



July 15, 2024

Pension Board
South Miami Pension Plan
c/o Ms. Siera Feketa, MBA
Pension Administrator
Foster & Foster
2503 Del Prado Blvd. S
Suite 502
Cape Coral, Florida 33904

**Re: South Miami Pension Plan
October 1, 2023 Chapter 112.664 Compliance Report**

Dear Board Members:

As requested, we are pleased to provide the October 1, 2023 Chapter 112.664 Compliance Report for the South Miami Pension Plan (Plan).

As required, we will timely upload the required data to the State's online portal prior to the filing deadline.

Please note we understand the following items must be posted on the Plan's website and must be posted on any website containing budget information relating to the City or actuarial or performance information relating to the Plan:

- this compliance report
- most recent financial statement
- most recent actuarial valuation report
- a link to the Division of Retirement Actuarial Summary Fact Sheet
http://www.dms.myflorida.com/workforce_operations/retirement/local_retirement_plans/local_retirement_section/actuarial_summary_fact_sheets
- for the previous five years - a side-by-side comparison of the Plan's assumed rate of return compared to the actual rate of return as well as the percentages of cash, equity, bond and alternative investments in the Plan portfolio
- the Plan's funded ratio as determined in the most recent actuarial valuation – 93.2% on a market value of assets basis as of October 1, 2023

We appreciate the opportunity to work with the Board on this important assignment.

Pension Board
July 15, 2024
Page Two

If you should have any questions concerning the above, please do not hesitate to contact us.

Sincerest regards,
Gabriel, Roeder, Smith & Company

Jennifer Borregard

Jennifer M. Borregard, E.A.
Consultant and Actuary

Enclosure



South Miami Pension Plan

CHAPTER 112.664, F.S. COMPLIANCE REPORT

In Connection with the October 1, 2023 Funding Actuarial Valuation Report and the Plan's Financial Reporting for the Year Ended September 30, 2023





July 15, 2024

Pension Board
South Miami Pension Plan
c/o Ms. Siera Feketa, MBA
Pension Administrator
Foster & Foster
2503 Del Prado Blvd. S
Suite 502
Cape Coral, Florida 33904

Re: October 1, 2023 Chapter 112.664 Compliance Report

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the Pension Board (Board) of the South Miami Pension Plan (Plan) to prepare a disclosure report to satisfy the requirements set forth in Chapter 112.664, F.S. and as further required pursuant to Chapter 60T-1.0035, F.A.C.

This report was prepared at the request of the Board and is intended for use by the Board and those designated or approved by the Board. This report may be provided to parties other than the Board only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The purpose of the report is to provide the required information specified in Chapter 112.664, F.S. and to supplement this information with additional exhibits. This report should not be relied on for any purpose other than the purpose described above.

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 City and the Board concerning Plan benefits, Plan provisions and Plan members as used in the corresponding Actuarial Valuation Reports for the Valuation Dates indicated. Financial information was provided by the City and

Board as of September 30, 2023. We reviewed the information provided for internal and year-to-year consistency, but did not audit the data. The Plan is responsible for the accuracy of the data.

Except where specific assumptions are required by Chapter 112.664, F.S, this report was prepared using actuarial assumptions adopted by the Board as described in Section C. The Board's assumptions are based on the results of an Experience Study covering the period October 1, 2013 – September 30, 2022. The assumptions represent an estimate of future Plan experience. The mortality assumptions are prescribed by statute. All actuarial assumptions used in this report are reasonable for the purposes of this valuation. The combined effect of the assumptions is expected to have no significant bias (i.e. not significantly optimistic or pessimistic). All actuarial assumptions and methods used in the valuation follow the guidance in the applicable Actuarial Standards of Practice.

The investment return assumption of 2% higher than the investment return assumption utilized in the Actuarial Valuation Report does not represent an estimate of future Plan experience nor observation of the estimates inherent in market data. This assumption is provided as a counterpart to the Chapter 112.664, F.S. requirement to utilize an investment return assumption of 2% lower than the investment return assumption utilized in the Actuarial Valuation Report. The inclusion of the additional 2% higher assumption shows a more complete assessment of the range of potential results as opposed to the *one-sided* range required by statute.

If all actuarial assumptions are met and if all current and future minimum required contributions are paid Plan assets will be sufficient to pay all Plan benefits, future contributions are expected to remain relatively stable as a percent of payroll and the funded status is expected to approach 100%. Plan minimum required contributions are determined in compliance with the requirements of the Florida Protection of Public Employee Retirement Benefits Act and Police Officers Retirement Chapter 185 with normal cost determined as a level percent of covered payroll and a level percent of pay amortization payment using a maximum amortization period of 25 years.

The Plan's funded ratio as of October 1, 2023 is 93.2% defined as the ratio of the market value of Plan assets to the actuarial accrued liability.

The Plan's funded ratio and the GASB Net Pension Liability may not be appropriate for assessing the sufficiency of Plan assets to meet the estimated cost of settling benefit obligations but may be appropriate for assessing the need for or the amount of future contributions.

The undersigned 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 was prepared using ProVal's valuation model, a software product of Winklevoss Technologies. We are relying on the ProVal model. We performed tests of the ProVal model with this assignment and made a reasonable attempt to understand the developer's intended purpose of, general operation of, major sensitivities and dependencies within, and key strengths and limitations of the ProVal model. In our professional judgment, the ProVal valuation model has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses.

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 presents the actuarial position of the Plan as of the valuation date as required by statute. 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.

Sincerely,

GABRIEL, ROEDER, SMITH AND COMPANY

By *Jennifer Borregard*

Jennifer M. Borregard, M.A.A.A.
Enrolled Actuary No. 23-07624
Consultant & Actuary

By *Michelle Jones*

Shelly L. Jones, M.A.A.A.
Enrolled Actuary No. 23-08646
Consultant & Actuary



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SECTION A

CHAPTER 112.664, F.S. RESULTS

Net Pension Liability
Using Financial Reporting Assumptions per GASB Statements No. 67 and No. 68
and Using Assumptions Required Under 112.664(1)(a), F.S.

Measurement Date	September 30, 2023
A. <u>Total Pension Liability (TPL)</u>	
Service Cost	\$ 775,791
Interest	3,859,126
Benefit Changes	0
Difference Between Actual and Expected Experience	147,586
Assumption Changes	0
Benefit Payments	(2,045,388)
Contribution Refunds	(111,406)
Other	0
Net Change in Total Pension Liability	\$ 2,625,709
Total Pension Liability (TPL) - (beginning of year)	52,398,725
Total Pension Liability (TPL) - (end of year)	\$ 55,024,434
B. <u>Plan Fiduciary Net Position</u>	
Contributions - City	\$ 652,018
Contributions - State	79,228
Contributions - Member	429,588
Net Investment Income	4,953,336
Benefit Payments	(2,045,388)
Contribution Refunds	(111,406)
Administrative Expenses	(190,550)
Other	0
Net Change in Plan Fiduciary Net Position	\$ 3,766,826
Plan Fiduciary Net Position - (beginning of year)	49,186,762
Plan Fiduciary Net Position - (end of year)	\$ 52,953,588
C. <u>Net Pension Liability (NPL) - (end of year): (A) - (B)</u>	\$ 2,070,846
Valuation Date	October 1, 2022

Certain Key Assumptions

Investment Return Assumption 7.375%

Mortality Table:

General Employees including AMSC Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements. Police Officer Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.



Net Pension Liability
Using Assumptions Required Under 112.664(1)(b), F.S.

Measurement Date	September 30, 2023
A. <u>Total Pension Liability (TPL)</u>	
Service Cost	\$ 1,300,007
Interest	3,676,453
Benefit Changes	0
Difference Between Actual and Expected Experience	370,606
Assumption Changes	0
Benefit Payments	(2,045,388)
Contribution Refunds	(111,406)
Other	0
Net Change in Total Pension Liability	\$ 3,190,272
Total Pension Liability (TPL) - (beginning of year)	67,746,097
Total Pension Liability (TPL) - (end of year)	\$ 70,936,369
B. <u>Plan Fiduciary Net Position</u>	
Contributions - City	\$ 652,018
Contributions - State	79,228
Contributions - Member	429,588
Net Investment Income	4,953,336
Benefit Payments	(2,045,388)
Contribution Refunds	(111,406)
Administrative Expenses	(190,550)
Other	0
Net Change in Plan Fiduciary Net Position	\$ 3,766,826
Plan Fiduciary Net Position - (beginning of year)	49,186,762
Plan Fiduciary Net Position - (end of year)	\$ 52,953,588
C. <u>Net Pension Liability (NPL) - (end of year): (A) - (B)</u>	\$ 17,982,781
Valuation Date	October 1, 2022

Certain Key Assumptions

Investment Return Assumption 5.375%

Mortality Table:

General Employees including AMSC Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements. Police Officer Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.



Net Pension Liability
Using Assumptions Required Under 112.664(1)(a), F.S. Plus 2% on Investment Return Assumption

Measurement Date	September 30, 2023
A. <u>Total Pension Liability (TPL)</u>	
Service Cost	\$ 483,521
Interest	3,902,087
Benefit Changes	0
Difference Between Actual and Expected Experience	1,721
Assumption Changes	0
Benefit Payments	(2,045,388)
Contribution Refunds	(111,406)
Other	0
Net Change in Total Pension Liability	\$ 2,230,535
Total Pension Liability (TPL) - (beginning of year)	42,109,367
Total Pension Liability (TPL) - (end of year)	\$ 44,339,902
B. <u>Plan Fiduciary Net Position</u>	
Contributions - City	\$ 652,018
Contributions - State	79,228
Contributions - Member	429,588
Net Investment Income	4,953,336
Benefit Payments	(2,045,388)
Contribution Refunds	(111,406)
Administrative Expenses	(190,550)
Other	0
Net Change in Plan Fiduciary Net Position	\$ 3,766,826
Plan Fiduciary Net Position - (beginning of year)	49,186,762
Plan Fiduciary Net Position - (end of year)	\$ 52,953,588
C. <u>Net Pension Liability (NPL) - (end of year): (A) - (B)</u>	\$ (8,613,686)
Valuation Date	October 1, 2022

Certain Key Assumptions

Investment Return Assumption 9.375%

Mortality Table:

General Employees including AMSC Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements. Police Officer Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.



Asset and Benefit Payment Projection
Not Reflecting Any Future Contributions
Using Financial Reporting Assumptions per GASB Statements No. 67 and No. 68
and 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)
2024	\$ 51,647,965	\$ 3,697,246	\$ 2,829,193	\$ 52,516,018
2025	52,516,018	3,757,549	2,923,228	53,350,339
2026	53,350,339	3,809,763	3,159,010	54,001,092
2027	54,001,092	3,853,605	3,264,079	54,590,618
2028	54,590,618	3,893,556	3,353,313	55,130,861
2029	55,130,861	3,929,486	3,452,339	55,608,008
2030	55,608,008	3,960,295	3,563,222	56,005,081
2031	56,005,081	3,983,243	3,723,575	56,264,749
2032	56,264,749	3,998,142	3,831,166	56,431,725
2033	56,431,725	4,007,844	3,897,265	56,542,304
2034	56,542,304	4,014,012	3,947,575	56,608,741
2035	56,608,741	4,016,517	4,008,170	56,617,088
2036	56,617,088	4,016,287	4,029,563	56,603,812
2037	56,603,812	4,011,716	4,120,472	56,495,056
2038	56,495,056	4,003,322	4,129,925	56,368,453
2039	56,368,453	3,993,143	4,151,243	56,210,353
2040	56,210,353	3,981,105	4,160,796	56,030,662
2041	56,030,662	3,967,480	4,170,228	55,827,914
2042	55,827,914	3,952,821	4,162,805	55,617,930
2043	55,617,930	3,938,760	4,126,731	55,429,959
2044	55,429,959	3,925,854	4,102,504	55,253,309
2045	55,253,309	3,913,905	4,075,209	55,092,005
2046	55,092,005	3,904,000	4,024,809	54,971,196
2047	54,971,196	3,897,547	3,962,649	54,906,094
2048	54,906,094	3,895,500	3,892,948	54,908,646
2049	54,908,646	3,898,811	3,813,907	54,993,550
2050	54,993,550	3,908,254	3,733,392	55,168,412
2051	55,168,412	3,925,169	3,631,683	55,461,898
2052	55,461,898	3,951,028	3,525,034	55,887,892
2053	55,887,892	3,986,807	3,414,634	56,460,065

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 City, Members or State:

All future years

Certain Key Assumptions

Investment return assumption

7.375%

Mortality Table:

General Employees including AMSC Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements. Police Officer Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of Plan assets does not include contributions from the City, Members or State. For this reason, this projection should not be viewed as representative of the amount of time the Plan can sustain benefit payments. Under the Government Accounting Standards Board standards which include City, Member and State contributions, the Plan is expected to be able to pay all future benefit payments.



Asset and Benefit Payment Projection
Not Reflecting Any Future Contributions
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)
2024	\$ 51,647,965	\$ 2,694,366	\$ 2,829,193	\$ 51,513,138
2025	51,513,138	2,684,403	2,923,228	51,274,313
2026	51,274,313	2,664,757	3,159,010	50,780,060
2027	50,780,060	2,635,156	3,264,079	50,151,137
2028	50,151,137	2,598,774	3,353,313	49,396,598
2029	49,396,598	2,555,358	3,452,339	48,499,617
2030	48,499,617	2,503,942	3,563,222	47,440,337
2031	47,440,337	2,442,375	3,723,575	46,159,137
2032	46,159,137	2,370,403	3,831,166	44,698,374
2033	44,698,374	2,289,978	3,897,265	43,091,087
2034	43,091,087	2,202,133	3,947,575	41,345,645
2035	41,345,645	2,106,566	4,008,170	39,444,041
2036	39,444,041	2,003,737	4,029,563	37,418,215
2037	37,418,215	1,892,223	4,120,472	35,189,966
2038	35,189,966	1,772,181	4,129,925	32,832,222
2039	32,832,222	1,644,837	4,151,243	30,325,816
2040	30,325,816	1,509,842	4,160,796	27,674,862
2041	27,674,862	1,367,080	4,170,228	24,871,714
2042	24,871,714	1,216,626	4,162,805	21,925,535
2043	21,925,535	1,059,310	4,126,731	18,858,114
2044	18,858,114	895,136	4,102,504	15,650,746
2045	15,650,746	723,529	4,075,209	12,299,066
2046	12,299,066	544,831	4,024,809	8,819,088
2047	8,819,088	359,578	3,962,649	5,216,017
2048	5,216,017	167,926	3,892,948	1,490,995
2049	1,490,995	12,291	3,813,907	-
2050	-	-	3,733,392	-
2051	-	-	3,631,683	-
2052	-	-	3,525,034	-
2053	-	-	3,414,634	-

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 City, Members or State: 25.33

Certain Key Assumptions

Investment return assumption 5.375%

Mortality Table:

General Employees including AMSC Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements. Police Officer Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of Plan assets does not include contributions from the City, Members or State. For this reason, this projection should not be viewed as representative of the amount of time the Plan can sustain benefit payments. Under the Government Accounting Standards Board standards which include City, Member and State contributions, the Plan is expected to be able to pay all future benefit payments.



Asset and Benefit Payment Projection
Not Reflecting Any Future Contributions
Using Assumptions Required Under 112.664(1)(a), F.S. Plus 2% on Investment Return Assumption

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	\$ 51,647,965	\$ 4,700,293	\$ 2,829,193	\$ 53,519,065
2025	53,519,065	4,870,999	2,923,228	55,466,836
2026	55,466,836	5,041,793	3,159,010	57,349,619
2027	57,349,619	5,213,042	3,264,079	59,298,582
2028	59,298,582	5,391,288	3,353,313	61,336,557
2029	61,336,557	5,577,388	3,452,339	63,461,606
2030	63,461,606	5,771,058	3,563,222	65,669,442
2031	65,669,442	5,970,011	3,723,575	67,915,878
2032	67,915,878	6,175,225	3,831,166	70,259,937
2033	70,259,937	6,391,670	3,897,265	72,754,342
2034	72,754,342	6,623,001	3,947,575	75,429,768
2035	75,429,768	6,870,787	4,008,170	78,292,385
2036	78,292,385	7,138,086	4,029,563	81,400,908
2037	81,400,908	7,424,957	4,120,472	84,705,393
2038	84,705,393	7,734,279	4,129,925	88,309,747
2039	88,309,747	8,071,119	4,151,243	92,229,623
2040	92,229,623	8,438,129	4,160,796	96,506,956
2041	96,506,956	8,838,657	4,170,228	101,175,385
2042	101,175,385	9,276,694	4,162,805	106,289,274
2043	106,289,274	9,757,928	4,126,731	111,920,471
2044	111,920,471	10,287,066	4,102,504	118,105,033
2045	118,105,033	10,868,235	4,075,209	124,898,059
2046	124,898,059	11,507,606	4,024,809	132,380,856
2047	132,380,856	12,212,232	3,962,649	140,630,439
2048	140,630,439	12,989,121	3,892,948	149,726,612
2049	149,726,612	13,845,846	3,813,907	159,758,551
2050	159,758,551	14,790,373	3,733,392	170,815,532
2051	170,815,532	15,832,059	3,631,683	183,015,908
2052	183,015,908	16,981,186	3,525,034	196,472,060
2053	196,472,060	18,248,230	3,414,634	211,305,656

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 City, Members or State:

All future years

Certain Key Assumptions

Investment return assumption

9.375%

Mortality Table:

General Employees including AMSC Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements. Police Officer Mortality Assumptions: For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

Note: As required in Section 112.664(c) of the Florida Statutes, the projection of Plan assets does not include contributions from the City, Members or State. For this reason, this projection should not be viewed as representative of the amount of time the Plan can sustain benefit payments. Under the Government Accounting Standards Board standards which include City, Member and State contributions, the Plan is expected to be able to pay all future benefit payments.



ACTUARIALLY DETERMINED CONTRIBUTION

	Valuation and 112.664(1)(a), F.S. Assumptions	112.664(1)(b), F.S. Assumptions	112.664(1)(a), F.S. Assumptions Plus 2% on Investment Return Assumption
A. Valuation Date	October 1, 2023	October 1, 2023	October 1, 2023
B. Actuarial Determined Contribution to Be Paid During Fiscal Year Ending	September 30, 2025	September 30, 2025	September 30, 2025
C. Annual Payroll of Active Employees	\$ 7,160,136	\$ 7,160,136	\$ 7,160,136
D. Total Minimum Funding Requirement			
1. Total Normal Cost	\$ 1,109,696	\$ 1,737,292	\$ 762,201
2. Annual Payment to Amortize Unfunded Actuarial Liability	(58,686)	1,034,235	(1,094,621)
3. Interest Adjustment	51,805	75,090	41,584
4. Total Minimum Funding Requirement	\$ 1,102,815	\$ 2,846,617	\$ (290,836)
E. Minimum Required Contribution (F.S. 112.66 (13))	\$ 1,468,900	\$ 2,904,579	\$ 930,755
F. Expected Payroll of Active Employees for Following Plan Year (\$ / % of pay)	\$ 7,415,811 103.57%	\$ 7,415,811 103.57%	\$ 7,415,811 103.57%
G. Expected Contribution Sources (\$ / % of pay)			
1. City	\$ 985,652 13.29%	\$ 2,333,595 31.47%	\$ 427,063 5.76%
2. Member	457,533 6.17%	600,634 8.10%	457,533 6.17%
3. State	79,228 1.07%	79,228 1.07%	79,228 1.07%
4. Total	\$ 1,522,413 20.53%	\$ 3,013,457 40.64%	\$ 963,824 13.00%

Unfunded Actuarial Accrued Liabilities Bases and Amortization Payments

(General Employees Tier 1)

Amortization Base	Current Unfunded Liabilities	Amortization Payment			Remaining Funding Period
		Valuation and 112.664(1)(a), F.S. Assumptions	112.664(1)(b), F.S. Assumptions	112.664(1)(a), F.S. Assumptions Plus 2%	
10/01/2015 Combined Bases *	\$ (1,659,938)	\$ (210,028)	\$ (193,398)	\$ (226,982)	11 years
10/01/2016 Actuarial Loss / (Gain)	(588,695)	(55,988)	(49,202)	(63,018)	18 years
10/01/2016 Assumption Change	607,460	57,773	50,770	65,027	18 years
10/01/2017 Actuarial Loss / (Gain)	(399,994)	(37,062)	(32,376)	(41,924)	19 years
10/01/2018 Actuarial Loss / (Gain)	(1,836,730)	(166,202)	(144,348)	(188,903)	20 years
10/01/2018 Plan Amendment - Ord. #35-19-2348	942,925	85,323	74,104	96,977	20 years
10/01/2019 Actuarial Loss / (Gain)	(1,049,483)	(92,939)	(80,265)	(106,118)	21 years
10/01/2019 Assumption Change	(313,154)	(27,732)	(23,950)	(31,665)	21 years
10/01/2020 Actuarial Loss / (Gain)	(69,519)	(6,036)	(5,185)	(6,923)	22 years
10/01/2021 Actuarial Loss / (Gain)	(200,150)	(17,070)	(14,583)	(19,659)	23 years
10/01/2022 Actuarial Loss / (Gain)	321,213	26,947	22,904	31,160	24 years
10/01/2023 Actuarial Loss / (Gain)	955,829	78,985	66,799	91,686	25 years
10/01/2023 Assumption Change	(9,913)	(819)	(693)	(951)	25 years
10/01/2023 Assumption Change - 112.664(1)(b), F.S. Assumptions	3,884,332	N/A	271,461	N/A	25 years
10/01/2023 Assumption Change - 112.664(1)(a), F.S. Assumptions Plus 2%	(2,722,361)	N/A	N/A	(261,137)	25 years

(General Employees Tier 2)

10/01/2017 Initial Base	119,895	11,403	10,021	12,834	18 years
10/01/2018 Actuarial Loss / (Gain)	\$ 38,310	\$ 3,467	\$ 3,011	\$ 3,940	20 years
10/01/2018 Plan Amendment - Ord. #35-19-2348	143,195	12,957	11,254	14,727	20 years
10/01/2019 Actuarial Loss / (Gain)	(214,649)	(19,009)	(16,416)	(21,704)	21 years
10/01/2019 Assumption Change	(18,104)	(1,603)	(1,385)	(1,831)	21 years
10/01/2020 Actuarial Loss / (Gain)	(139,082)	(12,077)	(10,373)	(13,850)	22 years
10/01/2021 Actuarial Loss / (Gain)	9,849	840	718	967	23 years
10/01/2022 Actuarial Loss / (Gain)	9,869	828	704	957	24 years
10/01/2023 Actuarial Loss / (Gain)	22,990	1,900	1,607	2,205	25 years
10/01/2023 Assumption Change	689	57	48	66	25 years
10/01/2023 Assumption Change - 112.664(1)(b), F.S. Assumptions	539,671	N/A	37,715	N/A	25 years
10/01/2023 Assumption Change - 112.664(1)(a), F.S. Assumptions Plus 2%	(339,936)	N/A	N/A	(32,608)	25 years

(AMSC)

10/01/2017 Combined Bases *	207,739	19,757	17,362	22,238	18 years
10/01/2018 Actuarial Loss / (Gain)	544,679	49,287	42,806	56,019	20 years
10/01/2018 Plan Amendment - Ord. #23-19-2336	247,135	22,363	19,422	25,417	20 years
10/01/2018 Plan Amendment - Ord. #35-19-2348	538,995	48,773	42,359	55,434	20 years
10/01/2019 Actuarial Loss / (Gain)	(522,929)	(46,309)	(39,994)	(52,876)	21 years
10/01/2019 Assumption Change	(67,870)	(6,010)	(5,191)	(6,863)	21 years
10/01/2020 Actuarial Loss / (Gain)	164,834	14,313	12,293	16,414	22 years
10/01/2020 Plan Amendment - Ord. #18-21-2408	274,976	23,877	20,508	27,382	22 years
10/01/2021 Actuarial Loss / (Gain)	195,118	16,640	14,217	19,164	23 years
10/01/2022 Actuarial Loss / (Gain)	62,589	5,251	4,463	6,072	24 years
10/01/2022 Plan Amendment - Ord. #20-23-2471	57	5	4	6	24 years
10/01/2023 Actuarial Loss / (Gain)	1,035,671	85,582	72,379	99,345	25 years
10/01/2023 Assumption Change	267,023	22,065	18,661	25,614	25 years
10/01/2023 Assumption Change - 112.664(1)(b), F.S. Assumptions	2,309,748	N/A	161,419	N/A	25 years
10/01/2023 Assumption Change - 112.664(1)(a), F.S. Assumptions Plus 2%	(1,734,681)	N/A	N/A	(166,396)	25 years

* Combined per Internal Revenue Code Regulation 1.412(b)-1



Unfunded Actuarial Accrued Liabilities Bases and Amortization Payments

(Police Officers)

Amortization Base	Current Unfunded Liabilities	Amortization Payment			Remaining Funding Period
		Valuation and 112.664(1)(a), F.S. Assumptions	112.664(1)(b), F.S. Assumptions	112.664(1)(a), F.S. Assumptions Plus 2%	
10/01/2018 Combined Bases *	\$ (599,242)	\$ (57,328)	\$ (50,836)	\$ (64,058)	16 years
10/01/2018 Plan Amendment - Ord. #38-19-2351	422,844	35,825	30,951	40,919	20 years
10/01/2019 Actuarial Loss / (Gain)	338,076	27,960	24,009	32,097	21 years
10/01/2019 Assumption Change	(1,138,175)	(94,132)	(80,828)	(108,057)	21 years
10/01/2020 Actuarial Loss / (Gain)	107,939	8,731	7,453	10,072	22 years
10/01/2021 Actuarial Loss / (Gain)	(213,958)	(16,958)	(14,390)	(19,654)	23 years
10/01/2022 Actuarial Loss / (Gain)	820,968	63,859	53,880	74,343	24 years
10/01/2023 Actuarial Loss / (Gain)	857,889	65,585	55,029	76,684	25 years
10/01/2023 Assumption Change	238,893	18,263	15,324	21,354	25 years
10/01/2023 Assumption Change - 112.664(1)(b), F.S. Assumptions	9,883,849	N/A	633,993	N/A	25 years
10/01/2023 Assumption Change - 112.664(1)(a), F.S. Assumptions Plus 2%	(6,584,434)	N/A	N/A	(588,564)	25 years

* Combined per Internal Revenue Code Regulation 1.412(b)-1

SECTION B

SUMMARY OF PLAN PROVISIONS

**Outline of Principal Provisions of the Retirement Plan
(as of October 1, 2023)**

A. Effective Date:

October 1, 1965. Most recently amended by Ordinance 20-23-2471 adopted October 17, 2023.

B. Eligibility Requirements:

1. General Employees

Tier 1:

Regular full-time employee hired before October 1, 2011 is eligible to enter the Plan following the completion of six months of Credited Service and attainment of age 20.

Tier 2:

Regular full-time employee hired on or after October 1, 2011 and not participating in the Plan as of October 1, 2016 who elects to join or fails to make any election within ninety (90) days from September 20, 2016 is eligible to enter the Plan as a Tier 2 employee as of October 1, 2016.

Regular full-time employee hired on or after October 1, 2016 who elects to join or fails to make any election within ninety (90) days from date of hire is eligible to enter the Plan as a Tier 2 employee as of their date of hire.

Any regular full-time employee who previously entered into the Defined Contribution (DC) Plan may opt-out of the DC Plan and elect to join the Plan as a Tier 2 member or as their respective classification at the time they elect to join the Plan during an annual open enrollment period.

2. Police Officers

Regular full-time Police Officer is eligible to enter the Plan as of date of employment.

3. Administration Management Service Class (AMSC)

Employees of the City with the following positions who do not elect to participate in a defined contribution Plan of the City:

City Manager	Planning and Zoning Director
City Attorney	Building Director
City Clerk	Director of Public Works
Assistant / Deputy City Manager	Director of Parks, Recreation and Culture
Finance Director / Chief Financial Officer	Development Services Director
Chief of Police	

Employees who are employed in the following positions on the effective date of the Ordinance remain members of the AMSC for as long as they are employed in such positions or other positions included in the AMSC. Employees initially hired or promoted into the following positions on or after the effective date of the Ordinance will be second tier members under the Plan:

Chief Administrative Officer (currently Finance Office Manager)	Project Manager
Chief Procurement Officer (currently Purchasing Manager)	Special Assistant to the Manager
Community Redevelopment Agency Director	Superintendent of Maintenance
Assistant Director of Parks and Recreation	Personnel Manager



**Outline of Principal Provisions of the Retirement Plan
(as of October 1, 2023)**

C. Credited Service:

1. General Employees and AMSC

Continuous employment. Credited service shall exclude continuous employment prior to Plan participation as follows: (1) If employed prior to October 1, 1973, credited service shall exclude the first two years of continuous employment and any additional year of continuous employment prior to attainment of age 25. (2) If employed on or after October 1, 1973, credited service shall exclude the first six (6) months of continuous employment and continuous employment prior to age 20.

Credited service for Tier 2 employees and AMSC will be continuous employment from the date of hire for all purposes except for benefit accruals which will be from the later of date of Plan entry election date or date of hire.

2. Police Officers

Continuous employment. For Police Officers who did not participate when first eligible for the Plan, Credited Service shall exclude continuous employment prior to Plan participation as follows: (1) If employed prior to October 1, 1973, Credited Service shall exclude the first two years of continuous employment and any additional year of continuous employment prior to attainment of age 25. (2) If employed on or after October 1, 1973, Credited Service shall exclude the first six (6) months of continuous employment and continuous employment prior to age 20.

D. Final Monthly Compensation (FMC):

Final Average Compensation is 1/36th of the final 36 consecutive months of compensation. For Police Officers, not less than 1/5th of the highest five (5) years out of the last (10) ten years of compensation. Compensation shall mean regular wages and salaries, excluding bonuses, vacation, sick leave and other additional compensation.

Effective October 1, 2011, Final Average Compensation for General Employees is 1/60th of the final 60 consecutive months of basic compensation, provided it is not less than the Final Average Compensation as of September 30, 2011 based on the definition above. Basic compensation shall mean base wages and salaries, excluding commissions, overtime pay, bonuses and any other forms of additional compensation earned outside of base wages.

Effective October 1, 2011, Final Average Compensation for members covered under the Police Officers and Sergeants collective bargaining agreement is the best five (5) years of basic compensation, provided it is not less than the Final Average Compensation as of September 30, 2011 based on the definition above. Basic compensation shall mean base wages and salaries, including up to 300 hours of overtime in a fiscal year and excluding payments for accrued unused sick or annual leave, extra duty or special detail work, shift differential, assignment pay, bonuses and any other forms of additional compensation earned outside of base wages.

**Outline of Principal Provisions of the Retirement Plan
(as of October 1, 2023)**

D. Final Monthly Compensation (FMC) (cont'd):

Effective October 1, 2016, Final Average Compensation for members covered under the Miami-Dade County Police Benevolent Association Upper-Collective Bargaining Union (Lieutenants & Captains) collective bargaining agreement is the best five (5) years of basic compensation, provided it is not less than the Final Average Compensation as of September 30, 2016 based on the definition above. Basic compensation shall mean base wages and salaries, including up to 300 hours of overtime in a fiscal year and excluding payments for accrued unused sick or annual leave, extra duty or special detail work, shift differential, assignment pay, bonuses and any other forms of additional compensation earned outside of base wages.

Final Average Compensation for Tier 2 General Employees shall be the average of the highest eight (8) years of credited service.

Final Average Compensation for AMSC shall be the average of the highest five (5) years of credited service.

E. Normal Retirement:

1. Eligibility:

a. General Employees: Attainment of age 55 and completion of ten (10) years of Credited Service for benefits accrued as of September 30, 2011.

Attainment of age 60 and completion of ten (10) years of Credited Service for benefits accrued after September 30, 2011, including increases in the accrued benefit as of September 30, 2011 due to increases in the Final Average Compensation.

Attainment of age 65 and completion of ten (10) years of Credited Service or completion of thirty-three (33) years of Credited Service regardless of age for Tier 2 General Employees.

b. Police Officers: Attainment of age 55 and completion of ten (10) years of Credited Service or completion of twenty-five (25) years of Credited Service regardless of age.

c. AMSC: Attainment of age 60 and completion of five (5) years of Credited Service, attainment of age 55 and completion of twenty (20) years of Credited Service or completion of thirty-three (33) years of Credited Service regardless of age.

2. Benefit:

The monthly Plan benefit is the product of:

- a. FMC,
- b. Credited Service during the appropriate period and
- c. The appropriate benefit percentage



**Outline of Principal Provisions of the Retirement Plan
(as of October 1, 2023)**

E. Normal Retirement (cont'd):

2. Benefit (cont'd):

The appropriate benefit percentages are:

a. <u>General Employees</u>	For Credited Service	Percentage
	Through September 30, 1999	2.50%
	October 1, 1999 through September 30, 2011	2.75%
	October 1, 2011 and thereafter	2.25%
b. <u>Police Officers</u>	For Credited Service	Percentage
	Through September 30, 1995	2.00%
	October 1, 1995 through September 30, 1996	2.25%
	October 1, 1996 through September 30, 1997	2.50%
	October 1, 1997 through September 30, 2001	2.75%
	October 1, 2001 through September 30, 2002	2.80%
	October 1, 2002 through September 30, 2003	2.90%
	October 1, 2003 and thereafter	3.00%
c. <u>General Employees (Tier 2)</u>	For Credited Service	Percentage
	October 1, 2016 and thereafter	1.60%
d. <u>AMSC</u>	For Credited Service	Percentage
	October 1, 2016 and thereafter	3.00%

F. Supplemental Benefit:

A cost-of-living supplemental benefit based upon the consumer price index is provided upon retirement. The cumulative increase is limited to 3% per year.

No cost-of-living supplemental benefit is provided for Tier 2 General Employees and AMSC members who retired or entered the DROP prior to October 1, 2019. No cost-of-living supplemental benefit is provided on the portion of the benefit accrued after September 30, 2011 for Tier 1 General Employees who retired or entered the DROP prior to October 1, 2019.

G. Early Retirement for Police Officers:

1. Eligibility: Attainment of age 50 and completion of 10 years of Credited Service.
2. Benefit: Accrued benefit based upon FMC and Credited Service as of Early Retirement Date, reduced 3% for each year that the benefit commencement date precedes Normal Retirement.



**Outline of Principal Provisions of the Retirement Plan
(as of October 1, 2023)**

H. Delayed Retirement:

1. Eligibility: Retirement subsequent to Normal Retirement Date.
2. Benefit: Accrued benefit based upon FMC and Credited Service as of Delayed Retirement Date.

I. Disability Retirement:

1. Eligibility: Totally and permanently disabled for a six month period while actively employed.
2. Benefit: Accrued benefit based upon FMC and Credited Service as of date of disability, actuarially reduced as for Early Retirement for early commencement.

J. Pre-Retirement Death Benefit:

Prior to vesting: Refund of member's accumulated Employee Contribution.

Upon vesting: The beneficiary will receive benefit payable as if the deceased member had terminated employment on the day before death and survived to the earliest retirement date and elected the 50% Joint and Contingent form of payment reduced for early retirement and died the next day. The beneficiary may elect to defer payment until the deceased member's normal retirement date.

K. Benefit Upon Termination of Service:

1. Benefit payable at Normal Retirement equal to the greater of:
 - a. Accrued benefit based upon FMC and Credited Service as of date of termination times the vesting percentage shown below, or
 - b. Benefit which can be supported by the accumulated Member Contributions with interest to Normal Retirement Date.

No supplemental benefit shall be payable to vested terminees.

2. Vesting Schedule:

<u>Years of Credited Service</u>	<u>Vesting Percentage</u>	
	<u>AMSC Members</u>	<u>All Other Members</u>
Less than 5	0%	0%
5 - 9 years	100%	0%
10 or more years	100%	100%

AMSC members who have completed three (3) years of continuous Credited Service as of June 18, 2019 are 100% vested. AMSC members employed on September 7, 2021 are 100% vested immediately.

3. Refund Option:

A terminated member may elect to receive a refund of Accumulated Contributions without interest in lieu of receiving any other Plan benefits.

**Outline of Principal Provisions of the Retirement Plan
(as of October 1, 2023)**

L. Member Contributions:

Members contribute 7.0% (3.0% for Tier 2 General Employees and 7.5% for Police Officers) of member's basic annual compensation.

Should the City contribution for General Employees be actuarially determined to exceed 7.0%, not including expenses, both the City and the General Employees (other than Tier 2 General Employees and AMSC) will share equally in the amount in excess of 7.0%. General Employees (other than Tier 2 General Employees and AMSC) Contributions are capped at 10% of basic annual compensation as of October 1, 2016.

Should the City contribution for Police Officers be actuarially determined to exceed 7.5%, not including expenses, both the City and the Police Officers will share equally in the amount in excess of 7.5% but not more than 12.0%.

M. Normal Form of Retirement Income:

The normal form of payment shall be a life annuity with a guarantee of a refund of accumulated Employee Contributions.

N. Deferred Retirement Option Plan (DROP):

1. Eligibility: Attainment of normal retirement date.
2. The maximum period of participation in the DROP is sixty (60) months.
3. A member's account in the DROP shall be credited monthly with interest in an amount equal to 50% of the net (gross return minus investment expense) yearly interest earned by the Plan for the preceding fiscal year, up to a maximum of 5% and a minimum of 0%. Effective June 21, 2022, the maximum interest credited to a member's DROP account shall be 6%.
4. No payment may be made from the DROP until the member actually separates from service with the City. The DROP account balance may be distributed in a lump sum, periodic payments, an annuity or a combination thereof.

O. Changes Since Previous Actuarial Impact Statement:

None.

SECTION C

ACTUARIAL ASSUMPTIONS AND COST METHODS USED FOR FUNDING

**Actuarial Assumptions and Methods Used in the Valuation
(as of October 1, 2023)**

A. Mortality

General Employees including AMSC Mortality Assumptions:

For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without projected mortality improvements.

Sample Ages (2023)	Pre-retirement Future Life Expectancy (Years)		Post-retirement Future Life Expectancy (Years)	
	Male	Female	Male	Female
	55	32.83	35.24	28.93
60	27.97	30.21	24.82	28.08
62	26.07	28.23	23.19	26.25

Sample Ages (2043)	Pre-retirement Future Life Expectancy (Years)		Post-retirement Future Life Expectancy (Years)	
	Male	Female	Male	Female
	55	34.46	36.72	30.95
60	29.53	31.65	26.68	29.76
62	27.60	29.64	24.99	27.88

Police Officer Mortality Assumptions:

For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

**Actuarial Assumptions and Methods Used in the Valuation
(as of October 1, 2023)**

A. Mortality (cont'd)

Police Officer Mortality Assumptions (cont'd):

Sample Ages (2023)	Pre-retirement Future Life Expectancy (Years)		Post-retirement Future Life Expectancy (Years)	
	Male	Female	Male	Female
	55	30.70	34.54	27.87
60	25.74	29.47	23.27	26.64
62	23.80	27.46	21.53	24.79

Sample Ages (2043)	Pre-retirement Future Life Expectancy (Years)		Post-retirement Future Life Expectancy (Years)	
	Male	Female	Male	Female
	55	32.33	36.03	29.77
60	27.31	30.92	25.06	28.39
62	25.35	28.88	23.27	26.50

B. Investment Return to be Earned by Fund

7.375% (net of investment expenses), compounded annually - includes inflation at 2.75%.

C. Allowances for Expenses or Contingencies

Actual expenses paid in previous year.

D. Employee Withdrawal Rates

Withdrawal rates for males and for females were used in accordance with the following illustrative example based upon number of years of service:

Service	Per 100 Employees	
	Police	
1 - 5	14.50	
6 - 9	7.50	
10 & Over	4.00	

Service	Per 100 Employees	
	General	AMSC
1 - 2	25.00	8.50
3 - 9	7.50	8.50
10 & Over	4.50	2.50

E. Disability Rates

1985 Disability Study, Class 1 with separate rates for females.

**Actuarial Assumptions and Methods Used in the Valuation
(as of October 1, 2023)**

F. Marital Assumptions

100% of active members are assumed to be married. Where applicable, females are assumed to be three years younger than their male spouses.

G. Salary Increase Factors

Current salary is assumed to increase in accordance with the following table based upon age - includes wage inflation of 3.25%.

<u>Age</u>	<u>Police</u>	<u>General</u>	<u>AMSC</u>
< 35	4.75%	6.00%	7.50%
35 - 39	4.75%	5.00%	6.00%
40 - 44	4.75%	4.50%	6.00%
45 - 49	4.50%	4.25%	5.25%
50 - 54	4.50%	4.00%	5.25%
55 & over	4.50%	3.50%	5.25%

H. Increase in Covered Payroll

4.0% per year for Police Officers, General Tier 2 and AMSC members. 0.0% per year for General Tier 1 members. For purposes of financing the unfunded liabilities, the payroll growth assumption is capped at the historical 10-year average (0.9% as of October 1, 2023) but not less than 0.0% for Police Officers. Level dollar amortization used for all other groups.

I. Retirement Rates

Rates of Early Retirement are 5% for each year preceding Normal Retirement for Police Officers.

Rates of Normal Retirement were used in accordance with the following tables.

<u>Age</u>	<u>Police</u>	<u>General *</u>	<u>AMSC **</u>
55 - 59	25%	10%	20%
60 - 61	30%	10%	20%
62 - 64	30%	25%	30%
65	75%	25%	30%
66	100%	25%	30%
67 - 69	100%	75%	50%
70 & above	100%	100%	100%

<u>Service</u>	<u>Police</u>
25 - 29	90%
30 & Over	100%

* Rates are at least 25% for Tier 2 members for each year upon meeting 33 years of service until 100% at age 70.

** Rates are at least 30% for AMSC members for each year upon meeting 33 years of service until 100% at age 70.

General Employees who retire prior to age sixty (60) but after attainment of ten (10) years of Credited Service (55 & 10) are assumed to receive an actuarially reduced benefit payable immediately upon retirement.

**Actuarial Assumptions and Methods Used in the Valuation
(as of October 1, 2023)**

J. Cost of Living Increases

Future cost of living increases for General Employees (including Tier 1 and Tier 2 General Employees), AMSC and Police Officers are assumed to be 3.0% per annum.

K. Valuation of Assets

The method used for determining the smoothed value of assets phases in the deviation between the expected and actual return on assets at the rate of 20% per year. The smoothed value of assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the fair market value of Plan assets and whose upper limit is 120% of the fair market value of Plan assets.

L. Cost Methods

Normal Retirement, Termination, Disability and Pre-Retirement Death Benefit: Entry-Age-Actuarial Cost Method

Under this method the normal cost for each active employee is the amount which is calculated to be a level percentage of pay that would be required annually from his date of hire to his retirement age to fund his estimated benefits, assuming the Plan had always been in effect. The normal cost for the Plan is the sum of the individual normal costs for all active employees. The actuarial accrued liability as of any valuation date for each active employee or inactive employee who is eligible to receive benefits under the Plan is the excess of the actuarial present value of estimated future benefits over the actuarial present value of current and future normal costs. The unfunded actuarial accrued liability as of any valuation date is the excess of the actuarial accrued liability over the smoothed value of assets of the Plan.

Vested Normal Retirement, Termination, Disability, and Death Benefits: Unit Credit Cost Method

Under this method, the actuarial present value of vested accrued benefits is an amount calculated to be the sum of the present values of each individual's vested accrued or earned benefit under the Plan as of the valuation date. Each individual's calculation is based on pay and service as of the valuation date.

M. Disclosure of Assumptions

The investment return, salary increases, withdrawal and retirement rates are based on the experience study performed for the period October 1, 2013 - September 30, 2022. The mortality rates are based upon the July 1, 2023 FRS Actuarial Valuation, as required under F.S., Chapter 2015 -157.

N. Changes Since Previous Actuarial Impact Statement

1. Employee Withdrawal Rates were:

<u>Service</u>	<u>Per 100 Employees</u>	
	<u>Police</u>	<u>General / AMSC</u>
1 - 2	12.00	20.00
3 - 6	8.00	9.25
7 - 10	8.00	5.00
11 & Over	3.50	5.00

**Actuarial Assumptions and Methods Used in the Valuation
(as of October 1, 2023)**

N. Changes Since Previous Actuarial Impact Statement (cont'd)

2. Salary Increase Factors were:

Current salary is assumed to increase in accordance with the following table based upon number of years of service - includes wage inflation of 3.25%.

<u>Service</u>	<u>Police</u>	<u>General / AMSC</u>
0 - 9	5.25%	5.25%
10 - 14	3.75%	4.75%
15 - 19	3.75%	4.25%
20 & over	3.75%	3.75%

3. Retirement Rates were:

Rates of Early Retirement for Police Officers were used in accordance with the following table.

<u>Years Preceding Normal Retirement</u>	<u>Police</u>
1 - 6	5%
7 - 10	10%

Rates of Normal Retirement were used in accordance with the following tables.

<u>Age</u>	<u>Police</u>	<u>General *</u>	<u>AMSC **</u>
55 - 59	25%	10%	25%
60 - 61	25%	10%	25%
62 - 64	40%	25%	35%
65 - 66	100%	25%	35%
67 & above	100%	100%	100%

<u>Service</u>	<u>Police</u>
25 years	100%

* Rates are 25% for Tier 2 members for each year upon meeting 33 years of service until 100% at age 67.

** Rates are 25% below the age of 62 and 35% between the ages of 62 and 66 upon meeting 33 years of service until 100% at age 67.

SECTION D

GLOSSARY

GLOSSARY

<i>Actuarial Accrued Liability</i>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
<i>Actuarial Assumptions</i>	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members and other items.
<i>Actuarial Cost Method</i>	A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.
<i>Actuarial Equivalent</i>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<i>Actuarial Present Value</i>	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made.
<i>Actuarial Present Value of Future Benefits</i>	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits and inactive, non-retired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
<i>Actuarial Valuation</i>	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB No. 67.
<i>Actuarial Value of Assets</i>	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially required contribution.

<i>Amortization Method</i>	A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the rate at which total covered payroll of all active members is assumed to increase.
<i>Amortization Payment</i>	That portion of the plan contribution which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
<i>Amortization Period</i>	The period used in calculating the Amortization Payment.
<i>Annual Required Contribution</i>	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation. The annual required contribution consists of the Employer Normal Cost and Amortization Payment plus interest adjustment.
<i>Closed Amortization Period</i>	A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.
<i>Employer Normal Cost</i>	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
<i>Equivalent Single Amortization Period</i>	For plans that do not establish separate amortization bases (separate components of the UAAL), this is the same as the Amortization Period. For plans that do establish separate amortization bases, this is the period over which the UAAL would be amortized if all amortization bases were combined upon the current UAAL payment.
<i>Experience Gain/Loss</i>	A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two actuarial valuations. To the extent that actual experience differs from that assumed, Unfunded Actuarial Accrued Liabilities emerge which may be larger or smaller than projected. Gains are due to favorable experience, e.g., the assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. Losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.
<i>Funded Ratio</i>	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.

GASB	Governmental Accounting Standards Board.
<i>GASB No. 67 and GASB No. 68</i>	These are the governmental accounting standards that set the accounting rules for public retirement plans and the employers that sponsor or contribute to them. Statement No. 67 sets the accounting rules for the plans themselves, while Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement plans.
<i>Normal Cost</i>	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
<i>Open Amortization Period</i>	An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. In other words, if the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never completely disappear, but will become smaller each year, either as a dollar amount or in relation to covered payroll.
<i>Unfunded Actuarial Accrued Liability</i>	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
<i>Valuation Date</i>	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.
<i>Vested Benefit Security Ratio</i>	The ratio of the Market Value of Assets to the Actuarial Present Value of Vested Accrued Benefits.