



June 30, 2015

VIA EMAIL

Ms. Mo Thornton  
City of Atlantis  
Police Officers' Pension Fund  
260 Orange Tree Drive  
Atlantis, FL 33462

Re: City of Atlantis Police Officers' Pension Fund  
Senate Bill 534 (Section 112.664, Florida Statutes) Compliance

Dear Mo:

Please find enclosed the annual disclosures that satisfy the October 1, 2014 financial reporting requirements made under Section 112.664.

Our office will submit this information electronically to the Department of Management Services by the June 30, 2015 deadline. 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

CITY OF ATLANTIS  
POLICE OFFICERS' PENSION 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: 6/30/2015

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, 2014 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.

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	ACTUAL	HYPOTHETICAL	
	7.69% RP-2000 Static 9/30/2014	7.69% RP-2000 Generational 9/30/2014	5.69% RP-2000 Generational 9/30/2014
<u>Total Pension Liability</u>			
Service Cost	-	-	-
Interest	102,838	107,160	94,988
Changes of Benefit Terms			
Differences Between Expected and Actual Experience	-	-	-
Changes of Assumptions			
Benefit Payments, Including Refunds of Employee Contributions	(130,806)	(130,806)	(130,806)
Net Change in Total Pension Liability	(27,968)	(23,646)	(35,818)
Total Pension Liability - Beginning	1,402,698	1,458,903	1,734,794
Total Pension Liability - Ending (a)	<u>\$ 1,374,730</u>	<u>\$ 1,435,257</u>	<u>\$ 1,698,976</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	66,766	66,766	66,766
Contributions - State	-	-	-
Contributions - Employee	-	-	-
Net Investment Income	122,520	122,520	122,520
Benefit Payments, Including Refunds of Employee Contributions	(130,806)	(130,806)	(130,806)
Administrative Expense	-	-	-
Other	-	-	-
Net Change in Plan Fiduciary Net Position	58,479	58,479	58,479
Plan Fiduciary Net Position - Beginning	1,264,928	1,264,928	1,264,928
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,323,407</u>	<u>\$ 1,323,407</u>	<u>\$ 1,323,407</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 51,323</u>	<u>\$ 111,850</u>	<u>\$ 375,569</u>

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

Table 1  
Plan Assumptions: 7.69% 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
2014	1,323,407	-	129,748	-	96,781	1,290,440
2015	1,290,440	-	130,834	-	94,204	1,253,810
2016	1,253,810	-	131,606	-	91,358	1,213,562
2017	1,213,562	-	132,030	-	88,246	1,169,778
2018	1,169,778	-	132,078	-	84,878	1,122,578
2019	1,122,578	-	131,731	-	81,261	1,072,108
2020	1,072,108	-	130,976	-	77,409	1,018,541
2021	1,018,541	-	129,800	-	73,335	962,076
2022	962,076	-	128,191	-	69,055	902,940
2023	902,940	-	126,135	-	64,586	841,391
2024	841,391	-	123,619	-	59,950	777,722
2025	777,722	-	120,623	-	55,169	712,268
2026	712,268	-	117,131	-	50,270	645,407
2027	645,407	-	113,135	-	45,282	577,554
2028	577,554	-	108,635	-	40,237	509,156
2029	509,156	-	103,636	-	35,169	440,689
2030	440,689	-	98,153	-	30,115	372,651
2031	372,651	-	92,210	-	25,111	305,552
2032	305,552	-	85,851	-	20,196	239,897
2033	239,897	-	79,144	-	15,405	176,158
2034	176,158	-	72,183	-	10,771	114,746
2035	114,746	-	65,097	-	6,321	55,970
2036	55,970	-	58,039	-	-	-

Number of Years Expected Benefit Payments Sustained: 22.96

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.69% 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: 7.69% 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
2014	1,323,407	-	129,824	-	96,778	1,290,361
2015	1,290,361	-	131,113	-	94,187	1,253,435
2016	1,253,435	-	132,163	-	91,307	1,212,579
2017	1,212,579	-	132,947	-	88,136	1,167,768
2018	1,167,768	-	133,446	-	84,670	1,118,992
2019	1,118,992	-	133,641	-	80,912	1,066,263
2020	1,066,263	-	133,520	-	76,862	1,009,605
2021	1,009,605	-	133,039	-	72,523	949,089
2022	949,089	-	132,168	-	67,903	884,824
2023	884,824	-	130,898	-	63,010	816,936
2024	816,936	-	129,204	-	57,854	745,586
2025	745,586	-	127,059	-	52,450	670,977
2026	670,977	-	124,435	-	46,814	593,356
2027	593,356	-	121,346	-	40,963	512,973
2028	512,973	-	117,777	-	34,919	430,115
2029	430,115	-	113,678	-	28,705	345,142
2030	345,142	-	109,038	-	22,349	258,453
2031	258,453	-	103,826	-	15,883	170,510
2032	170,510	-	98,030	-	9,343	81,823
2033	81,823	-	91,684	-	-	-

Number of Years Expected Benefit Payments Sustained: 19.89

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.69% 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: 5.69% 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
2014	1,323,407	-	129,824	-	71,608	1,265,191
2015	1,265,191	-	131,113	-	68,259	1,202,337
2016	1,202,337	-	132,163	-	64,653	1,134,827
2017	1,134,827	-	132,947	-	60,789	1,062,669
2018	1,062,669	-	133,446	-	56,669	985,892
2019	985,892	-	133,641	-	52,295	904,546
2020	904,546	-	133,520	-	47,670	818,696
2021	818,696	-	133,039	-	42,799	728,456
2022	728,456	-	132,168	-	37,689	633,977
2023	633,977	-	130,898	-	32,349	535,428
2024	535,428	-	129,204	-	26,790	433,014
2025	433,014	-	127,059	-	21,024	326,979
2026	326,979	-	124,435	-	15,065	217,609
2027	217,609	-	121,346	-	8,930	105,193
2028	105,193	-	117,777	-	-	-

Number of Years Expected Benefit Payments Sustained: 14.89

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.69% 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, 2015

Valuation Date: 10/1/2014

	ACTUAL	HYPOTHETICAL	
	7.69% RP-2000 Static	7.69% RP-2000 Generational	5.69% RP-2000 Generational
Expected Sponsor Contribution (Fixed \$)	\$49,489	\$54,523	\$69,550
<b><u>ASSETS</u></b>			
Actuarial Value	1,175,359	1,175,359	1,175,359
Market Value	1,323,407	1,323,407	1,323,407
<b><u>LIABILITIES</u></b>			
Present Value of Benefits			
Active Members			
Retirement Benefits	0	0	0
Disability Benefits	0	0	0
Death Benefits	0	0	0
Vested Benefits	0	0	0
Refund of Contributions	0	0	0
Service Retirees	786,163	822,326	986,493
DROP Retirees	0	0	0
Beneficiaries	466,384	485,928	570,708
Terminated Vested	0	0	0
Disability Retirees	122,183	127,003	141,774
Total:	1,374,730	1,435,257	1,698,975
Present Value of Future Salaries	0	0	0
Present Value of Future Member Contributions	0	0	0
Present Value of Future Normal Costs (Entry Age Normal)	0	0	0
Total Actuarial Accrued Liability	1,374,730	1,435,257	1,698,975
Unfunded Actuarial Accrued Liability (Entry Age Normal)	199,371	259,898	523,616

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2015

Valuation Date: 10/1/2014

	ACTUAL	HYPOTHETICAL	
	7.69% RP-2000 Static	7.69% RP-2000 Generational	5.69% RP-2000 Generational
<b><u>PENSION COST</u></b>			
Normal Cost (with interest)	0	0	0
Administrative Expenses (with interest)	1,731	1,731	1,714
Payment Required To Amortize UAAL (with interest)	47,758	52,792	67,836
Total Required Contribution	\$49,489	\$54,523	\$69,550