

CITY OF WILTON MANORS PENSION PLAN FOR GENERAL EMPLOYEES & POLICE OFFICERS

CHAPTER 112.664, F.S. COMPLIANCE REPORT

In Connection with the October 1, 2018 Funding Actuarial
Valuation Report and the Plan's Financial Reporting for the
Year Ending September 30, 2018





August 5, 2019

Board of Trustees
City of Wilton Manors Pension Plan for General Employees and Police Officers
Wilton Manors, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Wilton Manors Pension Plan for General Employees and Police Officers 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, 2018. 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 and Plan Administrator 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 and Plan Administrator.

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, 2018 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2018 actuarial valuation report. Please refer to the October 1, 2018 actuarial valuation report, dated May 31, 2019, 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,	2018
1. Total pension liability	
a. Service Cost	\$ 131,863
b. Interest	2,591,888
c. Benefit Changes	-
d. Difference between actual & expected experience	(344,394)
e. Assumption Changes	-
f. Benefit Payments	(2,728,566)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	(349,209)
i. Total Pension Liability - Beginning	38,259,387
j. Total Pension Liability - Ending	\$ 37,910,178
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 1,667,049
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	55,551
d. Net Investment Income	2,759,884
e. Benefit Payments	(2,728,566)
f. Contribution Refunds	-
g. Administrative Expense	(93,091)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	1,660,827
j. Plan Fiduciary Net Position - Beginning	25,162,888
k. Plan Fiduciary Net Position - Ending	\$ 26,823,715
 3. Net Pension Liability / (Asset)	11,086,463
 Certain Key Assumptions	
Valuation Date	10/01/2017
Measurement Date	09/30/2018
Investment Return Assumption	7.00%
Mortality Table	FRS Mortality Rates from 7/1/16 FRS Valuation

**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>2018</u>
1. Total pension liability	
a. Service Cost	\$ 131,863
b. Interest	2,591,888
c. Benefit Changes	-
d. Difference between actual & expected experience	(344,394)
e. Assumption Changes	-
f. Benefit Payments	(2,728,566)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>(349,209)</u>
i. Total Pension Liability - Beginning	<u>38,259,387</u>
j. Total Pension Liability - Ending	<u>\$ 37,910,178</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 1,667,049
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	55,551
d. Net Investment Income	2,759,884
e. Benefit Payments	(2,728,566)
f. Contribution Refunds	-
g. Administrative Expense	(93,091)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>1,660,827</u>
j. Plan Fiduciary Net Position - Beginning	<u>25,162,888</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 26,823,715</u>
3. Net Pension Liability / (Asset)	11,086,463
Certain Key Assumptions	
Valuation Date	10/01/2017
Measurement Date	09/30/2018
Investment Return Assumption	7.00%
Mortality Table	FRS Mortality Rates from 7/1/16 FRS Valuation

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

Fiscal year ending September 30,	<u>2018</u>
1. Total pension liability	
a. Service Cost	\$ 213,697
b. Interest	2,318,347
c. Benefit Changes	-
d. Difference between actual & expected experience	-
e. Assumption Changes	-
f. Benefit Payments	(2,728,566)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>(196,522)</u>
i. Total Pension Liability - Beginning	47,517,528
j. Total Pension Liability - Ending	<u>\$ 47,321,006</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 1,667,049
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	55,551
d. Net Investment Income	2,759,884
e. Benefit Payments	(2,728,566)
f. Contribution Refunds	-
g. Administrative Expense	(93,091)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>1,660,827</u>
j. Plan Fiduciary Net Position - Beginning	25,162,888
k. Plan Fiduciary Net Position - Ending	<u>\$ 26,823,715</u>
3. Net Pension Liability / (Asset)	20,497,291
Certain Key Assumptions	
Valuation Date	10/01/2017
Measurement Date	09/30/2018
Investment Return Assumption	5.00%
Mortality Table	FRS Mortality Rates from 7/1/16 FRS Valuation

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,	2018
1. Total pension liability	
a. Service Cost	\$ 86,168
b. Interest	2,706,904
c. Benefit Changes	-
d. Difference between actual & expected experience	-
e. Assumption Changes	-
f. Benefit Payments	(2,728,566)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	64,506
i. Total Pension Liability - Beginning	31,354,823
j. Total Pension Liability - Ending	\$ 31,419,329
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 1,667,049
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	55,551
d. Net Investment Income	2,759,884
e. Benefit Payments	(2,728,566)
f. Contribution Refunds	-
g. Administrative Expense	(93,091)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	1,660,827
j. Plan Fiduciary Net Position - Beginning	25,162,888
k. Plan Fiduciary Net Position - Ending	\$ 26,823,715
3. Net Pension Liability / (Asset)	4,595,614
Certain Key Assumptions	
Valuation Date	10/01/2017
Measurement Date	09/30/2018
Investment Return Assumption	9.00%
Mortality Table	FRS Mortality Rates from 7/1/16 FRS Valuation

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)
2019	26,791,481	1,753,559	2,755,151	25,789,889
2020	25,789,889	1,680,803	2,860,844	24,609,848
2021	24,609,848	1,597,861	2,904,892	23,302,817
2022	23,302,817	1,506,611	2,935,740	21,873,688
2023	21,873,688	1,407,637	2,946,318	20,335,007
2024	20,335,007	1,301,416	2,947,807	18,688,616
2025	18,688,616	1,188,065	2,940,565	16,936,116
2026	16,936,116	1,067,514	2,929,785	15,073,845
2027	15,073,845	939,362	2,919,817	13,093,390
2028	13,093,390	803,130	2,907,641	10,988,879
2029	10,988,879	658,593	2,888,120	8,759,352
2030	8,759,352	505,483	2,867,034	6,397,801
2031	6,397,801	343,357	2,843,214	3,897,944
2032	3,897,944	171,786	2,816,584	1,253,146
2033	1,253,146	-	2,787,025	-
2034	-	-	2,754,412	-
2035	-	-	2,718,659	-
2036	-	-	2,679,759	-
2037	-	-	2,637,880	-
2038	-	-	2,592,835	-
2039	-	-	2,544,271	-
2040	-	-	2,492,072	-

sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

14.42

Certain Key Assumptions

Valuation Investment return assumption

6.90%

Valuation Mortality Table

FRS Mortality Rates from 7/1/16 FRS Valuation

Note: As required in Section 112.664(1)(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)
2019	26,791,481	1,753,559	2,755,151	25,789,889
2020	25,789,889	1,680,803	2,860,844	24,609,848
2021	24,609,848	1,597,861	2,904,892	23,302,817
2022	23,302,817	1,506,611	2,935,740	21,873,688
2023	21,873,688	1,407,637	2,946,318	20,335,007
2024	20,335,007	1,301,416	2,947,807	18,688,616
2025	18,688,616	1,188,065	2,940,565	16,936,116
2026	16,936,116	1,067,514	2,929,785	15,073,845
2027	15,073,845	939,362	2,919,817	13,093,390
2028	13,093,390	803,130	2,907,641	10,988,879
2029	10,988,879	658,593	2,888,120	8,759,352
2030	8,759,352	505,483	2,867,034	6,397,801
2031	6,397,801	343,357	2,843,214	3,897,944
2032	3,897,944	171,786	2,816,584	1,253,146
2033	1,253,146	-	2,787,025	-
2034	-	-	2,754,412	-
2035	-	-	2,718,659	-
2036	-	-	2,679,759	-
2037	-	-	2,637,880	-
2038	-	-	2,592,835	-
2039	-	-	2,544,271	-
2040	-	-	2,492,072	-

sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions: 14.42

Certain Key Assumptions

Valuation Investment return assumption	6.90%
Valuation Mortality Table	FRS Mortality Rates from 7/1/16 FRS Valuation

Note: As required in Section 112.664(1)(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

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)
2019	26,791,481	1,245,281	2,755,151	25,281,611
2020	25,281,611	1,168,708	2,860,844	23,589,475
2021	23,589,475	1,084,714	2,904,892	21,769,297
2022	21,769,297	994,770	2,935,740	19,828,327
2023	19,828,327	899,403	2,946,318	17,781,412
2024	17,781,412	799,068	2,947,807	15,632,673
2025	15,632,673	693,957	2,940,565	13,386,065
2026	13,386,065	584,137	2,929,785	11,040,417
2027	11,040,417	469,445	2,919,817	8,590,045
2028	8,590,045	349,675	2,907,641	6,032,079
2029	6,032,079	224,813	2,888,120	3,368,772
2030	3,368,772	94,827	2,867,034	596,565
2031	596,565	-	2,843,214	-
2032	-	-	2,816,584	-
2033	-	-	2,787,025	-
2034	-	-	2,754,412	-
2035	-	-	2,718,659	-
2036	-	-	2,679,759	-
2037	-	-	2,637,880	-
2038	-	-	2,592,835	-
2039	-	-	2,544,271	-
2040	-	-	2,492,072	-

sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:

12.25

Certain Key Assumptions

Valuation Investment return assumption
 Valuation Mortality Table

4.90%
 FRS Mortality Rates from 7/1/16 FRS Valuation

Note: As required in Section 112.664(1)(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)
2019	26,791,481	2,261,838	2,755,151	26,298,168
2020	26,298,168	2,213,229	2,860,844	25,650,553
2021	25,650,553	2,153,632	2,904,892	24,899,293
2022	24,899,293	2,085,397	2,935,740	24,048,950
2023	24,048,950	2,009,245	2,946,318	23,111,877
2024	23,111,877	1,925,780	2,947,807	22,089,850
2025	22,089,850	1,835,142	2,940,565	20,984,427
2026	20,984,427	1,737,239	2,929,785	19,791,881
2027	19,791,881	1,631,546	2,919,817	18,503,610
2028	18,503,610	1,517,431	2,907,641	17,113,400
2029	17,113,400	1,394,571	2,888,120	15,619,851
2030	15,619,851	1,262,584	2,867,034	14,015,401
2031	14,015,401	1,120,848	2,843,214	12,293,035
2032	12,293,035	968,742	2,816,584	10,445,193
2033	10,445,193	805,600	2,787,025	8,463,768
2034	8,463,768	630,704	2,754,412	6,340,060
2035	6,340,060	443,285	2,718,659	4,064,686
2036	4,064,686	242,508	2,679,759	1,627,435
2037	1,627,435	27,456	2,637,880	-
2038	-	-	2,592,835	-
2039	-	-	2,544,271	-
2040	-	-	2,492,072	-

sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida

Statutes and Plan provisions: 18.58

Certain Key Assumptions

Valuation Investment return assumption 8.90%
 Valuation Mortality Table FRS Mortality Rates from 7/1/16 FRS Valuation

Note: As required in Section 112.664(1)(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, 2018	October 1, 2018	October 1, 2018	October 1, 2018
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2019	9/30/2019	9/30/2019	9/30/2019
C. Assumed Dates of Employer Contributions	Monthly	Monthly	Monthly	Monthly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 1,474,450	\$ 1,474,450	\$ 2,228,669	\$ 850,491
E. Total Normal Cost	186,229	186,229	250,717	151,864
F. Total ADC if Paid on Valuation Date: D + E	1,660,679	1,660,679	2,479,386	1,002,355
G. Total ADC Adjusted for Frequency of Payments	1,720,843	1,720,843	2,543,748	1,048,783
H. Total ADC Adjusted for Frequency of Payments as % of Covered Payroll	389.79 %	389.79 %	576.18 %	237.56 %
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	441,483	441,483	441,483	441,483
K. ADC for Contribution Year: H x J	1,720,843	1,720,843	2,543,748	1,048,783
L. Allowable Credit for State Revenue in Contribution Year	0	0	0	0
M. Net ADC After State Revenue in Contribution Year	1,720,843	1,720,843	2,543,748	1,048,783
N. Net ADC as % of Covered Payroll in Contribution Year: M ÷ J	389.79 %	389.79 %	576.18 %	237.56 %
O. Expected Member Contributions in Contribution Year: K - O	46,375	46,375	46,375	46,375
P. Employer Contribution in Contribution Year: K - O	1,674,468	1,674,468	2,497,373	1,002,408
Q. Employer Contribution as a % of covered payroll in Contribution Year: P ÷ J	379.28 %	379.28 %	565.68 %	227.05 %
R. Certain Key Assumptions				
Investment Return Assumption	6.90%	6.90%	4.90%	8.90%
Mortality Table	FRS Mortality Rates from 7/1/16 FRS Valuation			