



March 23, 2016

City of Wilton Manors Pension Plan for General Employees and Police, Pension Board
c/o Ms. Brenda J. Clanton
Chairperson, Board of Trustees
City of Wilton Manors
524 NE 21st Court
Wilton Manors, FL 33305

**Re: City of Wilton Manors Pension Plan for General Employees & Police Officers
FYE 2015 GASB No. 67 Disclosure Information - Revised**

Dear Board Members:

As requested, we have prepared the revised actuarial disclosure information required under Governmental Accounting Standards Board (GASB) Statement Number 67 for the fiscal year ending September 30, 2015. The enclosed figures were revised from our March 21, 2016 to reflect actual total payroll provided by the City. Pursuant to discussions with the City, we have also removed the historical information prior to 2014 on page 5 and revised the actual contribution amount for 2015.

The following exhibits were based upon financial information as of September 30, 2015, which was provided by the Plan's Auditor, as well as information furnished by the Plan Administrator. If any of this information changes during the auditing process (including benefit payments, contributions, administrative expenses, or the actual market value of assets as of September 30, 2015), then the following exhibits will need to be revised:

- Statement of Changes in Net Pension Liability and Ratios, using the Single Discount Rate
- Schedule of Net Pension Liability
- Schedule of Contributions
- Notes to Schedule of Contributions
- Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

The actuarial valuation of the liabilities has been determined as of the beginning of the year, October 1, 2014 (based on the actuarial valuation results as reported in the October 1, 2014 Actuarial Valuation Report dated June 1, 2015), and "rolled forward" to the September 30, 2015 measurement date. Using the beginning of the year valuation of liabilities allows for timelier reporting at the end of the year. If significant changes occur during the year, such as benefit changes or changes in assumptions or methods, these may need to be reflected in the process.

Please note that there are other items not listed above that will be required in the in the Plan's financial statements and/or the City's Comprehensive Annual Financial Report (CAFR) to fully comply with GASB No. 67 standards. This additional information will need to be provided by the Plans' investment consultants, accountants or other financial statement preparers.

Required Disclosures

This report was prepared at the request of the Board and is intended for use by the Pension Plan and those designated or approved by the Board. This report may be provided to parties other than the Retirement Plan only in its entirety and only with their permission. This report should not be relied on for any purpose other than the purpose described above.

The calculations in this report are based upon information furnished by the Plan Administrator for the October 1, 2014 Actuarial Valuation concerning plan provisions, active members, terminated members, retirees and beneficiaries and financial information as of September 30, 2015. We reviewed this information for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the Plan Administrator or the Plan's Auditor.

The calculations are based upon assumptions regarding future events, which may or may not materialize. They are also based on the assumptions, methods, and plan provisions outlined in this report and our Actuarial Valuation Report as of October 1, 2014, dated June 1, 2015. 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. If you have reason to believe that the assumptions that were used are unreasonable, that the plan provisions are incorrectly described, that important plan provisions relevant to this proposal are not described, or that conditions have changed since the calculations were made, you should contact the author of the report prior to relying on information in the report.

Melissa R. Algayer and Jeffrey Amrose 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 undersigned actuaries are independent of the plan sponsor.

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 Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

We welcome your questions and comments.

Sincerely yours,



Melissa R. Algayer, EA, MAAA
Consultant & Actuary



Jeffrey Amrose, EA, MAAA
Senior Consultant & Actuary

Enclosures

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
GASB Statement No. 67**

Fiscal year ending September 30,	2015	2014
Total pension liability		
Service Cost	\$ 129,615	\$ 112,087
Interest	2,571,868	2,578,844
Benefit Changes	-	-
Difference between actual & expected experience	60,844	54,908
Assumption Changes	2,522,504	-
Benefit Payments	(2,756,178)	(3,224,482)
Refunds	-	-
Net Change in Total Pension Liability	2,528,653	(478,643)
Total Pension Liability - Beginning	35,406,099	35,884,742
Total Pension Liability - Ending (a)	\$ 37,934,752	\$ 35,406,099
Plan Fiduciary Net Position		
Contributions - Employer and State	\$ 1,676,869	\$ 1,645,738
Contributions - Member	64,249	59,289
Net Investment Income	(1,489,322)	2,836,305
Benefit Payments	(2,756,178)	(3,224,482)
Refunds	-	-
Administrative Expense	(88,375)	(81,815)
Other	9,974	2,154
Net Change in Plan Fiduciary Net Position	(2,582,783)	1,237,189
Plan Fiduciary Net Position - Beginning	25,648,327	24,411,138
Plan Fiduciary Net Position - Ending (b)	\$ 23,065,544	\$ 25,648,327
Net Pension Liability - Ending (a) - (b)	14,869,208	9,757,772
Plan Fiduciary Net Position as a Percentage		
of Total Pension Liability	60.80 %	72.44 %
Covered Employee Payroll	\$ 974,220	\$ 937,125
Net Pension Liability as a Percentage		
of Covered Employee Payroll	1,526.27 %	1,041.25 %

SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY
GASB Statement No. 67

<u>FY Ending September 30.</u>	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>	<u>Plan Net Position as a % of Total Pension Liability</u>	<u>Covered Employee Payroll</u>	<u>Net Pension Liability as a % of Covered Employee Payroll</u>
2015	\$ 37,934,752	\$ 23,065,544	\$ 14,869,208	60.80%	\$ 974,220	1,526.27%
2014	\$ 35,406,099	\$ 25,648,327	\$ 9,757,772	72.44%	\$ 937,125	1,041.25%

SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

<u>FY Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2015	\$ 1,674,023	\$ 1,676,869	\$ (2,846) *	\$ 974,220	172.12%
2014	1,645,738	1,645,738	-	937,125	175.62%

* This excess amount is due to a receivable employer contribution for fiscal year ending September 30, 2013.

NOTES TO SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

Valuation Date: October 1, 2014

Notes Actuarially determined contribution rates are calculated as of October 1, which is one year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	16 years
Asset Valuation Method	5-year smoothed market
Inflation	3.0%
Salary Increases	5.5%
Investment Rate of Return	7.00%
Annual cost-of-living adjustment for eligible retirees	3.0%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with a one-year age setforward, plus an additional five-year age setforward for impaired mortality, and with mortality improvement projected to all future years after 2000 using Scale AA.

Other Information:

Notes See Discussion of Valuation Results on Page 1 of the October 1, 2014 Actuarial Valuation Report dated June 1, 2015.

SENSITIVITY OF NET PENSION LIABILITY TO THE SINGLE DISCOUNT RATE ASSUMPTION

A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7.00%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

	Current Single Discount Rate Assumption	
1% Decrease 6.00%	7.00%	1% Increase 8.00%
\$ 19,213,599	\$ 14,869,208	\$ 11,267,170