


**CITY OF LAUDERHILL POLICE OFFICERS'  
RETIREMENT SYSTEM**

**SECTION 112.664, FLORIDA STATUTES  
COMPLIANCE**

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), Florida Statutes, and Section 60T-1.0035, Florida Administrative Code.

By:

 Date: 9/8/16

Donald A. DuLaney, Jr. A.S.A.  
Senior Consulting Actuary  
Enrolled Actuary #14-4191

**DuLaney and Company**

**D**

**INTRODUCTION**

**Section 112.664, F.S. Requirements**

When reviewing the report, please note the following:

DuLaney and Company has prepared this report in order to satisfy the requirements set forth under Florida Statutes (FS) 112.664 and Ch. 60T-1.0035, F.A.C. These schedules have no impact on the funding requirements of the Plan. We have uploaded the semi-colon delimited file as described under Ch. 60T-1.0035.

The actuarial funding assumptions shown in our October 1, 2015 actuarial valuation report have been used in the preparation of this report, except as required for certain disclosures herein.

This report contains figures using an investment return assumption that is 2.0% higher than the actual funding assumption, in order to provide a balanced view, in light of the requirement to use an investment return assumption that is 2.0% lower than the actual funding assumption.

The schedules showing the projected number of years until the Fund becomes insolvent are required, but do not reflect what will occur. This is because no future contributions from any current funding source are assumed, as required for these disclosures, contrary to Florida Statutes.

	Actual	Under Section 112.664(1)(a), F.S.	Under Section 112.664(1)(b), F.S.	Under Section 112.664(1)(b), F.S.
	Discount Rate: 7.53%	Discount Rate: 7.53%	Discount Rate: 5.53%	Discount Rate: 9.53%
	RP2000 Generational 9/30/2015	RP2000 Generational 9/30/2015	RP2000 Generational 9/30/2015	RP2000 Generational 9/30/2015
<b>1. Total pension liability:</b>				
a. Service cost	\$ 2,263,617	\$ 2,263,617	\$ 3,500,554	\$ 1,506,982
b. Interest	\$ 4,759,669	\$ 4,759,669	\$ 4,536,005	\$ 4,799,279
c. Benefit changes	\$ -	\$ -	\$ -	\$ -
d. Difference between expected and actual experience	\$ 541,452	\$ 541,452	\$ 692,228	\$ 456,538
e. Changes in assumptions	\$ 791,132	\$ 791,132	\$ 1,168,017	\$ 558,701
f. Benefit payments	\$ (1,630,757)	\$ (1,630,757)	\$ (1,630,757)	\$ (1,630,757)
g. Contribution refunds	\$ -	\$ -	\$ -	\$ -
h. Net change in total pension liability	\$ 6,725,113	\$ 6,725,113	\$ 8,266,047	\$ 5,690,743
i. Total pension liability – beginning	\$ 60,970,042	\$ 60,970,042	\$ 78,172,208	\$ 49,109,390
j. Total pension liability – ending	\$ 67,695,155	\$ 67,695,155	\$ 86,438,255	\$ 54,800,133
<b>2. Plan fiduciary net position:</b>				
a. Contributions – City	\$ 2,466,585	\$ 2,466,585	\$ 2,466,585	\$ 2,466,585
b. Contributions – State	\$ 365,170	\$ 365,170	\$ 365,170	\$ 365,170
c. Contributions – Member	\$ 1,014,541	\$ 1,014,541	\$ 1,014,541	\$ 1,014,541
d. Net investment income	\$ 366,152	\$ 366,152	\$ 366,152	\$ 366,152
e. Benefit payments	\$ (1,513,030)	\$ (1,513,030)	\$ (1,513,030)	\$ (1,513,030)
f. Contributions refunds	\$ (117,727)	\$ (117,727)	\$ (117,727)	\$ (117,727)
g. Administrative expense	\$ (154,489)	\$ (154,489)	\$ (154,489)	\$ (154,489)
h. Other	\$ -	\$ -	\$ -	\$ -
i. Net change in plan fiduciary net position	\$ 2,427,202	\$ 2,427,202	\$ 2,427,202	\$ 2,427,202
j. Plan fiduciary net position – beginning	\$ 48,801,039	\$ 48,801,039	\$ 48,801,039	\$ 48,801,039
k. Plan fiduciary net position – ending	\$ 51,228,241	\$ 51,228,241	\$ 51,228,241	\$ 51,228,241
<b>3. Net pension liability/(asset) [(a)1.j. minus (a)2.k.]</b>	\$ 16,466,914	\$ 16,466,914	\$ 35,210,014	\$ 3,571,892

D

**PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS**

Plan Assumptions: 7.50% and RP 2000 Generational

<u>Year</u>	<u>Projected Beginning Fiduciary Net Position</u>	<u>Projected Benefit Payments</u>	<u>Projected Investment Earnings</u>	<u>Projected Ending Fiduciary Net Position</u>
10/1/2015	\$51,228,241	\$3,033,738	\$3,728,353	\$51,922,856
10/1/2016	\$51,922,856	\$3,417,411	\$3,766,061	\$52,271,506
10/1/2017	\$52,271,506	\$3,751,788	\$3,779,671	\$52,299,389
10/1/2018	\$52,299,389	\$4,055,541	\$3,770,371	\$52,014,219
10/1/2019	\$52,014,219	\$4,177,096	\$3,744,425	\$51,581,549
10/1/2020	\$51,581,549	\$4,233,645	\$3,709,854	\$51,057,758
10/1/2021	\$51,057,758	\$4,346,107	\$3,666,353	\$50,378,004
10/1/2022	\$50,378,004	\$4,585,416	\$3,606,397	\$49,398,985
10/1/2023	\$49,398,985	\$4,748,395	\$3,526,859	\$48,177,449
10/1/2024	\$48,177,449	\$4,935,180	\$3,428,239	\$46,670,509
10/1/2025	\$46,670,509	\$5,090,297	\$3,309,402	\$44,889,614
10/1/2026	\$44,889,614	\$5,191,775	\$3,172,029	\$42,869,868
10/1/2027	\$42,869,868	\$5,291,301	\$3,016,816	\$40,595,384
10/1/2028	\$40,595,384	\$5,317,783	\$2,845,237	\$38,122,838
10/1/2029	\$38,122,838	\$5,341,684	\$2,658,900	\$35,440,053
10/1/2030	\$35,440,053	\$5,356,534	\$2,457,134	\$32,540,653
10/1/2031	\$32,540,653	\$5,339,228	\$2,240,328	\$29,441,753
10/1/2032	\$29,441,753	\$5,279,246	\$2,010,160	\$26,172,667
10/1/2033	\$26,172,667	\$5,299,137	\$1,764,232	\$22,637,763
10/1/2034	\$22,637,763	\$5,292,074	\$1,499,379	\$18,845,068
10/1/2035	\$18,845,068	\$5,286,949	\$1,215,120	\$14,773,238
10/1/2036	\$14,773,238	\$5,219,708	\$912,254	\$10,465,784
10/1/2037	\$10,465,784	\$5,170,226	\$591,050	\$5,886,609
10/1/2038	\$5,886,609	\$5,125,470	\$249,291	\$1,010,429
10/1/2039	\$1,010,429	\$5,078,287		

**PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS**  
Plan Assumptions: 7.50% and RP 2000 Generational

Number of Years Expected Benefit Payments Sustained: 24.20

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

**PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS**  
 Plan Assumptions: 7.53% and RP2000 Generational

<u>Year</u>	<u>Projected Beginning Fiduciary Net Position</u>	<u>Projected Benefit Payments</u>	<u>Projected Investment Earnings</u>	<u>Projected Ending Fiduciary Net Position</u>
10/1/2015	\$51,228,241	\$3,033,738	\$3,743,266	\$51,937,769
10/1/2016	\$51,937,769	\$3,417,411	\$3,782,249	\$52,302,607
10/1/2017	\$52,302,607	\$3,751,788	\$3,797,131	\$52,347,950
10/1/2018	\$52,347,950	\$4,055,541	\$3,789,110	\$52,081,519
10/1/2019	\$52,081,519	\$4,177,096	\$3,764,471	\$51,668,894
10/1/2020	\$51,668,894	\$4,233,645	\$3,731,271	\$51,166,519
10/1/2021	\$51,166,519	\$4,346,107	\$3,689,208	\$50,509,620
10/1/2022	\$50,509,620	\$4,585,416	\$3,630,734	\$49,554,938
10/1/2023	\$49,554,938	\$4,748,395	\$3,552,710	\$48,359,253
10/1/2024	\$48,359,253	\$4,935,180	\$3,455,642	\$46,879,715
10/1/2025	\$46,879,715	\$5,090,297	\$3,338,393	\$45,127,811
10/1/2026	\$45,127,811	\$5,191,775	\$3,202,654	\$43,138,690
10/1/2027	\$43,138,690	\$5,291,301	\$3,049,126	\$40,896,514
10/1/2028	\$40,896,514	\$5,317,783	\$2,879,293	\$38,458,024
10/1/2029	\$38,458,024	\$5,341,684	\$2,694,775	\$35,811,115
10/1/2030	\$35,811,115	\$5,356,534	\$2,494,903	\$32,949,485
10/1/2031	\$32,949,485	\$5,339,228	\$2,280,074	\$29,890,331
10/1/2032	\$29,890,331	\$5,279,246	\$2,051,978	\$26,663,063
10/1/2033	\$26,663,063	\$5,299,137	\$1,808,216	\$23,172,143
10/1/2034	\$23,172,143	\$5,292,074	\$1,545,616	\$19,425,684
10/1/2035	\$19,425,684	\$5,286,949	\$1,263,700	\$15,402,436
10/1/2036	\$15,402,436	\$5,219,708	\$963,281	\$11,146,009
10/1/2037	\$11,146,009	\$5,170,226	\$644,635	\$6,620,419
10/1/2038	\$6,620,419	\$5,125,470	\$305,544	\$1,800,492
10/1/2039	\$1,800,492	\$5,078,287		

**PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS**  
Plan Assumptions: 7.53% and RP2000 Generational

Number of Years Expected Benefit Payments Sustained: 24.35

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

**PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS**  
 Plan Assumptions: 5.53% and RP2000 Generational

<u>Year</u>	<u>Projected Beginning Fiduciary Net Position</u>	<u>Projected Benefit Payments</u>	<u>Projected Investment Earnings</u>	<u>Projected Ending Fiduciary Net Position</u>
10/1/2015	\$51,228,241	\$3,033,738	\$2,749,039	\$50,943,542
10/1/2016	\$50,943,542	\$3,417,411	\$2,722,686	\$50,248,817
10/1/2017	\$50,248,817	\$3,751,788	\$2,675,023	\$49,172,052
10/1/2018	\$49,172,052	\$4,055,541	\$2,607,079	\$47,723,590
10/1/2019	\$47,723,590	\$4,177,096	\$2,523,618	\$46,070,112
10/1/2020	\$46,070,112	\$4,233,645	\$2,430,617	\$44,267,083
10/1/2021	\$44,267,083	\$4,346,107	\$2,327,800	\$42,248,776
10/1/2022	\$42,248,776	\$4,585,416	\$2,209,571	\$39,872,931
10/1/2023	\$39,872,931	\$4,748,395	\$2,073,680	\$37,198,216
10/1/2024	\$37,198,216	\$4,935,180	\$1,920,604	\$34,183,639
10/1/2025	\$34,183,639	\$5,090,297	\$1,749,609	\$30,842,951
10/1/2026	\$30,842,951	\$5,191,775	\$1,562,063	\$27,213,239
10/1/2027	\$27,213,239	\$5,291,301	\$1,358,588	\$23,280,525
10/1/2028	\$23,280,525	\$5,317,783	\$1,140,376	\$19,103,119
10/1/2029	\$19,103,119	\$5,341,684	\$908,705	\$14,670,139
10/1/2030	\$14,670,139	\$5,356,534	\$663,151	\$9,976,756
10/1/2031	\$9,976,756	\$5,339,228	\$404,085	\$5,041,613
10/1/2032	\$5,041,613	\$5,279,246		



**PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS**  
Plan Assumptions: 5.53% and RP2000 Generational

Number of Years Expected Benefit Payments Sustained: 17.95

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

**PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS**  
 Plan Assumptions: 9.53% and RP2000 Generational

<u>Year</u>	<u>Projected Beginning Fiduciary Net Position</u>	<u>Projected Benefit Payments</u>	<u>Projected Investment Earnings</u>	<u>Projected Ending Fiduciary Net Position</u>
10/1/2015	\$51,228,241	\$3,033,738	\$4,737,494	\$52,931,997
10/1/2016	\$52,931,997	\$3,417,411	\$4,881,580	\$54,396,165
10/1/2017	\$54,396,165	\$3,751,788	\$5,005,182	\$55,649,559
10/1/2018	\$55,649,559	\$4,055,541	\$5,110,156	\$56,704,175
10/1/2019	\$56,704,175	\$4,177,096	\$5,204,869	\$57,731,948
10/1/2020	\$57,731,948	\$4,233,645	\$5,300,121	\$58,798,424
10/1/2021	\$58,798,424	\$4,346,107	\$5,396,398	\$59,848,715
10/1/2022	\$59,848,715	\$4,585,416	\$5,485,087	\$60,748,387
10/1/2023	\$60,748,387	\$4,748,395	\$5,563,060	\$61,563,052
10/1/2024	\$61,563,052	\$4,935,180	\$5,631,798	\$62,259,670
10/1/2025	\$62,259,670	\$5,090,297	\$5,690,794	\$62,860,166
10/1/2026	\$62,860,166	\$5,191,775	\$5,743,186	\$63,411,577
10/1/2027	\$63,411,577	\$5,291,301	\$5,790,993	\$63,911,269
10/1/2028	\$63,911,269	\$5,317,783	\$5,837,352	\$64,430,838
10/1/2029	\$64,430,838	\$5,341,684	\$5,885,728	\$64,974,881
10/1/2030	\$64,974,881	\$5,356,534	\$5,936,867	\$65,555,214
10/1/2031	\$65,555,214	\$5,339,228	\$5,992,998	\$66,208,984
10/1/2032	\$66,208,984	\$5,279,246	\$6,058,160	\$66,987,898
10/1/2033	\$66,987,898	\$5,299,137	\$6,131,443	\$67,820,204
10/1/2034	\$67,820,204	\$5,292,074	\$6,211,098	\$68,739,228
10/1/2035	\$68,739,228	\$5,286,949	\$6,298,925	\$69,751,205
10/1/2036	\$69,751,205	\$5,219,708	\$6,398,571	\$70,930,067



**PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS**  
 Plan Assumptions: 9.53% and RP2000 Generational

10/1/2037	\$70,930,067	\$5,170,226	\$6,513,274	\$72,273,115
10/1/2038	\$72,273,115	\$5,125,470	\$6,643,399	\$73,791,045
10/1/2039	\$73,791,045	\$5,078,287	\$6,790,306	\$75,503,064
10/1/2040	\$75,503,064	\$4,985,921	\$6,957,863	\$77,475,006
10/1/2041	\$77,475,006	\$4,869,738	\$7,151,325	\$79,756,593
10/1/2042	\$79,756,593	\$4,758,654	\$7,374,053	\$82,371,992
10/1/2043	\$82,371,992	\$4,633,078	\$7,629,285	\$85,368,199
10/1/2044	\$85,368,199	\$4,499,707	\$7,921,178	\$88,789,670
10/1/2045	\$88,789,670	\$4,356,426	\$8,254,072	\$92,687,316
10/1/2046	\$92,687,316	\$4,202,285	\$8,632,862	\$97,117,893
10/1/2047	\$97,117,893	\$4,039,510	\$9,062,853	\$102,141,236
10/1/2048	\$102,141,236	\$3,867,463	\$9,549,775	\$107,823,548
10/1/2049	\$107,823,548	\$3,686,856	\$10,099,905	\$114,236,598
10/1/2050	\$114,236,598	\$3,503,345	\$10,719,813	\$121,453,066
10/1/2051	\$121,453,066	\$3,315,216	\$11,416,507	\$129,554,357
10/1/2052	\$129,554,357	\$3,121,214	\$12,197,804	\$138,630,948

Number of Years Expected Benefit Payments Sustained: 999.99

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.



ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
 ENDING SEPTEMBER 30, 2016  
 Valuation Date: 10/1/2015

PENSION COST	<u>ACTUAL</u>			
	Interest Rate: 7.5% RP2000 Generational	Interest Rate: 7.53% RP2000 Generational	Interest Rate: 5.53% RP2000 Generational	Interest Rate: 9.53% RP2000 Generational
Normal Cost	2,026,701	2,013,938	3,115,481	1,340,128
Administrative Expenses	154,489	154,489	154,489	154,489
Payment Required to Amortize UAAL	1,287,765	1,269,379	2,584,351	112,288
Interest Adjustment	102,939	101,715	196,623	29,807
<b>Total Required Contribution</b>	<b>3,571,894</b>	<b>3,539,521</b>	<b>6,050,944</b>	<b>1,636,712</b>