

**CITY OF OAKLAND PARK  
POLICE AND FIREFIGHTERS  
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: 9/14/2018

Donald A. DuLaney, Jr. A.S.A., E.A.  
Senior Consulting Actuary Enrolled  
Actuary #17-4191

**DuLaney and Company**

**D**

## **INTRODUCTION**

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

When reviewing the following 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, 2017 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.

**D**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

	<b>Actual</b>	<b>Under Section 112.664(1)(a), F.S.</b>	<b>Under Section 112.664(1)(b), F.S.</b>	<b>Under Section 112.664(1)(b), F.S.</b>
	Discount Rate: 8.40%	Discount Rate: 8.40%	Discount Rate: 6.40%	Discount Rate: 10.40%
	FRS 7/1/2016 Mortality	FRS 7/1/2016 Mortality	FRS 7/1/2016 Mortality	FRS 7/1/2016 Mortality
	<u>9/30/2017</u>	<u>9/30/2017</u>	<u>9/30/2017</u>	<u>9/30/2017</u>
<b>1. Total pension liability:</b>				
a. Service cost	\$ 370,374	\$ 370,374	\$ 578,176	\$ 240,420
b. Interest	\$ 6,036,324	\$ 6,036,324	\$ 5,584,106	\$ 6,330,428
c. Benefit changes	\$ -	\$ -	\$ -	\$ -
d. Difference between expected and actual experience	\$ (86,969)	\$ (86,969)	\$ 215,817	\$ (67,035)
e. Changes in assumptions	\$ 11,602	\$ 11,602	\$ 12,750	\$ 2,189
f. Benefit payments	\$ (6,877,245)	\$ (6,877,245)	\$ (6,877,245)	\$ (6,877,245)
g. Contribution refunds	\$ -	\$ -	\$ -	\$ -
h. Net change in total pension liability	\$ (545,914)	\$ (545,914)	\$ (486,396)	\$ (371,243)
i. Total pension liability – beginning	\$ 74,917,651	\$ 74,917,651	\$ 90,099,354	\$ 64,065,511
j. Total pension liability – ending	\$ 74,371,737	\$ 74,371,737	\$ 89,612,958	\$ 63,694,268
<b>2. Plan fiduciary net position:</b>				
a. Contributions – City	\$ 1,611,629	\$ 1,611,629	\$ 1,611,629	\$ 1,611,629
b. Contributions – State	\$ 654,787	\$ 654,787	\$ 654,787	\$ 654,787
c. Contributions – Sheriff's Office	\$ 84,579	\$ 84,579	\$ 84,579	\$ 84,579
d. Contributions – Member	\$ 368,038	\$ 368,038	\$ 368,038	\$ 368,038
e. Net investment income	\$ 6,434,826	\$ 6,434,826	\$ 6,434,826	\$ 6,434,826
f. Benefit payments	\$ (6,877,245)	\$ (6,877,245)	\$ (6,877,245)	\$ (6,877,245)
g. Contributions refunds	\$ -	\$ -	\$ -	\$ -
h. Administrative expense	\$ (122,889)	\$ (122,889)	\$ (122,889)	\$ (122,889)
i. Other	\$ -	\$ -	\$ -	\$ -
j. Net change in plan fiduciary net position	\$ 2,153,725	\$ 2,153,725	\$ 2,153,725	\$ 2,153,725
k. Plan fiduciary net position – beginning	\$ 58,294,508	\$ 58,294,508	\$ 58,294,508	\$ 58,294,508
l. Plan fiduciary net position – ending	\$ 60,448,233	\$ 60,448,233	\$ 60,448,233	\$ 60,448,233
<b>3. Net pension liability/(asset) [(a)1.j. minus (a)2.l.]</b>	\$ 13,923,504	\$ 13,923,504	\$ 29,164,725	\$ 3,246,035



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

Plan Assumptions: 7.375% and FRS 7/1/2016 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>
10/1/2017	\$55,985,145	\$5,806,146	\$3,914,803	\$54,093,802
10/1/2018	\$54,093,802	\$6,021,573	\$3,767,372	\$51,839,601
10/1/2019	\$51,839,601	\$6,166,081	\$3,595,796	\$49,269,317
10/1/2020	\$49,269,317	\$6,163,259	\$3,406,342	\$46,512,399
10/1/2021	\$46,512,399	\$6,189,133	\$3,202,065	\$43,525,332
10/1/2022	\$43,525,332	\$6,160,771	\$2,982,815	\$40,347,375
10/1/2023	\$40,347,375	\$6,104,502	\$2,750,515	\$36,993,389
10/1/2024	\$36,993,389	\$6,067,240	\$2,504,533	\$33,430,682
10/1/2025	\$33,430,682	\$6,003,517	\$2,244,133	\$29,671,298
10/1/2026	\$29,671,298	\$5,975,256	\$1,967,921	\$25,663,963
10/1/2027	\$25,663,963	\$5,910,773	\$1,674,757	\$21,427,947
10/1/2028	\$21,427,947	\$5,826,852	\$1,365,446	\$16,966,541
10/1/2029	\$16,966,541	\$5,754,835	\$1,039,073	\$12,250,779
10/1/2030	\$12,250,779	\$5,674,175	\$694,260	\$7,270,864
10/1/2031	\$7,270,864	\$5,657,263	\$327,615	\$1,941,215
10/1/2032	\$1,941,215	\$5,572,538		

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

Plan Assumptions: 7.375% and FRS 7/1/2016 Mortality

Number of Years Expected Benefit Payments Sustained: 15.35

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: 8.40% and FRS 7/1/2016 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>
10/1/2017	\$55,985,145	\$5,806,146	\$4,458,894	\$54,637,893
10/1/2018	\$54,637,893	\$6,021,573	\$4,336,677	\$52,952,997
10/1/2019	\$52,952,997	\$6,166,081	\$4,189,076	\$50,975,992
10/1/2020	\$50,975,992	\$6,163,259	\$4,023,126	\$48,835,860
10/1/2021	\$48,835,860	\$6,189,133	\$3,842,269	\$46,488,995
10/1/2022	\$46,488,995	\$6,160,771	\$3,646,323	\$43,974,548
10/1/2023	\$43,974,548	\$6,104,502	\$3,437,473	\$41,307,519
10/1/2024	\$41,307,519	\$6,067,240	\$3,215,007	\$38,455,286
10/1/2025	\$38,455,286	\$6,003,517	\$2,978,096	\$35,429,865
10/1/2026	\$35,429,865	\$5,975,256	\$2,725,148	\$32,179,757
10/1/2027	\$32,179,757	\$5,910,773	\$2,454,847	\$28,723,832
10/1/2028	\$28,723,832	\$5,826,852	\$2,168,074	\$25,065,054
10/1/2029	\$25,065,054	\$5,754,835	\$1,863,761	\$21,173,980
10/1/2030	\$21,173,980	\$5,674,175	\$1,540,299	\$17,040,104
10/1/2031	\$17,040,104	\$5,657,263	\$1,193,764	\$12,576,605
10/1/2032	\$12,576,605	\$5,572,538	\$822,388	\$7,826,455
10/1/2033	\$7,826,455	\$5,467,290	\$427,796	\$2,786,961
10/1/2034	\$2,786,961	\$5,380,555		



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

Plan Assumptions: 8.40% and FRS 7/1/2016 Mortality

Number of Years Expected Benefit Payments Sustained: 17.52

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: 6.40% and FRS 7/1/2016 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>
10/1/2017	\$55,985,145	\$5,806,146	\$3,397,253	\$53,576,252
10/1/2018	\$53,576,252	\$6,021,573	\$3,236,190	\$50,790,868
10/1/2019	\$50,790,868	\$6,166,081	\$3,053,301	\$47,678,088
10/1/2020	\$47,678,088	\$6,163,259	\$2,854,173	\$44,369,003
10/1/2021	\$44,369,003	\$6,189,133	\$2,641,564	\$40,821,434
10/1/2022	\$40,821,434	\$6,160,771	\$2,415,427	\$37,076,090
10/1/2023	\$37,076,090	\$6,104,502	\$2,177,526	\$33,149,113
10/1/2024	\$33,149,113	\$6,067,240	\$1,927,392	\$29,009,265
10/1/2025	\$29,009,265	\$6,003,517	\$1,664,480	\$24,670,228
10/1/2026	\$24,670,228	\$5,975,256	\$1,387,686	\$20,082,659
10/1/2027	\$20,082,659	\$5,910,773	\$1,096,145	\$15,268,031
10/1/2028	\$15,268,031	\$5,826,852	\$790,695	\$10,231,874
10/1/2029	\$10,231,874	\$5,754,835	\$470,685	\$4,947,724
10/1/2030	\$4,947,724	\$5,674,175		

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

Plan Assumptions: 6.40% and FRS 7/1/2016 Mortality

Number of Years Expected Benefit Payments Sustained: 13.87

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: 10.40% and FRS 7/1/2016 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>
10/1/2017	\$55,985,145	\$5,806,146	\$5,520,535	\$55,699,534
10/1/2018	\$55,699,534	\$6,021,573	\$5,479,630	\$55,157,591
10/1/2019	\$55,157,591	\$6,166,081	\$5,415,753	\$54,407,264
10/1/2020	\$54,407,264	\$6,163,259	\$5,337,866	\$53,581,871
10/1/2021	\$53,581,871	\$6,189,133	\$5,250,680	\$52,643,417
10/1/2022	\$52,643,417	\$6,160,771	\$5,154,555	\$51,637,201
10/1/2023	\$51,637,201	\$6,104,502	\$5,052,835	\$50,585,534
10/1/2024	\$50,585,534	\$6,067,240	\$4,945,399	\$49,463,693
10/1/2025	\$49,463,693	\$6,003,517	\$4,832,041	\$48,292,218
10/1/2026	\$48,292,218	\$5,975,256	\$4,711,677	\$47,028,639
10/1/2027	\$47,028,639	\$5,910,773	\$4,583,618	\$45,701,484
10/1/2028	\$45,701,484	\$5,826,852	\$4,449,958	\$44,324,590
10/1/2029	\$44,324,590	\$5,754,835	\$4,310,506	\$42,880,261
10/1/2030	\$42,880,261	\$5,674,175	\$4,164,490	\$41,370,576
10/1/2031	\$41,370,576	\$5,657,263	\$4,008,362	\$39,721,675
10/1/2032	\$39,721,675	\$5,572,538	\$3,841,282	\$37,990,420
10/1/2033	\$37,990,420	\$5,467,290	\$3,666,705	\$36,189,834
10/1/2034	\$36,189,834	\$5,380,555	\$3,483,954	\$34,293,233
10/1/2035	\$34,293,233	\$5,272,659	\$3,292,318	\$32,312,892
10/1/2036	\$32,312,892	\$5,161,011	\$3,092,168	\$30,244,049
10/1/2037	\$30,244,049	\$5,059,143	\$2,882,306	\$28,067,212
10/1/2038	\$28,067,212	\$4,919,757	\$2,663,163	\$25,810,618
10/1/2039	\$25,810,618	\$4,795,995	\$2,434,913	\$23,449,535
10/1/2040	\$23,449,535	\$4,659,160	\$2,196,475	\$20,986,851
10/1/2041	\$20,986,851	\$4,509,897	\$1,948,118	\$18,425,071



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

Plan Assumptions: 10.40% and FRS 7/1/2016 Mortality

10/1/2042	\$18,425,071	\$4,350,758	\$1,689,968	\$15,764,281
10/1/2043	\$15,764,281	\$4,350,758	\$1,413,246	\$12,826,769
10/1/2044	\$12,826,769	\$4,189,031	\$1,116,154	\$9,753,893
10/1/2045	\$9,753,893	\$4,024,846	\$805,113	\$6,534,159
10/1/2046	\$6,534,159	\$3,859,703	\$478,848	\$3,153,304
10/1/2047	\$3,153,304	\$3,685,982		

Number of Years Expected Benefit Payments Sustained: 30.86

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, 2018  
 Valuation Date: 10/1/2017

	<u>ACTUAL</u>			
	Interest Rate: 7.375%	Interest Rate: 8.40%	Interest Rate: 6.40%	Interest Rate: 10.40%
PENSION COST	<u>FRS 7/1/2016 Mortality</u>	<u>FRS 7/1/2016 Mortality</u>	<u>FRS 7/1/2016 Mortality</u>	<u>FRS 7/1/2016 Mortality</u>
Normal Cost	477,633	370,374	558,176	230,420
Administrative Expenses	122,889	122,889	122,889	122,889
Payment Required to Amortize UAAL	2,146,080	1,545,020	2,710,730	393,963
Interest Adjustment	<u>103,753</u>	<u>89,041</u>	<u>110,467</u>	<u>32,180</u>
Total Required Contribution	<b>2,850,355</b>	<b>2,127,324</b>	<b>3,502,262</b>	<b>779,452</b>
TRC as % of Payroll	66.02%	49.27%	81.11%	18.05%