the net position is available to meet the Plan's ongoing obligation to plan participants and their beneficiaries. There was a \$5.0 million, or 12.1%, increase in total net position over the prior year primarily due to an increase in investment market value over the prior fiscal year. There was a positive investment rate of return of 12.7% due to an increase in investment value. The actuarial assumption rate for investment return is 7.5%.

As of June 30, 2013, \$41.3 million in total net position is held in trust for pension benefits. All of the net position is available to meet the Plan's ongoing obligation to plan participants and their beneficiaries. There was a \$4.3 million, or 11.6%, increase in total net position over the prior year primarily due to an increase in investment market value over the prior fiscal year. There was a positive investment rate of return of 8.1% due to an increase in investment value. The actuarial assumption rate for investment return is 7.5%.

Condensed Summary of Changes in Net Position

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Employer contributions	\$ 3,326,307	\$ 2,572,888	\$ 2,099,802
Employee contributions	1,437,006	1,142,100	1,141,708
Investment income (loss)	<u>5,113,555</u>	<u>3,324,692</u>	<u>(682,971)</u>
Total additions	<u>9,876,868</u>	<u>7,039,680</u>	<u>2,558,539</u>
 Pension benefits	 4,326,353	 2,447,910	 2,610,616
Benefit transfers to Salaried Plan	241,886	—	25,643
Administrative costs	<u>323,518</u>	<u>291,858</u>	<u>255,281</u>
Total deductions	<u>4,891,757</u>	<u>2,739,768</u>	<u>2,891,540</u>
 Net increase (decrease) in net position	 <u>\$ 4,985,111</u>	 <u>\$ 4,299,912</u>	 <u>\$ (333,001)</u>

LONG BEACH PUBLIC TRANSPORTATION COMPANY RETIREMENT PLAN - CONTRACT EMPLOYEES

Management's Discussion and Analysis, continued

Additions to Net Position

The assets needed to finance retirement benefits are accumulated through the collection of employer and employee contributions, and through earnings on investments. The employer contribution rates for fiscal years 2014, 2013, and 2012 were 11.29%, 10.0%, and 7.3%, respectively. The Company met contribution requirements for all three years. Effective July 1, 2011, all full-time contract employees began contributing a percentage of their annual salary toward the Plan. The Plan met contribution requirements for all three years.

The actuarial assumption for investment income is 7.5% for fiscal year 2014, 2013, and 2012. In fiscal year 2014 and 2013, the Plan exceeded the 7.5% actuarial assumption rate, producing a positive return of 12.7% and 8.1%, respectively due to increase in investment market value.

Deductions from Net Position

The Plan was created to provide lifetime retirement annuities, survivor benefits, and permanent disability benefits to qualified members and their spouses. The cost of such programs includes recurring benefit payments, as designated by the Plan, and the cost of administering the program.

Expenditures for the fiscal year ended June 30, 2014, increased by approximately \$2.2 million, or 78.5%, over fiscal year 2013. In 2014, pension benefit distributions increased by approximately \$1.9 million, due to more long-term employees retiring and taking lump sum distributions. In addition, administration expenses incurred from the management of plan assets increased by approximately \$32k, or 10.8%, when compared to 2013.

Expenditures for the fiscal year ended June 30, 2013, decreased by approximately \$152k, or 5.2%, over fiscal year 2012. In 2013, pension benefit distributions decreased by approximately \$163k, due to fewer long-term employees retiring. In addition, administration expenses incurred from the management of plan assets increased by approximately \$37k, or 14.3%, when compared to 2012.

ECONOMIC FACTORS and RATES AFFECTING NEXT YEAR

The Plan completed a new actuarial valuation dated July 1, 2014. The contribution rate specified in the report will be effective for the fiscal year 2015. The rate for 2015 decreased to 15.95% from the 2014 rate of 17.57%. Effective July 1, 2011, all full-time contract employees began contributing a percentage of their annual salary toward the Plan. The asset value of the portfolio increased over fiscal year 2013 due to the increase in market value resulting in investment returns greater than the actuarial assumption rate. In combination with assumption changes leading to an increase in the actuarially accrued liability, the funding status of the Plan increased to 74.68% as compared to 70.34% in the prior fiscal year.

Any changes that affect the benefits of the Plan are negotiated between the Amalgamated Transit Union Local 1277 (ATU) and the Company. On June 15, 2012, a decision by the Board of Arbitration specified that the Company shall pay the first 10% of the amount the actuary states is necessary for Plan funding and Union employees will pay the next 5% necessary to fund the Plan. The Company and Union employees will equally split any funding amounts over 15%. In addition, for Union employees hired on or after July 1, 2012, the lump sum option in the Pension Plan is eliminated. The current agreement is set to expire June 30, 2015.

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Plan's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director & VP Financial Services, Long Beach Transit, P.O. Box 731, Long Beach, California, 90801.

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Statements of Fiduciary Net Position
June 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
<u>Assets</u>		
Cash (note 4)	\$ 882,851	\$ 1,005,351
Accounts Receivable:		
Contribution receivable	<u>178,396</u>	<u>136,111</u>
Investments, at fair value (notes 4 and 6):		
Equity mutual funds	32,813,040	28,932,764
Bond mutual funds	2,390,640	2,228,897
Corporate bonds	8,765,698	7,518,325
Government bonds	1,450,645	1,432,825
Real estate equity funds	<u>71,032</u>	<u>71,032</u>
Total investments	<u>45,491,055</u>	<u>40,183,843</u>
Total Assets	<u>\$ 46,552,302</u>	<u>\$ 41,325,305</u>
<u>Liabilities</u>		
Payable due to Salaried Plan (note 5)	<u>241,886</u>	<u>—</u>
Total Liabilities	<u>241,886</u>	<u>—</u>
Net position restricted for pensions	<u>\$ 46,310,416</u>	<u>\$ 41,325,305</u>

See accompanying notes to the financial position.

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Statements of Changes in Fiduciary Net Position
Years Ended June 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Additions:		
Contributions:		
Employer contributions	\$ 3,326,307	\$ 2,572,888
Employee contributions	<u>1,437,006</u>	<u>1,142,100</u>
Total contributions	<u>4,763,313</u>	<u>3,714,988</u>
Investment income:		
Interest	439,018	418,764
Dividends	588,916	594,641
Capital gains distributions	490,294	74,389
Net unrealized gain on investments	3,301,600	1,846,124
Net realized gain on investments	284,356	390,774
Other investment revenue	<u>9,371</u>	<u>—</u>
Total investment income, net	<u>5,113,555</u>	<u>3,324,692</u>
Deductions:		
Expenditures:		
Pension benefits	4,326,353	2,447,910
Benefit transfers to Salaried Plan (note 5)	241,886	—
Direct administrative costs	122,144	104,416
Other administrative costs	<u>201,374</u>	<u>187,442</u>
Total expenditures	<u>4,891,757</u>	<u>2,739,768</u>
Net increase in net position	4,985,111	4,299,912
Net position restricted for pensions, beginning of year	<u>41,325,305</u>	<u>37,025,393</u>
Net position restricted for pensions, end of year	<u>\$ 46,310,416</u>	<u>\$ 41,325,305</u>

See accompanying notes to the financial position.

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Notes to Financial Statements
June 30, 2014 and 2013**

(1) Description of Plan

The following brief description of the Long Beach Public Transportation Company Retirement Plan – Contract Employees (the Plan) is provided for general information purposes only. Participants should refer to the Summary Plan Description of the Plan or the Plan Agreement for more complete information.

Plan Origination

The Long Beach Public Transportation Company (Long Beach Transit or the Company) is a nonprofit corporation, formed in 1963, with the purchase of the local transit system from a private carrier leaving the business. At that time, the labor agreement between the Company and the Amalgamated Transit Union (ATU), dictated what, if any, benefits were to be awarded to a retiree. Those pension benefits were paid from the Company's annual operating funds. On June 30, 1979, the Company's Board of Directors approved the formation of the Long Beach Public Transportation Company Retirement Plan for Contract Employees. Any changes to the Plan agreement negotiated between the Company and the ATU are adopted by the Board of Directors and issued as an amendment to the original Plan.

Pension Benefits

The Plan is a defined benefit pension plan sponsored by Long Beach Transit. All full-time employees in a job classification covered by a collective bargaining agreement between the Company and the ATU are eligible under the Plan as of their date of employment. At June 30, 2014 and 2013, membership consisted of:

	<u>2014</u>	<u>2013</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits, but not yet receiving such benefits	112	120
Current employees:		
Vested	462	452
Nonvested	<u>113</u>	<u>122</u>
Total membership	<u><u>687</u></u>	<u><u>694</u></u>

Participants are eligible for annual benefit payments at the normal retirement age of 64 or at completion of ten years of credited service, whichever is later. Monthly benefit payments are currently determined by the sum of the following:

1. 1.23% of the first \$500 of adjusted monthly earnings multiplied by the years of credited service (maximum credit of 40 years).
2. 1.7% of adjusted final monthly earnings greater than \$500 multiplied by the years of credited service (maximum credit of 40 years).

Contract employees that are at least 54 years of age with ten years of service or more, will have their pension benefits, calculated as the sum of items 1 and 2 above, increased by 15%.

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Notes to Financial Statements, continued
June 30, 2014 and 2013**

Adjusted final monthly earnings are the employee's highest average monthly wage for 60 consecutive months of earnings during the last ten calendar years of employment, prior to normal retirement date, which provide the highest value. Participants are 100% vested after five years of service.

Early retirement may be elected by participants at the age of 54 and upon completion of ten years of credited service. In the case of early retirement, the normal retirement benefit is reduced by 5% for each year the early retirement date precedes the normal retirement date.

Retirees are eligible to receive a joint annuity with a reduced monthly payment to a surviving spouse or a qualified domestic partner. Retirees are also eligible to receive a straight-life annuity if unmarried, or with spousal consent if married. These benefits are actuarially equivalent at the normal retirement date. Plan members are entitled, upon leaving service, to a vested termination of employment benefits if they have completed five years of credited service on their termination date. The vested termination of employment benefits is equal to the normal retirement benefits earned to the termination date.

Death and Disability Benefits

In the event a Plan member dies while still actively employed, a retirement benefit will be paid to the spouse or domestic partner in the amount of 50% of the amount the Plan member would have received under the joint and 50% survivor spouse annuity, assuming retirement occurred the day immediately prior to death.

If a participant is totally and permanently disabled with ten or more years of credited service, the participant is entitled to receive the full normal retirement benefit earned to the date of disability, without actuarial reduction, commencing six months after the date of disablement. A reduced occupational disability benefit is available for those Plan members unable to perform their usual work duties who leave service after ten or more years of credited service.

Termination

The Plan may be amended, altered or modified, or a successor plan may be adopted at any time with the consent of the employer or its successor in interest. In the event of termination, the assets will be allocated based on the order of priority prescribed in the Plan.

Contributions

During the year ended June 30, 2014, Plan members contributed 6.28% of their annual salary toward the Plan. The Company contributed the remainder of the actuarially determined rate. Administrative costs of the Plan are financed through investment earnings.

(2) Summary of Significant Accounting Policies

Reporting Entity

The Long Beach Public Transportation Company is a nonprofit corporation organized to provide public transportation services in Long Beach, California. The Company is governed by a seven-member Board of Directors (the Board) appointed by the Mayor, with the approval of the Long Beach City Council, to serve four-year terms. In turn, the Board appoints a President and Chief Executive Officer who is responsible for overseeing the Company's daily operations.

LONG BEACH PUBLIC TRANSPORTATION COMPANY RETIREMENT PLAN - CONTRACT EMPLOYEES

Notes to Financial Statements, continued June 30, 2014 and 2013

The Company's basic financial statements are available under separate cover. For accounting purposes, Long Beach Transit is considered a component unit of the City of Long Beach (the City). As such, its basic financial statements are included in the City's comprehensive annual financial report as a discretely presented component unit. These statements do not include the Plan's financial statements.

Long Beach Transit has a separate legal status and has historically operated as an independently managed and operated nonprofit corporation, receiving no direct administrative or financial support from the City. For the present, there has been no expressed intent to alter the status of this financial reporting and administrative relationship.

Written requests for the Company's basic financial statements can be sent to Long Beach Transit, c/o Executive Director & VP Financial Services, Long Beach Transit, P.O. Box 731, Long Beach, California, 90801.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. Contributions are recognized when due and when a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The format of the financial statements has been revised to conform to GASB Statement 67.

Method Used to Value Investments

The Plan Pension Committee has elected to pursue an investment strategy that is intended to provide moderately low risk for any individual investment with a relatively low overall portfolio risk. Plan investments are carried at fair value. Purchases and sales of investments are recorded on a trade-date basis. The average-cost method is used in the determination of realized gains and losses on sales of investments. Dividend income is recorded on the ex-dividend dates of the investment securities. Interest income is reported as earned.

Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current market value rates. Mortgages are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. The fair market value of real estate investments is based on independent appraisals.

Trust Fund Managed by the Trustee Bank

Under the terms of a nondiscretionary trust agreement between the trustee bank and the Plan, the trustee bank manages a trust fund on behalf of the Plan. The Plan Pension Committee has discretionary authority concerning purchases and sales of investments in the trust fund. The investments and changes in the trust fund are reported to the Plan by the trustee bank.

Investment Management

The Plan Pension Committee has engaged the services of a professional asset management company to manage the investments of the Plan. Investments are held in the Company's name, but discretionary authority concerning purchases and sales of investments within the limits set in the Board-adopted investment policy has been delegated to the investment manager. The investment manager reports on a quarterly basis to the Plan Pension Committee, setting forth an inventory of portfolio assets, a measurement of investment performance, and a narrative assessing the investment outlook for the short and intermediate term.

LONG BEACH PUBLIC TRANSPORTATION COMPANY

RETIREMENT PLAN - CONTRACT EMPLOYEES

Notes to Financial Statements, continued

June 30, 2014 and 2013

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, the actuarial present value of accumulated plan benefits at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan may invest in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Fiduciary Net Position.

(3) Federal Income Taxes

The Plan is intended to constitute a qualified plan under Section 401(a) of the Internal Revenue Code, and the related trust is intended to be exempt from Federal income taxes under the provisions of Internal Revenue Code Section 501(a). The Company believes the Plan is currently designed and is operated in accordance with applicable sections of the Internal Revenue Code.

(4) Cash and Investments

Cash and investments as of June 30 consist of the following:

	<u>2014</u>	<u>2013</u>
Deposits with Trustee	\$ 882,851	\$ 1,005,351
Investments	45,491,055	40,183,843
Total	<u>\$ 46,373,906</u>	<u>\$ 41,189,194</u>

Concentration of Credit Risk - Investment Plan Authorized by the Company's Board of Directors

Plan assets shall be invested to provide safety through diversification in a portfolio of pooled common stocks, bonds, cash equivalents and other investments which may reflect varying rates of return. The approved asset allocation for the Plan is as follows:

	<u>Lower</u>	<u>Strategic Allocation</u>	<u>Upper</u>
U.S. Stocks			
Large Company	15%	20%	25%
Small Company	--	5%	10%
Real Estate Securities	1%	6%	11%
International Equity	18%	23%	28%
Multi-strategy	10%	15%	20%
Fixed Income	25%	30%	35%
Cash Equivalent	--	1%	6%

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Notes to Financial Statements, continued
June 30, 2014 and 2013**

Investments in any one issuer or fund that represent 5% or more of total fiduciary net position have been summarized in note 6. Investments shall also be diversified within asset classes. Equities shall be diversified by economic sector, industry, quality and size and allocated to managers who have distinct and different investment styles.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of fair values of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the portfolio percentage and maturity, where applicable, for each asset class at June 30, 2014 and 2013.

<u>Type of Investment</u>	<u>2014</u>			<u>2013</u>		
	<u>Portfolio Percentage</u>	<u>Market Value</u>	<u>Maturity</u>	<u>Portfolio Percentage</u>	<u>Market Value</u>	<u>Maturity</u>
Equities:						
Core Domestic Equities	25%	\$ 11,152,869	N/A	25%	\$ 10,049,308	N/A
Small Capitalization	6%	2,769,799	N/A	7%	2,561,058	N/A
Real Estate Securities	3%	1,494,617	N/A	3%	1,301,106	N/A
International Securities	24%	10,723,255	N/A	24%	9,692,191	N/A
Multi-strategy	15%	6,743,532	N/A	13%	5,400,133	N/A
Fixed Income:	5%	2,390,640	4.6 years	6%	2,228,897	4.5 years
Bonds:	22%	10,216,343	4.1 years	22%	8,951,150	4.3 years
Total		<u>\$ 45,491,055</u>			<u>\$ 40,183,843</u>	

N/A – not applicable

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Notes to Financial Statements, continued
June 30, 2014 and 2013**

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2014, equity mutual funds and corporate bonds comprise 73% of the Plan's asset portfolio and are not rated. The remaining 27% of the Plan's assets are in bond mutual funds and fixed income. Credit ratings for the bond mutual funds held at June 30, 2014 and 2013 are as follows:

<u>Investment</u>	<u>2014</u>		<u>2013</u>	
	<u>Market Value</u>	<u>Rating</u>	<u>Market Value</u>	<u>Rating</u>
Russell Short Duration Bond Class S	\$ 2,390,640	A	\$ 2,228,897	A
Total	<u>\$ 2,390,640</u>		<u>\$ 2,228,897</u>	

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Per the Plan's investment policy, the percentage of total assets allocated to cash deposits should be sufficient only to assure liquidity to meet disbursement needs, which are minimal.

Custodial credit risk for investments generally applies to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

(5) Plan Transfer Contribution

During the fiscal year ended June 30, 2014, there were union employees who accepted salaried positions and became eligible for participation in the Company's Salaried Employees Retirement Plan. Service years earned while in their union positions are recognized under the Salaried Plan. Benefit calculations for these employees have been prepared by the Company's actuary using each affected employee's service years and age at the time of transfer to their new position. For the year ended June 30, 2014, benefits for these transferees totaled \$241,886. There were no union employees who accepted salaried position during fiscal year ended June 30, 2013.

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Notes to Financial Statements, continued
June 30, 2014 and 2013**

(6) Investments

The following investments accounted for 5% or more of the total net position (at fair value) at June 30, 2014 and 2013:

	<u>Description of Investments</u>	<u>Cost</u>	<u>Fair Value</u>
2014:			
	Russell US Defensive Equity Fund	\$ 2,389,046	\$ 3,693,049
	Russell Global Equity Fund	2,648,945	3,676,035
	PIMCO All Asset All Authority Fund	3,173,666	3,024,015
	Russell Strategic Call Overwriting Fund	2,465,671	2,685,769
	Russell Short Duration Bond Fund	2,405,487	2,390,640
	iShares Russell 1000	<u>1,700,824</u>	<u>2,387,409</u>
		14,783,639	17,856,917
	Remaining investments not exceeding 5% of total net position	<u>25,419,583</u>	<u>27,634,138</u>
	Total	<u>\$ 40,203,222</u>	<u>\$ 45,491,055</u>
2013:			
	Russell Global Equity Fund	\$ 2,917,367	\$ 3,497,605
	Russell US Defensive Equity Fund	2,469,107	3,217,688
	PIMCO All Asset All Authority Fund	2,718,143	2,517,100
	Russell Strategic Call Overwriting Fund	2,293,602	2,422,448
	Russell Short Duration Bond	2,265,998	2,228,897
	iShares TR Russell 1000	1,922,892	2,214,554
	iShares TR MSCI EAFE	<u>1,882,446</u>	<u>2,079,745</u>
		16,469,555	18,178,037
	Remaining investments not exceeding 5% of total net position	<u>21,736,935</u>	<u>22,005,806</u>
	Total	<u>\$ 38,206,490</u>	<u>\$ 40,183,843</u>

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Notes to Financial Statements, continued
June 30, 2014 and 2013**

(7) Annual Pension Cost and Net Pension Obligation

As of June 30, 2014, Plan members contributed 6.28% of their annual salary toward the Plan. The Company contributed the remainder of the actuarially determined rate. The Company's annual pension cost and net pension obligation at June 30, 2014 and 2013 are as follows:

Year ended <u>June 30</u>	Actuarially Determined <u>Amount</u>	Actual <u>Contribution</u>	Net Pension <u>Obligation</u>
2014	\$ 4,763,313	\$ 4,763,313	---
2013	\$ 3,714,988	\$ 3,714,988	---

(8) Funded Status and Funding Progress

The status of funding progress is based on the actuarial valuations performed as of July 1, 2014 and 2013. The actuarial accrued liability is calculated using the entry-age method.

(dollar amounts in thousands)

Actuarial valuation date (July 1)	(a) Actuarial value of assets	(b) Actuarial Accrued liability (AAL) – entry age	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of covered payroll
2014	\$ 46,310	\$ 62,011	\$ 15,701	74.68%	\$ 27,081	57.98%
2013	\$ 41,325	\$ 58,755	\$ 17,430	70.34%	\$ 26,589	65.55%

The Schedule of Funding Progress, presented as Required Supplemental Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Schedule of Assets Held for Investment Purposes
June 30, 2014 and 2013**

<u>Description of Investments</u>	<u>Number of Shares/Units</u>	<u>Cost</u>	<u>Fair Value</u>
June 30, 2014:			
<u>Equity mutual funds:</u>			
Russell US Defensive Equity Fund	82,990	\$ 2,389,046	\$ 3,693,049
Russell Global Equity Fund	309,691	2,648,945	3,676,035
PIMCO All Asset All Authority Fund	291,331	3,173,666	3,024,015
Russell Strategic Call Overwriting Fund	246,175	2,465,671	2,685,769
iShares Russell 1000	21,682	1,700,824	2,387,409
iShares TR MSCI EAFE	32,646	1,705,722	2,232,010
AQR Managed Futures Strategy Hv Fund	186,748	1,815,073	1,861,881
Russell US Core Equity Fund	38,772	1,007,571	1,636,967
Russell Emerging Markets Fund	77,104	1,243,628	1,489,649
Russell Global Infrastructure Fund	108,986	1,167,224	1,463,680
Stone Ridge US Master Variance Fund	133,355	1,335,863	1,426,898
Russell Global Real Estate Secs Fund	35,334	1,239,396	1,423,585
PIMCO Commodity Real Return Strategy Fund	197,513	1,614,083	1,194,953
iShares MSCI Small Cap	17,671	605,548	935,143
Russell US Small Midcap Equity Fund	28,887	595,920	920,930
Wisdomtree Mid Cap	19,044	916,524	913,726
Russell US Dynamic Equity Fund	60,118	613,679	749,675
JP Morgan Chase Bank Due 10-16-14	616,000	616,000	654,377
JP Morgan Chase Bank Due 01-30-15	210,000	210,000	222,033
JP Morgan Chase Bank Due 01-30-15	210,000	210,000	221,256
Total equity mutual funds		<u>27,274,383</u>	<u>32,813,040</u>
<u>Bond mutual funds:</u>			
Russell Short Duration Bond Fund	122,912	<u>2,405,487</u>	<u>2,390,640</u>
<u>Corporate bonds:</u>			
General Electric Cap Corp 5.625% Due 5-1-18	550,000	629,607	630,207
Teva Pharmaceutical Fin Co 3.65% Due 11-10-21	500,000	503,850	513,105
Bottling Group LLC 5.125% Due 1-15-19	450,000	525,184	510,588
Bear Stearns Cos Inc 6.40% Due 10-2-17	425,000	484,757	489,995
AT&T Inc 5.60% Due 5-15-18	425,000	489,988	484,245
Prudential Financial Inc 6.10% Due 6-15-17	425,000	476,520	481,976
Morgan Stanley 5.45% Due 1-9-17	400,000	448,498	440,640
Legg Mason Inc 5.50% Due 5-21-19	350,000	387,615	404,509
Waste Management Inc 6.10% Due 3-15-18	350,000	404,400	404,033
Nike Inc 2.25% Due 5-1-23	425,000	389,227	400,877
Comcast Corp 6.30% Due 11-15-17	325,000	386,611	377,868
Computer Sciences Co 6.50% Due 3-15-18	325,000	368,924	376,308
Leucadia National Corp 5.50% Due 10-18-23	350,000	358,760	371,777
Exelon Generation Co 6.20% Due 10-01-17	325,000	379,392	370,286
Motorola Inc 6.00% Due 11-15-17	325,000	377,566	369,025
Janus Cap Group Inc 6.70% Due 6-15-17	325,000	374,745	367,881
Hewlett Packard Co 5.50% Due 3-1-18	325,000	357,384	367,634
Time Warner Cos Inc 8.05% Due 1-15-16	325,000	397,033	356,970
Western Union Co 5.93% Due 10-1-16	325,000	361,839	356,753
NASDAQ OMX Group Inc 5.25% Due 1-16-18	325,000	336,869	355,930
Petrobras Intl Finance 3.875% Due 1-27-16	325,000	341,072	335,091
Total corporate bonds		<u>8,779,841</u>	<u>8,765,698</u>
<u>Government bonds:</u>			
Federal Farm Credit Banks 2.02% Due 8-16-21	500,000	498,915	486,235
Federal Home Loan Banks 1.89% Due 9-4-20	500,000	500,010	483,550
Federal Home Loan Banks 2.29% Due 8-15-22	500,000	500,010	480,860
Total US agency bonds		<u>1,498,935</u>	<u>1,450,645</u>

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**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Schedule of Assets Held for Investment Purposes
June 30, 2014 and 2013**

<u>Real estate equity funds:</u>			
Rancon Realty Fund IV	140	131,378	39,480
Del Taco Restaurant Properties II	540	113,198	31,552
Total real estate equity funds		<u>244,576</u>	<u>71,032</u>
Total investments		<u>\$ 40,203,222</u>	<u>\$ 45,491,055</u>

<u>Description of Investments</u>	<u>Number of Shares/Units</u>	<u>Cost</u>	<u>Fair Value</u>
June 30, 2013:			
<u>Equity mutual funds:</u>			
Russell Global Equity Fund	348,020	\$ 2,917,367	\$ 3,497,605
Russell US Defensive Equity Fund I	86,288	2,469,107	3,217,688
PIMCO All Asset All Authority Fund	246,292	2,718,143	2,517,100
Russell Strategic Call Overwriting Fund	230,271	2,293,602	2,422,448
iShares TR Russell 1000	24,625	1,922,892	2,214,554
iShares TR MSCI EAFE	36,296	1,882,446	2,079,745
AQR Managed Futures Strategy Hv Fund	173,530	1,764,503	1,754,391
Russell US Core Equity Fund	38,306	989,706	1,325,011
Stone Ridge US Master Variance Fund	126,601	1,266,022	1,255,878
Russell Global Real Estate Secs Fund	31,181	1,086,291	1,230,074
Russell Global Infrastructure Fund	107,476	1,142,413	1,221,998
Russell Emerging Markets Fund	65,807	1,046,288	1,138,452
Russell US Small Midcap Equity Fund I	31,227	591,067	919,637
iShares MSCI Small Cap	20,434	693,756	856,985
Wisdomtree Mid Cap	17,038	823,904	784,436
PIMCO Commodity Real Return Strategy Fund	140,192	1,293,123	775,260
JP Morgan Chase & Co Bren LKD to S&P GSCI	538,000	538,000	518,040
Russell US Dynamic Equity	43,398	417,432	483,452
JP Morgan Due 11-20-2013	358,000	358,000	386,175
JP Morgan Series 0001 Due 12-26-13	194,000	194,000	189,868
JP Morgan Series 0002 Due 12-26-13	194,000	194,000	143,967
Total equity mutual funds		<u>26,602,062</u>	<u>28,932,764</u>
<u>Bond mutual funds:</u>			
Russell Short Duration Bond Fund	115,727	<u>2,265,998</u>	<u>2,228,897</u>
<u>Corporate bonds:</u>			
AT&T Inc 5.60% Due 5-15-18	425,000	489,988	512,465
Bear Sterns Cos Inc 6.40% Due 10-2-17	425,000	484,757	492,171
Prudential Financial Inc 6.10% Due 6-15-17	425,000	476,520	486,625
General Electric Cap Co 5.65% Due 6-9-14	425,000	466,609	458,915
Goldman Sachs Group 5.50% Dues 11-15-14	425,000	454,076	458,150
Morgan Stanley 5.45% Due 1-9-17	400,000	448,498	432,880
Comcast Corp 6.30% Due 11-15-17	325,000	386,611	384,004
Exelon Gen Co LLC 6.20% Due 10-1-17	325,000	379,392	382,363
Computer Sciences Co 6.50% Due 3-15-18	325,000	368,924	376,691
Time Warner Cos Inc 8.05% Due 1-15-16	325,000	397,033	372,684
Motorola Inc 6.00% Due 11-15-17	325,000	377,566	368,417
Janus Capital Group Inc 6.7% Due 6-15-17	325,000	374,745	362,889
Western Union Co 5.93% Due 10-01-16	325,000	361,839	361,303
Legg Mason Inc 5.50% Due 5-21-19	350,000	387,615	360,665
Hewlett Packard Co 5.5% Due 3-1-18	325,000	357,384	360,100
NASDAQ Omx Group Inc 5.25% Due 1-16-18	325,000	336,869	348,904

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**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Schedule of Assets Held for Investment Purposes
June 30, 2014 and 2013**

Petrobus Intl Finance 3.875% Due 1-24-16	325,000	341,072	338,130
American Express Cr Corp 7.30% Due 8-20-13	325,000	360,425	331,516
Jefferies Group Inc 5.50% Due 3-15-16	325,000	<u>344,996</u>	<u>329,453</u>
Total corporate bonds		<u>7,594,919</u>	<u>7,518,325</u>
<u>Government bonds:</u>			
Federal Home Loan Banks 1.89% Due 9-4-20	500,000	500,010	485,085
Federal Home Loan Banks 2.02% Due 8-16-21	500,000	498,915	475,260
Federal Home Loan Banks 2.29% Due 8-15-22	500,000	<u>500,010</u>	<u>472,480</u>
Total US agency bonds		<u>1,498,935</u>	<u>1,432,825</u>
<u>Real estate equity funds:</u>			
Rancon Realty Fund IV	140	131,378	39,480
Del Taco Restaurant Properties II	540	<u>113,198</u>	<u>31,552</u>
Total real estate equity funds		<u>244,576</u>	<u>71,032</u>
Total investments		<u>\$ 38,206,490</u>	<u>\$ 40,183,843</u>

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Schedule of Funding Progress and Contributions and
Schedule of Changes in Net Pension Liability and Related Ratios
June 30, 2014 and 2013**

The following table summarizes the status of funding progress based on the actuarial valuations and performed as of the dates indicated. The actuarial accrued liability is calculated using the entry-age method in accordance with GASB. Prior year unfunded actuarial accrued liability (UAAL) figures, and related column calculations, have been restated in accordance with GASB.

Schedule of Funding Progress (dollar amounts in thousands)						
<u>Actuarial valuation date (July 1)</u>	<u>(a) Actuarial value of assets</u>	<u>(b) Actuarial accrued liability (AAL) – entry age</u>	<u>(b-a) Unfunded AAL (UAAL)</u>	<u>(a/b) Funded ratio</u>	<u>(c) Covered payroll</u>	<u>((b-a)/c) UAAL as a percentage of covered payroll</u>
2014	\$ 46,310	\$ 62,011	\$ 15,701	74.68%	\$ 27,081	57.98%
2013	41,325	58,755	17,430	70.34	26,589	65.55
2012	37,025	49,513	12,488	74.78	25,905	48.20
2011	37,358	47,357	9,999	78.89	25,474	39.25
2010	29,212	45,374	16,162	64.38	25,501	63.38
2009	24,228	42,569	18,341	56.91	25,266	72.59
2008	28,444	38,557	10,113	73.77	23,643	42.77
2007	27,699	36,056	8,357	76.82	21,866	38.22
2006	24,874	32,099	7,225	77.49	21,629	33.40
2005	23,701	29,794	6,093	79.55	20,859	29.21

The following table summarizes employer contributions required (based on the actuarial valuations) and contributions made for the ten years ended:

Schedule of Contributions						
<u>Year ended June 30</u>	<u>Actuarially determined amount</u>	<u>Annual required contribution as a percentage of covered payroll</u>	<u>Employer contribution</u>	<u>Employee contribution</u>	<u>Percentage contributed</u>	
2014	\$ 4,763,313	17.57%	\$ 3,326,307	\$ 1,437,006	100%	
2013	3,714,988	13.74	2,572,888	1,142,100	100	
2012	3,241,510	12.32	2,099,802	1,141,708	100	
2011	3,791,200	15.01	3,791,200	--	100	
2010	4,111,605	16.20	4,111,605	--	100	
2009	3,048,814	12.18	3,048,814	--	100	
2008	2,661,268	11.35	2,661,268	--	100	
2007	2,777,353	12.32	2,777,353	--	100	
2006	2,055,584	10.08	2,055,584	--	100	
2005	1,910,696	9.11	1,910,696	--	100	

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**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Schedule of Funding Progress and Contributions and
Schedule of Changes in Net Pension Liability and Related Ratios, continued
June 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Schedule of Changes in Net Pension Liability and Related Ratios		
Total Pension Liability		
Service Cost	\$ 2,285,562	\$ 1,972,068
Interest	4,244,369	3,621,647
Change in benefit terms	-	-
Differences between expected and actual experience	1,052,271	(652,845)
Changes of Assumptions	-	6,749,225
Benefits Payments	<u>(4,326,353)</u>	<u>(2,447,910)</u>
Net Change	3,255,849	9,242,185
Beginning Total Pension Liability	<u>58,754,761</u>	<u>49,512,576</u>
Ending Total Pension Liability	<u>\$ 62,010,610</u>	<u>\$ 58,754,761</u>
Plan fiduciary net position		
Employer Contributions	\$ 3,326,307	\$ 2,572,888
Employee Contributions	1,437,006	1,142,100
Transfer to Contract Plan	(241,886)	-
Investment Income	5,113,555	3,324,692
Pension Benefits	(4,326,353)	(2,447,910)
Administrative Expenses	<u>(323,518)</u>	<u>(291,858)</u>
Net Change	4,985,111	4,299,912
Beginning Plan Fiduciary Net Position	<u>41,325,305</u>	<u>37,025,393</u>
Ending Plan Fiduciary Net Position	<u>\$ 46,310,416</u>	<u>\$ 41,325,305</u>
Company's Net Pension Liability	<u>\$ 15,700,194</u>	<u>\$ 17,429,456</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	74.7%	70.3%
Covered Payroll	\$ 27,081,000	\$ 26,589,000
Company's Net Pension Liability as a % of Covered Payroll	58.0%	65.6%

Note: The information presented above is not available for years prior to the year ended June 30, 2013.

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Schedule of Funding Progress and Contributions and
Schedule of Changes in Net Pension Liability and Related Ratios, continued
June 30, 2014 and 2013**

The information presented in the preceding tables was determined as part of the actuarial valuations at the dates indicated. The latest actuarial valuation assumptions include the following:

Valuation date	July 1, 2014
Actuarial cost method	Entry age normal cost frozen initial liability
Amortization method	Level dollar closed
Remaining amortization period on initial liability	23 years
Amortization period on assumption changes	29 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	7.5%
Discount rate	7.5%
Projected salary increases	3.0%
Cost-of-living adjustments	None

Mortality rates were based on the IRS 2007 Current Liability Combined table.

The following presents the actuarially accrued liability calculated using the discount rate of 7.5%, as well as what the actuarially accrued liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate (dollar amounts in thousands):

<u>Discount Rate</u>	<u>Actuarially Accrued Liability</u>
6.5%	\$ 67,956
7.5%	62,011
8.5%	56,826

**LONG BEACH PUBLIC TRANSPORTATION COMPANY
RETIREMENT PLAN - CONTRACT EMPLOYEES**

**Schedule of Revenues by Source and Expenses by Type
Last Ten Fiscal Years**

Revenues by source			
Fiscal year	Contributions *	Investment income (loss)	Total
2014	\$ 4,763,313	\$ 5,113,555	\$ 9,876,868
2013	3,714,988	3,324,692	7,039,680
2012	3,241,510	(682,971)	2,558,539
2011	3,791,200	6,604,495	10,395,695
2010	4,111,605	3,780,305	7,891,910
2009	3,048,814	(5,613,626)	(2,564,812)
2008	2,661,268	571,663	3,232,931
2007	2,777,353	3,485,553	6,262,906
2006	2,055,584	2,599,457	4,655,041
2005	1,910,696	2,029,549	3,940,245

* Contributions were made in accordance with actuarially determined contribution requirements.

Expenses by type					
Fiscal year	Benefits	Direct administrative costs	Other administrative costs	Benefit transfers	Total
2014	\$ 4,326,353	\$ 122,144	\$ 201,374	\$ 241,886	\$ 4,891,757
2013	2,447,910	104,416	187,442	--	2,739,769
2012	2,610,616	90,337	164,944	25,643	2,891,540
2011	1,852,836	85,928	142,037	168,731	2,249,532
2010	2,544,902	71,969	132,658	158,341	2,907,870
2009	1,448,156	62,748	104,767	35,377	1,651,048
2008	2,238,944	73,131	168,966	6,800	2,487,841
2007	2,847,651	67,107	157,511	365,198	3,437,467
2006	3,095,306	64,210	162,289	160,267	3,482,072
2005	2,294,689	60,339	131,490	31,496	2,518,014