


**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: 7/29/15

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

DuLaney and Company

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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, 2014 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: 7.64% RP2000 Generational 9/30/2014	Discount Rate: 7.64% RP2000 Generational 9/30/2014	Discount Rate: 5.64% RP2000 Generational 9/30/2014	Discount Rate: 9.64% RP2000 Generational 9/30/2014
1. Total pension liability:				
a. Service cost	\$ 2,410,501	\$ 2,410,501	\$ 3,690,439	\$ 1,619,787
b. Interest	\$ 4,410,223	\$ 4,410,223	\$ 4,225,858	\$ 4,428,828
c. Benefit changes	\$ -	\$ -	\$ -	\$ -
d. Difference between expected and actual experience	\$ (554,058)	\$ (554,058)	\$ (368,663)	\$ (650,079)
e. Changes in assumptions	\$ -	\$ -	\$ -	\$ -
f. Benefit payments	\$ (1,223,106)	\$ (1,223,106)	\$ (1,223,106)	\$ (1,223,106)
g. Contribution refunds	\$ -	\$ -	\$ -	\$ -
h. Net change in total pension liability	\$ 5,043,560	\$ 5,043,560	\$ 6,324,528	\$ 4,175,430
i. Total pension liability – beginning	\$ 55,926,482	\$ 55,926,482	\$ 71,847,680	\$ 44,933,960
j. Total pension liability – ending	\$ 60,970,042	\$ 60,970,042	\$ 78,172,208	\$ 49,109,390
2. Plan fiduciary net position:				
a. Contributions – City	\$ 2,515,627	\$ 2,515,627	\$ 2,515,627	\$ 2,515,627
b. Contributions – State	\$ 356,564	\$ 356,564	\$ 356,564	\$ 356,564
c. Contributions – Member	\$ 1,071,357	\$ 1,071,357	\$ 1,071,357	\$ 1,071,357
d. Net investment income	\$ 3,886,946	\$ 3,886,946	\$ 3,886,946	\$ 3,886,946
e. Benefit payments	\$ (1,223,106)	\$ (1,223,106)	\$ (1,223,106)	\$ (1,223,106)
f. Contributions refunds	\$ -	\$ -	\$ -	\$ -
g. Administrative expense	\$ (127,535)	\$ (127,535)	\$ (127,535)	\$ (127,535)
h. Other	\$ -	\$ -	\$ -	\$ -
i. Net change in plan fiduciary net position	\$ 6,479,853	\$ 6,479,853	\$ 6,479,853	\$ 6,479,853
j. Plan fiduciary net position – beginning	\$ 42,321,186	\$ 42,321,186	\$ 42,321,186	\$ 42,321,186
k. Plan fiduciary net position – ending	\$ 48,801,039	\$ 48,801,039	\$ 48,801,039	\$ 48,801,039
3. Net pension liability/(asset) [(a)1.j. minus (a)2.k.]	\$ 12,169,003	\$ 12,169,003	\$ 29,371,169	\$ 308,351

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>
10/1/2014	\$48,801,039	\$2,188,218	\$3,578,020	\$50,190,841
10/1/2015	\$50,190,841	\$2,808,249	\$3,659,004	\$51,041,595
10/1/2016	\$51,041,595	\$3,164,790	\$3,709,440	\$51,586,246
10/1/2017	\$51,586,246	\$3,505,127	\$3,737,526	\$51,818,645
10/1/2018	\$51,818,645	\$3,864,441	\$3,741,482	\$51,695,685
10/1/2019	\$51,695,685	\$3,973,860	\$3,728,157	\$51,449,982
10/1/2020	\$51,449,982	\$4,056,404	\$3,706,634	\$51,100,212
10/1/2021	\$51,100,212	\$4,157,813	\$3,676,598	\$50,618,997
10/1/2022	\$50,618,997	\$4,387,328	\$3,631,900	\$49,863,568
10/1/2023	\$49,863,568	\$4,518,902	\$3,570,309	\$48,914,975
10/1/2024	\$48,914,975	\$4,646,586	\$3,494,376	\$47,762,765
10/1/2025	\$47,762,765	\$4,776,180	\$3,403,101	\$46,389,686
10/1/2026	\$46,389,686	\$4,861,297	\$3,296,928	\$44,825,317
10/1/2027	\$44,825,317	\$4,936,987	\$3,176,762	\$43,065,092
10/1/2028	\$43,065,092	\$4,957,192	\$3,043,987	\$41,151,887
10/1/2029	\$41,151,887	\$4,972,991	\$2,899,904	\$39,078,800
10/1/2030	\$39,078,800	\$4,977,138	\$2,744,267	\$36,845,930
10/1/2031	\$36,845,930	\$4,964,458	\$2,577,278	\$34,458,749
10/1/2032	\$34,458,749	\$4,903,696	\$2,400,518	\$31,955,571
10/1/2033	\$31,955,571	\$4,923,004	\$2,212,055	\$29,244,622
10/1/2034	\$29,244,622	\$4,892,585	\$2,009,875	\$26,361,912
10/1/2035	\$26,361,912	\$4,870,500	\$1,794,500	\$23,285,911
10/1/2036	\$23,285,911	\$4,823,043	\$1,565,579	\$20,028,447
10/1/2037	\$20,028,447	\$4,761,497	\$1,323,577	\$16,590,528
10/1/2038	\$16,590,528	\$4,700,669	\$1,068,014	\$12,957,873
10/1/2039	\$12,957,873	\$4,647,034	\$797,577	\$9,108,416
10/1/2040	\$9,108,416	\$4,551,313	\$512,457	\$5,069,560

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 7.50% and RP 2000 Generational

10/1/2041	\$5,069,560	\$4,439,598	\$213,732	\$843,694
10/1/2042	\$843,694	\$4,321,744		

Number of Years Expected Benefit Payments Sustained: 28.20

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: 7.64% 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>
10/1/2014	\$48,801,039	\$2,188,218	\$3,644,809	\$50,257,630
10/1/2015	\$50,257,630	\$2,808,249	\$3,732,408	\$51,181,789
10/1/2016	\$51,181,789	\$3,164,790	\$3,789,394	\$51,806,393
10/1/2017	\$51,806,393	\$3,505,127	\$3,824,113	\$52,125,379
10/1/2018	\$52,125,379	\$3,864,441	\$3,834,757	\$52,095,695
10/1/2019	\$52,095,695	\$3,973,860	\$3,828,310	\$51,950,145
10/1/2020	\$51,950,145	\$4,056,404	\$3,814,036	\$51,707,777
10/1/2021	\$51,707,777	\$4,157,813	\$3,791,646	\$51,341,610
10/1/2022	\$51,341,610	\$4,387,328	\$3,754,903	\$50,709,185
10/1/2023	\$50,709,185	\$4,518,902	\$3,701,560	\$49,891,842
10/1/2024	\$49,891,842	\$4,646,586	\$3,634,237	\$48,879,494
10/1/2025	\$48,879,494	\$4,776,180	\$3,551,943	\$47,655,257
10/1/2026	\$47,655,257	\$4,861,297	\$3,455,160	\$46,249,120
10/1/2027	\$46,249,120	\$4,936,987	\$3,344,840	\$44,656,973
10/1/2028	\$44,656,973	\$4,957,192	\$3,222,428	\$42,922,209
10/1/2029	\$42,922,209	\$4,972,991	\$3,089,288	\$41,038,506
10/1/2030	\$41,038,506	\$4,977,138	\$2,945,215	\$39,006,583
10/1/2031	\$39,006,583	\$4,964,458	\$2,790,461	\$36,832,586
10/1/2032	\$36,832,586	\$4,903,696	\$2,626,688	\$34,555,578
10/1/2033	\$34,555,578	\$4,923,004	\$2,451,987	\$32,084,562
10/1/2034	\$32,084,562	\$4,892,585	\$2,264,364	\$29,456,341
10/1/2035	\$29,456,341	\$4,870,500	\$2,064,411	\$26,650,252
10/1/2036	\$26,650,252	\$4,823,043	\$1,851,839	\$23,679,048
10/1/2037	\$23,679,048	\$4,761,497	\$1,627,190	\$20,544,741
10/1/2038	\$20,544,741	\$4,700,669	\$1,390,053	\$17,234,125
10/1/2039	\$17,234,125	\$4,647,034	\$1,139,170	\$13,726,261
10/1/2040	\$13,726,261	\$4,551,313	\$874,826	\$10,049,774

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 7.64% and RP2000 Generational

10/1/2041	\$10,049,774	\$4,439,598	\$598,210	\$6,208,386
10/1/2042	\$6,208,386	\$4,321,744	\$309,230	\$2,195,872
10/1/2043	\$2,195,872	\$4,189,809		

Number of Years Expected Benefit Payments Sustained: 29.52

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: 5.64% 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>
10/1/2014	\$48,801,039	\$2,188,218	\$2,690,671	\$49,303,492
10/1/2015	\$49,303,492	\$2,808,249	\$2,701,524	\$49,196,767
10/1/2016	\$49,196,767	\$3,164,790	\$2,685,451	\$48,717,428
10/1/2017	\$48,717,428	\$3,505,127	\$2,648,818	\$47,861,119
10/1/2018	\$47,861,119	\$3,864,441	\$2,590,390	\$46,587,068
10/1/2019	\$46,587,068	\$3,973,860	\$2,515,448	\$45,128,656
10/1/2020	\$45,128,656	\$4,056,404	\$2,430,866	\$43,503,117
10/1/2021	\$43,503,117	\$4,157,813	\$2,336,325	\$41,681,630
10/1/2022	\$41,681,630	\$4,387,328	\$2,227,121	\$39,521,423
10/1/2023	\$39,521,423	\$4,518,902	\$2,101,575	\$37,104,096
10/1/2024	\$37,104,096	\$4,646,586	\$1,961,637	\$34,419,148
10/1/2025	\$34,419,148	\$4,776,180	\$1,806,552	\$31,449,519
10/1/2026	\$31,449,519	\$4,861,297	\$1,636,664	\$28,224,887
10/1/2027	\$28,224,887	\$4,936,987	\$1,452,661	\$24,740,560
10/1/2028	\$24,740,560	\$4,957,192	\$1,255,575	\$21,038,943
10/1/2029	\$21,038,943	\$4,972,991	\$1,046,358	\$17,112,310
10/1/2030	\$17,112,310	\$4,977,138	\$824,779	\$12,959,951
10/1/2031	\$12,959,951	\$4,964,458	\$590,944	\$8,586,437
10/1/2032	\$8,586,437	\$4,903,696	\$345,991	\$4,028,731
10/1/2033	\$4,028,731	\$4,923,004		

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 5.64% and RP2000 Generational

Number of Years Expected Benefit Payments Sustained: 19.82

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: 9.64% 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>
10/1/2014	\$48,801,039	\$2,188,218	\$4,598,948	\$51,211,769
10/1/2015	\$51,211,769	\$2,808,249	\$4,801,457	\$53,204,977
10/1/2016	\$53,204,977	\$3,164,790	\$4,976,417	\$55,016,604
10/1/2017	\$55,016,604	\$3,505,127	\$5,134,653	\$56,646,130
10/1/2018	\$56,646,130	\$3,864,441	\$5,274,421	\$58,056,110
10/1/2019	\$58,056,110	\$3,973,860	\$5,405,069	\$59,487,319
10/1/2020	\$59,487,319	\$4,056,404	\$5,539,059	\$60,969,974
10/1/2021	\$60,969,974	\$4,157,813	\$5,677,099	\$62,489,260
10/1/2022	\$62,489,260	\$4,387,328	\$5,812,495	\$63,914,428
10/1/2023	\$63,914,428	\$4,518,902	\$5,943,540	\$65,339,065
10/1/2024	\$65,339,065	\$4,646,586	\$6,074,720	\$66,767,200
10/1/2025	\$66,767,200	\$4,776,180	\$6,206,146	\$68,197,166
10/1/2026	\$68,197,166	\$4,861,297	\$6,339,892	\$69,675,761
10/1/2027	\$69,675,761	\$4,936,987	\$6,478,781	\$71,217,555
10/1/2028	\$71,217,555	\$4,957,192	\$6,626,436	\$72,886,798
10/1/2029	\$72,886,798	\$4,972,991	\$6,786,589	\$74,700,397
10/1/2030	\$74,700,397	\$4,977,138	\$6,961,220	\$76,684,479
10/1/2031	\$76,684,479	\$4,964,458	\$7,153,097	\$78,873,118
10/1/2032	\$78,873,118	\$4,903,696	\$7,367,010	\$81,336,432
10/1/2033	\$81,336,432	\$4,923,004	\$7,603,543	\$84,016,971
10/1/2034	\$84,016,971	\$4,892,585	\$7,863,413	\$86,987,800
10/1/2035	\$86,987,800	\$4,870,500	\$8,150,866	\$90,268,166

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 9.64% and RP2000 Generational

10/1/2036	\$90,268,166	\$4,823,043	\$8,469,380	\$93,914,503
10/1/2037	\$93,914,503	\$4,761,497	\$8,823,854	\$97,976,860
10/1/2038	\$97,976,860	\$4,700,669	\$9,218,397	\$102,494,588
10/1/2039	\$102,494,588	\$4,647,034	\$9,656,491	\$107,504,045
10/1/2040	\$107,504,045	\$4,551,313	\$10,144,017	\$113,096,749
10/1/2041	\$113,096,749	\$4,439,598	\$10,688,538	\$119,345,689
10/1/2042	\$119,345,689	\$4,321,744	\$11,296,616	\$126,320,562
10/1/2043	\$126,320,562	\$4,189,809	\$11,975,353	\$134,106,106
10/1/2044	\$134,106,106	\$4,054,557	\$12,732,399	\$142,783,948
10/1/2045	\$142,783,948	\$3,910,947	\$13,575,865	\$152,448,866
10/1/2046	\$152,448,866	\$3,759,622	\$14,514,857	\$163,204,101
10/1/2047	\$163,204,101	\$3,598,773	\$15,559,414	\$175,164,742
10/1/2048	\$175,164,742	\$3,429,898	\$16,720,560	\$188,455,404
10/1/2049	\$188,455,404	\$3,252,553	\$18,010,328	\$203,213,179
10/1/2050	\$203,213,179	\$3,073,222	\$19,441,621	\$219,581,578
10/1/2051	\$219,581,578	\$2,889,865	\$21,028,373	\$237,720,086

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, 2015
 Valuation Date: 10/1/2014

PENSION COST	<u>ACTUAL</u>	Interest Rate: 7.64% <u>RP2000 Generational</u>	Interest Rate: 5.64% <u>RP2000 Generational</u>	Interest Rate: 9.64% <u>RP2000 Generational</u>
	Interest Rate: 7.5% <u>RP2000 Generational</u>			
Normal Cost	2,277,948	2,211,959	3,414,713	1,474,737
Administrative Expenses	127,535	127,535	127,535	127,535
Payment Required to Amortize UAAL	1,290,305	1,211,346	2,372,692	150,917
Interest Adjustment	<u>107,008</u>	<u>103,142</u>	<u>147,503</u>	<u>39,105</u>
Total Required Contribution	3,802,796	3,653,982	6,062,443	1,792,294