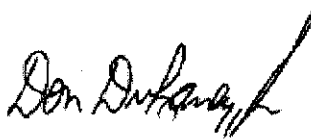


**CITY OF LAUDERHILL CONFIDENTIAL AND
MANAGERIAL EMPLOYEES RETIREMENT PLAN**

**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: 8/21/2017

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

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, 2016 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.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	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: 7.60%	Discount Rate: 7.60%	Discount Rate: 5.60%	Discount Rate: 9.60%
	FRS 7/1/2015 Mortality 9/30/2016	FRS 7/1/2015 Mortality 9/30/2016	FRS 7/1/2015 Mortality 9/30/2016	FRS 7/1/2015 Mortality 9/30/2016
1. Total pension liability:				
a. Service cost	\$ 817,818	\$ 817,818	\$ 1,170,413	\$ 597,393
b. Interest	\$ 2,284,412	\$ 2,284,412	\$ 2,134,683	\$ 2,354,424
c. Benefit changes	\$ 3,118,028	\$ 3,118,028	\$ 3,975,544	\$ 2,459,200
d. Difference between expected and actual experience	\$ 144,313	\$ 144,313	\$ 309,196	\$ 39,308
e. Changes in assumptions	\$ (350,667)	\$ (350,667)	\$ (185,467)	\$ (397,189)
f. Benefit payments	\$ (1,540,545)	\$ (1,540,545)	\$ (1,540,545)	\$ (1,540,545)
g. Contribution refunds	\$ (2,408)	\$ (2,408)	\$ (2,408)	\$ (2,408)
h. Net change in total pension liability	\$ 4,470,951	\$ 4,470,951	\$ 5,861,416	\$ 3,510,183
i. Total pension liability – beginning	\$ 30,362,377	\$ 30,362,377	\$ 37,905,870	\$ 25,096,523
j. Total pension liability – ending	\$ 34,833,328	\$ 34,833,328	\$ 43,767,286	\$ 28,606,706
2. Plan fiduciary net position:				
a. Contributions – City	\$ 1,822,643	\$ 1,822,643	\$ 1,822,643	\$ 1,822,643
b. Contributions – State	\$ -	\$ -	\$ -	\$ -
c. Contributions – Member	\$ 512,410	\$ 512,410	\$ 512,410	\$ 512,410
d. Net investment income	\$ 1,842,073	\$ 1,842,073	\$ 1,842,073	\$ 1,842,073
e. Benefit payments	\$ (1,540,545)	\$ (1,540,545)	\$ (1,540,545)	\$ (1,540,545)
f. Contributions refunds	\$ (2,408)	\$ (2,408)	\$ (2,408)	\$ (2,408)
g. Administrative expense	\$ (146,820)	\$ (146,820)	\$ (146,820)	\$ (146,820)
h. Other	\$ -	\$ -	\$ -	\$ -
i. Net change in plan fiduciary net position	\$ 2,487,353	\$ 2,487,353	\$ 2,487,353	\$ 2,487,353
j. Plan fiduciary net position – beginning	\$ 18,010,653	\$ 18,010,653	\$ 18,010,653	\$ 18,010,653
k. Plan fiduciary net position – ending	\$ 20,498,006	\$ 20,498,006	\$ 20,498,006	\$ 20,498,006
3. Net pension liability/(asset) [(a)1.j. minus (a)2.k.]	\$ 14,335,322	\$ 14,335,322	\$ 23,269,280	\$ 8,108,700



PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 7.60% and FRS 7/1/2015 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>
10/1/2016	\$20,129,646	\$1,278,767	\$1,481,260	\$20,332,139
10/1/2017	\$20,332,139	\$1,776,554	\$1,477,734	\$20,033,318
10/1/2018	\$20,033,318	\$2,061,643	\$1,444,190	\$19,415,865
10/1/2019	\$19,415,865	\$2,324,345	\$1,387,281	\$18,478,801
10/1/2020	\$18,478,801	\$2,378,001	\$1,314,025	\$17,414,825
10/1/2021	\$17,414,825	\$2,576,098	\$1,225,635	\$16,064,362
10/1/2022	\$16,064,362	\$2,689,963	\$1,118,673	\$14,493,072
10/1/2023	\$14,493,072	\$2,734,643	\$997,557	\$12,755,986
10/1/2024	\$12,755,986	\$2,742,565	\$865,237	\$10,878,658
10/1/2025	\$10,878,658	\$2,742,308	\$722,570	\$8,858,920
10/1/2026	\$8,858,920	\$2,753,249	\$568,654	\$6,674,326
10/1/2027	\$6,674,326	\$2,742,781	\$403,023	\$4,334,568
10/1/2028	\$4,334,568	\$2,719,873	\$226,072	\$1,840,767
10/1/2029	\$1,840,767	\$2,687,748	\$37,764	



PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 7.60% and FRS 7/1/2015 Mortality

Number of Years Expected Benefit Payments Sustained: 13.68

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: 7.60% and FRS 7/1/2015 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>	
10/1/2016	\$20,129,646		\$1,278,767		\$1,481,260		\$20,332,139	
10/1/2017	\$20,332,139		\$1,776,554		\$1,477,734		\$20,033,318	
10/1/2018	\$20,033,318		\$2,061,643		\$1,444,190		\$19,415,865	
10/1/2019	\$19,415,865		\$2,324,345		\$1,387,281		\$18,478,801	
10/1/2020	\$18,478,801		\$2,378,001		\$1,314,025		\$17,414,825	
10/1/2021	\$17,414,825		\$2,576,098		\$1,225,635		\$16,064,362	
10/1/2022	\$16,064,362		\$2,689,963		\$1,118,673		\$14,493,072	
10/1/2023	\$14,493,072		\$2,734,643		\$997,557		\$12,755,986	
10/1/2024	\$12,755,986		\$2,742,565		\$865,237		\$10,878,658	
10/1/2025	\$10,878,658		\$2,742,308		\$722,570		\$8,858,920	
10/1/2026	\$8,858,920		\$2,753,249		\$568,654		\$6,674,326	
10/1/2027	\$6,674,326		\$2,742,781		\$403,023		\$4,334,568	
10/1/2028	\$4,334,568		\$2,719,873		\$226,072		\$1,840,767	
10/1/2029	\$1,840,767		\$2,687,748		\$37,764			



PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 7.60% and FRS 7/1/2015 Mortality

Number of Years Expected Benefit Payments Sustained: 13.68

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: 5.60% and FRS 7/1/2015 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>
10/1/2016	\$20,129,646	\$1,278,767	\$1,091,455	\$19,942,334
10/1/2017	\$19,942,334	\$1,776,554	\$1,067,027	\$19,232,807
10/1/2018	\$19,232,807	\$2,061,643	\$1,019,311	\$18,190,475
10/1/2019	\$18,190,475	\$2,324,345	\$953,585	\$16,819,715
10/1/2020	\$16,819,715	\$2,378,001	\$875,320	\$15,317,034
10/1/2021	\$15,317,034	\$2,576,098	\$785,623	\$13,526,559
10/1/2022	\$13,526,559	\$2,689,963	\$682,168	\$11,518,765
10/1/2023	\$11,518,765	\$2,734,643	\$568,481	\$9,352,602
10/1/2024	\$9,352,602	\$2,742,565	\$446,954	\$7,056,991
10/1/2025	\$7,056,991	\$2,742,308	\$318,407	\$4,633,090
10/1/2026	\$4,633,090	\$2,753,249	\$182,362	\$2,062,203
10/1/2027	\$2,062,203	\$2,742,781	\$38,686	



PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 5.60% and FRS 7/1/2015 Mortality

Number of Years Expected Benefit Payments Sustained: 11.75

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: 9.60% and FRS 7/1/2015 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>
10/1/2016	\$20,129,646	\$1,278,767	\$1,871,065	\$20,721,944
10/1/2017	\$20,721,944	\$1,776,554	\$1,904,032	\$20,849,422
10/1/2018	\$20,849,422	\$2,061,643	\$1,902,586	\$20,690,365
10/1/2019	\$20,690,365	\$2,324,345	\$1,874,706	\$20,240,726
10/1/2020	\$20,240,726	\$2,378,001	\$1,828,966	\$19,691,691
10/1/2021	\$19,691,691	\$2,576,098	\$1,766,750	\$18,882,343
10/1/2022	\$18,882,343	\$2,689,963	\$1,683,587	\$17,875,966
10/1/2023	\$17,875,966	\$2,734,643	\$1,584,830	\$16,726,153
10/1/2024	\$16,726,153	\$2,742,565	\$1,474,068	\$15,457,656
10/1/2025	\$15,457,656	\$2,742,308	\$1,352,304	\$14,067,652
10/1/2026	\$14,067,652	\$2,753,249	\$1,218,339	\$12,532,742
10/1/2027	\$12,532,742	\$2,742,781	\$1,071,490	\$10,861,450
10/1/2028	\$10,861,450	\$2,719,873	\$912,145	\$9,053,723
10/1/2029	\$9,053,723	\$2,687,748	\$740,145	\$7,106,120
10/1/2030	\$7,106,120	\$2,645,327	\$555,212	\$5,016,005
10/1/2031	\$5,016,005	\$2,616,348	\$355,952	\$2,755,609
10/1/2032	\$2,755,609	\$2,568,234	\$141,263	\$328,638
10/1/2033	\$328,638	\$2,522,148		



PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 9.60% and FRS 7/1/2015 Mortality

Number of Years Expected Benefit Payments Sustained: 17.13

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, 2017
 Valuation Date: 10/1/2016

PENSION COST	ACTUAL			
	Interest Rate: 7.60% FRS 7/1/2015 Mortality	Interest Rate: 7.60% FRS 7/1/2015 Mortality	Interest Rate: 5.60% FRS 7/1/2015 Mortality	Interest Rate: 9.60% FRS 7/1/2015 Mortality
Normal Cost	1,388,268	1,388,268	2,017,750	993,217
Administrative Expenses	146,820	146,820	146,820	146,820
Payment Required to Amortize UAAL	1,827,793	1,827,793	2,597,187	1,292,522
Interest Adjustment	113,225	113,225	125,545	95,427
Total Required Contribution	3,476,106	3,476,106	4,887,302	2,527,986
TRC as % of Payroll	53.82%	53.82%	75.67%	39.14%

