

**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:

7/13/21

Donald A. DuLaney, Jr. A.S.A., E.A.
Senior Consulting Actuary
Enrolled Actuary #20-4191

DuLaney and Company

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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, 2020 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: 7.00% FRS 7/1/2019 Mortality 9/30/2020	Discount Rate: 7.00% FRS 7/1/2019 Mortality 9/30/2020	Discount Rate: 5.00% FRS 7/1/2019 Mortality 9/30/2020	Discount Rate: 9.00% FRS 7/1/2019 Mortality 9/30/2020
1. Total pension liability:				
a. Service cost	\$ 2,544,333	\$ 2,544,333	\$ 4,011,076	\$ 1,668,101
b. Interest	\$ 6,256,606	\$ 6,256,606	\$ 5,790,524	\$ 6,435,724
c. Benefit changes	\$ 486,535	\$ 486,535	\$ 628,155	\$ 379,753
d. Difference between expected and actual experience	\$ 517,755	\$ 517,755	\$ 664,660	\$ 408,276
c. Changes in assumptions	\$ -	\$ -	\$ -	\$ -
f. Benefit payments	\$ (4,544,044)	\$ (4,544,044)	\$ (4,544,044)	\$ (4,544,044)
g. Contribution refunds	\$ (42,587)	\$ (42,587)	\$ (42,587)	\$ (42,587)
h. Net change in total pension liability	\$ 5,218,598	\$ 5,218,598	\$ 6,507,784	\$ 4,305,223
i. Total pension liability – beginning	\$ 89,129,073	\$ 89,129,073	\$ 114,092,714	\$ 72,133,260
j. Total pension liability – ending	\$ 94,347,671	\$ 94,347,671	\$ 120,600,498	\$ 76,438,483
2. Plan fiduciary net position:				
a. Contributions – City	\$ 2,634,352	\$ 2,634,352	\$ 2,634,352	\$ 2,634,352
b. Contributions – State	\$ 488,659	\$ 488,659	\$ 488,659	\$ 488,659
c. Contributions – Member	\$ 1,128,506	\$ 1,128,506	\$ 1,128,506	\$ 1,128,506
d. Net investment income	\$ 4,233,791	\$ 4,233,791	\$ 4,233,791	\$ 4,233,791
e. Benefit payments	\$ (4,544,044)	\$ (4,544,044)	\$ (4,544,044)	\$ (4,544,044)
f. Contributions refunds	\$ (42,587)	\$ (42,587)	\$ (42,587)	\$ (42,587)
g. Administrative expense	\$ (156,635)	\$ (156,635)	\$ (156,635)	\$ (156,635)
h. Other	\$ -	\$ -	\$ -	\$ -
i. Net change in plan fiduciary net position	\$ 3,742,042	\$ 3,742,042	\$ 3,742,042	\$ 3,742,042
j. Plan fiduciary net position – beginning	\$ 72,730,189	\$ 72,730,189	\$ 72,730,189	\$ 72,730,189
k. Plan fiduciary net position – ending	\$ 76,472,231	\$ 76,472,231	\$ 76,472,231	\$ 76,472,231
3. Net pension liability/(asset) [1.j. minus 2.k.]	\$ 17,875,440	\$ 17,875,440	\$ 44,128,267	\$ (33,748)

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 7.00% and FRS 7/1/2019 Mortality

<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>
10/1/2020	\$74,796,717	\$4,330,748	\$5,084,194	\$75,550,163
10/1/2021	\$75,550,163	\$4,843,475	\$5,118,990	\$75,825,678
10/1/2022	\$75,825,678	\$5,217,752	\$5,125,176	\$75,733,102
10/1/2023	\$75,733,102	\$5,345,211	\$5,114,235	\$75,502,126
10/1/2024	\$75,502,126	\$5,623,702	\$5,088,319	\$74,966,743
10/1/2025	\$74,966,743	\$5,937,191	\$5,039,870	\$74,069,422
10/1/2026	\$74,069,422	\$6,223,881	\$4,967,024	\$72,812,565
10/1/2027	\$72,812,565	\$6,572,893	\$4,866,828	\$71,106,500
10/1/2028	\$71,106,500	\$6,655,398	\$4,744,516	\$69,195,618
10/1/2029	\$69,195,618	\$6,771,455	\$4,606,692	\$67,030,856
10/1/2030	\$67,030,856	\$6,860,670	\$4,452,036	\$64,622,222
10/1/2031	\$64,622,222	\$6,833,969	\$4,284,367	\$62,072,620
10/1/2032	\$62,072,620	\$6,802,127	\$4,107,009	\$59,377,502
10/1/2033	\$59,377,502	\$6,816,829	\$3,917,836	\$56,478,509
10/1/2034	\$56,478,509	\$6,821,551	\$3,714,741	\$53,371,699
10/1/2035	\$53,371,699	\$6,868,082	\$3,495,636	\$49,999,253
10/1/2036	\$49,999,253	\$6,831,083	\$3,260,860	\$46,429,030
10/1/2037	\$46,429,030	\$6,810,094	\$3,011,679	\$42,630,615
10/1/2038	\$42,630,615	\$6,761,275	\$2,747,498	\$38,616,838
10/1/2039	\$38,616,838	\$6,732,361	\$2,467,546	\$34,352,023
10/1/2040	\$34,352,023	\$6,642,281	\$2,172,162	\$29,881,904
10/1/2041	\$29,881,904	\$6,529,071	\$1,863,216	\$25,216,049
10/1/2042	\$25,216,049	\$6,453,490	\$1,539,251	\$20,301,810
10/1/2043	\$20,301,810	\$6,343,429	\$1,199,107	\$15,157,488
10/1/2044	\$15,157,488	\$6,205,394	\$843,835	\$9,795,929
10/1/2045	\$9,795,929	\$6,073,103	\$473,156	\$4,195,983

10/1/2046

\$4,195,983

\$5,611,524

Number of Years Expected Benefit Payments Sustained: 26.75

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: 7.00% and FRS 7/1/2019 Mortality

Year	<u>Projected Beginning Fiduciary Net Position</u>	<u>Projected Benefit Payments</u>	<u>Projected Investment Earnings</u>	<u>Projected Ending Fiduciary Net Position</u>
10/1/2020	\$74,796,717	\$4,330,748	\$5,084,194	\$75,550,163
10/1/2021	\$75,550,163	\$4,843,475	\$5,118,990	\$75,825,678
10/1/2022	\$75,825,678	\$5,217,752	\$5,125,176	\$75,733,102
10/1/2023	\$75,733,102	\$5,345,211	\$5,114,235	\$75,502,126
10/1/2024	\$75,502,126	\$5,623,702	\$5,088,319	\$74,966,743
10/1/2025	\$74,966,743	\$5,937,191	\$5,039,870	\$74,069,422
10/1/2026	\$74,069,422	\$6,223,881	\$4,967,024	\$72,812,565
10/1/2027	\$72,812,565	\$6,572,893	\$4,866,828	\$71,106,500
10/1/2028	\$71,106,500	\$6,655,398	\$4,744,516	\$69,195,618
10/1/2029	\$69,195,618	\$6,771,455	\$4,606,692	\$67,030,856
10/1/2030	\$67,030,856	\$6,860,670	\$4,452,036	\$64,622,222
10/1/2031	\$64,622,222	\$6,833,969	\$4,284,367	\$62,072,620
10/1/2032	\$62,072,620	\$6,802,127	\$4,107,009	\$59,377,502
10/1/2033	\$59,377,502	\$6,816,829	\$3,917,836	\$56,478,509
10/1/2034	\$56,478,509	\$6,821,551	\$3,714,741	\$53,371,699
10/1/2035	\$53,371,699	\$6,868,082	\$3,495,636	\$49,999,253
10/1/2036	\$49,999,253	\$6,831,083	\$3,260,860	\$46,429,030
10/1/2037	\$46,429,030	\$6,810,094	\$3,011,679	\$42,630,615
10/1/2038	\$42,630,615	\$6,761,275	\$2,747,498	\$38,616,838
10/1/2039	\$38,616,838	\$6,732,361	\$2,467,546	\$34,352,023
10/1/2040	\$34,352,023	\$6,642,281	\$2,172,162	\$29,881,904
10/1/2041	\$29,881,904	\$6,529,071	\$1,863,216	\$25,216,049
10/1/2042	\$25,216,049	\$6,453,490	\$1,539,251	\$20,301,810
10/1/2043	\$20,301,810	\$6,343,429	\$1,199,107	\$15,157,488
10/1/2044	\$15,157,488	\$6,205,394	\$843,835	\$9,795,929
10/1/2045	\$9,795,929	\$6,073,103	\$473,156	\$4,195,983



10/1/2046

\$4,195,983

\$5,611,524

Number of Years Expected Benefit Payments Sustained: 26.75

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: 5.00% and FRS 7/1/2019 Mortality

<u>Year</u>	<u>Projected Beginning</u>		<u>Projected Benefit</u>		<u>Projected Investment</u>		<u>Projected Ending</u>	
	<u>Fiduciary Net Position</u>	<u>Payments</u>	<u>Earnings</u>	<u>Fiduciary Net Position</u>	<u>Earnings</u>	<u>Fiduciary Net Position</u>	<u>Fiduciary Net Position</u>	<u>Fiduciary Net Position</u>
10/1/2020	\$74,796,717	\$4,330,748	\$3,631,567	\$74,097,536		\$74,097,536		
10/1/2021	\$74,097,536	\$4,843,475	\$3,583,790	\$72,837,851		\$72,837,851		
10/1/2022	\$72,837,851	\$5,217,752	\$3,511,449	\$71,131,548		\$71,131,548		
10/1/2023	\$71,131,548	\$5,345,211	\$3,422,947	\$69,209,284		\$69,209,284		
10/1/2024	\$69,209,284	\$5,623,702	\$3,319,872	\$66,905,454		\$66,905,454		
10/1/2025	\$66,905,454	\$5,937,191	\$3,196,843	\$64,165,106		\$64,165,106		
10/1/2026	\$64,165,106	\$6,223,881	\$3,052,658	\$60,993,883		\$60,993,883		
10/1/2027	\$60,993,883	\$6,572,893	\$2,885,372	\$57,306,362		\$57,306,362		
10/1/2028	\$57,306,362	\$6,655,398	\$2,698,933	\$53,349,897		\$53,349,897		
10/1/2029	\$53,349,897	\$6,771,455	\$2,498,208	\$49,076,650		\$49,076,650		
10/1/2030	\$49,076,650	\$6,860,670	\$2,282,316	\$44,498,296		\$44,498,296		
10/1/2031	\$44,498,296	\$6,833,969	\$2,054,066	\$39,718,392		\$39,718,392		
10/1/2032	\$39,718,392	\$6,802,127	\$1,815,866	\$34,732,132		\$34,732,132		
10/1/2033	\$34,732,132	\$6,816,829	\$1,566,186	\$29,481,489		\$29,481,489		
10/1/2034	\$29,481,489	\$6,821,551	\$1,303,536	\$23,963,473		\$23,963,473		
10/1/2035	\$23,963,473	\$6,868,082	\$1,026,472	\$18,121,863		\$18,121,863		
10/1/2036	\$18,121,863	\$6,831,083	\$735,316	\$12,026,096		\$12,026,096		
10/1/2037	\$12,026,096	\$6,810,094	\$431,052	\$5,647,055		\$5,647,055		
10/1/2038	\$5,647,055	\$6,761,275						

Number of Years Expected Benefit Payments Sustained: 18.84

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: 9.00% and FRS 7/1/2019 Mortality

<u>Year</u>	<u>Projected Beginning</u>		<u>Projected Benefit</u>		<u>Projected Investment</u>		<u>Projected Ending</u>	
	<u>Fiduciary Net Position</u>	<u>Payments</u>	<u>Earnings</u>	<u>Fiduciary Net Position</u>	<u>Earnings</u>	<u>Fiduciary Net Position</u>	<u>Fiduciary Net Position</u>	
10/1/2020	\$74,796,717	\$4,330,748	\$6,536,821	\$77,002,790	\$6,536,821	\$77,002,790	\$77,002,790	
10/1/2021	\$77,002,790	\$4,843,475	\$6,712,295	\$78,871,610	\$6,712,295	\$78,871,610	\$78,871,610	
10/1/2022	\$78,871,610	\$5,217,752	\$6,863,646	\$80,517,504	\$6,863,646	\$80,517,504	\$80,517,504	
10/1/2023	\$80,517,504	\$5,345,211	\$7,006,041	\$82,178,333	\$7,006,041	\$82,178,333	\$82,178,333	
10/1/2024	\$82,178,333	\$5,623,702	\$7,142,983	\$83,697,615	\$7,142,983	\$83,697,615	\$83,697,615	
10/1/2025	\$83,697,615	\$5,937,191	\$7,265,612	\$85,026,036	\$7,265,612	\$85,026,036	\$85,026,036	
10/1/2026	\$85,026,036	\$6,223,881	\$7,372,269	\$86,174,423	\$7,372,269	\$86,174,423	\$86,174,423	
10/1/2027	\$86,174,423	\$6,572,893	\$7,459,918	\$87,061,448	\$7,459,918	\$87,061,448	\$87,061,448	
10/1/2028	\$87,061,448	\$6,655,398	\$7,536,037	\$87,942,087	\$7,536,037	\$87,942,087	\$87,942,087	
10/1/2029	\$87,942,087	\$6,771,455	\$7,610,072	\$88,780,705	\$7,610,072	\$88,780,705	\$88,780,705	
10/1/2030	\$88,780,705	\$6,860,670	\$7,681,533	\$89,601,568	\$7,681,533	\$89,601,568	\$89,601,568	
10/1/2031	\$89,601,568	\$6,833,969	\$7,756,613	\$90,524,212	\$7,756,613	\$90,524,212	\$90,524,212	
10/1/2032	\$90,524,212	\$6,802,127	\$7,841,083	\$91,563,168	\$7,841,083	\$91,563,168	\$91,563,168	
10/1/2033	\$91,563,168	\$6,816,829	\$7,933,928	\$92,680,267	\$7,933,928	\$92,680,267	\$92,680,267	
10/1/2034	\$92,680,267	\$6,821,551	\$8,034,254	\$93,892,970	\$8,034,254	\$93,892,970	\$93,892,970	
10/1/2035	\$93,892,970	\$6,868,082	\$8,141,304	\$95,166,192	\$8,141,304	\$95,166,192	\$95,166,192	
10/1/2036	\$95,166,192	\$6,831,083	\$8,257,559	\$96,592,667	\$8,257,559	\$96,592,667	\$96,592,667	
10/1/2037	\$96,592,667	\$6,810,094	\$8,386,886	\$98,169,459	\$8,386,886	\$98,169,459	\$98,169,459	
10/1/2038	\$98,169,459	\$6,761,275	\$8,530,994	\$99,939,178	\$8,530,994	\$99,939,178	\$99,939,178	
10/1/2039	\$99,939,178	\$6,732,361	\$8,691,570	\$101,898,387	\$8,691,570	\$101,898,387	\$101,898,387	
10/1/2040	\$101,898,387	\$6,642,281	\$8,871,952	\$104,128,058	\$8,871,952	\$104,128,058	\$104,128,058	
10/1/2041	\$104,128,058	\$6,529,071	\$9,077,717	\$106,676,704	\$9,077,717	\$106,676,704	\$106,676,704	
10/1/2042	\$106,676,704	\$6,453,490	\$9,310,496	\$109,533,710	\$9,310,496	\$109,533,710	\$109,533,710	
10/1/2043	\$109,533,710	\$6,343,429	\$9,572,580	\$112,762,861	\$9,572,580	\$112,762,861	\$112,762,861	
10/1/2044	\$112,762,861	\$6,205,394	\$9,869,415	\$116,426,882	\$9,869,415	\$116,426,882	\$116,426,882	
10/1/2045	\$116,426,882	\$6,073,103	\$10,205,130	\$120,558,908	\$10,205,130	\$120,558,908	\$120,558,908	

10/1/2046	\$120,558,908	\$5,915,565	\$10,584,101	\$125,227,445
10/1/2047	\$125,227,445	\$5,747,132	\$11,011,849	\$130,492,162
10/1/2048	\$130,492,162	\$5,568,843	\$11,493,697	\$136,417,015
10/1/2049	\$136,417,015	\$5,380,372	\$12,035,415	\$143,072,058
10/1/2050	\$143,072,058	\$5,192,366	\$12,642,829	\$150,522,521
10/1/2051	\$150,522,521	\$4,997,812	\$13,322,125	\$158,846,834
10/1/2052	\$158,846,834	\$4,791,956	\$14,080,577	\$168,135,455
10/1/2053	\$168,135,455	\$4,579,562	\$14,926,111	\$178,482,004
10/1/2054	\$178,482,004	\$4,362,854	\$15,867,052	\$189,986,201
10/1/2055	\$189,986,201	\$4,141,706	\$16,912,381	\$202,756,877
10/1/2056	\$202,756,877	\$3,919,584	\$18,071,738	\$216,909,030
10/1/2057	\$216,909,030	\$3,695,413	\$19,355,519	\$232,569,137
10/1/2058	\$232,569,137	\$3,469,663	\$20,775,087	\$249,874,561
10/1/2059	\$249,874,561	\$3,243,554	\$22,342,751	\$268,973,758
10/1/2060	\$268,973,758	\$3,019,946	\$24,071,741	\$290,025,552
10/1/2061	\$290,025,552	\$2,799,716	\$25,976,312	\$313,202,149
10/1/2062	\$313,202,149	\$2,584,106	\$28,071,909	\$338,689,951
10/1/2063	\$338,689,951	\$2,374,301	\$30,375,252	\$366,690,903
10/1/2064	\$366,690,903	\$2,171,393	\$32,904,469	\$397,423,978

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, 2021
 Valuation Date: 10/1/2020

PENSION COST	<u>ACTUAL</u>			
	Interest Rate: 7.00%	Interest Rate: 7.00%	Interest Rate: 5.00%	Interest Rate: 9.00%
	<u>FRS 7/1/2019 Mortality</u>	<u>FRS 7/1/2019 Mortality</u>	<u>FRS 7/1/2019 Mortality</u>	<u>FRS 7/1/2019 Mortality</u>
Normal Cost	2,556,832	2,556,832	4,022,346	1,680,010
Administrative Expenses	156,635	156,635	156,635	156,635
Payment Required to Amortize UAAL	1,421,143	1,421,143	3,269,456	(215,332)
Interest Adjustment	<u>110,725</u>	<u>110,725</u>	<u>170,115</u>	<u>27,997</u>
Total Required Contribution	4,245,335	4,245,335	7,618,552	1,649,310
TRC as % of Payroll	41.49% *	41.49%	74.45%	16.12%

*City 26.71%

Member 10.00%

State 4.78%

