



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

May 28, 2019

VIA EMAIL

Susy Pita, Plan Administrator
City of Lake Wales
Police Officers' Pension Plan and Trust Fund
22233 Drawbridge Dr.
Leesburg, FL 34748

Re: City of Lake Wales Police Officers' Pension Plan and Trust Fund
Section 112.664, Florida Statutes Compliance

Dear Susy:

Please find enclosed the annual disclosures that satisfy the October 1, 2018 financial reporting requirements made under Section 112.664.


Our office will submit this information electronically to the Department of Management Services. However, it is important for you to be aware that this report must also be made available on the Plan or Plan Sponsor's website, if such website exists. A deadline for this website publication is not made clear in the law.

In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should contact its Investment Consultant for this information.

If there are any questions, concerns, or comments about any of the items contained in this report, please feel free to contact me.

Respectfully submitted,

Foster & Foster, Inc.

By: 

Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #17-6595

PTD/lke
Enclosures

cc via email: Ken Harrison, Board Attorney

CITY OF LAKE WALES
MUNICIPAL POLICE OFFICERS' PENSION PLAN AND TRUST FUND

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 Rule 60T-1.0035, Florida Administrative Code.

By: Patrick T. Donlan Date: 5/28/2019

Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #17-6595



When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2018 Actuarial Valuation Report, as adopted by the Board of Trustees, are reasonable individually and in the aggregate, and represent our best estimate of future Plan experience.
- 5) The “Number of Years Expected Benefit Payments Sustained” calculated in Section II: Asset Sustainability should not be interpreted as the number of years the Plan has left until it is insolvent. This calculation is required by 112.664, Florida Statutes, but the numeric result is irrelevant, since in its calculation we are to assume there will be no further contributions to the Fund. As long as the Actuarially Determined Contribution is made each year the Plan will never become insolvent.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
FISCAL YEAR SEPTEMBER 30, 2018

	ACTUAL	HYPOTHETICAL	
	7.70% RP-2000 Generational	5.70% RP-2000 Generational	9.70% RP-2000 Generational
<u>Total Pension Liability</u>			
Service Cost	484,141	730,342	332,932
Interest	1,281,973	1,210,128	1,306,558
Share Plan Allocation	13,118	13,118	13,118
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(595,515)	(700,996)	(521,745)
Changes of Assumptions	62,423	153,693	13,419
Contributions - Buy Back	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(860,412)	(860,412)	(860,412)
Net Change in Total Pension Liability	385,728	545,873	283,870
Total Pension Liability - Beginning	16,487,656	20,745,567	13,497,873
Total Pension Liability - Ending (a)	<u>\$ 16,873,384</u>	<u>\$ 21,291,440</u>	<u>\$ 13,781,743</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	489,776	489,776	489,776
Contributions - State	122,394	122,394	122,394
Contributions - Employee	119,874	119,874	119,874
Contributions - Buy Back	-	-	-
Net Investment Income	926,612	926,612	926,612
Benefit Payments, Including Refunds of Employee Contributions	(860,412)	(860,412)	(860,412)
Administrative Expenses	(69,306)	(69,306)	(69,306)
Net Change in Plan Fiduciary Net Position	728,938	728,938	728,938
Plan Fiduciary Net Position - Beginning	14,896,004	14,896,004	14,896,004
Plan Fiduciary Net Position - Ending (b)	<u>\$ 15,624,942</u>	<u>\$ 15,624,942</u>	<u>\$ 15,624,942</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,248,442</u>	<u>\$ 5,666,498</u>	<u>\$ (1,843,199)</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: 7.70% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2018	15,618,069	-	934,917	-	1,166,597	15,849,749
2019	15,849,749	-	919,668	-	1,185,023	16,115,104
2020	16,115,104	-	972,397	-	1,203,426	16,346,133
2021	16,346,133	-	1,084,898	-	1,216,884	16,478,119
2022	16,478,119	-	1,206,220	-	1,222,376	16,494,275
2023	16,494,275	-	1,255,792	-	1,221,711	16,460,194
2024	16,460,194	-	1,357,687	-	1,215,164	16,317,671
2025	16,317,671	-	1,350,319	-	1,204,473	16,171,825
2026	16,171,825	-	1,374,554	-	1,192,310	15,989,581
2027	15,989,581	-	1,371,335	-	1,178,401	15,796,647
2028	15,796,647	-	1,391,545	-	1,162,767	15,567,869
2029	15,567,869	-	1,389,015	-	1,145,249	15,324,103
2030	15,324,103	-	1,369,142	-	1,127,244	15,082,205
2031	15,082,205	-	1,351,580	-	1,109,294	14,839,919
2032	14,839,919	-	1,358,299	-	1,090,379	14,571,999
2033	14,571,999	-	1,349,380	-	1,070,093	14,292,712
2034	14,292,712	-	1,319,827	-	1,049,725	14,022,610
2035	14,022,610	-	1,311,726	-	1,029,240	13,740,124
2036	13,740,124	-	1,290,462	-	1,008,307	13,457,969
2037	13,457,969	-	1,275,573	-	987,154	13,169,550
2038	13,169,550	-	1,245,112	-	966,119	12,890,557
2039	12,890,557	-	1,214,497	-	945,815	12,621,875
2040	12,621,875	-	1,185,332	-	926,249	12,362,792
2041	12,362,792	-	1,168,061	-	906,965	12,101,696
2042	12,101,696	-	1,136,653	-	888,069	11,853,112
2043	11,853,112	-	1,105,251	-	870,137	11,617,998
2044	11,617,998	-	1,070,465	-	853,373	11,400,906
2045	11,400,906	-	1,034,444	-	838,044	11,204,506
2046	11,204,506	-	998,175	-	824,317	11,030,648
2047	11,030,648	-	961,820	-	812,330	10,881,158
2048	10,881,158	-	925,602	-	802,213	10,757,769
2049	10,757,769	-	889,299	-	794,110	10,662,580
2050	10,662,580	-	852,851	-	788,184	10,597,913
2051	10,597,913	-	815,681	-	784,636	10,566,868
2052	10,566,868	-	779,063	-	783,655	10,571,460
2053	10,571,460	-	742,551	-	785,414	10,614,323
2054	10,614,323	-	706,128	-	790,117	10,698,312
2055	10,698,312	-	669,717	-	797,986	10,826,581
2056	10,826,581	-	633,432	-	809,260	11,002,409
2057	11,002,409	-	597,382	-	824,186	11,229,213
2058	11,229,213	-	561,701	-	843,024	11,510,536
2059	11,510,536	-	526,349	-	866,047	11,850,234
2060	11,850,234	-	491,233	-	893,556	12,252,557
2061	12,252,557	-	456,302	-	925,879	12,722,134
2062	12,722,134	-	421,558	-	963,374	13,263,950
2063	13,263,950	-	387,104	-	1,006,421	13,883,267
2064	13,883,267	-	353,148	-	1,055,415	14,585,534
2065	14,585,534	-	319,975	-	1,110,767	15,376,326
2066	15,376,326	-	287,841	-	1,172,895	16,261,380
2067	16,261,380	-	257,035	-	1,242,230	17,246,575

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: 7.70% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2068	17,246,575	-	227,810	-	1,319,216	18,337,981
2069	18,337,981	-	200,588	-	1,404,302	19,541,695
2070	19,541,695	-	175,805	-	1,497,942	20,863,832
2071	20,863,832	-	153,655	-	1,600,599	22,310,776
2072	22,310,776	-	134,146	-	1,712,765	23,889,395
2073	23,889,395	-	117,073	-	1,834,976	25,607,298
2074	25,607,298	-	102,290	-	1,967,824	27,472,832
2075	27,472,832	-	89,554	-	2,111,960	29,495,238
2076	29,495,238	-	78,626	-	2,268,106	31,684,718
2077	31,684,718	-	69,233	-	2,437,058	34,052,543
2078	34,052,543	-	61,096	-	2,619,694	36,611,141
2079	36,611,141	-	54,038	-	2,816,977	39,374,080
2080	39,374,080	-	47,901	-	3,029,960	42,356,139
2081	42,356,139	-	42,497	-	3,259,787	45,573,429
2082	45,573,429	-	37,650	-	3,507,705	49,043,484
2083	49,043,484	-	33,259	-	3,775,068	52,785,293
2084	52,785,293	-	29,228	-	4,063,342	56,819,407
2085	56,819,407	-	25,518	-	4,374,112	61,168,001
2086	61,168,001	-	22,095	-	4,709,085	65,854,991
2087	65,854,991	-	18,920	-	5,070,106	70,906,177
2088	70,906,177	-	15,991	-	5,459,160	76,349,346
2089	76,349,346	-	13,343	-	5,878,386	82,214,389
2090	82,214,389	-	10,984	-	6,330,085	88,533,490
2091	88,533,490	-	8,879	-	6,816,737	95,341,348
2092	95,341,348	-	7,026	-	7,341,013	102,675,335
2093	102,675,335	-	5,458	-	7,905,791	110,575,668
2094	110,575,668	-	4,163	-	8,514,166	119,085,671
2095	119,085,671	-	3,101	-	9,169,477	128,252,047
2096	128,252,047	-	2,256	-	9,875,321	138,125,112
2097	138,125,112	-	1,592	-	10,635,572	148,759,092
2098	148,759,092	-	1,095	-	11,454,408	160,212,405
2099	160,212,405	-	732	-	12,336,327	172,548,000
2100	172,548,000	-	478	-	13,286,178	185,833,700
2101	185,833,700	-	304	-	14,309,183	200,142,579
2102	200,142,579	-	192	-	15,410,971	215,553,358
2103	215,553,358	-	120	-	16,597,604	232,150,842
2104	232,150,842	-	75	-	17,875,612	250,026,379
2105	250,026,379	-	47	-	19,252,029	269,278,361
2106	269,278,361	-	29	-	20,734,433	290,012,765
2107	290,012,765	-	18	-	22,330,982	312,343,729
2108	312,343,729	-	11	-	24,050,467	336,394,185
2109	336,394,185	-	7	-	25,902,352	362,296,530
2110	362,296,530	-	4	-	27,896,833	390,193,359
2111	390,193,359	-	2	-	30,044,889	420,238,246
2112	420,238,246	-	1	-	32,358,345	452,596,590

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: 7.70% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2113	452,596,590	-	1	-	34,849,937	487,446,526
2114	487,446,526	-	-	-	37,533,383	524,979,909

*All Share Balances paid in 2018.

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.70% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 2
Hypothetical Assumptions: 5.70% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2018	15,618,069	-	934,917	-	863,585	15,546,737
2019	15,546,737	-	919,668	-	859,953	15,487,022
2020	15,487,022	-	972,397	-	855,047	15,369,672
2021	15,369,672	-	1,084,898	-	845,152	15,129,926
2022	15,129,926	-	1,206,220	-	828,029	14,751,735
2023	14,751,735	-	1,255,792	-	805,059	14,301,002
2024	14,301,002	-	1,357,687	-	776,463	13,719,778
2025	13,719,778	-	1,350,319	-	743,543	13,113,002
2026	13,113,002	-	1,374,554	-	708,266	12,446,714
2027	12,446,714	-	1,371,335	-	670,380	11,745,759
2028	11,745,759	-	1,391,545	-	629,849	10,984,063
2029	10,984,063	-	1,389,015	-	586,505	10,181,553
2030	10,181,553	-	1,369,142	-	541,328	9,353,739
2031	9,353,739	-	1,351,580	-	494,643	8,496,802
2032	8,496,802	-	1,358,299	-	445,606	7,584,109
2033	7,584,109	-	1,349,380	-	393,837	6,628,566
2034	6,628,566	-	1,319,827	-	340,213	5,648,952
2035	5,648,952	-	1,311,726	-	284,606	4,621,832
2036	4,621,832	-	1,290,462	-	226,666	3,558,036
2037	3,558,036	-	1,275,573	-	166,454	2,448,917
2038	2,448,917	-	1,245,112	-	104,103	1,307,908
2039	1,307,908	-	1,214,497	-	39,938	133,349
2040	133,349	-	1,185,332	-	-	-

*All Share Balances paid in 2018.

Number of Years Expected Benefit Payments Sustained: 22.11

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.70% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: 9.70% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2018	15,618,069	-	934,917	-	1,469,609	16,152,761
2019	16,152,761	-	919,668	-	1,522,214	16,755,307
2020	16,755,307	-	972,397	-	1,578,104	17,361,014
2021	17,361,014	-	1,084,898	-	1,631,401	17,907,517
2022	17,907,517	-	1,206,220	-	1,678,527	18,379,824
2023	18,379,824	-	1,255,792	-	1,721,937	18,845,969
2024	18,845,969	-	1,357,687	-	1,762,211	19,250,493
2025	19,250,493	-	1,350,319	-	1,801,807	19,701,981
2026	19,701,981	-	1,374,554	-	1,844,426	20,171,853
2027	20,171,853	-	1,371,335	-	1,890,160	20,690,678
2028	20,690,678	-	1,391,545	-	1,939,506	21,238,639
2029	21,238,639	-	1,389,015	-	1,992,781	21,842,405
2030	21,842,405	-	1,369,142	-	2,052,310	22,525,573
2031	22,525,573	-	1,351,580	-	2,119,429	23,293,422
2032	23,293,422	-	1,358,299	-	2,193,584	24,128,707
2033	24,128,707	-	1,349,380	-	2,275,040	25,054,367
2034	25,054,367	-	1,319,827	-	2,366,262	26,100,802
2035	26,100,802	-	1,311,726	-	2,468,159	27,257,235
2036	27,257,235	-	1,290,462	-	2,581,364	28,548,137
2037	28,548,137	-	1,275,573	-	2,707,304	29,979,868
2038	29,979,868	-	1,245,112	-	2,847,659	31,582,415
2039	31,582,415	-	1,214,497	-	3,004,591	33,372,509
2040	33,372,509	-	1,185,332	-	3,179,645	35,366,822
2041	35,366,822	-	1,168,061	-	3,373,931	37,572,692
2042	37,572,692	-	1,136,653	-	3,589,423	40,025,462
2043	40,025,462	-	1,105,251	-	3,828,865	42,749,076
2044	42,749,076	-	1,070,465	-	4,094,743	45,773,354
2045	45,773,354	-	1,034,444	-	4,389,845	49,128,755
2046	49,128,755	-	998,175	-	4,717,078	52,847,658
2047	52,847,658	-	961,820	-	5,079,575	56,965,413
2048	56,965,413	-	925,602	-	5,480,753	61,520,564
2049	61,520,564	-	889,299	-	5,924,364	66,555,629
2050	66,555,629	-	852,851	-	6,414,533	72,117,311
2051	72,117,311	-	815,681	-	6,955,819	78,257,449
2052	78,257,449	-	779,063	-	7,553,188	85,031,574
2053	85,031,574	-	742,551	-	8,212,049	92,501,072
2054	92,501,072	-	706,128	-	8,938,357	100,733,301
2055	100,733,301	-	669,717	-	9,738,649	109,802,233
2056	109,802,233	-	633,432	-	10,620,095	119,788,896
2057	119,788,896	-	597,382	-	11,590,550	130,782,064
2058	130,782,064	-	561,701	-	12,658,618	142,878,981
2059	142,878,981	-	526,349	-	13,833,733	156,186,365
2060	156,186,365	-	491,233	-	15,126,253	170,821,385
2061	170,821,385	-	456,302	-	16,547,544	186,912,627
2062	186,912,627	-	421,558	-	18,110,079	204,601,148
2063	204,601,148	-	387,104	-	19,827,537	224,041,581
2064	224,041,581	-	353,148	-	21,714,906	245,403,339
2065	245,403,339	-	319,975	-	23,788,605	268,871,969
2066	268,871,969	-	287,841	-	26,066,621	294,650,749
2067	294,650,749	-	257,035	-	28,568,656	322,962,370

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: 9.70% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2068	322,962,370	-	227,810	-	31,316,301	354,050,861
2069	354,050,861	-	200,588	-	34,333,205	388,183,478
2070	388,183,478	-	175,805	-	37,645,271	425,652,944
2071	425,652,944	-	153,655	-	41,280,883	466,780,172
2072	466,780,172	-	134,146	-	45,271,171	511,917,197
2073	511,917,197	-	117,073	-	49,650,290	561,450,414
2074	561,450,414	-	102,290	-	54,455,729	615,803,853
2075	615,803,853	-	89,554	-	59,728,630	675,442,929
2076	675,442,929	-	78,626	-	65,514,151	740,878,454
2077	740,878,454	-	69,233	-	71,861,852	812,671,073
2078	812,671,073	-	61,096	-	78,826,131	891,436,108
2079	891,436,108	-	54,038	-	86,466,682	977,848,752
2080	977,848,752	-	47,901	-	94,849,006	1,072,649,857
2081	1,072,649,857	-	42,497	-	104,044,975	1,176,652,335
2082	1,176,652,335	-	37,650	-	114,133,450	1,290,748,135
2083	1,290,748,135	-	33,259	-	125,200,956	1,415,915,832
2084	1,415,915,832	-	29,228	-	137,342,418	1,553,229,022
2085	1,553,229,022	-	25,518	-	150,661,978	1,703,865,482
2086	1,703,865,482	-	22,095	-	165,273,880	1,869,117,267
2087	1,869,117,267	-	18,920	-	181,303,457	2,050,401,804
2088	2,050,401,804	-	15,991	-	198,888,199	2,249,274,012
2089	2,249,274,012	-	13,343	-	218,178,932	2,467,439,601
2090	2,467,439,601	-	10,984	-	239,341,109	2,706,769,726
2091	2,706,769,726	-	8,879	-	262,556,233	2,969,317,080
2092	2,969,317,080	-	7,026	-	288,023,416	3,257,333,470
2093	3,257,333,470	-	5,458	-	315,961,082	3,573,289,094
2094	3,573,289,094	-	4,163	-	346,608,840	3,919,893,771
2095	3,919,893,771	-	3,101	-	380,229,545	4,300,120,215
2096	4,300,120,215	-	2,256	-	417,111,551	4,717,229,510
2097	4,717,229,510	-	1,592	-	457,571,185	5,174,799,103
2098	5,174,799,103	-	1,095	-	501,955,460	5,676,753,468
2099	5,676,753,468	-	732	-	550,645,051	6,227,397,787
2100	6,227,397,787	-	478	-	604,057,562	6,831,454,871
2101	6,831,454,871	-	304	-	662,651,108	7,494,105,675
2102	7,494,105,675	-	192	-	726,928,241	8,221,033,724
2103	8,221,033,724	-	120	-	797,440,265	9,018,473,869
2104	9,018,473,869	-	75	-	874,791,962	9,893,265,756
2105	9,893,265,756	-	47	-	959,646,776	10,852,912,485
2106	10,852,912,485	-	29	-	1,052,732,510	11,905,644,966
2107	11,905,644,966	-	18	-	1,154,847,561	13,060,492,509
2108	13,060,492,509	-	11	-	1,266,867,773	14,327,360,271
2109	14,327,360,271	-	7	-	1,389,753,946	15,717,114,210
2110	15,717,114,210	-	4	-	1,524,560,078	17,241,674,284
2111	17,241,674,284	-	2	-	1,672,442,405	18,914,116,687
2112	18,914,116,687	-	1	-	1,834,669,319	20,748,786,005

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: 9.70% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2113	20,748,786,005	-	1	-	2,012,632,242	22,761,418,246
2114	22,761,418,246	-	-	-	2,207,857,570	24,969,275,816

*All Share Balances paid in 2018.

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 9.70% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2020

Valuation Date: 10/1/2018

	ACTUAL	HYPOTHETICAL	
	7.70% RP-2000 Generational	5.70% RP-2000 Generational	9.70% RP-2000 Generational
Minimum Required Contribution (Fixed \$)	\$651,637	\$1,102,122	\$296,420
Minimum Required Contribution (% of Payroll)	26.0%	43.8%	11.8%
Expected Member Contribution	125,734	125,734	125,734
Expected State Money	109,276	109,276	109,276
Expected Sponsor Contribution (Fixed \$)	\$416,627	\$867,112	\$61,410
Expected Sponsor Contribution (% of Payroll)	16.7%	34.5%	2.5%
<u>ASSETS</u>			
Actuarial Value ¹	15,705,119	15,705,119	15,705,119
Market Value ¹	15,618,069	15,618,069	15,618,069
<u>LIABILITIES</u>			
Present Value of Benefits			
Active Members			
Retirement Benefits	8,698,035	12,472,638	6,364,257
Disability Benefits	502,139	678,226	386,808
Death Benefits	98,994	137,510	74,723
Vested Benefits	732,585	1,152,077	494,099
Refund of Contributions	64,389	67,424	61,630
Service Retirees	6,437,560	7,717,366	5,508,917
DROP Retirees ¹	0	0	0
Beneficiaries	376,089	443,701	325,367
Disability Retirees	2,520,502	3,073,198	2,130,129
Terminated Vested	76,970	120,509	51,126
Share Plan Balances ¹	29,715	29,715	29,715
Total:	19,536,978	25,892,364	15,426,771
Present Value of Future Salaries	17,494,848	19,518,710	15,872,553
Present Value of Future Member Contributions	874,742	975,936	793,628
Total Normal Cost	418,911	645,874	282,709
Present Value of Future Normal Costs (Entry Age Normal)	2,679,396	4,675,278	1,618,292
Total Actuarial Accrued Liability ¹	16,857,582	21,217,086	13,808,479
Unfunded Actuarial Accrued Liability (UAAL)	1,152,463	5,511,967	(1,896,640)

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2020

Valuation Date: 10/1/2018

	ACTUAL	HYPOTHETICAL	
	7.70% RP-2000 Generational	5.70% RP-2000 Generational	9.70% RP-2000 Generational
<u>PENSION COST</u>			
Normal Cost (with interest)	435,039	664,281	296,420
Administrative Expenses (with interest)	71,974	71,281	72,667
Payment Required To Amortize UAAL (with interest)	144,624	366,560	(91,399)
Minimum Required Contribution	\$651,637	\$1,102,122	\$296,420 ²

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2018.

² Per Florida Statutes, the Minimum Required Contribution may be no less than the Normal Cost.