

May 25, 2018

VIA EMAIL

Ms. Amber McNeill, Administrator  
North Port Police Officers' Pension  
Resource Centers  
4100 Center Pointe Drive, Ste. 108  
Fort Myers, FL 33916

Re: City of North Port Police Officers' Pension - Local Option Trust Fund  
Section 112.664, Florida Statutes Compliance

Dear Amber:

Please find enclosed the annual disclosures that satisfy the October 1, 2017 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: 

Christine M. O'Neal, FSA, EA, MAAA  
Enrolled Actuary #17-7916

CMON/lke  
Enclosures

cc via email: Scott R. Christiansen, Board Attorney

CITY OF NORTH PORT  
POLICE OFFICERS' PENSION - LOCAL OPTION 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: 5/25/2018

Christine M. O'Neal, FSA, EA, MAAA  
Enrolled Actuary #17-7916



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, 2017 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  
FISCAL YEAR SEPTEMBER 30, 2017

	ACTUAL	HYPOTHETICAL	
	7.65% RP-2000 Generational	5.65% RP-2000 Generational	9.65% RP-2000 Generational
<u>Total Pension Liability</u>			
Service Cost	1,882,560	2,788,567	1,318,228
Interest	3,103,881	2,986,422	3,110,916
Share Plan Allocation	125,720	125,720	125,720
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	472,241	584,712	402,051
Changes of Assumptions	569,256	846,003	395,124
Contributions - Buy Back	53,000	53,000	53,000
Benefit Payments, Including Refunds of Employee Contributions	(1,827,860)	(1,827,860)	(1,827,860)
Net Change in Total Pension Liability	4,378,798	5,556,564	3,577,179
Total Pension Liability - Beginning	38,983,111	49,964,811	31,404,197
Total Pension Liability - Ending (a)	<u>\$ 43,361,909</u>	<u>\$ 55,521,375</u>	<u>\$ 34,981,376</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	1,831,771	1,831,771	1,831,771
Contributions - State	405,720	405,720	405,720
Contributions - Employee	504,859	504,859	504,859
Contributions - Buy Back	53,000	53,000	53,000
Net Investment Income	4,526,131	4,526,131	4,526,131
Benefit Payments, Including Refunds of Employee Contributions	(1,827,860)	(1,827,860)	(1,827,860)
Administrative Expenses	(72,479)	(72,479)	(72,479)
Net Change in Plan Fiduciary Net Position	5,421,142	5,421,142	5,421,142
Plan Fiduciary Net Position - Beginning	35,624,839	35,624,839	35,624,839
Plan Fiduciary Net Position - Ending (b)	<u>\$ 41,045,981</u>	<u>\$ 41,045,981</u>	<u>\$ 41,045,981</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 2,315,928</u>	<u>\$ 14,475,394</u>	<u>\$ (6,064,605)</u>

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

Table 1  
Plan Assumptions: 7.65% 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
2017	40,416,303	-	2,477,713	-	2,997,075	40,935,665
2018	40,935,665	-	2,093,289	-	3,051,510	41,893,886
2019	41,893,886	-	2,288,265	-	3,117,356	42,722,977
2020	42,722,977	-	2,389,260	-	3,176,919	43,510,636
2021	43,510,636	-	2,499,132	-	3,232,972	44,244,476
2022	44,244,476	-	2,604,591	-	3,285,077	44,924,962
2023	44,924,962	-	2,760,215	-	3,331,181	45,495,928
2024	45,495,928	-	2,912,375	-	3,369,040	45,952,593
2025	45,952,593	-	3,019,241	-	3,399,887	46,333,239
2026	46,333,239	-	3,141,095	-	3,424,346	46,616,490
2027	46,616,490	-	3,218,943	-	3,443,037	46,840,584
2028	46,840,584	-	3,283,571	-	3,457,708	47,014,721
2029	47,014,721	-	3,334,261	-	3,469,091	47,149,551
2030	47,149,551	-	3,380,231	-	3,477,647	47,246,967
2031	47,246,967	-	3,518,247	-	3,479,820	47,208,540
2032	47,208,540	-	3,548,662	-	3,475,717	47,135,595
2033	47,135,595	-	3,577,308	-	3,469,041	47,027,328
2034	47,027,328	-	3,547,082	-	3,461,915	46,942,161
2035	46,942,161	-	3,523,643	-	3,456,296	46,874,814
2036	46,874,814	-	3,523,158	-	3,451,162	46,802,818
2037	46,802,818	-	3,486,512	-	3,447,056	46,763,362
2038	46,763,362	-	3,448,770	-	3,445,482	46,760,074
2039	46,760,074	-	3,397,871	-	3,447,177	46,809,380
2040	46,809,380	-	3,340,973	-	3,453,125	46,921,532
2041	46,921,532	-	3,270,803	-	3,464,389	47,115,118
2042	47,115,118	-	3,204,524	-	3,481,733	47,392,327
2043	47,392,327	-	3,134,964	-	3,505,601	47,762,964
2044	47,762,964	-	3,064,823	-	3,536,637	48,234,778
2045	48,234,778	-	2,991,420	-	3,575,539	48,818,897
2046	48,818,897	-	2,913,210	-	3,623,215	49,528,902
2047	49,528,902	-	2,833,431	-	3,680,582	50,376,053
2048	50,376,053	-	2,750,589	-	3,748,558	51,374,022
2049	51,374,022	-	2,664,985	-	3,828,177	52,537,214
2050	52,537,214	-	2,576,571	-	3,920,543	53,881,186
2051	53,881,186	-	2,485,361	-	4,026,846	55,422,671
2052	55,422,671	-	2,391,462	-	4,148,361	57,179,570
2053	57,179,570	-	2,295,217	-	4,286,445	59,170,798
2054	59,170,798	-	2,196,816	-	4,442,538	61,416,520
2055	61,416,520	-	2,096,255	-	4,618,182	63,938,447
2056	63,938,447	-	1,993,677	-	4,815,033	66,759,803
2057	66,759,803	-	1,889,486	-	5,034,852	69,905,169
2058	69,905,169	-	1,783,849	-	5,279,513	73,400,833
2059	73,400,833	-	1,677,267	-	5,551,008	77,274,574
2060	77,274,574	-	1,570,167	-	5,851,446	81,555,853
2061	81,555,853	-	1,463,005	-	6,183,063	86,275,911
2062	86,275,911	-	1,356,442	-	6,548,223	91,467,692
2063	91,467,692	-	1,251,356	-	6,949,414	97,165,750
2064	97,165,750	-	1,148,529	-	7,389,249	103,406,470
2065	103,406,470	-	1,048,743	-	7,870,481	110,228,208
2066	110,228,208	-	952,739	-	8,396,016	117,671,485

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

Table 1  
Plan Assumptions: 7.65% 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
2067	117,671,485	-	861,237	-	8,968,926	125,779,174
2068	125,779,174	-	775,148	-	9,592,457	134,596,483
2069	134,596,483	-	694,687	-	10,270,059	144,171,855
2070	144,171,855	-	619,781	-	11,005,440	154,557,514
2071	154,557,514	-	550,441	-	11,802,595	165,809,668
2072	165,809,668	-	486,467	-	12,665,832	177,989,033
2073	177,989,033	-	427,662	-	13,599,803	191,161,174
2074	191,161,174	-	373,828	-	14,609,531	205,396,877
2075	205,396,877	-	324,721	-	15,700,441	220,772,597
2076	220,772,597	-	280,046	-	16,878,392	237,370,943
2077	237,370,943	-	239,557	-	18,149,714	255,281,100
2078	255,281,100	-	202,917	-	19,521,243	274,599,426
2079	274,599,426	-	170,225	-	21,000,345	295,429,546
2080	295,429,546	-	141,292	-	22,594,956	317,883,210
2081	317,883,210	-	115,968	-	24,313,630	342,080,872
2082	342,080,872	-	94,003	-	26,165,591	368,152,460
2083	368,152,460	-	75,227	-	28,160,786	396,238,019
2084	396,238,019	-	59,458	-	30,309,934	426,488,495
2085	426,488,495	-	46,393	-	32,624,595	459,066,697
2086	459,066,697	-	35,720	-	35,117,236	494,148,213
2087	494,148,213	-	27,165	-	37,801,299	531,922,347
2088	531,922,347	-	20,425	-	40,691,278	572,593,200
2089	572,593,200	-	15,181	-	43,802,799	616,380,818
2090	616,380,818	-	11,178	-	47,152,705	663,522,345
2091	663,522,345	-	8,150	-	50,759,148	714,273,343
2092	714,273,343	-	5,902	-	54,641,685	768,909,126
2093	768,909,126	-	4,241	-	58,821,386	827,726,271
2094	827,726,271	-	3,023	-	63,320,944	891,044,192
2095	891,044,192	-	2,134	-	68,164,799	959,206,857
2096	959,206,857	-	1,495	-	73,379,267	1,032,584,629
2097	1,032,584,629	-	1,034	-	78,992,685	1,111,576,280
2098	1,111,576,280	-	708	-	85,035,558	1,196,611,130
2099	1,196,611,130	-	481	-	91,540,733	1,288,151,382
2100	1,288,151,382	-	323	-	98,543,568	1,386,694,627
2101	1,386,694,627	-	214	-	106,082,131	1,492,776,544
2102	1,492,776,544	-	140	-	114,197,400	1,606,973,804
2103	1,606,973,804	-	90	-	122,933,493	1,729,907,207
2104	1,729,907,207	-	57	-	132,337,899	1,862,245,049
2105	1,862,245,049	-	36	-	142,461,745	2,004,706,758
2106	2,004,706,758	-	22	-	153,360,066	2,158,066,802
2107	2,158,066,802	-	14	-	165,092,110	2,323,158,898
2108	2,323,158,898	-	8	-	177,721,655	2,500,880,545
2109	2,500,880,545	-	5	-	191,317,362	2,692,197,902
2110	2,692,197,902	-	3	-	205,953,139	2,898,151,038
2111	2,898,151,038	-	2	-	221,708,554	3,119,859,590
2112	3,119,859,590	-	1	-	238,669,259	3,358,528,848
2113	3,358,528,848	-	-	-	256,927,457	3,615,456,305

\*All DROP and Share Balances paid in 2017.

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 7.65% 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: 5.65% 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
2017	40,416,303	-	2,477,713	-	2,213,526	40,152,116
2018	40,152,116	-	2,093,289	-	2,209,459	40,268,286
2019	40,268,286	-	2,288,265	-	2,210,515	40,190,536
2020	40,190,536	-	2,389,260	-	2,203,269	40,004,545
2021	40,004,545	-	2,499,132	-	2,189,656	39,695,069
2022	39,695,069	-	2,604,591	-	2,169,192	39,259,670
2023	39,259,670	-	2,760,215	-	2,140,195	38,639,650
2024	38,639,650	-	2,912,375	-	2,100,866	37,828,141
2025	37,828,141	-	3,019,241	-	2,051,996	36,860,896
2026	36,860,896	-	3,141,095	-	1,993,905	35,713,706
2027	35,713,706	-	3,218,943	-	1,926,889	34,421,652
2028	34,421,652	-	3,283,571	-	1,852,062	32,990,143
2029	32,990,143	-	3,334,261	-	1,769,750	31,425,632
2030	31,425,632	-	3,380,231	-	1,680,057	29,725,458
2031	29,725,458	-	3,518,247	-	1,580,098	27,787,309
2032	27,787,309	-	3,548,662	-	1,469,733	25,708,380
2033	25,708,380	-	3,577,308	-	1,351,465	23,482,537
2034	23,482,537	-	3,547,082	-	1,226,558	21,162,013
2035	21,162,013	-	3,523,643	-	1,096,111	18,734,481
2036	18,734,481	-	3,523,158	-	958,969	16,170,292
2037	16,170,292	-	3,486,512	-	815,128	13,498,908
2038	13,498,908	-	3,448,770	-	665,261	10,715,399
2039	10,715,399	-	3,397,871	-	509,430	7,826,958
2040	7,826,958	-	3,340,973	-	347,841	4,833,826
2041	4,833,826	-	3,270,803	-	180,711	1,743,734
2042	1,743,734	-	3,204,524	-	-	-

\*All DROP and Share Balances paid in 2017.

Number of Years Expected Benefit Payments Sustained: 25.54

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.65% 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: 9.65% 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
2017	40,416,303	-	2,477,713	-	3,780,624	41,719,214
2018	41,719,214	-	2,093,289	-	3,924,903	43,550,828
2019	43,550,828	-	2,288,265	-	4,092,246	45,354,809
2020	45,354,809	-	2,389,260	-	4,261,457	47,227,006
2021	47,227,006	-	2,499,132	-	4,436,823	49,164,697
2022	49,164,697	-	2,604,591	-	4,618,722	51,178,828
2023	51,178,828	-	2,760,215	-	4,805,577	53,224,190
2024	53,224,190	-	2,912,375	-	4,995,612	55,307,427
2025	55,307,427	-	3,019,241	-	5,191,488	57,479,674
2026	57,479,674	-	3,141,095	-	5,395,231	59,733,810
2027	59,733,810	-	3,218,943	-	5,608,999	62,123,866
2028	62,123,866	-	3,283,571	-	5,836,521	64,676,816
2029	64,676,816	-	3,334,261	-	6,080,435	67,422,990
2030	67,422,990	-	3,380,231	-	6,343,222	70,385,981
2031	70,385,981	-	3,518,247	-	6,622,492	73,490,226
2032	73,490,226	-	3,548,662	-	6,920,584	76,862,148
2033	76,862,148	-	3,577,308	-	7,244,592	80,529,432
2034	80,529,432	-	3,547,082	-	7,599,943	84,582,293
2035	84,582,293	-	3,523,643	-	7,992,175	89,050,825
2036	89,050,825	-	3,523,158	-	8,423,412	93,951,079
2037	93,951,079	-	3,486,512	-	8,898,055	99,362,622
2038	99,362,622	-	3,448,770	-	9,422,090	105,335,942
2039	105,335,942	-	3,397,871	-	10,000,971	111,939,042
2040	111,939,042	-	3,340,973	-	10,640,916	119,238,985
2041	119,238,985	-	3,270,803	-	11,348,746	127,316,928
2042	127,316,928	-	3,204,524	-	12,131,465	136,243,869
2043	136,243,869	-	3,134,964	-	12,996,271	146,105,176
2044	146,105,176	-	3,064,823	-	13,951,272	156,991,625
2045	156,991,625	-	2,991,420	-	15,005,356	169,005,561
2046	169,005,561	-	2,913,210	-	16,168,474	182,260,825
2047	182,260,825	-	2,833,431	-	17,451,457	196,878,851
2048	196,878,851	-	2,750,589	-	18,866,093	212,994,355
2049	212,994,355	-	2,664,985	-	20,425,370	230,754,740
2050	230,754,740	-	2,576,571	-	22,143,513	250,321,682
2051	250,321,682	-	2,485,361	-	24,036,124	271,872,445
2052	271,872,445	-	2,391,462	-	26,120,303	295,601,286
2053	295,601,286	-	2,295,217	-	28,414,780	321,720,849
2054	321,720,849	-	2,196,816	-	30,940,066	350,464,099
2055	350,464,099	-	2,096,255	-	33,718,641	382,086,485
2056	382,086,485	-	1,993,677	-	36,775,151	416,867,959
2057	416,867,959	-	1,889,486	-	40,136,590	455,115,063
2058	455,115,063	-	1,783,849	-	43,832,533	497,163,747
2059	497,163,747	-	1,677,267	-	47,895,373	543,381,853
2060	543,381,853	-	1,570,167	-	52,360,588	594,172,274
2061	594,172,274	-	1,463,005	-	57,267,034	649,976,303
2062	649,976,303	-	1,356,442	-	62,657,265	711,277,126
2063	711,277,126	-	1,251,356	-	68,577,865	778,603,635
2064	778,603,635	-	1,148,529	-	75,079,834	852,534,940
2065	852,534,940	-	1,048,743	-	82,219,020	933,705,217
2066	933,705,217	-	952,739	-	90,056,584	1,022,809,062



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

Table 3  
Hypothetical Assumptions: 9.65% 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
2067	1,022,809,062	-	861,237	-	98,659,520	1,120,607,345
2068	1,120,607,345	-	775,148	-	108,101,208	1,227,933,405
2069	1,227,933,405	-	694,687	-	118,462,055	1,345,700,773
2070	1,345,700,773	-	619,781	-	129,830,220	1,474,911,212
2071	1,474,911,212	-	550,441	-	142,302,373	1,616,663,144
2072	1,616,663,144	-	486,467	-	155,984,521	1,772,161,198
2073	1,772,161,198	-	427,662	-	170,992,921	1,942,726,457
2074	1,942,726,457	-	373,828	-	187,455,066	2,129,807,695
2075	2,129,807,695	-	324,721	-	205,510,775	2,334,993,749
2076	2,334,993,749	-	280,046	-	225,313,385	2,560,027,088
2077	2,560,027,088	-	239,557	-	247,031,055	2,806,818,586
2078	2,806,818,586	-	202,917	-	270,848,203	3,077,463,872
2079	3,077,463,872	-	170,225	-	296,967,050	3,374,260,697
2080	3,374,260,697	-	141,292	-	325,609,340	3,699,728,745
2081	3,699,728,745	-	115,968	-	357,018,228	4,056,631,005
2082	4,056,631,005	-	94,003	-	391,460,356	4,447,997,358
2083	4,447,997,358	-	75,227	-	429,228,115	4,877,150,246
2084	4,877,150,246	-	59,458	-	470,642,130	5,347,732,918
2085	5,347,732,918	-	46,393	-	516,053,988	5,863,740,513
2086	5,863,740,513	-	35,720	-	565,849,236	6,429,554,029
2087	6,429,554,029	-	27,165	-	620,450,653	7,049,977,517
2088	7,049,977,517	-	20,425	-	680,321,845	7,730,278,937
2089	7,730,278,937	-	15,181	-	745,971,185	8,476,234,941
2090	8,476,234,941	-	11,178	-	817,956,132	9,294,179,895
2091	9,294,179,895	-	8,150	-	896,887,967	10,191,059,712
2092	10,191,059,712	-	5,902	-	983,436,977	11,174,490,787
2093	11,174,490,787	-	4,241	-	1,078,338,156	12,252,824,702
2094	12,252,824,702	-	3,023	-	1,182,397,438	13,435,219,117
2095	13,435,219,117	-	2,134	-	1,296,498,542	14,731,715,525
2096	14,731,715,525	-	1,495	-	1,421,610,476	16,153,324,506
2097	16,153,324,506	-	1,034	-	1,558,795,765	17,712,119,237
2098	17,712,119,237	-	708	-	1,709,219,472	19,421,338,001
2099	19,421,338,001	-	481	-	1,874,159,094	21,295,496,614
2100	21,295,496,614	-	323	-	2,055,015,408	23,350,511,699
2101	23,350,511,699	-	214	-	2,253,324,369	25,603,835,854
2102	25,603,835,854	-	140	-	2,470,770,153	28,074,605,867
2103	28,074,605,867	-	90	-	2,709,199,462	30,783,805,239
2104	30,783,805,239	-	57	-	2,970,637,203	33,754,442,385
2105	33,754,442,385	-	36	-	3,257,303,688	37,011,746,037
2106	37,011,746,037	-	22	-	3,571,633,492	40,583,379,507
2107	40,583,379,507	-	14	-	3,916,296,122	44,499,675,615
2108	44,499,675,615	-	8	-	4,294,218,696	48,793,894,303
2109	48,793,894,303	-	5	-	4,708,610,800	53,502,505,098
2110	53,502,505,098	-	3	-	5,162,991,742	58,665,496,837
2111	58,665,496,837	-	2	-	5,661,220,445	64,326,717,280
2112	64,326,717,280	-	1	-	6,207,528,217	70,534,245,496
2113	70,534,245,496	-	-	-	6,806,554,690	77,340,800,186

\*All DROP and Share Balances paid in 2017.

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 9.65% 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, 2019

Valuation Date: 10/1/2017

	ACTUAL	HYPOTHETICAL	
	7.65% RP-2000 Generational	5.65% RP-2000 Generational	5.65% RP-2000 Generational
Total Required Contribution (Fixed \$)	\$2,806,290	\$4,615,998	\$1,503,328
Total Required Contribution (% of Payroll)	41.9%	68.9%	22.4%
Expected Member Contribution	556,702	551,340	551,340
Expected State Money	280,000	280,000	280,000
Expected Sponsor Contribution (Fixed \$)	\$1,969,588	\$3,784,658	\$671,988
Expected Sponsor Contribution (% of Payroll)	29.7%	56.7%	10.2%
<b><u>ASSETS</u></b>			
Actuarial Value <sup>1</sup>	39,251,020	39,251,020	39,251,020
Market Value <sup>1</sup>	40,416,303	40,416,303	40,416,303
<b><u>LIABILITIES</u></b>			
Present Value of Benefits			
Active Members			
Retirement Benefits	32,506,539	48,558,900	22,894,450
Disability Benefits	1,861,433	2,557,387	1,407,761
Death Benefits	556,963	788,905	413,479
Vested Benefits	1,940,137	2,783,406	1,236,298
Refund of Contributions	2,500	140,546	127,523
Service Retirees	14,204,051	17,364,336	11,975,988
DROP Retirees <sup>1</sup>	1,191,778	1,426,533	1,025,868
Beneficiaries	1,347,689	1,674,910	1,122,005
Disability Retirees	2,904,138	3,561,200	2,447,575
Terminated Vested	1,489,750	2,019,300	1,151,179
Share Plan Balances <sup>1</sup>	307,143	307,143	307,143
Total:	58,312,121	81,182,566	44,109,269
Present Value of Future Salaries	55,771,446	62,724,032	50,144,857
Present Value of Future Member Contributions	4,461,716	5,017,923	4,011,589
Total Normal Cost	1,747,885	2,637,269	1,197,458
Present Value of Future Normal Costs (Entry Age Normal)	14,871,961	25,485,555	9,078,945
Total Actuarial Accrued Liability <sup>1</sup>	43,440,160	55,697,011	35,030,324
Unfunded Actuarial Accrued Liability (UAAL)	4,189,140	16,445,991	(4,220,696)

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2019

Valuation Date: 10/1/2017

	ACTUAL	HYPOTHETICAL	
	7.65% RP-2000 Generational	5.65% RP-2000 Generational	5.65% RP-2000 Generational
<b><u>PENSION COST</u></b>			
Normal Cost <sup>2</sup>	1,956,291	2,923,290	1,327,327
Administrative Expenses <sup>2</sup>	81,121	80,340	80,340
Payment Required To Amortize UAAL <sup>2</sup>	768,878	1,612,368	95,661
Total Required Contribution	\$2,806,290	\$4,615,998	\$1,503,328

<sup>1</sup> The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2017.

<sup>2</sup> Contributions developed as of 10/1/2016 displayed above have been adjusted to account for assumed salary increase and interest components.