

NORTH MIAMI POLICE PENSION PLAN

Chapter 112.664, F.S. Compliance Report

In Connection with the October 1, 2015 Funding Actuarial Valuation Report

And the Plan's Financial Reporting for the Year Ending September 30, 2015



August 19, 2016

Board of Trustees
North Miami Police Pension Plan
North Miami, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the North Miami Police Pension Plan (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, 2015. 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 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 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, 2015 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2015 actuarial valuation report. Please refer to the October 1, 2015 actuarial valuation report, dated June 6, 2016, 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.

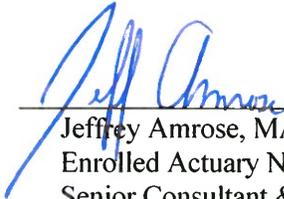
Jeffrey Amrose and Trisha Amrose are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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  _____
Jeffrey Amrose, MAAA
Enrolled Actuary No. 14-6599
Senior Consultant & Actuary

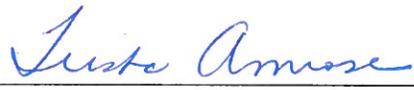
By  _____
Trisha Amrose, MAAA
Enrolled Actuary No. 14-8010
Consultant & Actuary

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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>2015</u>
1. Total pension liability	
a. Service Cost	\$ 2,364,576
b. Interest	6,407,038
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(2,551,912)
e. Assumption Changes	973,319
f. Benefit Payments	(2,992,356)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>4,200,665</u>
i. Total Pension Liability - Beginning	<u>76,324,830</u>
j. Total Pension Liability - Ending	<u>\$ 80,525,495</u>
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 3,358,659
b. Contributions - State	82,682
c. Contributions - Member	846,576
d. Net Investment Income	1,672,653
e. Benefit Payments	(2,992,356)
f. Contribution Refunds	-
g. Administrative Expense	(126,435)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>2,841,779</u>
j. Plan Fiduciary Net Position - Beginning	<u>52,546,501</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 55,388,280</u>
 3. Net Pension Liability / (Asset)	 25,137,215
 Certain Key Assumptions	
Valuation Date	10/01/2014
Measurement Date	09/30/2015
Investment Return Assumption	8.20%
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>2015</u>
1. Total pension liability	
a. Service Cost	\$ 2,364,576
b. Interest	6,407,038
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(2,551,912)
e. Assumption Changes	973,319
f. Benefit Payments	(2,992,356)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>4,200,665</u>
i. Total Pension Liability - Beginning	<u>76,324,830</u>
j. Total Pension Liability - Ending	<u><u>\$ 80,525,495</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 3,358,659
b. Contributions - State	82,682
c. Contributions - Member	846,576
d. Net Investment Income	1,672,653
e. Benefit Payments	(2,992,356)
f. Contribution Refunds	-
g. Administrative Expense	(126,435)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>2,841,779</u>
j. Plan Fiduciary Net Position - Beginning	<u>52,546,501</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 55,388,280</u></u>
3. Net Pension Liability / (Asset)	25,137,215
Certain Key Assumptions	
Valuation Date	10/01/2014
Measurement Date	09/30/2015
Investment Return Assumption	8.20%
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>2015</u>
1. Total pension liability	
a. Service Cost	\$ 3,878,430
b. Interest	6,203,746
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(2,992,356)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>7,089,820</u>
i. Total Pension Liability - Beginning	<u>97,678,165</u>
j. Total Pension Liability - Ending	<u>\$ 104,767,985</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 3,358,659
b. Contributions - State	82,682
c. Contributions - Member	846,576
d. Net Investment Income	1,672,653
e. Benefit Payments	(2,992,356)
f. Contribution Refunds	-
g. Administrative Expense	(126,435)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>2,841,779</u>
j. Plan Fiduciary Net Position - Beginning	<u>52,546,501</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 55,388,280</u>
3. Net Pension Liability / (Asset)	49,379,705
Certain Key Assumptions	
Valuation Date	10/01/2014
Measurement Date	09/30/2015
Investment Return Assumption	6.20%
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>2015</u>
1. Total pension liability	
a. Service Cost	\$ 1,574,737
b. Interest	6,076,295
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(2,992,356)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>4,658,676</u>
i. Total Pension Liability - Beginning	<u>59,492,962</u>
j. Total Pension Liability - Ending	<u>\$ 64,151,638</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 3,358,659
b. Contributions - State	82,682
c. Contributions - Member	846,576
d. Net Investment Income	1,672,653
e. Benefit Payments	(2,992,356)
f. Contribution Refunds	-
g. Administrative Expense	(126,435)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>2,841,779</u>
j. Plan Fiduciary Net Position - Beginning	<u>52,546,501</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 55,388,280</u>
3. Net Pension Liability / (Asset)	8,763,358
Certain Key Assumptions	
Valuation Date	10/01/2014
Measurement Date	09/30/2015
Investment Return Assumption	10.20%
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)
2016	55,388,280	4,365,995	2,974,219	56,780,056
2017	56,780,056	4,438,275	3,973,084	57,245,247
2018	57,245,247	4,466,005	4,218,771	57,492,481
2019	57,492,481	4,470,099	4,612,138	57,350,442
2020	57,350,442	4,448,858	4,852,535	56,946,765
2021	56,946,765	4,405,849	5,107,142	56,245,472
2022	56,245,472	4,341,102	5,303,230	55,283,344
2023	55,283,344	4,255,117	5,502,066	54,036,395
2024	54,036,395	4,141,312	5,818,177	52,359,530
2025	52,359,530	3,992,335	6,142,893	50,208,972
2026	50,208,972	3,809,447	6,357,521	47,660,898
2027	47,660,898	3,597,426	6,496,468	44,761,856
2028	44,761,856	3,355,055	6,682,846	41,434,065
2029	41,434,065	3,079,380	6,834,055	37,679,390
2030	37,679,390	2,767,107	7,035,144	33,411,353
2031	33,411,353	2,414,596	7,203,049	28,622,900
2032	28,622,900	2,021,238	7,338,691	23,305,447
2033	23,305,447	1,585,301	7,467,663	17,423,085
2034	17,423,085	1,103,294	7,604,354	10,922,025
2035	10,922,025	572,224	7,715,053	3,779,196
2036	3,779,196	-	7,805,133	-
2037	-	-	7,885,961	-
2038	-	-	7,991,090	-
2039	-	-	8,059,063	-
2040	-	-	8,090,582	-
2041	-	-	8,107,177	-

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: 20.50

Certain Key Assumptions

Valuation Investment return assumption 8.10%
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)
2016	55,388,280	4,365,995	2,974,219	56,780,056
2017	56,780,056	4,438,275	3,973,084	57,245,247
2018	57,245,247	4,466,005	4,218,771	57,492,481
2019	57,492,481	4,470,099	4,612,138	57,350,442
2020	57,350,442	4,448,858	4,852,535	56,946,765
2021	56,946,765	4,405,849	5,107,142	56,245,472
2022	56,245,472	4,341,102	5,303,230	55,283,344
2023	55,283,344	4,255,117	5,502,066	54,036,395
2024	54,036,395	4,141,312	5,818,177	52,359,530
2025	52,359,530	3,992,335	6,142,893	50,208,972
2026	50,208,972	3,809,447	6,357,521	47,660,898
2027	47,660,898	3,597,426	6,496,468	44,761,856
2028	44,761,856	3,355,055	6,682,846	41,434,065
2029	41,434,065	3,079,380	6,834,055	37,679,390
2030	37,679,390	2,767,107	7,035,144	33,411,353
2031	33,411,353	2,414,596	7,203,049	28,622,900
2032	28,622,900	2,021,238	7,338,691	23,305,447
2033	23,305,447	1,585,301	7,467,663	17,423,085
2034	17,423,085	1,103,294	7,604,354	10,922,025
2035	10,922,025	572,224	7,715,053	3,779,196
2036	3,779,196	-	7,805,133	-
2037	-	-	7,885,961	-
2038	-	-	7,991,090	-
2039	-	-	8,059,063	-
2040	-	-	8,090,582	-
2041	-	-	8,107,177	-

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:** 20.50

Certain Key Assumptions

Valuation Investment return assumption 8.10%
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)
2016	55,388,280	3,287,971	2,974,219	55,702,032
2017	55,702,032	3,276,645	3,973,084	55,005,593
2018	55,005,593	3,226,669	4,218,771	54,013,491
2019	54,013,491	3,154,153	4,612,138	52,555,506
2020	52,555,506	3,057,884	4,852,535	50,760,855
2021	50,760,855	2,940,644	5,107,142	48,594,357
2022	48,594,357	2,802,507	5,303,230	46,093,634
2023	46,093,634	2,643,899	5,502,066	43,235,467
2024	43,235,467	2,459,909	5,818,177	39,877,199
2025	39,877,199	2,245,151	6,142,893	35,979,457
2026	35,979,457	2,000,842	6,357,521	31,622,778
2027	31,622,778	1,730,847	6,496,468	26,857,157
2028	26,857,157	1,434,460	6,682,846	21,608,771
2029	21,608,771	1,109,696	6,834,055	15,884,412
2030	15,884,412	754,377	7,035,144	9,603,645
2031	9,603,645	366,129	7,203,049	2,766,725
2032	2,766,725	-	7,338,691	-
2033	-	-	7,467,663	-
2034	-	-	7,604,354	-
2035	-	-	7,715,053	-
2036	-	-	7,805,133	-
2037	-	-	7,885,961	-
2038	-	-	7,991,090	-
2039	-	-	8,059,063	-
2040	-	-	8,090,582	-
2041	-	-	8,107,177	-

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:**

16.42

Certain Key Assumptions

Valuation Investment return assumption

6.10%

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)
2016	55,388,280	5,444,018	2,974,219	57,858,079
2017	57,858,079	5,643,025	3,973,084	59,528,020
2018	59,528,020	5,799,282	4,218,771	61,108,531
2019	61,108,531	5,939,049	4,612,138	62,435,442
2020	62,435,442	6,060,927	4,852,535	63,643,834
2021	63,643,834	6,170,117	5,107,142	64,706,809
2022	64,706,809	6,267,575	5,303,230	65,671,154
2023	65,671,154	6,354,932	5,502,066	66,524,020
2024	66,524,020	6,425,108	5,818,177	67,130,951
2025	67,130,951	6,470,010	6,142,893	67,458,068
2026	67,458,068	6,492,210	6,357,521	67,592,757
2027	67,592,757	6,498,797	6,496,468	67,595,086
2028	67,595,086	6,489,620	6,682,846	67,401,860
2029	67,401,860	6,462,468	6,834,055	67,030,273
2030	67,030,273	6,414,783	7,035,144	66,409,912
2031	66,409,912	6,343,647	7,203,049	65,550,510
2032	65,550,510	6,249,998	7,338,691	64,461,817
2033	64,461,817	6,133,527	7,467,663	63,127,681
2034	63,127,681	5,991,876	7,604,354	61,515,203
2035	61,515,203	5,823,425	7,715,053	59,623,575
2036	59,623,575	5,627,822	7,805,133	57,446,264
2037	57,446,264	5,403,832	7,885,961	54,964,135
2038	54,964,135	5,147,828	7,991,090	52,120,873
2039	52,120,873	4,857,225	8,059,063	48,919,035
2040	48,919,035	4,532,248	8,090,582	45,360,701
2041	45,360,701	4,172,018	8,107,177	41,425,542

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:** 33.25

Certain Key Assumptions

Valuation Investment return assumption 10.10%
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
	October 1, 2015	October 1, 2015	October 1, 2015	October 1, 2015
A. Valuation Date	October 1, 2015	October 1, 2015	October 1, 2015	October 1, 2015
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2017	9/30/2017	9/30/2017	9/30/2017
C. Assumed Dates of Employer Contributions	10/1/2016	10/1/2016	10/1/2016	10/1/2016
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 1,858,401	\$ 1,858,401	\$ 3,021,506	\$ 731,668
E. Employer Normal Cost	1,821,704	1,821,704	3,485,564	861,751
F. Employer ADC if Paid on Valuation Date: D + E	3,680,105	3,680,105	6,507,070	1,593,419
G. Employer ADC Adjusted for Frequency of Payments	3,680,105	3,680,105	6,507,070	1,593,419
H. Employer ADC Adjusted for Frequency of Payments as % of Covered Payroll	40.06 %	40.06 %	70.84 %	17.35 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	4.00 %	4.00 %	4.00 %	4.00 %
J. Covered Payroll for Contribution Year	9,553,392	9,553,392	9,553,392	9,553,392
K. Employer ADC for Contribution Year: H x J	3,827,089	3,827,089	6,767,623	1,657,514
L. Allowable Credit for State Revenue in Contribution Year	82,682	82,682	82,682	82,682
M. Net Employer ADC After State Revenue in Contribution Year	3,744,407	3,744,407	6,684,941	1,574,832
N. Net Employer ADC as % of Covered Payroll in Contribution Year: M ÷ J	39.19 %	39.19 %	69.97 %	16.48 %
O. Expected Member Contributions	1,099,595	1,099,595	1,099,595	1,099,595
P. Total Contribution (including Members) in Contributing Year: K + O	4,926,684	4,926,684	7,867,218	2,757,109
Q. Total Contribution as a % of covered payroll in Contribution Year: P ÷ J	51.57 %	51.57 %	82.35 %	28.86 %
R. Certain Key Assumptions				
Investment Return Assumption	8.10%	8.10%	6.10%	10.10%
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