

MIAMI SPRINGS GENERAL EMPLOYEES RETIREMENT SYSTEM

Chapter 112.664, F.S. Compliance Report

In Connection with the October 1, 2018 Funding
Actuarial Valuation Report and the Plan's Financial
Reporting for the Year Ending September 30, 2018





June 27, 2019

Board of Trustees
City of Miami Springs General
Employees Retirement System
Miami Springs, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the Miami Springs General Employees Retirement System 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, 2018. 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 Retirement System 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 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, 2018 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2018 actuarial valuation report. Please refer to the October 1, 2018 actuarial valuation report, dated April 25, 2019, 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.

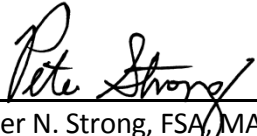
Peter N. Strong and Nicolas Lahaye are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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 us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate, and in our opinion, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH & COMPANY

By 
Peter N. Strong, FSA, MAAA, FCA
Enrolled Actuary No. 17-6975
Senior Consultant & Actuary

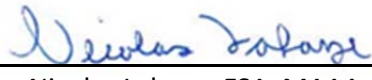
By 
Nicolas Lahaye, FSA, MAAA, FCA
Enrolled Actuary No. 17-7775
Consultant & Actuary

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CH. 112.664, FLORIDA STATUTES

RESULTS

**Schedule of Changes in the Employers' Net Pension Liability
Using Financial Reporting Assumptions per GASB Statement No. 67**

Fiscal year ending September 30,	2018
1. Total pension liability	
a. Service Cost	\$ 449,371
b. Interest	1,446,426
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	185,603
e. Assumption Changes	461,742
f. Benefit Payments	(1,161,974)
g. Contribution Refunds	(60,181)
h. Net Change in Total Pension Liability	1,320,987
i. Total Pension Liability - Beginning	19,447,386
j. Total Pension Liability - Ending	\$ 20,768,373
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 420,570
b. Contributions - State	-
c. Contributions - Member	285,901
d. Net Investment Income	2,106,317
e. Benefit Payments	(1,161,974)
f. Contribution Refunds	(60,181)
g. Administrative Expense	(93,369)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	1,497,264
j. Plan Fiduciary Net Position - Beginning	19,046,675
k. Plan Fiduciary Net Position - Ending	\$ 20,543,939
 3. Net Pension Liability / (Asset)	 224,434
 Certain Key Assumptions	
Valuation Date	10/01/2017
Measurement Date	09/30/2018
Investment Return Assumption	7.25%
Mortality Table	FRS Mortality - Regular Class

**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>2018</u>
1. Total pension liability	
a. Service Cost	\$ 449,371
b. Interest	1,446,426
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	185,603
e. Assumption Changes	461,742
f. Benefit Payments	(1,161,974)
g. Contribution Refunds	(60,181)
h. Net Change in Total Pension Liability	<u>1,320,987</u>
i. Total Pension Liability - Beginning	<u>19,447,386</u>
j. Total Pension Liability - Ending	<u>\$ 20,768,373</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 420,570
b. Contributions - State	-
c. Contributions - Member	285,901
d. Net Investment Income	2,106,317
e. Benefit Payments	(1,161,974)
f. Contribution Refunds	(60,181)
g. Administrative Expense	(93,369)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>1,497,264</u>
j. Plan Fiduciary Net Position - Beginning	<u>19,046,675</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 20,543,939</u>
3. Net Pension Liability / (Asset)	224,434
Certain Key Assumptions	
Valuation Date	10/01/2017
Measurement Date	09/30/2018
Investment Return Assumption	7.25%
Mortality Table	FRS Mortality - Regular Class

**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(b), F.S.**

Fiscal year ending September 30,

1. Total pension liability

	<u>2018</u>
a. Service Cost	\$ 702,750
b. Interest	1,294,982
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(1,161,974)
g. Contribution Refunds	(60,181)
h. Net Change in Total Pension Liability	<u>775,577</u>
i. Total Pension Liability - Beginning	<u>24,574,643</u>
j. Total Pension Liability - Ending	<u>\$ 25,350,220</u>

2. Plan Fiduciary Net Position

a. Contributions - Employer	\$ 420,570
b. Contributions - State	-
c. Contributions - Member	285,901
d. Net Investment Income	2,106,317
e. Benefit Payments	(1,161,974)
f. Contribution Refunds	(60,181)
g. Administrative Expense	(93,369)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>1,497,264</u>
j. Plan Fiduciary Net Position - Beginning	<u>19,046,675</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 20,543,939</u>

3. Net Pension Liability / (Asset)

4,806,281

Certain Key Assumptions

Valuation Date	10/01/2017
Measurement Date	09/30/2018
Investment Return Assumption	5.25%
Mortality Table	FRS Mortality - Regular Class

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,

1. Total pension liability

	<u>2018</u>
a. Service Cost	\$ 294,761
b. Interest	1,536,506
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(1,161,974)
g. Contribution Refunds	(60,181)
h. Net Change in Total Pension Liability	<u>609,112</u>
i. Total Pension Liability - Beginning	<u>16,927,194</u>
j. Total Pension Liability - Ending	<u>\$ 17,536,306</u>

2. Plan Fiduciary Net Position

a. Contributions - Employer	\$ 420,570
b. Contributions - State	-
c. Contributions - Member	285,901
d. Net Investment Income	2,106,317
e. Benefit Payments	(1,161,974)
f. Contribution Refunds	(60,181)
g. Administrative Expense	(93,369)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>1,497,264</u>
j. Plan Fiduciary Net Position - Beginning	<u>19,046,675</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 20,543,939</u>

3. Net Pension Liability / (Asset) (3,007,633)

Certain Key Assumptions

Valuation Date	10/01/2017
Measurement Date	09/30/2018
Investment Return Assumption	9.25%
Mortality Table	FRS Mortality - Regular Class

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions from the Plan's Latest Actuarial Valuation

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2019	19,572,086	1,312,491	1,644,415	19,240,162
2020	19,240,162	1,295,918	1,454,095	19,081,985
2021	19,081,985	1,285,442	1,437,055	18,930,372
2022	18,930,372	1,274,374	1,450,061	18,754,685
2023	18,754,685	1,261,800	1,457,938	18,558,547
2024	18,558,547	1,247,081	1,486,212	18,319,416
2025	18,319,416	1,230,569	1,479,709	18,070,276
2026	18,070,276	1,213,323	1,474,175	17,809,424
2027	17,809,424	1,195,560	1,459,981	17,545,003
2028	17,545,003	1,177,331	1,451,969	17,270,365
2029	17,270,365	1,158,716	1,434,553	16,994,528
2030	16,994,528	1,140,356	1,407,469	16,727,415
2031	16,727,415	1,122,304	1,389,014	16,460,705
2032	16,460,705	1,104,229	1,372,002	16,192,932
2033	16,192,932	1,086,050	1,355,869	15,923,113
2034	15,923,113	1,068,194	1,326,399	15,664,908
2035	15,664,908	1,051,372	1,290,603	15,425,677
2036	15,425,677	1,035,629	1,261,966	15,199,340
2037	15,199,340	1,021,033	1,226,299	14,994,074
2038	14,994,074	1,007,799	1,193,886	14,807,987
2039	14,807,987	996,046	1,157,511	14,646,522
2040	14,646,522	986,113	1,118,381	14,514,254
2041	14,514,254	978,104	1,082,679	14,409,679
2042	14,409,679	972,093	1,045,265	14,336,507
2043	14,336,507	968,260	1,008,440	14,296,327
2044	14,296,327	966,904	966,833	14,296,398

Number of years for which current market value of assets is 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:** All future years

Certain Key Assumptions

Valuation Investment return assumption	7.00%
Valuation Mortality Table	FRS Mortality - Regular Class

Note: As required in Section 112.664(1)(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)
2019	19,572,086	1,312,491	1,644,415	19,240,162
2020	19,240,162	1,295,918	1,454,095	19,081,985
2021	19,081,985	1,285,442	1,437,055	18,930,372
2022	18,930,372	1,274,374	1,450,061	18,754,685
2023	18,754,685	1,261,800	1,457,938	18,558,547
2024	18,558,547	1,247,081	1,486,212	18,319,416
2025	18,319,416	1,230,569	1,479,709	18,070,276
2026	18,070,276	1,213,323	1,474,175	17,809,424
2027	17,809,424	1,195,560	1,459,981	17,545,003
2028	17,545,003	1,177,331	1,451,969	17,270,365
2029	17,270,365	1,158,716	1,434,553	16,994,528
2030	16,994,528	1,140,356	1,407,469	16,727,415
2031	16,727,415	1,122,304	1,389,014	16,460,705
2032	16,460,705	1,104,229	1,372,002	16,192,932
2033	16,192,932	1,086,050	1,355,869	15,923,113
2034	15,923,113	1,068,194	1,326,399	15,664,908
2035	15,664,908	1,051,372	1,290,603	15,425,677
2036	15,425,677	1,035,629	1,261,966	15,199,340
2037	15,199,340	1,021,033	1,226,299	14,994,074
2038	14,994,074	1,007,799	1,193,886	14,807,987
2039	14,807,987	996,046	1,157,511	14,646,522
2040	14,646,522	986,113	1,118,381	14,514,254
2041	14,514,254	978,104	1,082,679	14,409,679
2042	14,409,679	972,093	1,045,265	14,336,507
2043	14,336,507	968,260	1,008,440	14,296,327
2044	14,296,327	966,904	966,833	14,296,398

Number of years for which current market value of assets is 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:**

All future years

Certain Key Assumptions

Valuation Investment return assumption

7.00%

Valuation Mortality Table

FRS Mortality - Regular Class

Note: As required in Section 112.664(1)(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)
2019	19,572,086	937,494	1,644,415	18,865,165
2020	18,865,165	906,906	1,454,095	18,317,976
2021	18,317,976	879,972	1,437,055	17,760,893
2022	17,760,893	851,793	1,450,061	17,162,625
2023	17,162,625	821,683	1,457,938	16,526,370
2024	16,526,370	789,163	1,486,212	15,829,321
2025	15,829,321	754,473	1,479,709	15,104,085
2026	15,104,085	718,350	1,474,175	14,348,260
2027	14,348,260	680,913	1,459,981	13,569,192
2028	13,569,192	642,160	1,451,969	12,759,383
2029	12,759,383	602,105	1,434,553	11,926,935
2030	11,926,935	561,160	1,407,469	11,080,626
2031	11,080,626	519,306	1,389,014	10,210,918
2032	10,210,918	476,246	1,372,002	9,315,162
2033	9,315,162	431,861	1,355,869	8,391,154
2034	8,391,154	386,398	1,326,399	7,451,153
2035	7,451,153	340,293	1,290,603	6,500,843
2036	6,500,843	293,493	1,261,966	5,532,370
2037	5,532,370	245,961	1,226,299	4,552,032
2038	4,552,032	197,754	1,193,886	3,555,900
2039	3,555,900	148,857	1,157,511	2,547,246
2040	2,547,246	99,403	1,118,381	1,528,268
2041	1,528,268	49,346	1,082,679	494,935
2042	494,935	-	1,045,265	-
2043	-	-	1,008,440	-
2044	-	-	966,833	-

Number of years for which current market value of assets is 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:** 23.42

Certain Key Assumptions

Valuation Investment return assumption 5.00%
 Valuation Mortality Table FRS Mortality - Regular Class

Note: As required in Section 112.664(1)(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)
2019	19,572,086	1,687,489	1,644,415	19,615,160
2020	19,615,160	1,699,930	1,454,095	19,860,995
2021	19,860,995	1,722,822	1,437,055	20,146,762
2022	20,146,762	1,747,956	1,450,061	20,444,657
2023	20,444,657	1,774,412	1,457,938	20,761,131
2024	20,761,131	1,801,622	1,486,212	21,076,541
2025	21,076,541	1,830,302	1,479,709	21,427,134
2026	21,427,134	1,862,104	1,474,175	21,815,063
2027	21,815,063	1,897,657	1,459,981	22,252,739
2028	22,252,739	1,937,408	1,451,969	22,738,178
2029	22,738,178	1,981,881	1,434,553	23,285,506
2030	23,285,506	2,032,359	1,407,469	23,910,396
2031	23,910,396	2,089,430	1,389,014	24,610,812
2032	24,610,812	2,153,233	1,372,002	25,392,043
2033	25,392,043	2,224,270	1,355,869	26,260,444
2034	26,260,444	2,303,752	1,326,399	27,237,797
2035	27,237,797	2,393,325	1,290,603	28,340,519
2036	28,340,519	2,493,858	1,261,966	29,572,411
2037	29,572,411	2,606,334	1,226,299	30,952,446
2038	30,952,446	2,731,995	1,193,886	32,490,555
2039	32,490,555	2,872,062	1,157,511	34,205,106
2040	34,205,106	3,028,132	1,118,381	36,114,857
2041	36,114,857	3,201,617	1,082,679	38,233,795
2042	38,233,795	3,394,005	1,045,265	40,582,535
2043	40,582,535	3,607,048	1,008,440	43,181,143
2044	43,181,143	3,842,795	966,833	46,057,105

Number of years for which current market value of assets is 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:**

All future years

Certain Key Assumptions

Valuation Investment return assumption

9.00%

Valuation Mortality Table

FRS Mortality - Regular Class

Note: As required in Section 112.664(1)(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 (ADC)				
	Plan's Latest Actuarial Valuation	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
A. Valuation Date	October 1, 2018	October 1, 2018	October 1, 2018	October 1, 2018
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2020	9/30/2020	9/30/2020	9/30/2020
C. Assumed Dates of Employer Contributions	10/1/2019	10/1/2019	10/1/2019	10/1/2019
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 154,035	\$ 154,035	\$ 432,745	\$ 0
E. Employer Normal Cost	416,619	416,619	719,080	241,618
F. Employer ADC if Paid on Valuation Date: D + E	570,654	570,654	1,151,825	241,618
G. Employer ADC Adjusted for Payment Frequency	570,654	570,654	1,151,825	241,618
H. Employer ADC Adjusted for Payment Frequency as % of Covered Payroll	16.05 %	16.05 %	32.40 %	6.80 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	3.50 %	3.50 %	3.50 %	3.50 %
J. Covered Payroll for Contribution Year	3,679,149	3,679,149	3,679,149	3,679,149
K. Employer ADC for Contribution Year Before Threshold: H x J	590,503	590,503	1,192,044	250,182
L. Employer ADC as % of Covered Payroll in Contribution Year Before 10% Threshold: K ÷ J	16.05 %	16.05 %	32.40 %	6.80 %
M. Net Employer ADC After Threshold	472,860	472,860	775,455	250,182
N. Net Employer ADC as % of Covered Payroll in Contribution Year After Threshold: M ÷ J	12.85 %	12.85 %	21.08 %	6.80 %
O. Member Contribution Rate*	8.31 %	8.31 %	16.61 %	5.00 %
P. Expected Member Contributions	305,737	305,737	611,107	183,957
Q. Total Contribution (including Members)	778,597	778,597	1,386,562	434,139
R. Total Contribution as % of Covered Payroll in Contribution Year: Q ÷ J	21.16 %	21.16 %	37.69 %	11.80 %
S. Certain Key Assumptions				
Investment Return Assumption	7.00%	7.00%	5.00%	9.00%
Mortality Table	FRS Mortality - Regular Class	FRS Mortality - Regular Class	FRS Mortality - Regular Class	FRS Mortality - Regular Class

* Member Contributions are still assumed to be made evenly throughout the year.