

March 14, 2016

VIA EMAIL

Mr. Larry Bryan, Secretary
Belleview Police Officers' Retirement System
5350 SE 110th Street
Belleview, Florida 34420

Re: City of Belleview Police Officers' Retirement System
Senate Bill 534 (Section 112.664, Florida Statutes) Compliance

Dear Larry:

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

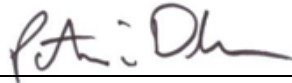
cc via email: Scott R. Christiansen, Board Attorney

CITY OF BELLEVIEW
POLICE OFFICERS' RETIREMENT SYSTEM

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:



Date: 3/14/2016

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	
	7.75% RP-2000 Static 9/30/2015	7.75% RP-2000 Generational 9/30/2015	5.75% RP-2000 Generational 9/30/2015
<u>GASB 67: Schedule of Changes in Net Pension Liability</u>			
<u>Total Pension Liability</u>			
Service Cost	96,058	100,236	159,789
Interest	290,472	300,325	278,401
Change in Excess State Money	-	-	-
Share Plan Allocation	-	-	-
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	33,859	34,309	58,911
Changes of Assumptions	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(356,299)	(356,299)	(356,299)
Net Change in Total Pension Liability	64,090	78,571	140,802
Total Pension Liability - Beginning	3,830,114	3,953,070	4,860,117
Total Pension Liability - Ending (a)	<u>\$ 3,894,204</u>	<u>\$ 4,031,641</u>	<u>\$ 5,000,919</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	153,180	153,180	153,180
Contributions - State	37,571	37,571	37,571
Contributions - Employee	26,237	26,237	26,237
Net Investment Income	(19,359)	(19,359)	(19,359)
Benefit Payments, Including Refunds of Employee Contributions	(356,299)	(356,299)	(356,299)
Administrative Expenses	(21,434)	(21,434)	(21,434)
Net Change in Plan Fiduciary Net Position	(180,104)	(180,104)	(180,104)
Plan Fiduciary Net Position - Beginning	3,398,882	3,398,882	3,398,882
Plan Fiduciary Net Position - Ending (b)	<u>\$ 3,218,778</u>	<u>\$ 3,218,778</u>	<u>\$ 3,218,778</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 675,426</u>	<u>\$ 812,863</u>	<u>\$ 1,782,141</u>

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

Pension Expense	<u>\$ 147,923</u>	<u>\$ 162,030</u>	<u>\$ 256,854</u>
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PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: 7.75% 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	3,218,778	-	595,288	-	226,388	2,849,878
2016	2,849,878	-	178,999	-	213,929	2,884,808
2017	2,884,808	-	178,421	-	216,659	2,923,046
2018	2,923,046	-	181,086	-	219,519	2,961,479
2019	2,961,479	-	180,101	-	222,536	3,003,914
2020	3,003,914	-	179,611	-	225,843	3,050,146
2021	3,050,146	-	209,928	-	228,252	3,068,470
2022	3,068,470	-	229,139	-	228,927	3,068,258
2023	3,068,258	-	254,705	-	227,920	3,041,473
2024	3,041,473	-	274,876	-	225,063	2,991,660
2025	2,991,660	-	285,305	-	220,798	2,927,153
2026	2,927,153	-	280,764	-	215,975	2,862,364
2027	2,862,364	-	277,904	-	211,064	2,795,524
2028	2,795,524	-	274,621	-	206,012	2,726,915
2029	2,726,915	-	278,215	-	200,555	2,649,255
2030	2,649,255	-	274,133	-	194,695	2,569,817
2031	2,569,817	-	268,591	-	188,753	2,489,979
2032	2,489,979	-	262,032	-	182,820	2,410,767
2033	2,410,767	-	268,072	-	176,447	2,319,142
2034	2,319,142	-	260,718	-	169,631	2,228,055
2035	2,228,055	-	253,067	-	162,868	2,137,856
2036	2,137,856	-	246,063	-	156,149	2,047,942
2037	2,047,942	-	238,895	-	149,458	1,958,505
2038	1,958,505	-	231,971	-	142,795	1,869,329
2039	1,869,329	-	230,012	-	135,960	1,775,277
2040	1,775,277	-	221,481	-	129,002	1,682,798
2041	1,682,798	-	212,846	-	122,169	1,592,121
2042	1,592,121	-	203,695	-	115,496	1,503,922
2043	1,503,922	-	193,641	-	109,050	1,419,331
2044	1,419,331	-	183,923	-	102,871	1,338,279
2045	1,338,279	-	174,040	-	96,973	1,261,212
2046	1,261,212	-	164,036	-	91,388	1,188,564
2047	1,188,564	-	154,012	-	86,146	1,120,698
2048	1,120,698	-	143,906	-	81,278	1,058,070
2049	1,058,070	-	133,483	-	76,828	1,001,415
2050	1,001,415	-	123,616	-	72,820	950,619
2051	950,619	-	113,946	-	69,258	905,931
2052	905,931	-	104,546	-	66,158	867,543
2053	867,543	-	95,438	-	63,536	835,641
2054	835,641	-	86,654	-	61,404	810,391
2055	810,391	-	78,233	-	59,774	791,932
2056	791,932	-	70,209	-	58,654	780,377
2057	780,377	-	62,607	-	58,053	775,823
2058	775,823	-	55,460	-	57,977	778,340
2059	778,340	-	48,792	-	58,431	787,979
2060	787,979	-	42,624	-	59,417	804,772
2061	804,772	-	36,978	-	60,937	828,731
2062	828,731	-	31,871	-	62,992	859,852
2063	859,852	-	27,308	-	65,580	898,124
2064	898,124	-	23,282	-	68,702	943,544
2065	943,544	-	19,768	-	72,359	996,135
2066	996,135	-	16,730	-	76,552	1,055,957

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: 7.75% 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
2067	1,055,957	-	14,123	-	81,289	1,123,123
2068	1,123,123	-	11,895	-	86,581	1,197,809
2069	1,197,809	-	9,993	-	92,443	1,280,259
2070	1,280,259	-	8,367	-	98,896	1,370,788
2071	1,370,788	-	6,975	-	105,966	1,469,779
2072	1,469,779	-	5,781	-	113,684	1,577,682
2073	1,577,682	-	4,759	-	122,086	1,695,009
2074	1,695,009	-	3,886	-	131,213	1,822,336
2075	1,822,336	-	3,142	-	141,109	1,960,303
2076	1,960,303	-	2,513	-	151,826	2,109,616
2077	2,109,616	-	1,985	-	163,418	2,271,049
2078	2,271,049	-	1,547	-	175,946	2,445,448
2079	2,445,448	-	1,189	-	189,476	2,633,735
2080	2,633,735	-	900	-	204,080	2,836,915
2081	2,836,915	-	671	-	219,835	3,056,079
2082	3,056,079	-	493	-	236,827	3,292,413
2083	3,292,413	-	356	-	255,148	3,547,205
2084	3,547,205	-	253	-	274,899	3,821,851
2085	3,821,851	-	178	-	296,187	4,117,860
2086	4,117,860	-	123	-	319,129	4,436,866
2087	4,436,866	-	85	-	343,854	4,780,635
2088	4,780,635	-	58	-	370,497	5,151,074
2089	5,151,074	-	39	-	399,207	5,550,242
2090	5,550,242	-	26	-	430,143	5,980,359
2091	5,980,359	-	18	-	463,477	6,443,818
2092	6,443,818	-	12	-	499,395	6,943,201
2093	6,943,201	-	8	-	538,098	7,481,291
2094	7,481,291	-	5	-	579,800	8,061,086
2095	8,061,086	-	4	-	624,734	8,685,816
2096	8,685,816	-	3	-	673,151	9,358,964
2097	9,358,964	-	2	-	725,320	10,084,282
2098	10,084,282	-	1	-	781,532	10,865,813
2099	10,865,813	-	1	-	842,100	11,707,912
2100	11,707,912	-	1	-	907,363	12,615,274
2101	12,615,274	-	-	-	977,684	13,592,958

*All DROP and Share Balances paid in 2015.

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 7.75% 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: 7.75% 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	3,218,778	-	595,373	-	226,385	2,849,790
2016	2,849,790	-	179,289	-	213,911	2,884,412
2017	2,884,412	-	178,951	-	216,608	2,922,069
2018	2,922,069	-	181,899	-	219,412	2,959,582
2019	2,959,582	-	181,229	-	222,345	3,000,698
2020	3,000,698	-	181,089	-	225,537	3,045,146
2021	3,045,146	-	211,882	-	227,788	3,061,052
2022	3,061,052	-	231,536	-	228,260	3,057,776
2023	3,057,776	-	257,607	-	226,995	3,027,164
2024	3,027,164	-	278,330	-	223,820	2,972,654
2025	2,972,654	-	289,375	-	219,167	2,902,446
2026	2,902,446	-	286,158	-	213,851	2,830,139
2027	2,830,139	-	284,099	-	208,327	2,754,367
2028	2,754,367	-	281,707	-	202,547	2,675,207
2029	2,675,207	-	286,193	-	196,239	2,585,253
2030	2,585,253	-	283,040	-	189,389	2,491,602
2031	2,491,602	-	278,623	-	182,303	2,395,282
2032	2,395,282	-	273,607	-	175,032	2,296,707
2033	2,296,707	-	281,401	-	167,091	2,182,397
2034	2,182,397	-	275,729	-	158,451	2,065,119
2035	2,065,119	-	269,740	-	149,594	1,944,973
2036	1,944,973	-	264,059	-	140,503	1,821,417
2037	1,821,417	-	258,246	-	131,153	1,694,324
2038	1,694,324	-	252,704	-	121,518	1,563,138
2039	1,563,138	-	252,447	-	111,361	1,422,052
2040	1,422,052	-	245,374	-	100,701	1,277,379
2041	1,277,379	-	238,148	-	89,769	1,129,000
2042	1,129,000	-	230,374	-	78,571	977,197
2043	977,197	-	221,941	-	67,133	822,389
2044	822,389	-	213,460	-	55,464	664,393
2045	664,393	-	204,681	-	43,559	503,271
2046	503,271	-	195,589	-	31,424	339,106
2047	339,106	-	186,324	-	19,061	171,843
2048	171,843	-	176,824	-	-	-

*All DROP and Share Balances paid in 2015.

Number of Years Expected Benefit Payments Sustained: 33.97

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.75% 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: 5.75% 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	3,218,778	-	595,373	-	167,963	2,791,368
2016	2,791,368	-	179,289	-	155,349	2,767,428
2017	2,767,428	-	178,951	-	153,982	2,742,459
2018	2,742,459	-	181,899	-	152,462	2,713,022
2019	2,713,022	-	181,229	-	150,788	2,682,581
2020	2,682,581	-	181,089	-	149,042	2,650,534
2021	2,650,534	-	211,882	-	146,314	2,584,966
2022	2,584,966	-	231,536	-	141,979	2,495,409
2023	2,495,409	-	257,607	-	136,080	2,373,882
2024	2,373,882	-	278,330	-	128,496	2,224,048
2025	2,224,048	-	289,375	-	119,563	2,054,236
2026	2,054,236	-	286,158	-	109,892	1,877,970
2027	1,877,970	-	284,099	-	99,815	1,693,686
2028	1,693,686	-	281,707	-	89,288	1,501,267
2029	1,501,267	-	286,193	-	78,095	1,293,169
2030	1,293,169	-	283,040	-	66,220	1,076,349
2031	1,076,349	-	278,623	-	53,880	851,606
2032	851,606	-	273,607	-	41,101	619,100
2033	619,100	-	281,401	-	27,508	365,207
2034	365,207	-	275,729	-	13,072	102,550
2035	102,550	-	269,740	-	-	-

*All DROP and Share Balances paid in 2015.

Number of Years Expected Benefit Payments Sustained: 20.38

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.75% 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	
	7.75% RP-2000 Static	7.75% RP-2000 Generational	5.75% RP-2000 Generational
Total Required Contribution (Fixed \$)	\$176,494	\$192,507	\$314,896
Total Required Contribution (% of Payroll)	33.0%	36.0%	58.7%
Expected Member Contribution	26,817	26,817	26,817
Expected State Money	37,571	37,571	37,571
Expected Sponsor Contribution (Fixed \$)	\$112,106	\$128,119	\$250,508
Expected Sponsor Contribution (% of Payroll)	21.0%	24.0%	46.7%

ASSETS

Actuarial Value ¹	3,339,868	3,339,868	3,339,868
Market Value ¹	3,218,778	3,218,778	3,218,778

LIABILITIES

Present Value of Benefits			
Active Members			
Retirement Benefits	2,314,317	2,423,548	3,599,721
Disability Benefits	26,224	27,494	39,421
Death Benefits	13,977	9,565	13,056
Vested Benefits	131,397	138,473	237,968
Refund of Contributions	14,899	14,902	16,014
Service Retirees	700,276	739,165	867,150
DROP Retirees ¹	696,981	708,311	830,988
Beneficiaries	4,916	4,916	4,957
Disability Retirees	113,713	118,433	139,114
Terminated Vested	295,080	302,836	428,668
Accumulated Share Balances ¹	291,428	291,428	291,428
Excess State Monies Reserve	0	0	0
Total:	4,603,208	4,779,071	6,468,485
Present Value of Future Salaries	4,569,946	4,576,069	5,209,078
Present Value of Future Member Contributions	228,497	228,803	260,454
Total Normal Cost	99,446	104,096	167,325
Present Value of Future Normal Costs (Entry Age Normal)	822,297	864,418	1,589,631
Total Actuarial Accrued Liability ¹	3,780,911	3,914,653	4,878,854
Unfunded Actuarial Accrued Liability (UAAL)	441,043	574,785	1,538,986

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

Valuation Date: 10/1/2015

	ACTUAL	HYPOTHETICAL	
	7.75% RP-2000 Static	7.75% RP-2000 Generational	5.75% RP-2000 Generational
<u>PENSION COST</u>			
Normal Cost (with interest)	103,300	108,130	172,136
Administrative Expenses (with interest)	22,266	22,266	22,051
Payment Required To Amortize UAAL (with interest)	50,928	62,111	120,709
Total Required Contribution	\$176,494	\$192,507	\$314,896

¹ The asset values and liabilities include accumulated DROP and Share Balances as of 9/30/2015.