

CITY OF SUNRISE POLICE OFFICERS' RETIREMENT SYSTEM
Chapter 112.664, F.S. Compliance Report
In Connection with the October 1, 2014 Funding Actuarial Valuation Report
And the Plan's Financial Reporting for the Year Ending September 30, 2014



October 15, 2015

Board of Trustees
City of Sunrise Police Officers' Retirement System
Sunrise, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Sunrise Police Officers' Retirement System (Plan) 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, 2014. 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 otherwise 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, 2014 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2014 actuarial valuation report. Please refer to the October 1, 2014 actuarial valuation report, dated September 1, 2015, 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.

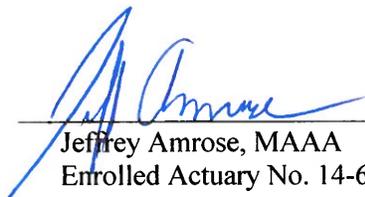
Jeffrey Amrose and Trisha Amrose are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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 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.

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), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By 
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Enrolled Actuary No. 14-6599
Senior Consultant & Actuary

By 
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Enrolled Actuary No. 14-8010
Consultant & Actuary

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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>2014</u>
1. Total pension liability	
a. Service Cost	\$ 3,784,863
b. Interest	12,056,017
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(58,354)
e. Assumption Changes	-
f. Benefit Payments	(8,760,460)
g. Contribution Refunds	(40,078)
h. Net Change in Total Pension Liability	<u>6,981,988</u>
i. Total Pension Liability - Beginning	<u>151,315,619</u>
j. Total Pension Liability - Ending	<u><u>\$ 158,297,607</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 7,472,477
b. Contributions - Non-Employer Contributing Entity	620,714
c. Contributions - Member	1,293,252
d. Net Investment Income	8,705,647
e. Benefit Payments	(8,760,460)
f. Contribution Refunds	(40,078)
g. Administrative Expense	(222,848)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>9,068,704</u>
j. Plan Fiduciary Net Position - Beginning	<u>96,495,201</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 105,563,905</u></u>
3. Net Pension Liability / (Asset)	52,733,702
Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	8.00%
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>2014</u>
1. Total pension liability	
a. Service Cost	\$ 3,784,863
b. Interest	12,056,017
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(58,354)
e. Assumption Changes	-
f. Benefit Payments	(8,760,460)
g. Contribution Refunds	(40,078)
h. Net Change in Total Pension Liability	6,981,988
i. Total Pension Liability - Beginning	151,315,619
j. Total Pension Liability - Ending	<u>\$ 158,297,607</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 7,472,477
b. Contributions - Non-Employer Contributing Entity	620,714
c. Contributions - Member	1,293,252
d. Net Investment Income	8,705,647
e. Benefit Payments	(8,760,460)
f. Contribution Refunds	(40,078)
g. Administrative Expense	(222,848)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	9,068,704
j. Plan Fiduciary Net Position - Beginning	96,495,201
k. Plan Fiduciary Net Position - Ending	<u>\$ 105,563,905</u>
3. Net Pension Liability / (Asset)	52,733,702
Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	8.00%
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,	<u>2014</u>
1. Total pension liability	
a. Service Cost	\$ 6,046,524
b. Interest	11,878,480
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	97,634
e. Assumption Changes	-
f. Benefit Payments	(8,760,460)
g. Contribution Refunds	(40,078)
h. Net Change in Total Pension Liability	<u>9,222,100</u>
i. Total Pension Liability - Beginning	<u>196,328,404</u>
j. Total Pension Liability - Ending	<u><u>\$ 205,550,504</u></u>
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 7,472,477
b. Contributions - Non-Employer Contributing Entity	620,714
c. Contributions - Member	1,293,252
d. Net Investment Income	8,705,647
e. Benefit Payments	(8,760,460)
f. Contribution Refunds	(40,078)
g. Administrative Expense	(222,848)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>9,068,704</u>
j. Plan Fiduciary Net Position - Beginning	<u>96,495,201</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 105,563,905</u></u>
 3. Net Pension Liability / (Asset)	 99,986,599
 Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	6.00%
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,	<u>2014</u>
1. Total pension liability	
a. Service Cost	\$ 2,472,434
b. Interest	11,933,335
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(214,342)
e. Assumption Changes	-
f. Benefit Payments	(8,760,460)
g. Contribution Refunds	(40,078)
h. Net Change in Total Pension Liability	<u>5,390,889</u>
i. Total Pension Liability - Beginning	<u>121,261,187</u>
j. Total Pension Liability - Ending	<u><u>\$ 126,652,076</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 7,472,477
b. Contributions - Non-Employer Contributing Entity	620,714
c. Contributions - Member	1,293,252
d. Net Investment Income	8,705,647
e. Benefit Payments	(8,760,460)
f. Contribution Refunds	(40,078)
g. Administrative Expense	(222,848)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>9,068,704</u>
j. Plan Fiduciary Net Position - Beginning	<u>96,495,201</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 105,563,905</u></u>
3. Net Pension Liability / (Asset)	21,088,171
Certain Key Assumptions	
Valuation Date	10/01/2013
Measurement Date	09/30/2014
Investment Return Assumption	10.00%
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 per the Plan's latest Actuarial Valuation

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2015	98,289,845	7,390,607	7,076,953	98,603,499
2016	98,603,499	7,403,359	7,377,286	98,629,571
2017	98,629,571	7,386,943	7,850,345	98,166,170
2018	98,166,170	7,326,775	8,466,320	97,026,624
2019	97,026,624	7,220,005	8,924,913	95,321,716
2020	95,321,716	7,059,760	9,623,935	92,757,542
2021	92,757,542	6,830,927	10,363,111	89,225,358
2022	89,225,358	6,533,713	10,919,614	84,839,457
2023	84,839,457	6,170,246	11,467,485	79,542,217
2024	79,542,217	5,742,951	11,829,288	73,455,880
2025	73,455,880	5,253,310	12,211,505	66,497,685
2026	66,497,685	4,695,064	12,609,107	58,583,642
2027	58,583,642	4,065,420	12,925,754	49,723,308
2028	49,723,308	3,364,971	13,165,302	39,922,977
2029	39,922,977	2,589,388	13,451,396	29,060,969
2030	29,060,969	1,733,391	13,676,008	17,118,352
2031	17,118,352	793,748	13,884,183	4,027,918
2032	4,027,918	-	14,087,999	-
2033	-	-	14,245,029	-
2034	-	-	14,425,366	-
2035	-	-	14,558,544	-
2036	-	-	14,677,093	-
2037	-	-	14,784,654	-
2038	-	-	14,874,000	-
2039	-	-	14,931,953	-
2040	-	-	14,992,130	-

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: 17.25

Certain Key Assumptions

Valuation Investment return assumption

7.80%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

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)
2015	98,289,845	7,390,607	7,076,953	98,603,499
2016	98,603,499	7,403,359	7,377,286	98,629,571
2017	98,629,571	7,386,943	7,850,345	98,166,170
2018	98,166,170	7,326,775	8,466,320	97,026,624
2019	97,026,624	7,220,005	8,924,913	95,321,716
2020	95,321,716	7,059,760	9,623,935	92,757,542
2021	92,757,542	6,830,927	10,363,111	89,225,358
2022	89,225,358	6,533,713	10,919,614	84,839,457
2023	84,839,457	6,170,246	11,467,485	79,542,217
2024	79,542,217	5,742,951	11,829,288	73,455,880
2025	73,455,880	5,253,310	12,211,505	66,497,685
2026	66,497,685	4,695,064	12,609,107	58,583,642
2027	58,583,642	4,065,420	12,925,754	49,723,308
2028	49,723,308	3,364,971	13,165,302	39,922,977
2029	39,922,977	2,589,388	13,451,396	29,060,969
2030	29,060,969	1,733,391	13,676,008	17,118,352
2031	17,118,352	793,748	13,884,183	4,027,918
2032	4,027,918	-	14,087,999	-
2033	-	-	14,245,029	-
2034	-	-	14,425,366	-
2035	-	-	14,558,544	-
2036	-	-	14,677,093	-
2037	-	-	14,784,654	-
2038	-	-	14,874,000	-
2039	-	-	14,931,953	-
2040	-	-	14,992,130	-

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:

17.25

Certain Key Assumptions

Valuation Investment return assumption

7.80%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

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)
2015	98,289,845	5,495,579	7,076,953	96,708,471
2016	96,708,471	5,395,150	7,377,286	94,726,335
2017	94,726,335	5,266,467	7,850,345	92,142,458
2018	92,142,458	5,098,739	8,466,320	88,774,877
2019	88,774,877	4,890,120	8,924,913	84,740,085
2020	84,740,085	4,635,831	9,623,935	79,751,980
2021	79,751,980	4,325,085	10,363,111	73,713,954
2022	73,713,954	3,958,741	10,919,614	66,753,080
2023	66,753,080	3,539,122	11,467,485	58,824,717
2024	58,824,717	3,068,784	11,829,288	50,064,213
2025	50,064,213	2,549,591	12,211,505	40,402,299
2026	40,402,299	1,977,669	12,609,107	29,770,861
2027	29,770,861	1,351,863	12,925,754	18,196,970
2028	18,196,970	673,631	13,165,302	5,705,299
2029	5,705,299	-	13,451,396	-
2030	-	-	13,676,008	-
2031	-	-	13,884,183	-
2032	-	-	14,087,999	-
2033	-	-	14,245,029	-
2034	-	-	14,425,366	-
2035	-	-	14,558,544	-
2036	-	-	14,677,093	-
2037	-	-	14,784,654	-
2038	-	-	14,874,000	-
2039	-	-	14,931,953	-
2040	-	-	14,992,130	-

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:**

14.42

Certain Key Assumptions

Valuation Investment return assumption

5.80%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

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)
2015	98,289,845	9,285,634	7,076,953	100,498,526
2016	100,498,526	9,487,369	7,377,286	102,608,609
2017	102,608,609	9,670,977	7,850,345	104,429,240
2018	104,429,240	9,819,216	8,466,320	105,782,136
2019	105,782,136	9,929,329	8,924,913	106,786,552
2020	106,786,552	9,993,509	9,623,935	107,156,126
2021	107,156,126	9,993,508	10,363,111	106,786,523
2022	106,786,523	9,930,018	10,919,614	105,796,927
2023	105,796,927	9,806,192	11,467,485	104,135,634
2024	104,135,634	9,625,657	11,829,288	101,932,003
2025	101,932,003	9,390,973	12,211,505	99,111,471
2026	99,111,471	9,095,078	12,609,107	95,597,442
2027	95,597,442	8,735,187	12,925,754	91,406,875
2028	91,406,875	8,312,774	13,165,302	86,554,347
2029	86,554,347	7,823,208	13,451,396	80,926,159
2030	80,926,159	7,260,639	13,676,008	74,510,790
2031	74,510,790	6,621,732	13,884,183	67,248,340
2032	67,248,340	5,900,025	14,087,999	59,060,366
2033	59,060,366	5,089,909	14,245,029	49,905,246
2034	49,905,246	4,183,871	14,425,366	39,663,752
2035	39,663,752	3,173,679	14,558,544	28,278,887
2036	28,278,887	2,052,153	14,677,093	15,653,947
2037	15,653,947	809,639	14,784,654	1,678,932
2038	1,678,932	-	14,874,000	-
2039	-	-	14,931,953	-
2040	-	-	14,992,130	-

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:

23.08

Certain Key Assumptions

Valuation Investment return assumption

9.80%

Valuation Mortality Table

RP-2000 fully generational using Scale AA

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				
	Plan's Latest Actuarial Valuation Assumptions	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, 2014	October 1, 2014	October 1, 2014	October 1, 2014
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2016	9/30/2016	9/30/2016	9/30/2016
C. Assumed Dates of Employer Contributions	Biweekly	Biweekly	Biweekly	Biweekly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 6,324,768	\$ 6,324,768	\$ 8,927,894	\$ 4,110,473
E. Employer Normal Cost	2,925,989	2,925,989	5,375,841	1,515,263
F. Employer ADC if Paid on Valuation Date: D + E	9,250,757	9,250,757	14,303,735	5,625,736
G. Employer ADC Adjusted for Frequency of Payments	9,611,907	9,611,907	14,722,834	5,899,147
H. Employer ADC Adjusted for Frequency of Payments as % of Covered Payroll	68.06 %	68.06 %	104.25 %	41.77 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	3.00 %	3.00 %	3.00 %	3.00 %
J. Covered Payroll for Contribution Year	14,545,948	14,545,948	14,545,948	14,545,948
K. ADC for Contribution Year: H x J	9,899,972	9,899,972	15,164,151	6,075,843
L. Allowable Credit for State Revenue in Contribution Year	639,176	639,176	639,176	639,176
M. Net Employer ADC After State Revenue in Contribution Year	9,260,796	9,260,796	14,524,975	5,436,667
N. Net Employer ADC as % of Covered Payroll in Contribution Year: M ÷ J	63.67 %	63.67 %	99.86 %	37.38 %
O. Expected Member Contributions	1,431,321	1,431,321	1,431,321	1,431,321
P. Total Contribution (including Members) in Contributing Year: K + O	11,331,293	11,331,293	16,595,472	7,507,164
Q. Total Contribution as a % of covered payroll in Contribution Year: P ÷ J	77.90 %	77.90 %	114.09 %	51.61 %
R. Certain Key Assumptions				
Investment Return Assumption	7.80%	7.80%	5.80%	9.80%
Mortality Table	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA	RP-2000 fully generational using Scale AA