

CITY OF WILTON MANORS VOLUNTEER FIREFIGHTERS' RETIREMENT SYSTEM

CHAPTER 112.664, F.S. COMPLIANCE REPORT

In Connection with the October 1, 2016 Funding Actuarial
Valuation Report and the Plan's Financial Reporting for the
Year Ending September 30, 2016





August 4, 2017

Board of Trustees
City of Wilton Manors Volunteer Firefighters' Retirement System
Wilton Manors, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Wilton Manors Volunteer Firefighters' Retirement System to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

This report was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board.

The purpose of the report is to provide the required information specified in Ch. 112.664, F.S. as well as supplement this information with additional exhibits. This report should not be relied on for any purpose other than the purpose described above.

The findings in this report are based on data or other information through September 30, 2016. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of this engagement does not include an analysis of the potential range of such measurements.

This report was based upon information furnished by the City concerning Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by the City.

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Board as described in our October 1, 2016 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2016 actuarial valuation report. Please refer to the October 1, 2016 actuarial valuation report, dated June 6, 2017, for summaries and descriptions of this information.

The use of an investment return assumption that is 2% higher than the investment return assumption used to determine the funding requirements does not represent an estimate of future Plan experience nor does it reflect an observation of future return estimates inherent in financial market data. The use of this investment return assumption is provided as a counterpart to the Chapter 112.664, Florida Statutes requirement to utilize an investment return assumption that is 2% lower than the assumption used to determine the funding requirements. The inclusion of the additional exhibits showing the effect of using a 2% higher investment return assumption shows a more complete assessment of the range of possible results as opposed to showing a one-sided range as required by Florida Statutes.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

Theora Braccialarghe and Melissa Moskowitz are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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 us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate, and in our opinion, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By Theora Braccialarghe

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CH. 112.664, FLORIDA STATUTES

RESULTS

**Schedule of Changes in the Employers' Net Pension Liability
Using Financial Reporting Assumptions per GASB Statement No. 67**

Fiscal year ending September 30,	<u>2016</u>
1. Total pension liability	
a. Service Cost	\$ 2,784
b. Interest	132,943
c. Benefit Changes	-
d. Difference between actual & expected experience	(7,955)
e. Assumption Changes	-
f. Benefit Payments	(79,458)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>48,314</u>
i. Total Pension Liability - Beginning	<u>1,944,090</u>
j. Total Pension Liability - Ending	<u>\$ 1,992,404</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - Non-Employer Contributing Entity	113,066
c. Contributions - Member	-
d. Net Investment Income	114,245
e. Benefit Payments	(79,458)
f. Contribution Refunds	-
g. Administrative Expense	(23,065)
h. Other	(1)
i. Net Change in Plan Fiduciary Net Position	<u>124,787</u>
j. Plan Fiduciary Net Position - Beginning	<u>1,403,369</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 1,528,156</u>
3. Net Pension Liability / (Asset)	464,248
Certain Key Assumptions	
Valuation Date	10/01/2015
Measurement Date	09/30/2016
Investment Return Assumption	7.00%
Mortality Table	RP-2000 fully generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(a), F.S.**

Fiscal year ending September 30,

	<u>2016</u>
1. Total pension liability	
a. Service Cost	\$ 2,784
b. Interest	132,943
c. Benefit Changes	-
d. Difference between actual & expected experience	(7,955)
e. Assumption Changes	-
f. Benefit Payments	(79,458)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>48,314</u>
i. Total Pension Liability - Beginning	<u>1,944,090</u>
j. Total Pension Liability - Ending	<u>\$ 1,992,404</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - Non-Employer Contributing Entity	113,066
c. Contributions - Member	-
d. Net Investment Income	114,245
e. Benefit Payments	(79,458)
f. Contribution Refunds	-
g. Administrative Expense	(23,065)
h. Other	(1)
i. Net Change in Plan Fiduciary Net Position	<u>124,787</u>
j. Plan Fiduciary Net Position - Beginning	<u>1,403,369</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 1,528,156</u>
3. Net Pension Liability / (Asset)	464,248

Certain Key Assumptions

Valuation Date	10/01/2015
Measurement Date	09/30/2016
Investment Return Assumption	7.00%
Mortality Table	RP-2000 fully generational using Scale AA

**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(b), F.S.**

Fiscal year ending September 30,	2016
1. Total pension liability	
a. Service Cost	\$ 4,743
b. Interest	113,304
c. Benefit Changes	-
d. Difference between actual & expected experience	-
e. Assumption Changes	-
f. Benefit Payments	(79,458)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	38,589
i. Total Pension Liability - Beginning	2,301,065
j. Total Pension Liability - Ending	\$ 2,339,654
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - Non-Employer Contributing Entity	113,066
c. Contributions - Member	-
d. Net Investment Income	114,245
e. Benefit Payments	(79,458)
f. Contribution Refunds	-
g. Administrative Expense	(23,065)
h. Other	(1)
i. Net Change in Plan Fiduciary Net Position	124,787
j. Plan Fiduciary Net Position - Beginning	1,403,369
k. Plan Fiduciary Net Position - Ending	\$ 1,528,156
 3. Net Pension Liability / (Asset)	 811,498
 Certain Key Assumptions	
Valuation Date	10/01/2015
Measurement Date	09/30/2016
Investment Return Assumption	5.00%
Mortality Table	RP-2000 fully generational using Scale AA

Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

Fiscal year ending September 30,	2016
1. Total pension liability	
a. Service Cost	\$ 1,682
b. Interest	147,861
c. Benefit Changes	-
d. Difference between actual & expected experience	-
e. Assumption Changes	-
f. Benefit Payments	(79,458)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	70,085
i. Total Pension Liability - Beginning	1,680,948
j. Total Pension Liability - Ending	\$ 1,751,033
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - Non-Employer Contributing Entity	113,066
c. Contributions - Member	-
d. Net Investment Income	114,245
e. Benefit Payments	(79,458)
f. Contribution Refunds	-
g. Administrative Expense	(23,065)
h. Other	(1)
i. Net Change in Plan Fiduciary Net Position	124,787
j. Plan Fiduciary Net Position - Beginning	1,403,369
k. Plan Fiduciary Net Position - Ending	\$ 1,528,156
 3. Net Pension Liability / (Asset)	 222,877
 Certain Key Assumptions	
Valuation Date	10/01/2015
Measurement Date	09/30/2016
Investment Return Assumption	9.00%
Mortality Table	RP-2000 fully generational using Scale AA

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions from the Plan's Latest Actuarial Valuation

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2017	1,014,601	57,827	101,635	970,793
2018	970,793	54,928	110,638	915,083
2019	915,083	51,594	110,353	856,324
2020	856,324	48,078	110,047	794,355
2021	794,355	44,370	109,719	729,006
2022	729,006	40,275	115,524	653,757
2023	653,757	35,731	116,479	573,009
2024	573,009	30,914	115,544	488,379
2025	488,379	25,853	114,981	399,251
2026	399,251	20,425	117,680	301,996
2027	301,996	14,552	118,940	197,608
2028	197,608	8,336	117,344	88,600
2029	88,600	1,826	116,324	-
2030	-	-	115,230	-
2031	-	-	114,054	-
2032	-	-	112,284	-
2033	-	-	110,718	-
2034	-	-	109,167	-
2035	-	-	107,498	-
2036	-	-	105,441	-
2037	-	-	103,197	-
2038	-	-	101,065	-
2039	-	-	98,781	-
2040	-	-	96,322	-
2041	-	-	93,677	-
2042	-	-	90,848	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:** 12.75

Certain Key Assumptions

Valuation Investment return assumption 6.00%
 Valuation Mortality Table FRS Mortality Rates from 7/1/16 FRS Valuation

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.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(a), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2017	1,014,601	57,827	101,635	970,793
2018	970,793	54,928	110,638	915,083
2019	915,083	51,594	110,353	856,324
2020	856,324	48,078	110,047	794,355
2021	794,355	44,370	109,719	729,006
2022	729,006	40,275	115,524	653,757
2023	653,757	35,731	116,479	573,009
2024	573,009	30,914	115,544	488,379
2025	488,379	25,853	114,981	399,251
2026	399,251	20,425	117,680	301,996
2027	301,996	14,552	118,940	197,608
2028	197,608	8,336	117,344	88,600
2029	88,600	1,826	116,324	-
2030	-	-	115,230	-
2031	-	-	114,054	-
2032	-	-	112,284	-
2033	-	-	110,718	-
2034	-	-	109,167	-
2035	-	-	107,498	-
2036	-	-	105,441	-
2037	-	-	103,197	-
2038	-	-	101,065	-
2039	-	-	98,781	-
2040	-	-	96,322	-
2041	-	-	93,677	-
2042	-	-	90,848	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes 12.75

Certain Key Assumptions

Valuation Investment return assumption 6.00%
 Valuation Mortality Table FRS Mortality Rates from 7/1/16 FRS Valuation

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.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(b), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2017	1,014,601	38,551	101,635	951,517
2018	951,517	35,848	110,638	876,727
2019	876,727	32,862	110,353	799,236
2020	799,236	29,769	110,047	718,958
2021	718,958	26,564	109,719	635,803
2022	635,803	23,122	115,524	543,401
2023	543,401	19,406	116,479	446,328
2024	446,328	15,542	115,544	346,326
2025	346,326	11,553	114,981	242,898
2026	242,898	7,362	117,680	132,580
2027	132,580	2,924	118,940	16,564
2028	16,564	-	117,344	-
2029	-	-	116,324	-
2030	-	-	115,230	-
2031	-	-	114,054	-
2032	-	-	112,284	-
2033	-	-	110,718	-
2034	-	-	109,167	-
2035	-	-	107,498	-
2036	-	-	105,441	-
2037	-	-	103,197	-
2038	-	-	101,065	-
2039	-	-	98,781	-
2040	-	-	96,322	-
2041	-	-	93,677	-
2042	-	-	90,848	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:** 11.17

Certain Key Assumptions

Valuation Investment return assumption 4.00%
 Valuation Mortality Table FRS Mortality Rates from 7/1/16 FRS Valuation

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.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2017	1,014,601	77,103	101,635	990,069
2018	990,069	74,780	110,638	954,211
2019	954,211	71,923	110,353	915,781
2020	915,781	68,861	110,047	874,595
2021	874,595	65,579	109,719	830,455
2022	830,455	61,815	115,524	776,746
2023	776,746	57,481	116,479	717,748
2024	717,748	52,798	115,544	655,002
2025	655,002	47,801	114,981	587,822
2026	587,822	42,319	117,680	512,461
2027	512,461	36,239	118,940	429,760
2028	429,760	29,687	117,344	342,103
2029	342,103	22,715	116,324	248,494
2030	248,494	15,270	115,230	148,534
2031	148,534	7,321	114,054	41,801
2032	41,801	-	112,284	-
2033	-	-	110,718	-
2034	-	-	109,167	-
2035	-	-	107,498	-
2036	-	-	105,441	-
2037	-	-	103,197	-
2038	-	-	101,065	-
2039	-	-	98,781	-
2040	-	-	96,322	-
2041	-	-	93,677	-
2042	-	-	90,848	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:** 15.33

Certain Key Assumptions

Valuation Investment return assumption 8.00%
 Valuation Mortality Table FRS Mortality Rates from 7/1/16 FRS Valuation

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.

ACTUARIALLY DETERMINED CONTRIBUTION (ADC)

	Plan's Latest Actuarial Valuation	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. except 2% higher investment return assumption
A. Valuation Date	October 1, 2016	October 1, 2016	October 1, 2016	October 1, 2016
B. Actuarial Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2017	9/30/2017	9/30/2017
C. Assumed Dates of Employer Contributions	August	August	August	August
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 52,202	\$ 52,202	\$ 84,973	\$ 25,492
E. Total Normal Cost	34,298	34,298	36,885	32,879
F. ADC if Paid on Valuation Date: D + E	86,500	86,500	121,858	58,371
G. ADC Adjusted for Frequency of Payments	91,007	91,007	126,102	62,417
H. Adjusted for Frequency of as % of Covered Payroll	N/A	N/A	N/A	N/A
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	0.00 %	0.00 %	0.00 %	0.00 %
J. Covered Payroll for Contribution Year	N/A	N/A	N/A	N/A
K. ADC for Contribution Year	91,007	91,007	126,102	62,417
L. Expected State Contributions in Contribution Year	113,066	113,066	113,066	113,066
M. Employer ADC in Contribution Year	0	0	13,036	0
N. Employer ADC as % of Covered Payroll in Contribution Year: M ÷ J	N/A	N/A	N/A	N/A
O. Certain Key Assumptions				
Investment Return Assumption	6.00%	6.00%	4.00%	8.00%
Mortality Table	FRS Mortality Rates from 7/1/16 FRS Valuation			