

August 4, 2016

VIA EMAIL

Ms. Penny Staffney, Finance Director  
City of Perry  
P.O. Drawer 1907  
Perry, FL 32347

Re: City of Perry Municipal Firefighters' Retirement Trust Fund  
Senate Bill 534 (Section 112.664, Florida Statutes) Compliance

Dear Penny:

Please find enclosed the annual disclosures that satisfy the October 1, 2015 financial reporting requirements made under Section 112.664.

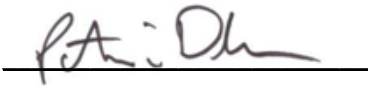
Our office will submit this information electronically to the Department of Management Services. However, it is important for you to be aware that this report must also be made available on the Plan or Plan Sponsor's website, if such website exists. A deadline for this website publication is not made clear in the law.

In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should contact its Investment Consultant for this information.

If there are any questions, concerns, or comments about any of the items contained in this report, please feel free to contact me.

Respectfully submitted,

Foster & Foster, Inc.

By:   
Patrick T. Donlan, EA, ASA, MAAA  
Enrolled Actuary #14-6595

PTD/lke  
Enclosures

cc via email: Scott Christiansen, Board Attorney

CITY OF PERRY  
MUNICIPAL FIREFIGHTERS' RETIREMENT TRUST FUND

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 Rule 60T-1.0035, Florida Administrative Code.

By: Patrick T. Donlan Date: 8/4/2016

Patrick T. Donlan, EA, ASA, MAAA  
Enrolled Actuary #14-6595



When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2015 Actuarial Valuation Report, as adopted by the Board of Trustees, are reasonable individually and in the aggregate, and represent our best estimate of future Plan experience.
- 5) The “Number of Years Expected Benefit Payments Sustained” calculated in Section II: Asset Sustainability should not be interpreted as the number of years the Plan has left until it is insolvent. This calculation is required by 112.664, Florida Statutes, but the numeric result is irrelevant, since in its calculation we are to assume there will be no further contributions to the Fund. As long as the Actuarially Determined Contribution is made each year the Plan will never become insolvent.

	ACTUAL		HYPOTHETICAL	
	8.00% RP-2000 Static 9/30/2015	8.00% RP-2000 Generational 9/30/2015	6.00% RP-2000 Generational 9/30/2015	
<b><u>GASB 67: Schedule of Changes in Net Pension Liability</u></b>				
<b><u>Total Pension Liability</u></b>				
Service Cost	68,009	71,065	110,213	
Interest	302,674	314,405	292,635	
Changes of Benefit Terms	-	-	-	
Differences Between Expected and Actual Experience	(79,654)	(86,531)	(112,931)	
Changes of Assumptions	-	-	-	
Benefit Payments, Including Refunds of Employee Contributions	(252,512)	(252,512)	(252,512)	
Net Change in Total Pension Liability	38,517	46,427	37,405	
Total Pension Liability - Beginning	3,841,668	3,985,256	4,893,293	
Total Pension Liability - Ending (a)	<u>\$ 3,880,185</u>	<u>\$ 4,031,683</u>	<u>\$ 4,930,698</u>	
<b><u>Plan Fiduciary Net Position</u></b>				
Contributions - Employer	176,554	176,554	176,554	
Contributions - State	49,773	49,773	49,773	
Contributions - Employee	4,115	4,115	4,115	
Contributions - Buy Back	-	-	-	
Net Investment Income	(32,885)	(32,885)	(32,885)	
Benefit Payments, Including Refunds of Employee Contributions	(252,512)	(252,512)	(252,512)	
Administrative Expenses	(15,607)	(15,607)	(15,607)	
Net Change in Plan Fiduciary Net Position	(70,562)	(70,562)	(70,562)	
Plan Fiduciary Net Position - Beginning	3,038,695	3,038,695	3,038,695	
Plan Fiduciary Net Position - Ending (b)	<u>\$ 2,968,133</u>	<u>\$ 2,968,133</u>	<u>\$ 2,968,133</u>	
Net Pension Liability - Ending (a) - (b)	<u>\$ 912,052</u>	<u>\$ 1,063,550</u>	<u>\$ 1,962,565</u>	

**GASB 68: Pension Expense for Fiscal Year Ending September 30, 2015**

Pension Expense	<u>\$ 87,337</u>	<u>\$ 101,180</u>	<u>\$ 170,706</u>
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## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1  
Plan Assumptions: 8.00% and RP-2000 Static Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2015	2,968,133	-	350,997	-	223,411	2,840,547
2016	2,840,547	-	273,042	-	216,322	2,783,827
2017	2,783,827	-	271,698	-	211,838	2,723,967
2018	2,723,967	-	297,438	-	206,020	2,632,549
2019	2,632,549	-	293,507	-	198,864	2,537,906
2020	2,537,906	-	289,313	-	191,460	2,440,053
2021	2,440,053	-	284,781	-	183,813	2,339,085
2022	2,339,085	-	280,691	-	175,899	2,234,293
2023	2,234,293	-	274,481	-	167,764	2,127,576
2024	2,127,576	-	269,766	-	159,415	2,017,225
2025	2,017,225	-	280,187	-	150,171	1,887,209
2026	1,887,209	-	274,771	-	139,986	1,752,424
2027	1,752,424	-	274,479	-	129,215	1,607,160
2028	1,607,160	-	282,257	-	117,283	1,442,186
2029	1,442,186	-	275,018	-	104,374	1,271,542
2030	1,271,542	-	284,643	-	90,338	1,077,237
2031	1,077,237	-	276,850	-	75,105	875,492
2032	875,492	-	268,881	-	59,284	665,895
2033	665,895	-	260,719	-	42,843	448,019
2034	448,019	-	252,714	-	25,733	221,038
2035	221,038	-	243,194	-	-	-

\*All DROP Balances paid in 2015.

Number of Years Expected Benefit Payments Sustained: 20.91

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 8.00% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 2  
Hypothetical Assumptions: 8.00% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2015	2,968,133	-	351,163	-	223,404	2,840,374
2016	2,840,374	-	273,635	-	216,285	2,783,024
2017	2,783,024	-	272,876	-	211,727	2,721,875
2018	2,721,875	-	299,281	-	205,779	2,628,373
2019	2,628,373	-	295,979	-	198,431	2,530,825
2020	2,530,825	-	292,433	-	190,769	2,429,161
2021	2,429,161	-	288,571	-	182,790	2,323,380
2022	2,323,380	-	285,156	-	174,464	2,212,688
2023	2,212,688	-	280,234	-	165,806	2,098,260
2024	2,098,260	-	276,305	-	156,809	1,978,764
2025	1,978,764	-	287,716	-	146,792	1,837,840
2026	1,837,840	-	283,194	-	135,699	1,690,345
2027	1,690,345	-	283,868	-	123,873	1,530,350
2028	1,530,350	-	293,329	-	110,695	1,347,716
2029	1,347,716	-	287,207	-	96,329	1,156,838
2030	1,156,838	-	298,050	-	80,625	939,413
2031	939,413	-	291,432	-	63,496	711,477
2032	711,477	-	284,732	-	45,529	472,274
2033	472,274	-	277,945	-	26,664	220,993
2034	220,993	-	271,401	-	-	-

\*All DROP Balances paid in 2015.

Number of Years Expected Benefit Payments Sustained: 19.81

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 8.00% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3  
Hypothetical Assumptions: 6.00% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2015	2,968,133	-	351,163	-	167,553	2,784,523
2016	2,784,523	-	273,635	-	158,862	2,669,750
2017	2,669,750	-	272,876	-	151,999	2,548,873
2018	2,548,873	-	299,281	-	143,954	2,393,546
2019	2,393,546	-	295,979	-	134,733	2,232,300
2020	2,232,300	-	292,433	-	125,165	2,065,032
2021	2,065,032	-	288,571	-	115,245	1,891,706
2022	1,891,706	-	285,156	-	104,948	1,711,498
2023	1,711,498	-	280,234	-	94,283	1,525,547
2024	1,525,547	-	276,305	-	83,244	1,332,486
2025	1,332,486	-	287,716	-	71,318	1,116,088
2026	1,116,088	-	283,194	-	58,469	891,363
2027	891,363	-	283,868	-	44,966	652,461
2028	652,461	-	293,329	-	30,348	389,480
2029	389,480	-	287,207	-	14,753	117,026
2030	117,026	-	298,050	-	-	-

\*All DROP Balances paid in 2015.

Number of Years Expected Benefit Payments Sustained: 15.39

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 6.00% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2017

Valuation Date: 10/1/2015

	ACTUAL	HYPOTHETICAL	
	8.00% RP-2000 Static	8.00% RP-2000 Generational	6.00% RP-2000 Generational
Total Required Contribution (Fixed \$)	\$223,458	\$240,564	\$354,567
Total Required Contribution (% of Payroll)	39.4%	42.4%	62.4%
Expected Member Contribution	5,677	5,677	5,677
Expected State Money	42,494	42,494	42,494
Expected Sponsor Contribution (Fixed \$)	\$175,287	\$192,393	\$306,396
Expected Sponsor Contribution (% of Payroll)	30.9%	33.9%	53.9%

**ASSETS**

Actuarial Value <sup>1</sup>	3,162,513	3,162,513	3,162,513
Market Value <sup>1</sup>	2,968,133	2,968,133	2,968,133

**LIABILITIES**

Present Value of Benefits			
Active Members			
Retirement Benefits	1,802,833	1,890,638	2,947,190
Disability Benefits	25,601	26,788	38,266
Death Benefits	17,038	11,874	15,195
Vested Benefits	130,895	136,901	238,435
Refund of Contributions	3,114	3,115	3,382
Service Retirees	2,064,816	2,143,451	2,553,336
DROP Retirees <sup>1</sup>	489,973	506,326	591,606
Beneficiaries	158,969	164,752	183,054
Disability Retirees	0	0	0
Terminated Vested	13,474	14,032	17,075
Excess State Monies Reserve	0	0	0
Total:	4,706,713	4,897,877	6,587,539
Present Value of Future Salaries	5,574,186	5,581,586	6,345,859
Present Value of Future Member Contributions	55,742	55,816	63,459
Total Normal Cost	101,743	106,422	166,314
Present Value of Future Normal Costs (Entry Age Normal)	995,978	1,044,037	1,856,384
Total Actuarial Accrued Liability <sup>1</sup>	3,710,735	3,853,840	4,731,155
Unfunded Actuarial Accrued Liability (UAAL)	548,222	691,327	1,568,642



ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2017

Valuation Date: 10/1/2015

	ACTUAL	HYPOTHETICAL	
	8.00% RP-2000 Static	8.00% RP-2000 Generational	6.00% RP-2000 Generational
<b><u>PENSION COST</u></b>			
Normal Cost (with interest)	105,813	110,679	171,303
Administrative Expenses (with interest)	16,231	16,231	16,075
Payment Required To Amortize UAAL (with interest)	101,414	113,654	167,189
Total Required Contribution	\$223,458	\$240,564	\$354,567

<sup>1</sup> The asset values and liabilities for DROP Members include accumulated DROP Balances as of 9/30/2015.