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**CITY OF POMPANO BEACH**  
**GENERAL EMPLOYEES' RETIREMENT SYSTEM**

**Actuarial Valuation Report**  
**as of**  
**October 1, 2023**





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February 20, 2024

Board of Trustees  
City of Pompano Beach General Employees' Retirement System  
555 South Andrews Avenue, Suite 106  
Pompano Beach, Florida 33069

Dear Members of the Board:

This report presents the results of the actuarial valuation of the City of Pompano Beach General Employees' Retirement System ("Plan") for the plan year. The purpose of this report is to provide a summary of the funded status of the plan as of October 1, 2023 and to determine the minimum required contribution amount for the 2024/2025 fiscal year. In addition, this report provides a record of any plan amendments or other plan changes affecting the financial status of the fund. Our calculations were prepared based on member data and financial information provided by the Retirement System.

## **Summary of Valuation Results**

The Retirement System receives contributions from the City of Pompano Beach, Broward Sheriff's Office (BSO), Management Support Employees (MSE), Pompano Beach Police and Firefighters' Retirement System (PBPFRS), and from active members. The Retirement System is responsible for the contribution attributed to MSEs while the PBPFRS is responsible for the contribution attributed to their Executive Director and Deputy Director. All members contribute 10.0% of compensation. In addition, the City contributes the required member contributions on behalf of the elected/appointed members who participate in the System. These contributions are considered member contributions and are not reflected in the required minimum City contribution. In determining the City's and the County's contribution requirement we have included two alternatives. The first includes interest to reflect that the City and the Retirement System will make quarterly contributions throughout the fiscal year. The second reflects that the City and the Retirement System will contribute a single lump sum payment on December 31, 2024. Both contribution alternatives anticipate that the BSO will make quarterly contributions throughout the fiscal year.

Actuarial Standard of Practice Number 4 (ASOP 4) requires the disclosure of a reasonable Actuarial Determined Contribution (ADC). Based on the assumptions and methods used in this report, the ADC is reasonable with respect to ASOP 4.



### **Quarterly Contributions**

The total required annual contribution for the 2024/2025 fiscal year from all sources payable based on a quarterly payment schedule beginning October 1, 2024 is \$24,831,220. The amount of the City/BSO contributions varies from year to year. Member contributions are equal to 10.00% employees' projected payroll. After taking into account expected member contributions of \$4,358,292, the total required contribution from the City/BSO/MSE/PBPFERS is \$20,472,928 or 46.97% of projected payroll. Of this amount, the City is expected to contribute \$20,245,723, BSO is expected to contribute \$116,946, PBPFERS is expected to contribute \$54,316 and the Retirement System is expected to contribute \$55,943. In comparison, the required City/BSO contribution for the 2023/2024 fiscal year was \$18,856,364, or 46.53% of projected payroll.

### **Single Lump Sum Payment**

The total required annual contribution for the 2024/2025 fiscal year from all sources payable as a single lump sum payment on December 31, 2024 is \$24,616,887. The amount of the City/BSO contributions varies from year to year. Member contributions are equal to 10.00% of employees' projected payroll. After taking into account expected member contributions of \$4,358,292, the total required contribution from the City/BSO/MSE/PBPFERS is \$20,258,595 or 46.48% of projected payroll. Of this amount, the City is expected to contribute \$20,033,044, the BSO is expected to contribute \$116,729, PBPFERS is expected to contribute \$53,597 and the Retirement System is expected to contribute \$55,225.

The plan provides a 2% COLA each year for Tier 1 members who retired before October 1, 2021 or 3% COLA for Tier 1 members who retire on or after October 1, 2021. An additional 1% COLA is applied if there is a cumulative net experience gain for the year and the City's cost for the year is \$0 after payment of the additional COLA. In addition, the present value of the additional COLA cannot be more than the cumulative gains that occurred since inception of the COLA. Since a required City contribution is due, no variable COLA will be paid to these members this year.

Members hired on or after June 8, 2011 and before December 8, 2020 who have not elected to pay the additional 3% member contribution will be eligible for a COLA on their fifth anniversary of retirement for this period of service. No increase is given for eligible retirees under 55 on October 1<sup>st</sup>. A 1% increase is given for eligible retirees between 55 and 64. A 2% increase is given for eligible retirees 65 or older. A variable increase (of not more than one percent) will be granted when the plan is sufficiently funded. Since there is no cumulative actuarial gain, no variable increase will be paid to these members this year.



Actuarial gains and losses result when the actual experience of the plan (such as asset return, pay increases, turnover, deaths, etc.) is different from that expected by the actuarial assumptions. The plan's unfunded liability was projected to be \$110,130,171 as of October 1, 2023, taking into account contributions from the City and the County of \$17,601,479. The actual unfunded liability is \$118,885,045. A detailed analysis of the loss of \$8,754,874 is presented in Table II. The total increase in City/County contribution to amortize the unfunded liability is \$831,824 per year. A summary of the amortization payments is presented in Table Va. The unfunded liability is amortized over a level percentage of payroll assuming a payroll growth assumption of 2.40% for amortization bases established prior to October 1, 2017. Amortization bases established on or after October 1, 2017 are amortized on a level dollar basis.

The valuation is based on a series of actuarial assumptions, including an interest rate of 7.35% per year and an annual payroll growth assumption of 2.40%. Table XII outlines the mortality assumptions used in the report.

A summary of the results of the valuation and the contribution requirements is presented in Table I. The disclosure information required by Chapter 112, Florida Statutes, is presented in Table V. Tables VII and X provide information about the fund's assets and historical contributions. Table VIb provides an asset reconciliation between October 1, 2022 and October 1, 2023. Table VIa provides a breakdown of the fund assets by investment type and the calculation of the actuarial value of assets. Tables VII, VIIa, and VIII provide a historical record of the growth, expenses, revenues, annual returns and contributions of the fund. Tables IX and IXa through IXd provide a variety of useful information concerning the participant population. The assumptions used in the valuation are outlined in Table XII. Provisions of the plan are set forth in Table XIII.

This actuarial valuation was 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, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

In order to prepare the results in this report, we have utilized actuarial models that were developed to measure liabilities and develop actuarial costs. These models include tools that we have produced and tested, along with commercially available valuation software that we have reviewed to confirm the appropriateness and accuracy of the output. In utilizing these models, we develop and use input parameters and assumptions about future contingent events along with recognized actuarial approaches to develop the needed results.



Future actuarial results may differ significantly from the current results 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. Since the potential impact of such factors is outside the scope of a normal annual actuarial valuation, an analysis of the range of results is not presented herein.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Todd B. Green' followed by a horizontal flourish.

Todd B. Green, ASA, EA, FCA, MAAA  
President  
Enrolled Actuary No. 23-8883

A handwritten signature in blue ink that reads 'Micki R. Taylor'.

Micki R. Taylor, ASA, EA, FCA, MAAA  
Consulting Actuary  
Enrolled Actuary No. 23-5975

**SUMMARY OF VALUATION RESULTS****TABLE I**

	<b>As of October 1, 2022</b>	<b>As of October 1, 2023</b>
<b>1. Number of Participants</b>		
a. Active Participants		
i. City and BSO Employees	518	526
ii. Elected and Appointed Officials	9	8
iii. Senior Management	21	25
iv. Sub-total	<u>548</u>	<u>559</u>
b. Deferred Vested Participants	<u>31</u>	<u>33</u>
c. Retired Participants:		
i. Participants in DROP	61	67
ii. Non-disabled	353	362
iii. Disabled	10	8
iv. Beneficiaries	58	60
v. Sub-total	<u>482</u>	<u>497</u>
d. Total Participants	<u><b>1,061</b></u>	<u><b>1,089</b></u>
<b>2. Total Annual Payroll</b>		
a. Elected Officers	\$1,169,153	\$1,197,013
b. Non-elected members (Plan 1)	\$34,686,236	\$37,697,358
c. Non-elected members (Plan 2)	\$3,723,586	\$3,667,074
d. Total	<u><b>\$39,578,975</b></u>	<u><b>\$42,561,445</b></u>
<b>3. Total Projected Payroll</b>	<b>\$40,528,870</b>	<b>\$43,582,920</b>
<b>4. Total Retired Member Benefits</b>	<b>\$17,395,627</b>	<b>\$18,491,384</b>
<b>5. Derivation of Unfunded Accrued Liability (UAL)</b>		
a. Present Value of Future Benefits	\$429,225,954	\$459,335,981
b. Present Value of Future Normal Cost	(\$72,806,714)	(\$79,380,178)
<i>City Portion</i>	(\$45,088,026)	(\$49,845,383)
<i>Member Portion</i>	(\$27,718,688)	(\$29,534,795)
c. Actuarial Accrued Liability (AAL)	\$356,419,240	\$379,955,803
d. Actuarial Value of Assets	(\$242,977,667)	(\$261,070,758)
e. Unfunded Accrued Liability (c. + d.)	<u><b>\$113,441,573</b></u>	<u><b>\$118,885,045</b></u>



SUMMARY OF VALUATION RESULTS

TABLE I

	Fiscal Year 2024	Fiscal Year 2025
<b>6. Annual Cost (Payable Quarterly 1<sup>st</sup> Payment 10/1)</b>		
a. Normal Cost	\$9,431,172	\$10,371,677
b. Payment to Amortize Unfunded Liability	\$10,584,637	\$11,416,461
c. Administrative Expenses	\$768,874	\$740,274
d. Interest Adjustment	\$2,124,568	\$2,302,808
e. Total (a. + b.+ c.+ d.)	<b>\$22,909,251</b>	<b>\$24,831,220</b>
f. Expected Member Contributions	\$4,052,887	\$4,358,292
g. Expected City/County Contribution	\$18,856,364	\$20,472,928
h. Total (f. + g.)	<b>\$22,909,251</b>	<b>\$24,831,220</b>
<b>7. Annual Cost (Payable as a Single Lump Sum on 12/31)</b>		
a. Normal Cost	\$9,431,172	\$10,371,677
b. Payment to Amortize Unfunded Liability	\$10,584,637	\$11,416,461
c. Administrative Expenses	\$768,874	\$740,274
d. Interest Adjustment	\$1,926,825	\$2,088,475
e. Total (a. + b.+ c.+ d.)	<b>\$22,711,508</b>	<b>\$24,616,887</b>
f. Expected Member Contributions	\$4,052,887	\$4,358,292
g. Expected City/County Contribution	\$18,658,621	\$20,258,595
h. Total (f. + g.)	<b>\$22,711,508</b>	<b>\$24,616,887</b>
<b>8. Annual Cost (as a % of projected payroll)</b>		
<b>a. Quarterly Basis</b>		
i. Total Required Contribution	56.53%	56.97%
ii. Expected Member Contributions *	10.00%	10.00%
iii. Expected City/County Contribution	46.53%	46.97%
<b>b. Single Lump Sum Basis</b>		
i. Total Required Contribution	56.04%	56.48%
ii. Expected Member Contributions *	10.00%	10.00%
iii. Expected City/County Contribution	46.04%	46.48%

\* Non-Elected members contribute 10.0% of payroll. The City contributes 10.0% of payroll on behalf of elected/appointed members.





**A. UNFUNDED ACCRUED ACTUARIAL LIABILITY (GAIN) / LOSS ANALYSIS**

1. Actual Unfunded Accrued Actuarial Liability as of October 1, 2022	\$113,441,573
2. Plan Sponsor Normal Cost for this Plan Year (including expenses)	\$6,147,159
3. Interest on items 1 and 2 [(1+2) x 7.35%]	\$8,789,772
4. Plan Sponsor Contribution for this Plan Year:	(\$17,601,479)
5. Interest on item 4 [4 x 7.35% x .5]	(\$646,854)
6. Changes due to:	
a. Assumption changes	\$0
b. Plan amendments	\$0
c. Funding Method	\$0
d. Actuarial (Gain) / Loss	\$8,754,874
<b>7. Actual Unfunded Accrued Liability as of October 1, 2023:</b> <b>(1. + 2. + 3. + 4. + 5. + 6.)</b>	<b>\$118,885,045</b>
<b>8. Items Affecting Calculation of Unfunded Accrued Actuarial Liability:</b>	
a. Plan provisions reflected in the unfunded accrued liability (see Table XIII)	
b. Plan amendments reflected in item 6.b. above (see Table XIIIa)	
c. Actuarial assumptions and methods used to determine actuarial accrued liability (see Table XII)	
d. Changes in actuarial assumptions and methods reflected above	

**B. ASSET (GAIN) / LOSS ANALYSIS**

1. Actuarial Value of Assets as of October 1, 2022	\$242,977,667
2. Interest on item [1. x 7.35%]	\$17,858,859
3. Contributions for the 2022/2023 Plan Year	\$21,968,576
4. Interest on item [3. x 7.35% x .5]	\$807,345
5. Benefit Payments for 2022/2023 Plan Year (Including Expenses)	(\$17,066,093)
6. Interest on item [5. x 7.35% x .5]	(\$627,179)
7. Expected Actuarial Value of Assets as of October 1, 2023	\$265,919,175
8. Actuarial Value of Assets as of October 1, 2023	\$261,070,758
9. <b>(Gain) / Loss</b>	<b>\$4,848,417</b>



C. UNFUNDED ACCRUED ACTUARIAL LIABILITY CONTRIBUTION CHANGE

<b>1. Unfunded Accrued Liability Contribution as of October 1, 2022:</b>		\$10,584,637
<b>2. Net Actuarial (Gains)/Losses During the 2022/2023 Plan Year:</b>		
a. Due to Salary	\$174,717	
b. Due to Investment Performance	\$376,845	
c. Due to Turnover/Mortality	(\$65,265)	
d. Due to New Retirements	\$73,714	
e. Due to Difference and Timing in Contributions	\$59,867	
f. Due to Data/Service Adjustments/Benefit Payments	\$13,330	
g. Due to New Members	\$65,202	
h. Total	\$645,111	\$645,111
<b>3. Change in Unfunded Accrued Liability Contribution During the 2022/2023 Plan Year:</b>		
a. Assumption changes	\$0	
b. Method changes	\$0	
c. Plan changes	\$0	
d. Total change	\$0	\$0
<b>4. Other Effects</b>		\$133,414
<b>5. Unfunded Accrued Liability Contribution as of October 1, 2023</b>		\$11,416,461
<b>6. Comments on Change in Unfunded Accrued Liability Contribution:</b>		

**Salary/Service:** Actual average salary increase of 7.4% compared to expected increases of 6.1%.

**Investment Performance:** 5.37% actual vs. 7.35% expected return on the actuarial value of assets.

**Turnover:** Net effect on the valuation liabilities of actual deaths, terminations of employment and disabilities different from what was anticipated in the aggregate by the assumptions related to those events.

**New retirements:** Net effect of differences in expected vs. actual numbers of, and benefits for, new retirements and refund of employee contributions.

**Due to Differences and Timing of Contributions:** Due to the one year lag of when the required contribution is determined and when it is deposited into the fund.

**Data/Service Adjustments:** Effect of service adjustments for service purchases.

**Assumption Changes:** None.

**Method Changes:** None.

**Plan Changes:** None.

**Other Effects:** Assumed growth in the unfunded actuarial accrued liability contribution and the full amortization of prior experience gains.



**Schedule of Funding Progress**

(\$'s in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) (2)	Unfunded AAL (UAAL) (2) - (1)	Funded Ratio (1)/(2)	Covered Payroll (3)	UAAL as % of Covered Payroll [(2) - (1)]/(3)
10/1/2014	\$144,640	\$200,747	\$56,107	72.1%	\$26,048	215.4%
10/1/2015	\$153,292	\$209,453	\$56,162	73.2%	\$27,016	207.9%
10/1/2016	\$163,312	\$231,707	\$68,395	70.5%	\$27,957	244.6%
10/1/2017	\$173,854	\$249,422	\$75,568	69.7%	\$29,507	256.1%
10/1/2018	\$185,134	\$268,366	\$83,232	69.0%	\$31,178	267.0%
10/1/2019	\$193,360	\$279,091	\$85,731	69.3%	\$34,586	247.9%
10/1/2020	\$205,855	\$287,809	\$81,954	71.5%	\$35,912	228.2%
10/1/2021	\$228,693	\$338,391	\$109,698	67.6%	\$40,866	268.4%
10/1/2022	\$242,978	\$356,419	\$113,442	68.2%	\$39,579	286.6%
10/1/2023	\$261,071	\$379,956	\$118,885	68.7%	\$42,561	279.3%

**Additional Information**

Valuation date :	October 1, 2022	October 1, 2023
Actuarial cost method:	Entry Age Normal	Entry Age Normal
Amortization method:	Bases prior to 2017 Level Percent Closed	Bases prior to 2017 Level Percent Closed
	Bases on or after 2017 Level Dollar Closed	Bases on or after 2017 Level Dollar Closed
Remaining amortization period:	1 to 30 years	1 to 30 years
Asset valuation method:	5 - Year Smoothed Market	5 - Year Smoothed Market
Actuarial assumptions:		
Investment rate of return	7.35%	7.35%
Projected salary increases	4.25 to 7.50%	4.25 to 7.50%
Includes inflation at	2.50%	2.50%
Cost of living adjustments	2.00%; 3.00% for Plan 1 members retiring on or after 10/1/2021	2.00%; 3.00% for Plan 1 members retiring on or after 10/1/2021



**PRESENT VALUE OF ACCRUED BENEFITS**

**TABLE IV**

Shown below is the development of the Total Present Value of Accrued Benefits for the Plan. The calculations were performed using the Plan’s discount rate of 7.35%.

**PRESENT VALUE OF ACCRUED BENEFITS**

**TABLE IV**

**1. Actuarial Present Value of Accrued Benefits**

	<u>As of October 1, 2022</u>	<u>As of October 1, 2023</u>
a. Vested Accrued Benefits:		
i. Inactive members and beneficiaries	\$214,208,503	\$231,799,988
ii. Active members	<u>\$98,638,611</u>	<u>\$103,155,862</u>
iii. Sub-total	\$312,847,114	\$334,955,850
b. Non-vested Accrued Benefits	<u>\$2,474,865</u>	<u>\$2,338,459</u>
c. Total Benefits	<b><u>\$315,321,979</u></b>	<b><u>\$337,294,309</u></b>
d. Market Value of Assets	\$227,129,215	\$250,075,581
c. Percentage Funded	72.0%	74.1%

**2. Statement of Changes in Total Actuarial Present Value of All Accrued Benefits**

a. Actuarial Present Value as of October 1, 2022:	<b>\$315,321,979</b>
b. Increase (Decrease) During 2022/2023 Plan Year Attributable to:	
i. Interest	\$22,570,923
ii. Benefits accumulated/experience	\$15,870,586
iii. Benefits paid	(\$16,469,179)
iv. Plan amendments	\$0
v. Changes in actuarial assumptions or methods	<u>\$0</u>
vi. Net increase (decrease)	<b><u>\$21,972,330</u></b>
c. Actuarial Present Value as of October 1, 2023:	<b><u>\$337,294,309</u></b>

**3. Items Affecting Calculation of Actuarial Present Value of Accrued Benefits**

- a. Plan provisions reflected in the accrued benefits (see Table XIII)
- b. Plan amendments reflected in item 2.b.iv. above
- c. Actuarial assumptions and methods used to determine present values (see Table XII)
- d. Changes in actuarial assumptions and methods reflected in item 2.b.v. above

**INFORMATION REQUIRED BY FLORIDA STATUTE (CHAP. 112)****TABLE V**

	<b>Actuarial valuation prepared as of:</b>	
	<b>October 1, 2022</b>	<b>October 1, 2023</b>
<b>1. Participant Data:</b>		
a. Active members:		
i. Number	548	559
ii. Total annual payroll	\$39,578,975	\$42,561,445
iii. Projected annual payroll	\$40,528,870	\$43,582,920
b. Retirees and beneficiaries:		
i. Number	411	422
ii. Total annualized benefit	\$14,102,257	\$14,869,383
c. Disabled members receiving benefits:		
i. Number	10	8
ii. Total annualized benefit	\$241,342	\$186,451
d. Members in DROP:		
i. Number	61	67
ii. Total annualized benefit	\$3,052,028	\$3,435,550
e. Terminated vested members:		
i. Number	31	33
ii. Total annualized benefit	\$448,825	\$545,898
<b>2. Assets:</b>		
a. Actuarial value of assets	\$242,977,667	\$261,070,758
b. Market value of assets	\$227,129,215	\$250,075,581
<b>3. Liabilities:</b>		
a. Present value of all future expected benefit payments:		
i. Active members:		
Retirement benefits	\$199,992,864	211,682,682
Vesting benefits	\$5,791,823	5,975,862
Disability benefits	\$6,108,613	6,482,380
Death benefits	\$2,139,521	2,234,853
Return of member contributions	\$984,630	1,160,216
Sub-total	\$215,017,451	\$227,535,993
ii. Terminated vested members	\$4,684,513	6,422,849
iii. Retired members and beneficiaries:		
Retirees, members in DROP, and beneficiaries	\$207,443,818	223,773,008
Disabled members	\$2,080,172	1,604,131
Sub-total	\$209,523,990	\$225,377,139
iv. Total present value of all future expected ben. pmts.	\$429,225,954	\$459,335,981



	Actuarial valuation prepared as of:	
	<u>October 1, 2022</u>	<u>October 1, 2023</u>
b. Liabilities due and unpaid	\$0	\$0
c. Active actuarial accrued liability	\$142,210,737	148,155,815
d. Inactive actuarial accrued liability	\$214,208,503	\$231,799,988
e. Total actuarial accrued liability	\$356,419,240	379,955,803
f. Unfunded actuarial accrued liability (please reference Table Va for details concerning the unfunded liability bases and amortization periods)	\$113,441,573	118,885,045
<b>4. Actuarial Present Value of Accrued Benefits:</b> (please reference Table IV for details concerning the present value of accrued benefits)	\$315,321,979	\$337,294,309
<b>5. Pension Cost (as a % of annual payroll):</b>		
a. Normal cost plus projected administrative expenses	25.17%	25.50%
Dollar amount	\$10,200,046	\$11,111,951
b. Payment to amortize unfunded liability	26.12%	26.19%
Dollar amount	\$10,584,637	\$11,416,461
c. Interest adjustment	5.24%	5.28%
Dollar amount	\$2,124,568	\$2,302,808
d. Amount to be contributed by members	10.00%	10.00%
Dollar amount	\$4,052,887	\$4,358,292
e. City Minimum Contribution	46.53%	46.97%
Dollar amount	\$18,856,364	\$20,472,928



	<u>Fiscal Year 2021/2022</u>	<u>Fiscal Year 2022/2023</u>
<b>6. Past Contributions:</b>		
a. Required City & County contribution	\$11,119,868	\$17,601,479
b. Actual contribution made by:		
i. City	\$10,930,384	\$17,331,437
ii. County	\$189,484	\$270,042
iii. Members	\$5,076,325	\$4,367,097
	<b>Actuarial valuation prepared as of:</b>	
	<u>October 1, 2022</u>	<u>October 1, 2023</u>
<b>7. Net actuarial (gain) / loss:</b>	838,554	8,754,874
<b>8. Other disclosures:</b>		
a. Present value of active members':		
i. Future salaries:		
at attained age	\$277,186,879	\$295,347,951
at entry age	N/A	N/A
ii. Future contributions:		
at attained age	\$27,718,688	\$29,534,795
at entry age	N/A	N/A
b. Present value of future normal contributions from City	\$45,088,026	\$49,845,383
c. Present value of future expected benefit payments for active members at entry age	N/A	N/A
d. Amount of active members' accumulated contributions	\$33,558,782	\$34,753,093



**UNFUNDED LIABILITY BASES**

**TABLE Va**

<u>Description</u>	<u>Original Amount</u>	<u>Outstanding Balance as of October 1, 2022</u>	<u>BOY 2022/2023 Amortization Payment</u>	<u>Outstanding Balance as of October 1, 2023</u>	<u>BOY 2023/2024 Amortization Payment</u>	<u>Years Remaining October 1, 2023</u>
1993 Experience (Gain)/Loss	(\$304,735)	(\$40,223)	(\$40,223)	\$0	\$0	0 years
1994 Experience (Gain)/Loss	\$290,132	\$76,374	\$39,088	\$40,027	\$40,027	1 years
1995 Experience (Gain)/Loss	(\$1,175,801)	(\$440,859)	(\$153,942)	(\$308,005)	(\$157,637)	2 years
1996 Experience (Gain)/Loss	(\$1,384,333)	(\$684,019)	(\$183,298)	(\$537,524)	(\$187,696)	3 years
1997 Experience (Gain)/Loss	(\$4,825,881)	(\$3,176,993)	(\$696,760)	(\$2,662,530)	(\$713,482)	4 years
1998 Experience (Gain)/Loss	(\$3,450,637)	(\$2,387,509)	(\$446,312)	(\$2,083,875)	(\$457,023)	5 years
1999 Experience (Gain)/Loss	(\$4,863,161)	(\$3,563,088)	(\$583,849)	(\$3,198,213)	(\$597,862)	6 years
2000 Experience (Gain)/Loss	(\$1,480,206)	(\$1,137,855)	(\$166,808)	(\$1,042,419)	(\$170,811)	7 years
2001 Experience (Gain)/Loss	\$7,815,513	\$6,417,824	\$854,934	\$5,971,762	\$875,452	8 years
2002 Experience (Gain)/Loss	\$9,987,004	\$8,654,471	\$1,060,511	\$8,152,116	\$1,085,963	9 years
2003 Experience (Gain)/Loss	\$4,483,179	\$4,055,996	\$461,729	\$3,858,446	\$472,810	10 years
2004 Experience (Gain)/Loss	\$4,956,483	\$4,653,572	\$496,153	\$4,462,989	\$508,060	11 years
2005 Experience (Gain)/Loss	\$6,499,426	\$6,289,973	\$632,360	\$6,073,448	\$647,536	12 years
2006 Experience (Gain)/Loss	(\$3,577,856)	(\$3,538,698)	(\$337,399)	(\$3,436,594)	(\$345,497)	13 years
2007 Experience (Gain)/Loss	\$343,924	\$345,447	\$31,391	\$337,139	\$32,145	14 years
2008 Experience (Gain)/Loss	\$2,246,447	\$2,280,116	\$198,321	\$2,234,807	\$203,080	15 years
2009 Experience (Gain)/Loss	\$14,709,552	\$15,030,248	\$1,255,977	\$14,786,680	\$1,286,120	16 years
2010 Experience (Gain)/Loss	\$1,517,167	\$1,555,496	\$125,290	\$1,535,326	\$128,297	17 years
2011 Experience (Gain)/Loss	\$10,387,585	\$10,691,687	\$832,511	\$10,583,825	\$852,491	18 years
2012 Experience (Gain)/Loss	\$6,483,132	\$6,710,566	\$506,438	\$6,660,131	\$518,593	19 years
2013 Experience (Gain)/Loss	(\$3,009,142)	(\$3,125,135)	(\$229,124)	(\$3,108,868)	(\$234,623)	20 years
2014 Experience (Gain)/Loss	(\$3,745,256)	(\$3,894,655)	(\$277,979)	(\$3,882,502)	(\$284,651)	21 years
2015 Experience (Gain)/Loss	(\$407,300)	(\$423,311)	(\$29,469)	(\$422,789)	(\$30,176)	22 years
2016 Experience (Gain)/Loss	(\$3,814,042)	(\$3,955,152)	(\$269,018)	(\$3,957,065)	(\$275,474)	23 years
2017 Experience (Gain)/Loss	\$4,344,887	\$4,103,857	\$338,452	\$4,042,162	\$338,452	24 years
2018 Experience (Gain)/Loss	\$851,524	\$814,731	\$66,264	\$803,479	\$66,264	25 years
2019 Experience (Gain)/Loss	(\$259,231)	(\$251,081)	(\$20,162)	(\$247,892)	(\$20,162)	26 years
2020 Experience (Gain)/Loss	(\$3,431,880)	(\$3,362,067)	(\$266,816)	(\$3,322,752)	(\$266,816)	27 years
2021 Experience (Gain)/Loss	(\$5,713,114)	(\$5,656,337)	(\$444,053)	(\$5,595,387)	(\$444,053)	28 years
2022 Experience (Gain)/Loss	\$6,221,049	\$6,221,049	\$483,533	\$6,159,223	\$483,533	29 years
2023 Experience (Gain)/Loss	\$8,468,124			\$8,468,124	\$658,187	30 years





**UNFUNDED LIABILITY BASES**

**TABLE Va**

<u>Description</u>	<u>Original Amount</u>	<u>Outstanding Balance as of October 1, 2022</u>	<u>BOY 2022/2023 Amortization Payment</u>	<u>Outstanding Balance as of October 1, 2023</u>	<u>BOY 2023/2024 Amortization Payment</u>	<u>Years Remaining October 1, 2023</u>
1994 Plan Amendment Change Pre-Retirement Death Benefits	\$91,138	\$23,992	\$12,279	\$12,574	\$12,574	1 years
2000 Plan Amendment COLA	\$13,628,631	\$10,434,802	\$1,529,727	\$9,559,598	\$1,566,441	7 years
2004 Plan Amendment DROP	\$2,820,380	\$2,648,014	\$282,325	\$2,539,567	\$289,101	11 years
2004 Plan Amendment Elected Officials/Appointees	\$1,220,245	\$1,145,671	\$122,149	\$1,098,751	\$125,080	11 years
2006 Plan Amendment 2.75% Multiplier	\$6,510,457	\$6,439,202	\$613,949	\$6,253,409	\$628,684	13 years
2008 Plan Amendment Senior Managers	\$383,377	\$389,120	\$33,845	\$381,388	\$34,657	15 years
2009 Plan Amendment Senior Managers	\$134,409	\$136,315	\$11,391	\$134,106	\$11,664	16 years
2015 Plan Amendment 7 Year Vesting	\$50,515	\$52,502	\$3,655	\$52,437	\$3,743	22 years
2020 Plan Amendment Ord. No. 2021-31	\$3,987,394	\$3,906,280	\$310,005	\$3,860,601	\$310,005	27 years
2021 Plan Amedment Ord. No. 2021-31 (Tier 1 Svc. Purchase)	\$2,543,676	\$2,516,267	\$199,693	\$2,486,842	\$199,692	27 years
2021 Plan Amendment Ord. Nos. 2021-31; 2022-09, 10, & 12	\$25,906,035	\$24,294,907	\$3,274,544	\$22,565,360	\$3,274,544	9 years
1994 Assumption Change	\$1,260,489	\$331,800	\$169,815	\$173,891	\$173,891	1 years
1995 Assumption Change	\$697,180	\$261,400	\$91,278	\$182,626	\$93,468	2 years
1996 Assumption Change	\$365,331	\$180,513	\$48,372	\$141,853	\$49,533	3 years
1997 Assumption Change	\$73,638	\$48,478	\$10,632	\$40,628	\$10,887	4 years
2000 Assumption Change	(\$10,001,095)	(\$7,657,368)	(\$1,122,559)	(\$7,015,117)	(\$1,149,501)	7 years
2002 Assumption Change	\$1,136,132	\$984,539	\$120,644	\$927,391	\$123,540	9 years
2008 Assumption Change	(\$117,474)	(\$119,237)	(\$10,371)	(\$116,868)	(\$10,620)	15 years
2016 Assumption Change (Florida Statute 112.63(1)(f))	\$15,767,946	\$16,351,319	\$1,112,169	\$16,359,228	\$1,138,861	23 years
2017 Assumption Change (7.90%)	\$2,649,056	\$2,502,101	\$206,352	\$2,464,487	\$206,353	24 years
2018 Assumption Change (7.65%)	\$7,032,129	\$6,728,275	\$547,229	\$6,635,353	\$547,229	25 years
2019 Assumption Change (7.55%)	\$2,995,400	\$2,901,222	\$232,967	\$2,864,372	\$232,967	26 years
2020 Assumption Change (7.50%)	(\$3,875,910)	(\$3,797,064)	(\$301,337)	(\$3,752,663)	(\$301,337)	27 years
2021 Assumption Change (7.35%)	\$5,651,435	\$5,595,271	\$439,259	\$5,534,979	\$439,259	28 years



**UNFUNDED LIABILITY BASES**

**TABLE Va**

<u>Description</u>	<u>Original Amount</u>	<u>Outstanding Balance as of October 1, 2022</u>	<u>BOY 2022/2023 Amortization Payment</u>	<u>Outstanding Balance as of October 1, 2023</u>	<u>BOY 2023/2024 Amortization Payment</u>	<u>Years Remaining October 1, 2023</u>
2002 Method Change	(\$5,539,505)	(\$4,800,384)	(\$588,234)	(\$4,521,743)	(\$602,352)	9 years
2010 Method Change	(\$696,223)	(\$713,811)	(\$57,495)	(\$704,555)	(\$58,875)	17 years
2000 Variable Benefit	\$226,471	\$168,760	\$24,740	\$154,605	\$25,334	7 years
2001 Variable Benefit	\$280,869	\$224,262	\$29,874	\$208,676	\$30,592	8 years
<b>Total</b>		<b>\$113,441,573</b>	<b>\$10,584,637</b>	<b>\$118,885,045</b>	<b>\$11,416,461</b>	

<u>Date</u>	<u>Projected Unfunded Liability</u>
October 1, 2023	\$118,885,045
October 1, 2024	\$115,367,525
October 1, 2025	\$111,693,790
October 1, 2026	\$107,533,598
October 1, 2053	\$0

\* The total experience loss/(gain) for the 2022/2023 plan year of \$8,754,874 is adjusted by contribution timing differences adjusted with interest equal to (\$286,750).



**DEVELOPMENT OF MARKET ASSET (GAIN)/LOSS**

**TABLE VIa**

**ASSETS OF THE FUND**

	<b>As of October 1, 2022</b>	<b>As of October 1, 2023</b>
<b>1. Market Value of Assets</b>		
a. Cash and cash equivalents (5.43%)	\$16,174,228	\$13,575,950
b. U.S. government bonds (2.94%)	\$9,028,325	\$7,350,965
c. Equity securities (53.07%)	\$113,398,078	\$132,685,837
d. Corporate bonds and notes (2.85%)	\$8,816,933	\$7,130,052
e. Private equity funds (11.3%)	\$17,907,826	\$28,260,727
f. Real estate (17.89%)	\$51,237,368	\$44,749,960
g. Net receivables and other (0.1%)	\$170,156	\$241,810
h. Accrued expenses payable (-0.08%)	(\$233,290)	(\$206,451)
i. Hedge fund (6.51%)	\$10,629,591	\$16,286,731
j. Market value of assets (100%)	<b>\$227,129,215</b>	<b>\$250,075,581</b>
<b>2. Actuarial Value of Assets</b>		
a. Market Value of Assets	\$227,129,215	\$250,075,581
b. 5-year phase-in of gains/(losses) on Actuarial Value of Assets:		
i. 2018/2019	(\$9,073,291)	$x 20\% =$ (\$1,814,658)
ii. 2019/2020	(\$3,308,603)	$x 40\% =$ (\$1,323,441) $x 20\% =$ (\$661,721)
iii. 2020/2021	\$34,729,343	$x 60\% =$ \$20,837,606 $x 40\% =$ \$13,891,737
iv. 2021/2022	(\$41,934,949)	$x 80\% =$ (\$33,547,959) $x 60\% =$ (\$25,160,969)
v. 2022/2023	\$1,169,720	$x 80\% =$ \$935,776
vi. Total unrecognized gains/(losses)	(\$15,848,452)	(\$10,995,177)
c. Preliminary Actuarial Value of Assets (Item a. minus item b.vi.)	<b>\$242,977,667</b>	<b>\$261,070,758</b>
d. Corridor around Actuarial Value of Assets		
i. 80% of Market Value (item a.)	\$181,703,372	\$200,060,465
ii. 120% of Market Value (item a.)	\$272,555,058	\$300,090,697
e. Actuarial Value of Assets (Item c., but within items d.i. and d.ii.)	<b>\$242,977,667</b>	<b>\$261,070,758</b>



DEVELOPMENT OF ASSET GAIN (LOSS)

	<u>As of October 1, 2022</u>	<u>As of October 1, 2023</u>
1. Beginning of Year Market Value	\$251,492,300	\$227,129,215
2. Expected Interest on Assets	\$18,484,684	\$16,693,997
3. Contributions	\$16,196,193	\$21,968,576
4. Benefit Payments	(\$16,193,023)	(\$16,469,179)
5. Administrative Expenses	(\$883,633)	(\$596,914)
6. Interest on 3, 4, and 5	<u>(\$32,357)</u>	<u>\$180,166</u>
7. Expected End of Year Market Value	\$269,064,164	\$248,905,861
8. Actual End of Year Market Value	\$227,129,215	\$250,075,581
9. Gain/(Loss) for Plan Year	(\$41,934,949)	\$1,169,720

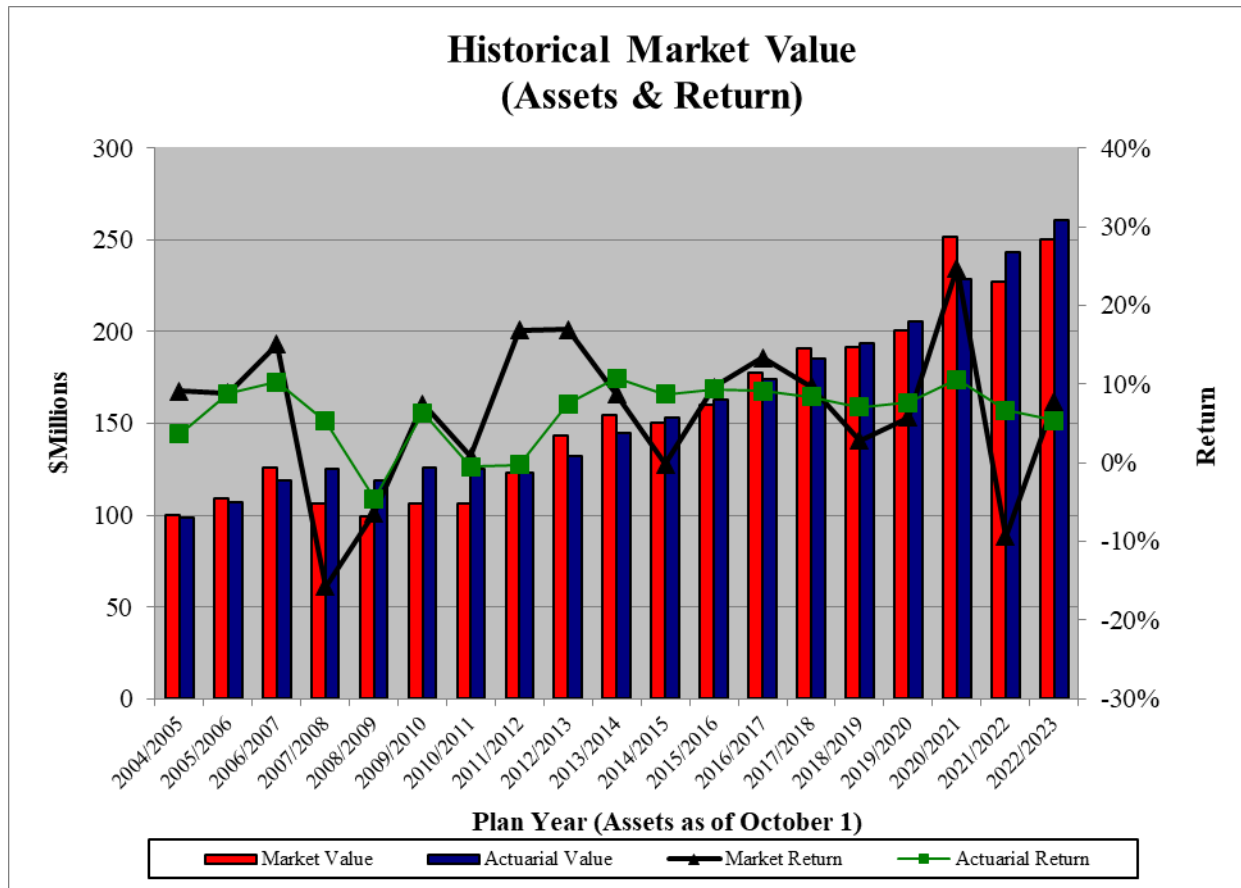
**MARKET ASSET RECONCILIATION****TABLE VIb**

	<u>As of October 1, 2022</u>	<u>As of October 1, 2023</u>
<b>1. Beginning of Year Market Value:</b>	<b>\$251,492,300</b>	<b>\$227,129,215</b>
<b>2. Increases Due to:</b>		
a. Contributions:		
i. City	\$10,930,384	\$17,331,437
ii. County	\$189,484	\$270,042
iii. Employee	\$5,076,325	\$4,367,097
iv. Total	<u>\$16,196,193</u>	<u>\$21,968,576</u>
b. Investment income	(\$23,482,622)	\$18,043,883
c. Total increases	<u>(\$7,286,429)</u>	<u>\$40,012,459</u>
<b>3. Decreases Due to:</b>		
a. Benefit payments	\$15,871,450	\$16,031,624
b. Refund of member contributions	\$321,573	\$437,555
c. Administrative expenses	\$883,633	\$596,914
d. Miscellaneous	\$0	\$0
e. Total decreases	<u>\$17,076,656</u>	<u>\$17,066,093</u>
<b>4. End of Year Market Value:</b>	<b>\$227,129,215</b>	<b>\$250,075,581</b>



**HISTORICAL ASSET INFORMATION**

**TABLE VII**



Plan Year	Market Value as of October 1	Actuarial Value as of October 1	Benefit Payments	Administrative Expenses	City, County, and Member Contributions	Market Return	Actuarial Return
2004/2005	\$99,890,915	\$98,980,085	\$4,967,607	\$387,998	\$4,039,559	9.10%	3.70%
2005/2006	\$109,249,514	\$107,334,005	\$4,862,124	\$425,926	\$4,905,164	8.90%	8.80%
2006/2007	\$126,184,449	\$118,772,822	\$5,376,897	\$482,702	\$6,246,138	15.10%	10.30%
2007/2008	\$106,187,212	\$124,869,067	\$6,521,687	\$531,899	\$6,506,416	(15.70)%	5.30%
2008/2009	\$99,128,822	\$118,954,587	\$6,309,625	\$517,272	\$6,584,631	(6.40)%	(4.60)%
2009/2010	\$106,118,339	\$126,102,821	\$7,081,623	\$541,663	\$7,207,441	7.49%	6.37%
2010/2011	\$106,693,934	\$125,170,479	\$7,858,299	\$483,843	\$8,032,038	0.84%	(0.49)%
2011/2012	\$123,122,925	\$123,424,957	\$9,328,455	\$490,142	\$8,374,155	16.87%	(0.24)%
2012/2013	\$143,522,730	\$132,247,827	\$8,781,030	\$479,816	\$8,857,264	16.92%	7.49%
2013/2014	\$154,313,634	\$144,640,159	\$10,409,529	\$491,959	\$9,213,527	8.75%	10.72%
2014/2015	\$150,255,553	\$153,291,563	\$12,524,827	\$530,248	\$9,232,033	(0.15)%	8.74%
2015/2016	\$160,422,298	\$163,311,844	\$12,735,090	\$526,236	\$9,138,762	9.64%	9.35%
2016/2017	\$177,325,805	\$173,854,154	\$13,120,101	\$475,674	\$9,372,720	13.34%	9.16%
2017/2018	\$191,219,657	\$185,134,138	\$13,567,082	\$539,529	\$10,965,265	9.69%	8.37%
2018/2019	\$191,862,824	\$193,359,698	\$16,369,186	\$572,997	\$12,211,294	2.85%	7.09%
2019/2020	\$200,716,424	\$205,854,724	\$14,901,569	\$572,044	\$13,234,692	5.82%	7.66%
2020/2021	\$251,492,300	\$228,693,196	\$13,770,859	\$654,114	\$15,381,890	24.76%	10.60%
2021/2022	\$227,129,215	\$242,977,667	\$16,193,023	\$883,633	\$16,196,193	-9.35%	6.64%
2022/2023	\$250,075,581	\$261,070,758	\$16,469,179	\$596,914	\$21,968,576	7.86%	5.37%



**REVENUES BY SOURCE AND EXPENSES BY TYPE**

**TABLE VIIa**

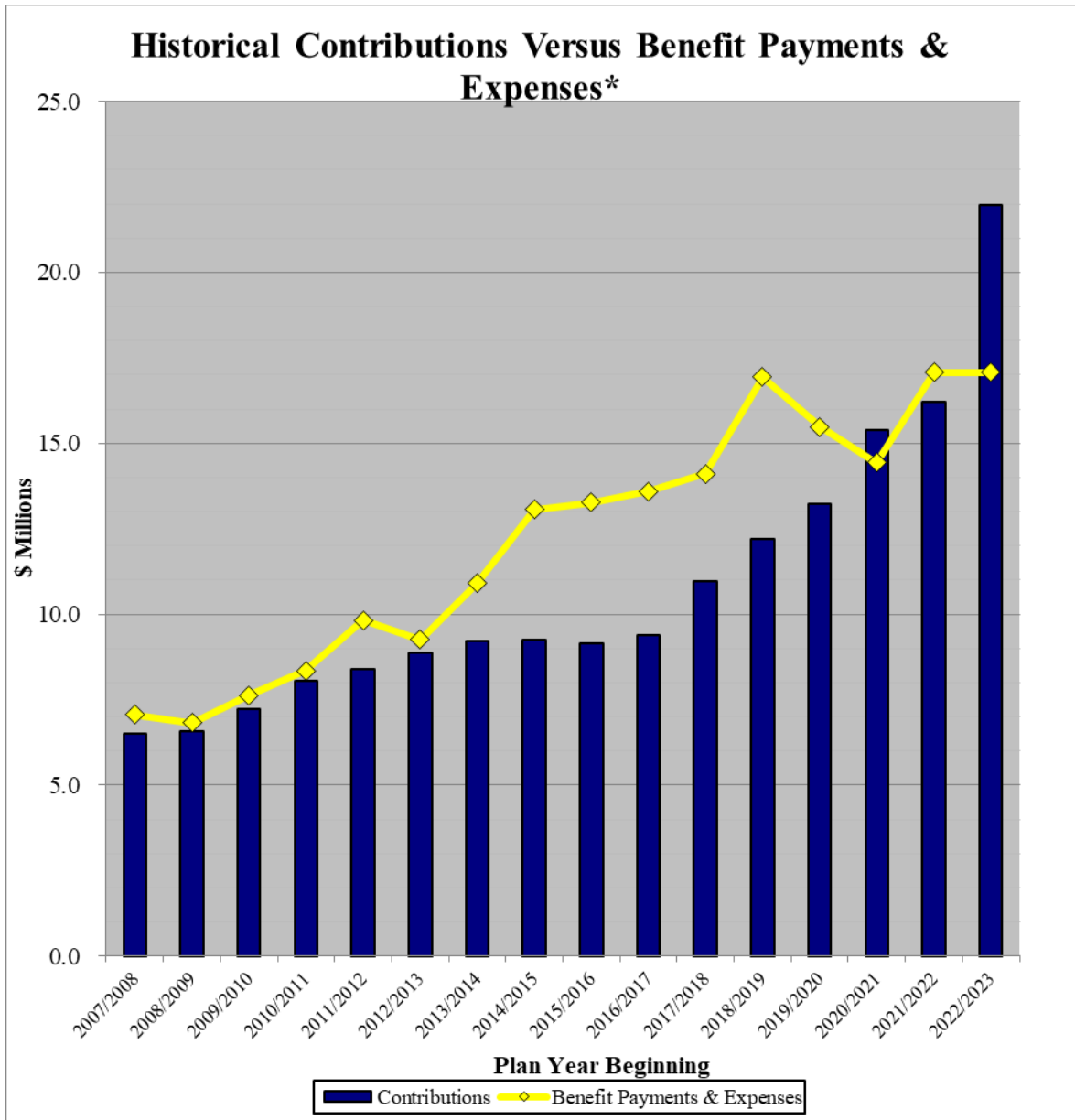
**REVENUES**

<b>Fiscal Year</b>	<b>City and County Contributions</b>	<b>Member Contributions</b>	<b>Sub-Total</b>	<b>Net Investment Income</b>	<b>Total</b>
2007/2008	\$3,416,488	\$3,089,928	<b>\$6,506,416</b>	(\$19,450,067)	<b>(\$12,943,651)</b>
2008/2009	\$3,706,870	\$2,877,761	<b>\$6,584,631</b>	(\$6,816,124)	<b>(\$231,493)</b>
2009/2010	\$4,338,870	\$2,868,571	<b>\$7,207,441</b>	\$7,405,362	<b>\$14,612,803</b>
2010/2011	\$5,351,521	\$2,680,517	<b>\$8,032,038</b>	\$885,699	<b>\$8,917,737</b>
2011/2012	\$5,801,971	\$2,572,184	<b>\$8,374,155</b>	\$17,873,433	<b>\$26,247,588</b>
2012/2013	\$6,332,731	\$2,524,533	<b>\$8,857,264</b>	\$20,803,387	<b>\$29,660,651</b>
2013/2014	\$6,697,862	\$2,515,665	<b>\$9,213,527</b>	\$12,478,865	<b>\$21,692,392</b>
2014/2015	\$6,669,132	\$2,562,901	<b>\$9,232,033</b>	(\$235,039)	<b>\$8,996,994</b>
2015/2016	\$6,545,407	\$2,593,355	<b>\$9,138,762</b>	\$14,289,309	<b>\$23,428,071</b>
2016/2017	\$6,755,068	\$2,617,652	<b>\$9,372,720</b>	\$21,126,562	<b>\$30,499,282</b>
2017/2018	\$8,301,969	\$2,663,296	<b>\$10,965,265</b>	\$17,035,198	<b>\$28,000,463</b>
2018/2019	\$9,330,496	\$2,880,798	<b>\$12,211,294</b>	\$5,374,056	<b>\$17,585,350</b>
2019/2020	\$10,130,579	\$3,104,113	<b>\$13,234,692</b>	\$11,092,521	<b>\$24,327,213</b>
2020/2021	\$10,864,448	\$4,517,442	<b>\$15,381,890</b>	\$49,818,959	<b>\$65,200,849</b>
2021/2022	\$11,119,868	\$5,076,325	<b>\$16,196,193</b>	(\$23,482,622)	<b>(\$7,286,429)</b>
2022/2023	\$17,601,479	\$4,367,097	<b>\$21,968,576</b>	\$18,043,883	<b>\$40,012,459</b>

**EXPENSES**

<b>Fiscal Year</b>	<b>Benefits Paid</b>	<b>Member Refunds</b>	<b>Administrative Expenses*</b>	<b>Total</b>
2007/2008	\$6,333,970	\$187,717	\$531,899	\$7,053,586
2008/2009	\$6,010,437	\$299,188	\$517,272	\$6,826,897
2009/2010	\$6,991,324	\$90,299	\$541,663	\$7,623,286
2010/2011	\$7,580,413	\$277,886	\$483,843	\$8,342,142
2011/2012	\$9,122,607	\$205,848	\$490,142	\$9,818,597
2012/2013	\$8,621,962	\$159,068	\$479,816	\$9,260,846
2013/2014	\$10,047,279	\$362,250	\$491,959	\$10,901,488
2014/2015	\$12,286,072	\$238,755	\$530,248	\$13,055,075
2015/2016	\$12,536,330	\$198,760	\$526,236	\$13,261,326
2016/2017	\$12,997,314	\$122,787	\$475,674	\$13,595,775
2017/2018	\$13,342,113	\$224,969	\$539,529	\$14,106,611
2018/2019	\$16,084,009	\$285,177	\$572,997	\$16,942,183
2019/2020	\$14,559,767	\$341,802	\$572,044	\$15,473,613
2020/2021	\$13,457,378	\$313,481	\$654,114	\$14,424,973
2021/2022	\$15,871,450	\$321,573	\$883,633	\$17,076,656
2022/2023	\$16,031,624	\$437,555	\$596,914	\$17,066,093

\* Does not include investment expenses



\* Please reference Table VIIa for the historical benefit payments, expenses, and contributions.

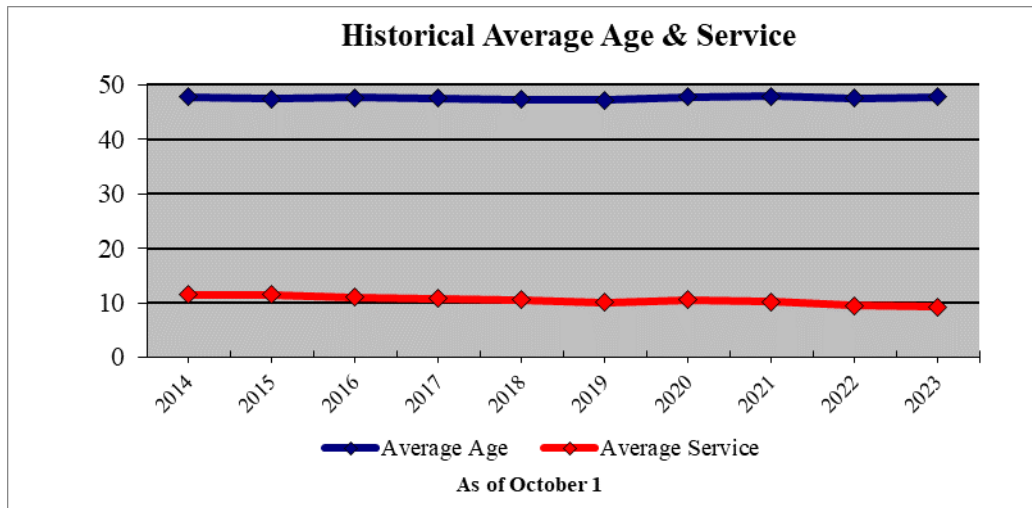




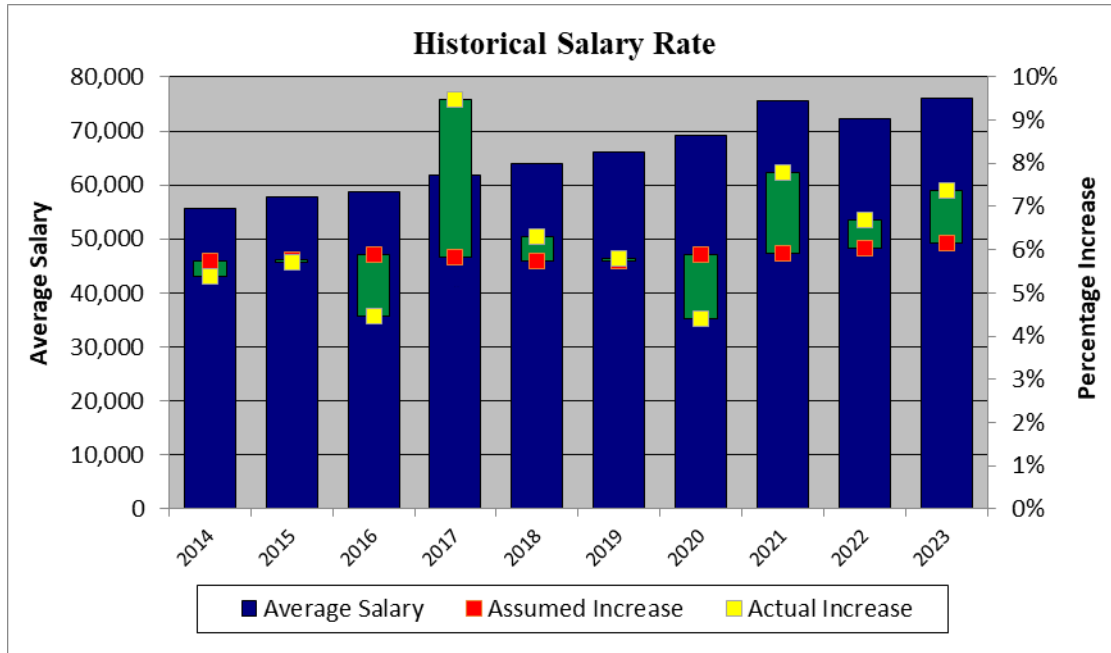
**SUMMARY OF MEMBER DATA**

**TABLE IX**

	<u>As of October 1, 2022</u>	<u>As of October 1, 2023</u>
<b>1. Active Members</b>		
a. Vested	267	270
b. Non-vested	281	289
c. Sub-total	<u>548</u>	<u>559</u>
<b>2. Non-active, Non-retired Members</b>		
a. Fully or partially vested	31	33
<b>3. Retired Members</b>		
a. Members in DROP	61	67
b. Retirees	353	362
c. Disabled	10	8
d. Beneficiaries	58	60
e. Sub-total	<u>482</u>	<u>497</u>
<b>4. Total Members</b>	<u><u>1,061</u></u>	<u><u>1,089</u></u>



Date	Average Service Earned	Average Attained Age
October 1, 2014	11.5	47.8
October 1, 2015	11.4	47.4
October 1, 2016	11.0	47.7
October 1, 2017	10.7	47.6
October 1, 2018	10.5	47.3
October 1, 2019	10.1	47.2
October 1, 2020	10.5	47.8
October 1, 2021	10.1	47.9
October 1, 2022	9.5	47.5
October 1, 2023	9.2	47.8

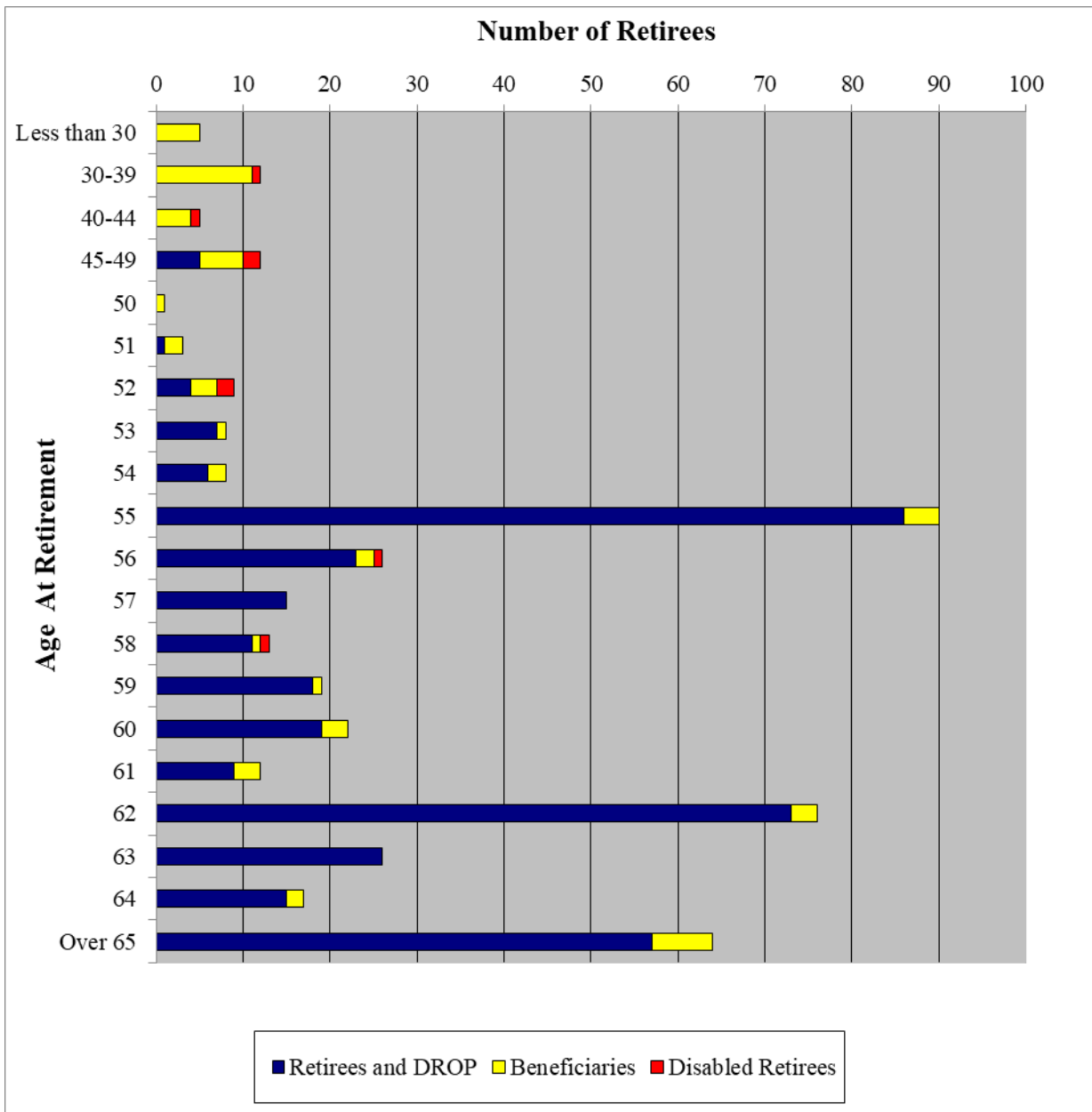


Date	Average Salary	Actual Salary Increase	Assumed Salary Increase
October 1, 2014	55,659	5.38%	5.75%
October 1, 2015	57,849	5.72%	5.78%
October 1, 2016	58,611	4.45%	5.89%
October 1, 2017	61,859	9.47%	5.82%
October 1, 2018	63,890	6.30%	5.75%
October 1, 2019	66,131	5.80%	5.73%
October 1, 2020	69,061	4.40%	5.90%
October 1, 2021	75,538	7.79%	5.93%
October 1, 2022	72,224	6.70%	6.04%
October 1, 2023	76,139	7.37%	6.14%



The definition of compensation for benefit determination purposes includes base pay and regular longevity wages, and excludes overtime, bonuses and any other non-regular payments. The table below illustrates the ten-year pay history for the System. Valuation compensation has increased by 5.05% per year for the ten-year period ending October 1, 2023.

<b>Valution Date</b>	<b>Valution Payroll</b>	<b>10 Yr Average Annual Increase Ending October 1,</b>
October 1, 2023	\$42,561,445	5.05%
October 1, 2022	39,578,975	4.36%
October 1, 2021	40,865,981	4.53%
October 1, 2020	35,911,537	3.05%
October 1, 2019	34,586,429	2.33%
October 1, 2018	31,178,459	1.27%
October 1, 2017	29,506,551	1.01%
October 1, 2016	27,957,209	1.14%
October 1, 2015	27,015,682	1.89%
October 1, 2014	26,673,573	2.00%
October 1, 2013	25,992,708	1.38%
October 1, 2012	25,833,472	1.58%
October 1, 2011	26,238,403	2.37%
October 1, 2010	26,596,532	
October 1, 2009	27,477,396	
October 1, 2008	27,477,655	
October 1, 2007	26,692,123	
October 1, 2006	24,962,545	
October 1, 2005	22,405,000	
October 1, 2004	21,875,000	
October 1, 2003	22,655,000	
October 1, 2002	22,075,000	
October 1, 2001	20,759,000	



Average benefit being paid to non-disabled retirees is \$3,318.73 per month.

Average benefit being paid to disabled retirees is \$1,942.20 per month.

Average benefit being paid to beneficiaries is \$1,694.63 per month.



**DATA RECONCILIATION**

**TABLE IXc**

	<u>Active</u>	<u>Non-Active, Non-Retired</u>	<u>Retired</u>	<u>Total</u>
<b>1. Number of members as of October 1, 2022</b>	<b>548</b>	<b>31</b>	<b>482</b>	<b>1,061</b>
<b>2. Change in Status during the plan year:</b>				
a. Actives who became inactive	(9)	9		
b. Actives who retired	(22)		22	
c. Inactives who became active	1			1
d. Inactives who retired		(1)	1	
e. Retirees who became active				
<b>3. No longer members due to:</b>				
a. Death	(1)		(12)	(13)
b. Permanent break-in-service	(24)	(6)		(30)
c. Forfeiture of benefits				
d. Expiration of certain period			(1)	(1)
e. Included in error last year				
<b>4. New members due to:</b>				
a. Initial membership	66			66
b. Death of another member			5	5
c. Omitted in error last year				
d. Correction				
<b>5. Number of members as of October 1, 2023</b>	<b>559</b>	<b>33</b>	<b>497</b>	<b>1,089</b>



**AGE-SERVICE SALARY TABLE**

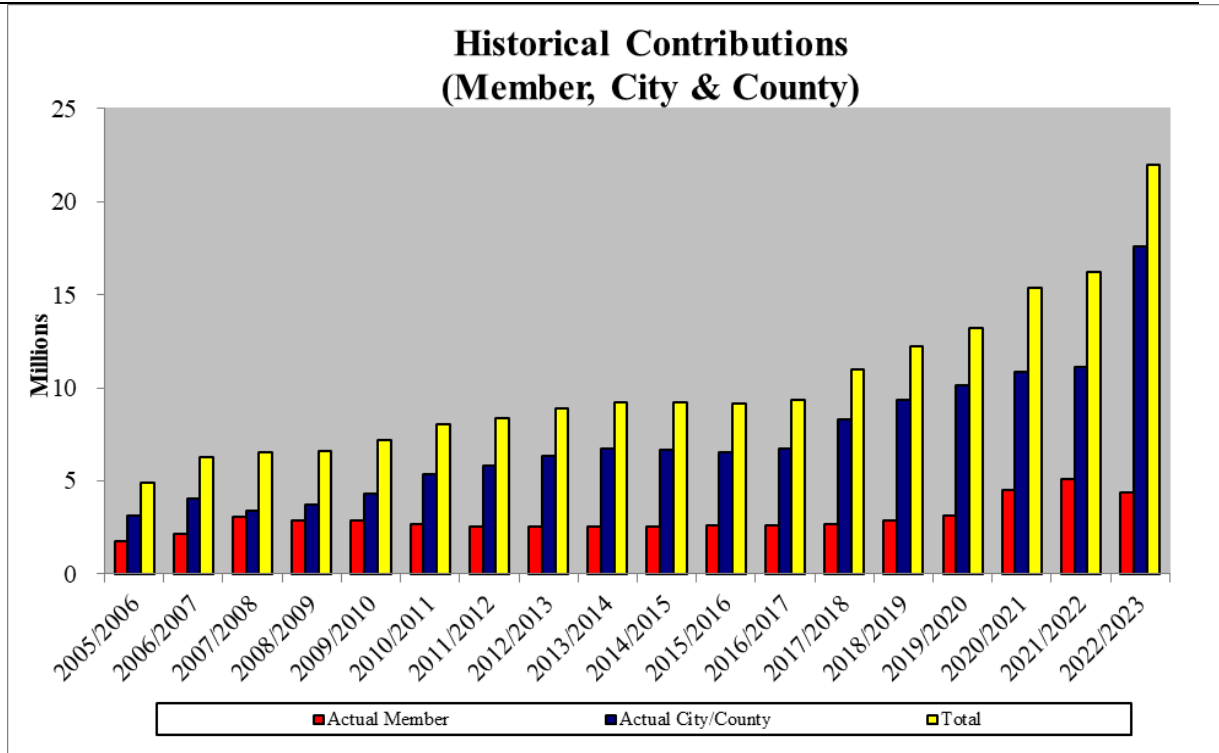
**TABLE IXd**

Attained Age	Completed Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Up	
<b>Under 25</b>	5	6	0	0	0	0	0	0	0	0	<b>11</b>
Avg. Pay	45,536	43,763	0	0	0	0	0	0	0	0	44,569
<b>25 to 29</b>	3	25	6	0	0	0	0	0	0	0	<b>34</b>
Avg. Pay	51,352	53,188	53,656	0	0	0	0	0	0	0	53,109
<b>30 to 34</b>	4	20	20	2	0	0	0	0	0	0	<b>46</b>
Avg. Pay	53,149	57,783	64,485	67,432	0	0	0	0	0	0	60,713
<b>35 to 39</b>	3	26	21	10	3	0	0	0	0	0	<b>63</b>
Avg. Pay	54,421	56,301	65,252	73,756	76,027	0	0	0	0	0	62,905
<b>40 to 44</b>	5	20	15	3	21	6	0	0	0	0	<b>70</b>
Avg. Pay	63,331	54,533	69,306	95,555	73,735	86,322	0	0	0	0	68,570
<b>45 to 49</b>	1	19	11	8	14	14	3	1	0	0	<b>71</b>
Avg. Pay	108,150	54,677	89,749	92,013	75,121	83,368	88,224	78,487	0	0	76,512
<b>50 to 54</b>	3	22	20	10	12	19	12	3	1	0	<b>102</b>
Avg. Pay	77,415	65,536	76,557	104,008	85,859	94,409	90,234	97,819	74,431	0	83,530
<b>55 to 59</b>	6	25	20	4	19	3	1	3	1	0	<b>82</b>
Avg. Pay	90,772	86,058	103,628	64,356	85,971	121,173	86,163	91,968	116,330	0	91,481
<b>60 to 64</b>	1	12	20	6	11	3	2	1	0	0	<b>56</b>
Avg. Pay	55,415	67,355	84,663	114,621	72,641	118,690	207,855	75,396	0	0	87,337
<b>65 to 79</b>	1	4	8	2	2	1	0	0	0	0	<b>18</b>
Avg. Pay	47,979	85,131	100,141	81,429	81,367	179,707	0	0	0	0	94,163
<b>70 &amp; Up</b>	0	2	2	0	1	1	0	0	0	0	<b>6</b>
Avg. Pay	0	70,026	201,390	0	68,908	58,318	0	0	0	0	111,676
<b>Total</b>	<b>32</b>	<b>181</b>	<b>143</b>	<b>45</b>	<b>83</b>	<b>47</b>	<b>18</b>	<b>8</b>	<b>2</b>	<b>0</b>	<b>559</b>
Avg. Pay	64,458	62,008	80,487	89,851	78,586	94,393	102,742	90,406	95,380	0	76,139



**HISTORICAL CONTRIBUTIONS**

**TABLE X**



<b>Plan Year</b>	<b>Actual Member</b>	<b>City/County</b>	<b>Total</b>
2005/2006	\$1,761,103	\$3,144,061	\$4,905,164
2006/2007	\$2,181,898	\$4,064,240	\$6,246,138
2007/2008	\$3,089,928	\$3,416,488	\$6,506,416
2008/2009	\$2,877,761	\$3,706,870	\$6,584,631
2009/2010	\$2,868,571	\$4,338,870	\$7,207,441
2010/2011	\$2,680,517	\$5,351,521	\$8,032,038
2011/2012	\$2,572,184	\$5,801,971	\$8,374,155
2012/2013	\$2,524,533	\$6,332,731	\$8,857,264
2013/2014	\$2,515,665	\$6,697,862	\$9,213,527
2014/2015	\$2,562,901	\$6,669,132	\$9,232,033
2015/2016	\$2,593,355	\$6,545,407	\$9,138,762
2016/2017	\$2,617,652	\$6,755,068	\$9,372,720
2017/2018	\$2,663,296	\$8,301,969	\$10,965,265
2018/2019	\$2,880,798	\$9,330,496	\$12,211,294
2019/2020	\$3,104,113	\$10,130,579	\$13,234,692
2020/2021	\$4,517,442	\$10,864,448	\$15,381,890
2021/2022	\$5,076,325	\$11,119,868	\$16,196,193
2022/2023	\$4,367,097	\$17,601,479	\$21,968,576





Actuarial Standards of Practice are issued by the Actuarial Standards Board and are binding on credentialed actuaries practicing in the United States. These standards generally identify what the actuary should consider, document and disclose when performing an actuarial assignment. In September 2017, Actuarial Standard of Practice Number 51, Assessment and Disclosure of Risk in Measuring Pension Obligations, (ASOP 51) was issued as final with application to measurement dates on or after November 1, 2018. This ASOP, which applies to funding valuations, actuarial projections, and actuarial cost studies of proposed plan changes, is first applicable for the October 1, 2019 actuarial valuation for the Plan.

A typical retirement plan faces many different risks, but the greatest risk is the inability to make benefit payments when due. If plan assets are depleted, benefits may not be paid which could create legal and litigation risk or the plan could become “pay as you go”. The term “risk” is most commonly associated with an outcome with undesirable results. However, in the actuarial world, risk can be translated as uncertainty. The actuarial valuation process uses many actuarial assumptions to project how future contributions and investment returns will meet the cash flow needs for future benefit payments. Of course, we know that actual experience will not unfold exactly as anticipated by the assumptions and that uncertainty, whether favorable or unfavorable, creates risk. ASOP 51 defines risk as the potential of actual future measurements to deviate from expected results due to actual experience that is different than the actuarial assumptions.

The various risk factors for a given plan can have a significant impact – positive or negative – on the actuarial projection of liability and contribution rates.

There are a number of risks inherent in the funding of a defined benefit plan. These include:

- economic risks, such as investment return and price inflation;
- demographic risks such as mortality, payroll growth, aging population including impact of baby boomers, and retirement ages;
- contribution risk, i.e., the potential for contribution rates to be too high for the plan sponsor/employer to pay and
- external risks such as the regulatory and political environment.

There is a direct correlation between healthy, well-funded retirement plans and consistent contributions equal to the full actuarial contribution rate each year. The Plan is primarily funded by member and employer contributions to the trust fund, together with the earnings on these accumulated contributions. These contributions fund benefit accruals for current active members and administrative expenses. The remainder of the contributions amortizes the unfunded actuarial accrued liability. The required contribution rate is the sum of the rates for the normal cost for the plan and the amortization of the unfunded actuarial accrued liability. The required contribution rate is sensitive to increases in the UAAL and periods of lower-than-expected returns would lead to much higher contribution rates as a percentage of payroll.



The other significant risk factor for the Plan is investment return because of the volatility of returns and the size of plan assets compared to payroll. A perusal of historical returns over 10-20 years reveals that the actual return each year is rarely close to the average return for the same period. This is to be expected, given the underlying capital market assumptions and the Plan's asset allocation. To the extent market rates of interest affect the expected return on assets, there is a risk of change to the discount rate which determines the present value of liabilities and actuarial valuation results.

A key demographic risk for the Plan is improvements in mortality (longevity) greater than anticipated. While the actuarial assumptions reflect a margin for improvement in mortality experience and these assumptions are refined every experience study, the risk arises because there is a possibility of some sudden shift, perhaps from a significant medical breakthrough that could quickly increase liabilities. Likewise, as we have recently seen with COVID-19, a public health crisis can result in a significant number of additional deaths in a short period of time, which can influence plan liabilities and future funding needs. While either of these events could happen, it represents a small probability and thus represents much less risk than the volatility associated with investment returns.

Under the revised Actuarial Standards of Practice (ASOP) No. 4 effective for valuations after February 15, 2023, we include a low-default-risk obligation measure of the System's liability in our funding valuation report. This is an informational disclosure as described below and would not be appropriate for assessing the funding progress or health of the plan. This measure uses the unit credit cost method and reflects all the assumptions and provisions of the funding valuation except that the discount rate is derived from considering low-default-risk fixed income securities. We considered the FTSE Pension Discount Curve based on market bond rates published by the Society of Actuaries as of September 30, 2023 and with the 30-year spot rate used for all durations beyond 30. Using these assumptions, we calculate a liability of \$413.3 million. This amount approximates the termination liability if the plan (or all covered employment) ended on the valuation date and all of the accrued benefits had to be paid with cash-flow matched bonds. This assurance of funded status and benefit security is typically more relevant for corporate plans than for governmental plans since governments rarely have the need or option to completely terminate a plan.



**1. Actuarial Cost Method**

- Entry Age Normal Cost Method. Total normal cost is determined as a level percentage of pay which would be required annually from entry age to retirement age to fund the expected retirement benefits assuming the Plan had always been in effect. The Actuarial Accrued Liability is the amount of the Present Value of Benefits that have been accrued under the Entry Age Normal Method to date.

**2. Decrements**

- **Pre-Retirement Mortality**

Female: PUB-2010 Headcount Weighted General Below Median Employee Female Table

Male: PUB-2010 Headcount Weighted General Below Median Employee Male Table, set back 1 year

Projection Scale: MP-2018 fully generational

- **Post-Retirement Healthy Mortality**

Female: PUB-2010 Headcount Weighted General Below Median Healthy Retiree Female Table

Male: PUB-2010 Headcount Weighted General Below Median Healthy Retiree Male Table, set back 1 year

Projection Scale: MP-2018 fully generational

- **Post-Retirement Disabled Mortality**

Female: PUB-2010 Headcount Weighted General Disabled Retiree Female Table, set forward 3 years

Male: PUB-2010 Headcount Weighted General Disabled Retiree Male Table, set forward 3 years

Projection Scale: MP-2018 fully generational



- Disability**

Representative values of the assumed annual rates of disability among members in active service are as follows:

Age	Ordinary Disability Rate	Service Disability Rate	Age	Ordinary Disability Rate	Service Disability Rate
20	.000232	.000058	40	.000484	.000121
25	.000232	.000058	45	.000868	.000217
30	.000232	.000058	50	.001716	.000429
35	.000260	.000065	55	.003564	.000891

- Retirement**

Representative values of the assumed annual rates of retirement among members in active service are as follows:

Age	Rate
≤54	.0700
55	.5000
56-60	.3000
61-65	.5000
66-69	.3000
≥70	1.000

- Withdrawal from Active Status**

Representative values of the assumed annual rates of withdrawal among members in active service are as follows:

Age	Years of Service				
	0 – 1	1 – 2	2 – 3	3 – 4	4+
20	.1800	.1200	.1000	.0700	.1071
25	.1800	.1200	.1000	.0700	.0756
30	.1800	.1200	.1000	.0700	.0536
35	.1800	.1200	.1000	.0700	.0416
40	.1800	.1200	.1000	.0700	.0321
45	.1800	.1200	.1000	.0700	.0227
50	.1800	.1200	.1000	.0700	.0132
55	.1800	.1200	.1000	.0700	.0038



3. Interest Rates

- Used for calculating all liabilities
  - 7.35% per annum

4. Salary Increase

• Individual Compensation:

Service	Rate
0-10	7.50%
>10	4.25%

• Aggregate Compensation

2.40% per year for unfunded liability bases established prior to October 1, 2017.  
 0.00% for bases established thereafter.

5. Marriage Assumptions

- **Percent Married:** 100% of active members assumed married at retirement.
- **Age Differences between Spouses:** Male spouses are assumed to be three years older than female spouses.

6. Expenses:

Expenses paid out of the fund, other than investment-related expenses, are assumed to be equal to the average of actual expenses over the previous two years.

7. DROP

- **Entry:** Of those assumed to retire using the Service Retirement rates, the proportion entering DROP is as shown in the following table.

Age at Retirement	Proportion Entering DROP
Under 55	0%
55-62	70%
Over 62	10%

- **Period:** DROP participants are assumed to remain in the DROP for a total of five years.



**8. Assets**

The market value of assets is adjusted to recognize, over a five-year period, investment earnings greater (or less than) the assumed investment return. The resulting Actuarial Value of Assets is limited to no more than 120% of the market value of assets and no less than 80% of the market value of assets. Details are shown in the Asset Information Section of the report.

**9. Amortization Period**

New Unfunded Actuarial Accrued Liability resulting from plan amendments, changes in assumptions or methods, or actuarial gains and loss are amortized over 30 years based on the plan's assumed rate of investment return. Bases established prior to October 1, 2017 are amortized as a level percentage of expected payroll, and bases established thereafter are amortized as a level dollar payment.

**10. BSO Required Contribution**

The required contribution for the Broward Sheriff's Office (BSO) is determined by multiplying the total required contribution rate as a percentage of payroll by the payroll for BSO employees, projected to the following year.

**11. Data Sources**

**Asset Data:**

The asset information is taken from audited statements furnished by the Retirement Office and adjusted to include DROP Accounts as liabilities of the Plan. The DROP Account balances are added to net asset amount shown in the audited statement. The valuation entry for benefits paid during the last years reflects benefit amounts explicitly paid from the Plan (including the payout of DROP Accounts) and does not reflect those paid into members' DROP accounts.

**Member Data:**

The member data is supplied by the Retirement Office. It is reviewed for reasonableness and consistency, but no audit was performed. Cavanaugh Macdonald is not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.



**Plan Definitions:**

- Plan 1:** Members hired:
- 1) Prior to June 8, 2011
  - 2) On or after June 8, 2011 but prior to December 8, 2020 and elect to make additional 3% contributions for past service retroactive to the date the member became eligible to participate
  - 3) On or after December 8, 2020
- Plan 2:** Members hired on or after June 8, 2011 but prior to December 8, 2020. Members who do not elect to make additional 3% contribution for past service will have benefits calculated under Plan 2 for service rendered from June 8, 2011 through December 8, 2020. Service accrued on or after December 8, 2020 will be calculated under Plan 1 benefit structure.

**Eligibility:**

Regular full-time employment with the City (at least 26 hours per week and 5 months per year), including Elected Officials, Appointees, Senior Managers, and Management Support Employees.

**Earnings:**

Basic compensation and regular longevity pay, increased for temporary upgrade pay. Lump sum payment at termination for unused sick leave and vacation time is not included.

**Average Monthly Earnings (AME):**

- Plan 1:** Monthly average for the highest completed 78 bi-weekly pay periods during employment times 1.0048.
- Plan 2:** Monthly average for the highest completed 130 bi-weekly pay periods during employment times 1.0048.

**Credited Service:**

Total years and completed months of service from the last date of hire to the date of termination, retirement, death, or disability.



**Normal Retirement**

**Eligibility (Normal Retirement Date):**

The earlier of attainment of age 55 with 20 years of Continuous Service, or age 62 with 3 years of Credited Service as a “regular employee” with the City.

**Benefit:**

**Plan 1:** 3.00% of AME times years of service for members retiring on or after October 1, 2021. 2.75% of AME times years of service for members retiring prior to October 1, 2021.

**Plan 2:** 2.00% of AME times years of service.

**Maximum Benefit:**

\$90,000 per year (indexed) at age 62, or 100% of AME (such earnings to exclude picked-up employee contributions per Sec. 414(h)(2), deferred compensation per Sec 457, and amounts deferred under Sec 125).

**Normal Form of Benefit:**

Life annuity to the member.

**COLA:**

**Plan 1:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired for at least one year. Increase is 3% for members retiring on or after October 1, 2021 and 2% for members retiring prior to October 1, 2021. An additional 1% will be payable if either there is a netexperience gain for the year, or the City cost for the year is zero after payment of the variable COLA.

**Plan 2:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired at least five years. No increase is given for eligible retirees under 55 on October 1. A 1% increase is given for eligible retirees between 55 and 64. A 2% increase is given for eligible retirees 65 or older. A “variable” increase (of not more than one percent) will be granted when the plan is sufficiently funded.





**Early Retirement**

**Eligibility:**

The attainment of 20 years of Credited Service.

**Benefit:**

**Plan 1:** 3.00% of AME times years of service for members retiring on or after October 1, 2021. 2.75% of AME times years of service for members retiring prior to October 1, 2021.

**Plan 2:** 2.00% of AME times years of service.

**Normal Form of Benefit:**

Life annuity to the member.

**COLA:**

**Plan 1:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired for at least one year. Increase is 3% for members retiring on or after October 1, 2021 and 2% for members retiring prior to October 1, 2021. An additional 1% will be payable if either there is a netexperience gain for the year, or the City cost for the year is zero after payment of the variable COLA.

**Plan 2:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired at least five years. No increase is given for eligible retirees under 55 on October 1. A 1% increase is given for eligible retirees between 55 and 64. A 2% increase is given for eligible retirees 65 or older. A “variable” increase (of not more than one percent) will be granted when the plan is sufficiently funded.

**Delayed Retirement**

**Benefit:**

**Plan 1:** 3.00% of AME times years of service for members retiring on or after October 1, 2021. 2.75% of AME times years of service for members retiring prior to October 1, 2021.

**Plan 2:** 2.00% of AME times years of service.

**Normal Form of Benefit:**

Life annuity to the member.



**COLA:**

**Plan 1:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired for at least one year. Increase is 3% for members retiring on or after October 1, 2021 and 2% for members retiring prior to October 1, 2021. An additional 1% will be payable if either there is a netexperience gain for the year, or the City cost for the year is zero after payment of the variable COLA.

**Plan 2:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired at least five years. No increase is given for eligible retirees under 55 on October 1. A 1% increase is given for eligible retirees between 55 and 64. A 2% increase is given for eligible retirees 65 or older. A “variable” increase (of not more than one percent) will be granted when the plan is sufficiently funded.

**Drop Retirement**

**Eligibility:**

The earlier of attainment of age 55 with 20 years of Continuous Service, or age 62 with 3 years of Credited Service as a “regular employee” with the City.

**Benefit:**

**Plan 1:** 3.00% of AME times years of service for members who enter DROP on or after October 1, 2021. 2.75% of AME times years of service for members who enter DROP prior to October 1, 2021.

**Plan 2:** 2.00% of AME times years of service.

**Normal Form of Benefit:**

Life annuity to the member.

**COLA:**

Same as Normal Retirement, except that the COLA is first credited and paid on the October 1 the member is eligible to receive a COLA after leaving employment (exits DROP). Tier 1 members participating in the DROP on October 1, 2021 are eligible for the 3% COLA after leaving employment.



**DROP Period:**

The Member may remain in the DROP for up to eight years.

**Contributions:**

Member contributions cease when Member enters DROP.

**DROP Interest:**

DROP account balances are credited at the beginning of each month with interest at 1/12<sup>th</sup> of the rate assumed in the actuarial valuation for that year.

**Disability Retirement – Service Incurred**

**Eligibility:**

Members are immediately eligible for a Disability Retirement Benefit where the Disability results from an act occurring in the performance of service with the City of Pompano Beach.

Disability Retirement eligibility is forfeited upon entry into the DROP.

**Disability Definition:**

Total and permanent disablement and unable to earn at least 75% of regular earnings. A member who is eligible for full primary Social Security old age benefits is not eligible.

**Benefit:**

60% of Earnings.

**Normal Form of Benefit:**

Life annuity to the member.



**COLA:**

**Plan 1:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired for at least one year. Increase is 3% for members retiring on or after October 1, 2021 and 2% for members retiring prior to October 1, 2021. An additional 1% will be payable if either there is a netexperience gain for the year, or the City cost for the year is zero after payment of the variable COLA.

**Plan 2:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired at least five years. No increase is given for eligible retirees under 55 on October 1. A 1% increase is given for eligible retirees between 55 and 64. A 2% increase is given for eligible retirees 65 or older. A “variable” increase (of not more than one percent) will be granted when the plan is sufficiently funded.

**Disability Retirement – Non-Service Incurred**

**Eligibility:**

Total and permanent disablement, 7 years of service, and unable to be gainfully employed. A member who is eligible for full primary Social Security old age benefits is not eligible.

Disability Retirement eligibility is forfeited upon entry into the DROP.

**Benefit:**

Accrued pension, subject to a minimum of 25% of Earnings.

**COLA:**

**Plan 1:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired for at least one year. Increase is 3% for members retiring on or after October 1, 2021 and 2% for members retiring prior to October 1, 2021. An additional 1% will be payable if either there is a netexperience gain for the year, or the City cost for the year is zero after payment of the variable COLA.

**Plan 2:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired at least five years. No increase is given for eligible retirees under 55 on October 1. A 1% increase is given for eligible retirees between 55 and 64. A 2% increase is given for eligible retirees 65 or older. A “variable” increase (of not more than one percent) will be granted when the plan is sufficiently funded.



**Pre-Retirement Death Benefit – Basic**

**Benefit:**

1 times annual earnings (payable in monthly installments over four years) plus a refund of contributions with interest. Alternatively, for members eligible for Early or Normal Retirement, or who have a vested benefit whether still actively employed by the City or not, the pension is payable to the beneficiary for 10 years as though retirement occurred on the date of death under Option 2, Ten Year Certain and Life (no reduction for early retirement if death occurs prior to normal retirement).

**COLA:**

**Plan 1:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired for at least one year. Increase is 3% for members retiring on or after October 1, 2021 and 2% for members retiring prior to October 1, 2021. An additional 1% will be payable if either there is a netexperience gain for the year, or the City cost for the year is zero after payment of the variable COLA.

**Plan 2:** Paid annually, on October 1 for retired members (or their beneficiaries) who have been retired at least five years. No increase is given for eligible retirees under 55 on October 1. A 1% increase is given for eligible retirees between 55 and 64. A 2% increase is given for eligible retirees 65 or older. A “variable” increase (of not more than one percent) will be granted when the plan is sufficiently funded.

**Withdrawal – Non Vested**

**Eligibility:**

First day of work, up to the earlier of 7 years of City service or 5 years of Senior Management Service for regular employees only.

**Benefit:**

Accumulated contributions with 3% interest.

**Form of Benefit:**

Lump sum.



**Withdrawal – Vested**

**Eligibility:**

Regular employees – at least 7 years of service.

Senior Managers – earlier of 7 years of City service and 5 years of Senior Management Service.

Elected Officials and Appointees – at least 5 years of service.

**Benefit:**

A vested benefit deferred to regular normal retirement date. Alternatively, a regular employee or Senior Management participant may withdraw the accumulated contributions and forfeit the deferred vested benefit.

**Member Contributions**

**Contributions:**

**Elected Officials and Appointees**

No member contributions. However, the City will make contributions at the same rate that applies to Regular Employees on behalf of these participants. These contributions are not eligible for refund upon termination.

**Regular Employees and Senior Managers**

**Plan 1:** 10.0% of earnings.

**Plan 2:** 7.0% of earnings for service earned between June 8, 2011 and December 7, 2020. 10% of earnings beginning December 8, 2020. Members in Plan 2 were provided with the option to make an additional 3% member contribution for past service retroactive to the date of participation and receive benefits under the Plan 1 benefit structure.

**Interest Crediting Rate:**

3% per year.



**Optional Forms of Payment**

**Option 1:**

Joint and last survivor option.

**Option 2:**

Ten-Year Certain and Life option.

**Additional Provisions**

**Reentry Provision:**

Credit for prior service is granted in full upon repayment of all monies refunded to the member with interest at the assumed interest rate for actuarial purposes.

**Second Retirement Provision:**

Members may retire and return to work as a regular employee. Prior pension payments are continued during the period of reemployment. A second benefit is earned based solely on the second period of employment, provided the employee worked at least three years during the second period of employment.



The following Plan Amendments have been adopted within the past few years. Amendment changes that have first been reflected in this valuation are shown in bold print:

1. Effective June 8, 2011

- a) For members hired on or after June 8, 2011, average monthly earnings is the average of the highest 130 bi-weekly pay periods times 1.0048.
- b) For members hired on or after June 8, 2011, the monthly retirement benefit is 2.0% times average monthly earnings.
- c) For members hired on or after June 8, 2011, the contribution rate is 7.0% of earnings.
- d) For members hired on or after June 8, 2011, a member is eligible for a COLA on their fifth anniversary of retirement. No increase is given for eligible retirees under 55 on October 1. A 1% increase is given for eligible retirees between 55 and 64. A 2% increase is given for eligible retirees 65 or older. A “variable” increase (of not more than one percent) will be granted when the plan is sufficiently funded.

2. Effective January 13, 2015

- a) Members are 100% vested upon completion of 7 years of continuous service with the City.

3. Effective December 8, 2020:

- a) Members hired on or after June 8, 2011 but prior to December 8, 2020 were given a one-time election to make additional 3% contributions for past service retroactive to the date the member became eligible to participate. Members who elect to make retroactive contributions will receive benefits for all service calculated under the Plan 1 benefit structure. Members who do not elect to make the additional 3% contribution for past service will have benefits calculated under Plan 2 for service rendered from June 8, 2011 through December 8, 2020 and service accrued on or after December 8, 2020 will be calculated under Plan 1 benefit structure.
- b) Effective December 8, 2020, all future benefit accruals will be calculated under the Plan 1 benefit structure.

4. Effective December 14, 2021:

- a) The monthly retirement benefit for any member retiring on or after October 1, 2021 is equal to 3.00% of average monthly earnings times all years (and completed months) of continuous service earned by Tier I members and Tier II members who have paid the additional 3% member contribution for all future and past years of service.
- b) The COLA is 3.00% for Tier 1 members participating in the DROP on October 1, 2021 and all active Tier 1 members who retire on or after October 1, 2021 who have been retired for at least one year.
- c) Repayment of prior service credit may be paid at any time prior to the employee entering DROP or retiring and separating service from the City.
- d) Members who are eligible to retire or enter the DROP, but who have not yet elected to retire or enter the DROP, may elect to purchase additional service time needed to round-up his/her current year of service prior to retiring or entering the DROP. If a member elects to purchase additional service time, the member agrees to pay all costs including the city’s portion, prior to retiring or entering the DROP.





5. Effective February 8, 2022.

- a) Management Support Employees are the Executive Director and the Assistant Administrator employed by the Board of the Retirement System and all persons employed in either of those specific positions thereafter.
- b) The annual contributions for Management Support Employees employed by the Board of the System shall be the responsibility of the System.

6. Effective March 14, 2023.

- a) Management Support Employees include the Executive Director and the Deputy Director serving the Police and Firefighter's System and all persons employed in either of those specific positions thereafter.
- b) The annual contributions for Management Support Employees serving the Police and Firefighter's System shall be the responsibility of that System.

7. Effective September 26, 2023.

- a) Members entering the DROP may participate for a maximum of 96 months.