

CITY OF UMATILLA  
MUNICIPAL POLICE OFFICERS' 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: Christine M. O'Neal Date: 11/3/2017  
Christine M. O'Neal, FSA, EA, MAAA  
Enrolled Actuary #17-7916



**FOSTER & FOSTER**  
ACTUARIES AND CONSULTANTS

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, 2016 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.

**GASB: SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**FISCAL YEAR SEPTEMBER 30, 2016**

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
	7.00% RP-2000 Generational	5.00% RP-2000 Generational
<b><u>Total Pension Liability</u></b>		
Service Cost	52,149	94,793
Interest	79,144	84,535
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	-
Changes of Assumptions	25,280	(48,074)
Benefit Payments, Including Refunds of Employee Contributions	(46,876)	(46,876)
Net Change in Total Pension Liability	109,697	84,378
Total Pension Liability - Beginning	1,105,669	1,626,165
Total Pension Liability - Ending (a)	<u>\$ 1,215,366</u>	<u>\$ 1,710,543</u>
<b><u>Plan Fiduciary Net Position</u></b>		
Contributions - Employer	20,798	20,798
Contributions - State	35,314	35,314
Contributions - Employee	2,120	2,120
Net Investment Income	125,610	125,610
Benefit Payments, Including Refunds of Employee Contributions	(46,876)	(46,876)
Administrative Expenses	(10,191)	(10,191)
Net Change in Plan Fiduciary Net Position	126,775	126,775
Plan Fiduciary Net Position - Beginning	1,578,430	1,578,430
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,705,205</u>	<u>\$ 1,705,205</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (489,839)</u>	<u>\$ 5,338</u>

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

Table 1  
Plan Assumptions: 7.00% 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
2016	1,705,205	-	48,527	-	117,666	1,774,344
2017	1,774,344	-	46,447	-	122,578	1,850,475
2018	1,850,475	-	46,065	-	127,921	1,932,331
2019	1,932,331	-	45,674	-	133,665	2,020,322
2020	2,020,322	-	45,301	-	139,837	2,114,858
2021	2,114,858	-	44,916	-	146,468	2,216,410
2022	2,216,410	-	44,576	-	153,589	2,325,423
2023	2,325,423	-	41,918	-	161,312	2,444,817
2024	2,444,817	-	44,532	-	169,579	2,569,864
2025	2,569,864	-	44,204	-	178,343	2,704,003
2026	2,704,003	-	43,892	-	187,744	2,847,855
2027	2,847,855	-	43,586	-	197,824	3,002,093
2028	3,002,093	-	49,666	-	208,408	3,160,835
2029	3,160,835	-	50,955	-	219,475	3,329,355
2030	3,329,355	-	55,098	-	231,126	3,505,383
2031	3,505,383	-	68,873	-	242,966	3,679,476
2032	3,679,476	-	74,745	-	254,947	3,859,678
2033	3,859,678	-	84,328	-	267,226	4,042,576
2034	4,042,576	-	84,479	-	280,024	4,238,121
2035	4,238,121	-	84,677	-	293,705	4,447,149
2036	4,447,149	-	92,739	-	308,055	4,662,465
2037	4,662,465	-	91,848	-	323,158	4,893,775
2038	4,893,775	-	90,560	-	339,395	5,142,610
2039	5,142,610	-	88,948	-	356,870	5,410,532
2040	5,410,532	-	87,232	-	375,684	5,698,984
2041	5,698,984	-	85,099	-	395,950	6,009,835
2042	6,009,835	-	83,646	-	417,761	6,343,950
2043	6,343,950	-	80,340	-	441,265	6,704,875
2044	6,704,875	-	78,676	-	466,588	7,092,787
2045	7,092,787	-	77,133	-	493,795	7,509,449
2046	7,509,449	-	74,716	-	523,046	7,957,779
2047	7,957,779	-	72,846	-	554,495	8,439,428
2048	8,439,428	-	70,889	-	588,279	8,956,818
2049	8,956,818	-	68,769	-	624,570	9,512,619
2050	9,512,619	-	66,553	-	663,554	10,109,620
2051	10,109,620	-	64,259	-	705,424	10,750,785
2052	10,750,785	-	61,817	-	750,391	11,439,359
2053	11,439,359	-	59,382	-	798,677	12,178,654
2054	12,178,654	-	56,913	-	850,514	12,972,255
2055	12,972,255	-	54,424	-	906,153	13,823,984
2056	13,823,984	-	51,970	-	965,860	14,737,874
2057	14,737,874	-	49,545	-	1,029,917	15,718,246
2058	15,718,246	-	47,177	-	1,098,626	16,769,695
2059	16,769,695	-	44,934	-	1,172,306	17,897,067
2060	17,897,067	-	42,816	-	1,251,296	19,105,547
2061	19,105,547	-	40,791	-	1,335,961	20,400,717
2062	20,400,717	-	38,834	-	1,426,691	21,788,574
2063	21,788,574	-	36,916	-	1,523,908	23,275,566
2064	23,275,566	-	35,025	-	1,628,064	24,868,605
2065	24,868,605	-	33,128	-	1,739,643	26,575,120

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

Table 1  
Plan Assumptions: 7.00% 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
2066	26,575,120	--	31,199	-	1,859,166	28,403,087
2067	28,403,087	--	29,227	-	1,987,193	30,361,053
2068	30,361,053	--	27,191	-	2,124,322	32,458,184
2069	32,458,184	--	25,068	-	2,271,196	34,704,312
2070	34,704,312	--	22,867	-	2,428,501	37,109,946
2071	37,109,946	--	20,609	-	2,596,975	39,686,312
2072	39,686,312	--	18,344	-	2,777,400	42,445,368
2073	42,445,368	--	16,108	-	2,970,612	45,399,872
2074	45,399,872	--	13,914	-	3,177,504	48,563,462
2075	48,563,462	--	11,801	-	3,399,029	51,950,690
2076	51,950,690	--	9,835	-	3,636,204	55,577,059
2077	55,577,059	--	8,032	-	3,890,113	59,459,140
2078	59,459,140	--	6,400	-	4,161,916	63,614,656
2079	63,614,656	--	5,013	-	4,452,850	68,062,493
2080	68,062,493	--	3,862	-	4,764,239	72,822,870
2081	72,822,870	--	2,924	-	5,097,499	77,917,445
2082	77,917,445	--	2,178	-	5,454,145	83,369,412
2083	83,369,412	--	1,593	-	5,835,803	89,203,622
2084	89,203,622	--	1,149	-	6,244,213	95,446,686
2085	95,446,686	--	818	-	6,681,239	102,127,107
2086	102,127,107	--	577	-	7,148,877	109,275,407
2087	109,275,407	--	400	-	7,649,264	116,924,271
2088	116,924,271	--	277	-	8,184,689	125,108,683
2089	125,108,683	--	191	-	8,757,601	133,866,093
2090	133,866,093	--	131	-	9,370,622	143,236,584
2091	143,236,584	--	88	-	10,026,558	153,263,054
2092	153,263,054	--	58	-	10,728,412	163,991,408
2093	163,991,408	--	38	-	11,479,397	175,470,767
2094	175,470,767	--	24	-	12,282,953	187,753,696
2095	187,753,696	--	15	-	13,142,758	200,896,439
2096	200,896,439	--	9	-	14,062,750	214,959,180
2097	214,959,180	--	5	-	15,047,142	230,006,317
2098	230,006,317	--	3	-	16,100,442	246,106,756
2099	246,106,756	--	2	-	17,227,473	263,334,227
2100	263,334,227	--	1	-	18,433,396	281,767,622
2101	281,767,622	--	1	-	19,723,734	301,491,355
2102	301,491,355	--	-	-	21,104,395	322,595,750

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.00% 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: 5.00% 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
2016	1,705,205	-	48,527	-	84,047	1,740,725
2017	1,740,725	-	46,447	-	85,875	1,780,153
2018	1,780,153	-	46,065	-	87,856	1,821,944
2019	1,821,944	-	45,674	-	89,955	1,866,225
2020	1,866,225	-	45,301	-	92,179	1,913,103
2021	1,913,103	-	44,916	-	94,532	1,962,719
2022	1,962,719	-	44,576	-	97,022	2,015,165
2023	2,015,165	-	41,918	-	99,710	2,072,957
2024	2,072,957	-	44,532	-	102,535	2,130,960
2025	2,130,960	-	44,204	-	105,443	2,192,199
2026	2,192,199	-	43,892	-	108,513	2,256,820
2027	2,256,820	-	43,586	-	111,751	2,324,985
2028	2,324,985	-	49,666	-	115,008	2,390,327
2029	2,390,327	-	50,955	-	118,242	2,457,614
2030	2,457,614	-	55,098	-	121,503	2,524,019
2031	2,524,019	-	68,873	-	124,479	2,579,625
2032	2,579,625	-	74,745	-	127,113	2,631,993
2033	2,631,993	-	84,328	-	129,491	2,677,156
2034	2,677,156	-	84,479	-	131,746	2,724,423
2035	2,724,423	-	84,677	-	134,104	2,773,850
2036	2,773,850	-	92,739	-	136,374	2,817,485
2037	2,817,485	-	91,848	-	138,578	2,864,215
2038	2,864,215	-	90,560	-	140,947	2,914,602
2039	2,914,602	-	88,948	-	143,506	2,969,160
2040	2,969,160	-	87,232	-	146,277	3,028,205
2041	3,028,205	-	85,099	-	149,283	3,092,389
2042	3,092,389	-	83,646	-	152,528	3,161,271
2043	3,161,271	-	80,340	-	156,055	3,236,986
2044	3,236,986	-	78,676	-	159,882	3,318,192
2045	3,318,192	-	77,133	-	163,981	3,405,040
2046	3,405,040	-	74,716	-	168,384	3,498,708
2047	3,498,708	-	72,846	-	173,114	3,598,976
2048	3,598,976	-	70,889	-	178,177	3,706,264
2049	3,706,264	-	68,769	-	183,594	3,821,089
2050	3,821,089	-	66,553	-	189,391	3,943,927
2051	3,943,927	-	64,259	-	195,590	4,075,258
2052	4,075,258	-	61,817	-	202,217	4,215,658
2053	4,215,658	-	59,382	-	209,298	4,365,574
2054	4,365,574	-	56,913	-	216,856	4,525,517
2055	4,525,517	-	54,424	-	224,915	4,696,008
2056	4,696,008	-	51,970	-	233,501	4,877,539
2057	4,877,539	-	49,545	-	242,638	5,070,632
2058	5,070,632	-	47,177	-	252,352	5,275,807
2059	5,275,807	-	44,934	-	262,667	5,493,540
2060	5,493,540	-	42,816	-	273,607	5,724,331
2061	5,724,331	-	40,791	-	285,197	5,968,737
2062	5,968,737	-	38,834	-	297,466	6,227,369
2063	6,227,369	-	36,916	-	310,446	6,500,899
2064	6,500,899	-	35,025	-	324,169	6,790,043
2065	6,790,043	-	33,128	-	338,674	7,095,589

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

Table 2  
Hypothetical Assumptions: 5.00% 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
2066	7,095,589	-	31,199	-	353,999	7,418,389
2067	7,418,389	-	29,227	-	370,189	7,759,351
2068	7,759,351	-	27,191	-	387,288	8,119,448
2069	8,119,448	-	25,068	-	405,346	8,499,726
2070	8,499,726	-	22,867	-	424,415	8,901,274
2071	8,901,274	-	20,609	-	444,548	9,325,213
2072	9,325,213	-	18,344	-	465,802	9,772,671
2073	9,772,671	-	16,108	-	488,231	10,244,794
2074	10,244,794	-	13,914	-	511,892	10,742,772
2075	10,742,772	-	11,801	-	536,844	11,267,815
2076	11,267,815	-	9,835	-	563,145	11,821,125
2077	11,821,125	-	8,032	-	590,855	12,403,948
2078	12,403,948	-	6,400	-	620,037	13,017,585
2079	13,017,585	-	5,013	-	650,754	13,663,326
2080	13,663,326	-	3,862	-	683,070	14,342,534
2081	14,342,534	-	2,924	-	717,054	15,056,664
2082	15,056,664	-	2,178	-	752,779	15,807,265
2083	15,807,265	-	1,593	-	790,323	16,595,995
2084	16,595,995	-	1,149	-	829,771	17,424,617
2085	17,424,617	-	818	-	871,210	18,295,009
2086	18,295,009	-	577	-	914,736	19,209,168
2087	19,209,168	-	400	-	960,448	20,169,216
2088	20,169,216	-	277	-	1,008,454	21,177,393
2089	21,177,393	-	191	-	1,058,865	22,236,067
2090	22,236,067	-	131	-	1,111,800	23,347,736
2091	23,347,736	-	88	-	1,167,385	24,515,033
2092	24,515,033	-	58	-	1,225,750	25,740,725
2093	25,740,725	-	38	-	1,287,035	27,027,722
2094	27,027,722	-	24	-	1,351,386	28,379,084
2095	28,379,084	-	15	-	1,418,954	29,798,023
2096	29,798,023	-	9	-	1,489,901	31,287,915
2097	31,287,915	-	5	-	1,564,396	32,852,306
2098	32,852,306	-	3	-	1,642,615	34,494,918
2099	34,494,918	-	2	-	1,724,746	36,219,662
2100	36,219,662	-	1	-	1,810,983	38,030,644
2101	38,030,644	-	1	-	1,901,532	39,932,175
2102	39,932,175	-	-	-	1,996,609	41,928,784

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.00% 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, 2018**

Valuation Date: 10/1/2016

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
	7.00%	5.00%
	RP-2000	RP-2000
	Generational	Generational
Total Required Contribution (Fixed \$)	\$34,735	\$138,445
Total Required Contribution (% of Payroll)	7.0%	27.7%
Expected Member Contribution	2,586	2,561
Expected State Money	28,623	28,623
Expected Sponsor Contribution (Fixed \$)	\$3,526	\$107,261
Expected Sponsor Contribution (% of Payroll)	0.7%	21.5%

**ASSETS**

Actuarial Value	1,705,205	1,705,205
Market Value	1,705,205	1,705,205

**LIABILITIES**

Present Value of Benefits		
Active Members		
Retirement Benefits	947,886	1,654,557
Disability Benefits	26,727	38,886
Death Benefits	28,340	42,068
Vested Benefits	342,530	566,392
Refund of Contributions	9,026	11,240
Service Retirees	521,225	634,159
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	1,615	1,615
Total:	<u>1,877,349</u>	<u>2,948,917</u>
Present Value of Future Salaries	4,482,984	5,149,146
Present Value of Future Member Contributions	22,415	25,746
Total Normal Cost	17,935	112,811
Present Value of Future Normal Costs (Entry Age Normal)	573,788	1,114,572
Total Actuarial Accrued Liability	1,705,205	1,705,205
Unfunded Actuarial Accrued Liability (UAAL)	0	0



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**ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2018**

Valuation Date: 10/1/2016

	<b>ACTUAL</b>	<b>HYPOTHETICAL</b>
	7.00%	5.00%
	RP-2000	RP-2000
	Generational	Generational
<b><u>PENSION COST</u></b>		
Normal Cost <sup>1</sup>	19,860	123,714
Administrative Expenses <sup>1</sup>	14,875	14,731
Payment Required To Amortize UAAL <sup>1</sup>	0	0
<b>Total Required Contribution</b>	<b>\$34,735</b>	<b>\$138,445</b>

<sup>1</sup> Contributions developed as of 10/1/2016 displayed above have been adjusted to account for assumed salary increase and interest components.