



City of Pompano Beach Police & Firefighters' Retirement System

October 1, 2024
Actuarial Valuation Report

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Actuarial Certification

At the request of the plan sponsor, this report summarizes the Police and Firefighters' Retirement System for the City of Pompano Beach as of October 1, 2024. The purpose of this report is to communicate the following results of the valuation:

- Determine Funded Status; and
- Determine Actuarial Contribution for the fiscal year October 1, 2025 through September 30, 2026

This report has been prepared in accordance with the laws and accounting standards indicated above and their applicable regulations. Consequently, it may not be appropriate for other purposes. Please contact Nyhart prior to disclosing this report to any other party or relying on its content for any purpose other than that explained above. Failure to do so may result in misrepresentation or misinterpretation of this report.

The results in this report were prepared using information provided to us by other parties. The census information has been provided to us by the employer. Asset information has been provided to us by the trustee. We have reviewed the provided data for reasonableness when compared to prior information provided, but have not audited the data. Where relevant data may be missing, we have made assumptions we believe to be reasonable. We are not aware of any significant issues with and have relied on the data provided. Any errors in the data provided may result in a different result than those provided in this report. A summary of the data used in the valuation is included in this report.

The actuarial assumptions and methods were chosen by the Board. In our opinion, all actuarial assumptions and methods are individually reasonable and in combination represent our best estimate of anticipated experience of the plan. 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) and;
- changes in plan provisions or applicable law.

In preparing these results, Nyhart used ProVal valuation software developed by Winklevoss Technologies, LLC. This software is widely used for the purpose of performing pension valuations. We coded the plan provisions, assumptions, methods and participant data summarized in this report, and reviewed the liability and cost outputs for reasonableness. We are not aware of any weakness or limitations in the software and have determined it is appropriate for performing this valuation.

We did not perform an analysis of the potential range of future measurements due to the limited scope of our engagement. This report has been prepared in accordance with generally accepted actuarial principles and practice.

This actuarial valuation and/or cost determination was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, 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.

Actuarial Certification

With respect to reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1), F.S., the actuarial disclosures required under this section were prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, meet the requirements of Section 112.664 (1), Florida Statutes, and Rule 60T-1.0035, Florida Administrative Code.

Neither Nyhart nor any of its employees have any relationship with the plan or its sponsor which could impair or appear to impair the objectivity of this report. To the extent that this report or any attachment concerns tax matters, it is not intended to be used and cannot be used by a taxpayer for the purpose of avoiding penalties that may be imposed by law.

The undersigned are compliant with the continuing education requirements of the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States and are available for any questions.

Nyhart



Lawrence Watts, Jr., FSA, CFA, EA, MAAA
Enrolled Actuary No. 23-8496



Samantha Olson, ASA, EA
Enrolled Actuary No. 23-9085

March 14, 2025
Date

Copies of this Report are to be furnished to the Division of Retirement within 60 days of receipt from the actuary at the following addresses:

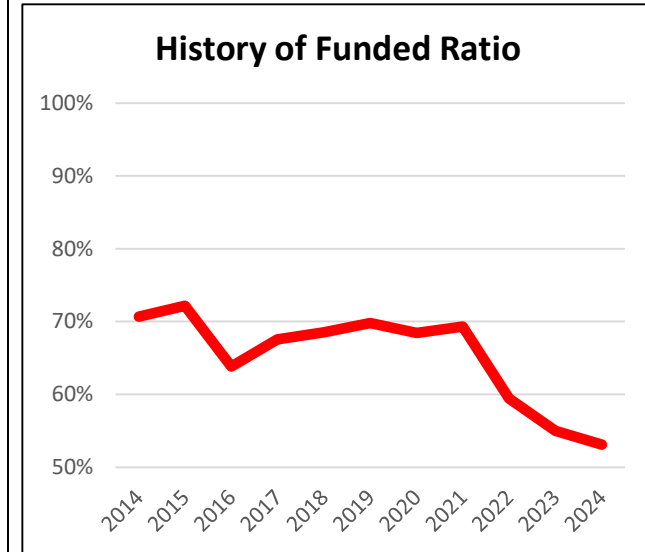
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Executive Summary

The actuarial valuation's primary purpose is to produce a scorecard measure displaying the funding progress of the plan toward the ultimate goal of paying benefits at retirement. The accrued liability is based on an entry age level percentage of pay.

	October 1, 2023	October 1, 2024
Funded Status Measures		
Accrued Liability	\$450,195,671	\$482,275,894
Actuarial Value of Assets	247,529,755	256,306,551
Unfunded Accrued Liability	\$202,665,916	\$225,969,343
Funded Percentage (AVA)	55.0%	53.1%
Funded percentage (MVA)	48.8%	53.4%
Cost Measures		
Recommended Contribution	\$23,604,213	\$27,963,919
As a percentage of expected payroll	136.1%	163.4%
Asset Performance		
Market Value of Assets	\$219,648,136	\$257,594,474
Actuarial Value of Assets	247,529,755	256,306,551
Actuarial Value/Market Value	112.7%	99.5%
Member Information		
Active Members	157	153
Terminated Vested Members	6 ¹	3 ²
Retirees, Beneficiaries, and Disabled Members	381	380
DROP Participants	56	68
Total	600	604
Covered payroll	\$17,343,391	\$17,118,281



¹ Includes one pending death benefit

² Includes one pending death benefit

Executive Summary

Changes Since Prior Valuation

An experience study was conducted for the period from 2018 to 2023. After presenting the results to the Board, the recommended changes to the inflation rate, salary scale, retirement rates, and withdrawal rates were adopted. The recommended change to reflect the 1.0048 AME multiplier administrative policy in the valuation results was also adopted. Please refer to the actuarial experience study report dated October 23, 2024 for more details.

The assumed mortality rates have been updated to match the Florida Retirement System mortality for Special Risk members after an experience study was conducted in 2024 and new mortality tables were adopted for the FRS Actuarial Valuation as of July 1, 2024.

To minimize volatility in the annual recommended contribution, amortization bases established from 10/1/1995 through 10/1/2001 have been consolidated into a single base to be amortized over the next 7 years.

There have been no changes to the plan provisions since the last valuation.

Key Notes

All remaining active members in the plan are fire members.

An experience study was performed during 2024 that covered valuation years through 2023. Please refer to the actuarial experience study report dated October 23, 2024 for more details.

Executive Summary

Five Year Valuation Summary

	10/01/2020	10/01/2021	10/01/2022	10/01/2023	10/01/2024
Funding					
Accrued Liability	\$342,655,039	\$356,083,207	\$419,176,257	\$450,195,671	\$482,275,894
Actuarial Value of Assets	\$234,435,540	\$246,747,122	\$249,095,788	\$247,529,755	256,306,551
Unfunded Actuarial Accrued Liability	\$108,219,499	\$109,336,085	\$170,080,469	\$202,665,916	\$225,969,343
Funded Percentage	68.42%	69.29%	59.43%	54.98%	53.15%
Total Normal Cost (NC)	\$4,935,230	\$5,420,089	\$7,696,837	\$8,473,048	\$9,661,759
NC as a Percentage of Payroll	29.34%	29.35%	40.46%	48.85%	56.44%
Actual Employer Contribution	\$12,061,640	\$12,675,261 ³	\$20,155,147	TBD	TBD
Recommended Contribution	\$11,915,364	\$12,698,439	\$20,155,147	\$23,604,213	\$27,963,919
Recommended Contribution (% of Pay)	70.85%	68.76%	105.95%	136.10%	163.36%
Interest Rate	7.30%	7.20%	7.10%	7.00%	7.00%
Expense Load Assumption	\$613,939	\$610,972	\$683,754	\$736,966	\$747,722
Rate of Return					
Actuarial Value of Assets	7.21%	9.28%	3.66%	3.46%	5.98%
Market Value of Assets	6.37%	17.93%	(16.29%)	9.06%	19.13%
Demographic Information					
Active Participants	181	186	188	157	153
Terminated Vested Participants	5	6	6	6	3
Retirees, Beneficiaries, and Disabled	383	382	383	381	380
DROP Participants	25	26	28	56	68
Total Participants	594	600	605	600	604
Covered Payroll	\$16,818,135	\$18,466,842	\$19,022,396	\$17,343,391	\$17,118,281
Average Covered Pay	\$92,918	\$99,284	\$101,183	\$110,467	\$111,884

³ State 185 Premium Tax contributions were larger than expected. BSO/the employer satisfied the minimum contribution requirements.

Executive Summary

Identification of Risks

The results presented in this report are shown as single point values. However, these values are derived using assumptions about future markets and demographic behavior. If actual experience deviates from our assumptions, the actual results for the plan will consequently deviate from those presented in this report. Therefore, it is critical to understand the risks facing this pension plan. The following table shows the risks we believe are most relevant to the City of Pompano Beach Police & Firefighters' Retirement System. The risks are generally ordered with those we believe to have the most significance at the top. Also shown are possible methods by which a more detailed assessment of the risk can be performed.

Type of Risk	Additional Information
Investment Return	Portfolio risk and substantial equity position leave the plan open to adverse market results, which could increase costs in the future.
Participant Longevity	The plan has adopted FRS' most recent mortality tables for valuation purposes. These tables are modified from the standard tables. There is no guarantee FRS' anticipated mortality experience will mirror your plan's future experience. Deviation from expected mortality rates could impact long-term liabilities and plan cost.
Retirement	The plan has relatively generous provisions regarding retirement eligibility; if more employees than expected retire or enter DROP than anticipated, plan liabilities could be impacted.
Salary Growth	The plan has experienced volatility in observed salary increases in the recent past; as benefits are based on final average salary, the salary growth assumption is key to accurately calculating liabilities and future costs.

Type of Risk	Method to Assess Risk
Investment Return	Scenario testing; asset/liability study
Participant Longevity	Benefit projections and contribution strategy
Early Retirement	Scenario testing; review population and retirement rates
Salary Growth	Review salary history and future budgets; scenario testing

Executive Summary

Plan Maturity Measures - October 1, 2024

Each pension plan has a distinct life-cycle. New plans promise future benefits to active employees and then accumulate assets to pre-fund those benefits. As the plan matures, benefits are paid and the pre-funded assets begin to decumulate until ultimately, the plan pays out all benefits. A plan's maturity has a dramatic influence on how risks should be viewed. The following maturity measures illustrate where the City of Pompano Beach Police & Firefighters' Retirement System falls in its life-cycle.

Duration of Liabilities: 11.7

Duration is the most common measure of plan maturity. It is defined as the sensitivity of the liabilities to a change in the interest rate assumption. The metric also approximates the weighted average length of time, in years, until benefits are expected to be paid. A plan with high duration is, by definition, more sensitive to changes in interest rates. A plan with low duration is more susceptible to risk if asset performance deviates from expectations as there would be less time to make up for market losses in adverse market environments while more favorable environments could result in trapped surplus from gains. Conversely, high duration plans can often take on more risk when investing, and low duration plans are less sensitive to interest rate fluctuations.

Demographic Distribution - Ratio of Actively Accruing Participants to All Participants: 25.3%

A plan with a high ratio is more sensitive to fluctuations in salary (if a salary-based plan) and statutory changes. A plan with a low ratio is at higher risk from demographic experience. Such a plan should pay close attention to valuation assumptions as there will be less opportunity to realize future offsetting gains or losses when current experience deviates from assumptions. Plans with a low ratio also have limited opportunities to make alterations to plan design to affect future funded status.

Asset Leverage - Ratio of Payroll for Plan Participants to Market Value of Assets: 6.6%

Younger plans typically have a large payroll base from which to draw in order to fund the plan while mature plans often have a large pool of assets dedicated to providing benefits to a population primarily consisting of members no longer on payroll. Plans with low asset leverage will find it more difficult to address underfunding, as the contributions needed to make up the deficit will represent a higher percentage of payroll than for a plan with high asset leverage.

Benefit Payment Percentage - Ratio of Annual Benefit Payments to Market Value of Assets: 9.2%

As a plan enters its decumulation phase, a larger percentage of the pre-funded assets are paid out each year to retirees. A high percentage is not cause for alarm as long as the plan is nearly fully funded. However, such a plan is more sensitive to negative asset performance, especially if cash contributions are not an option to make up for losses.

Assets and Liabilities

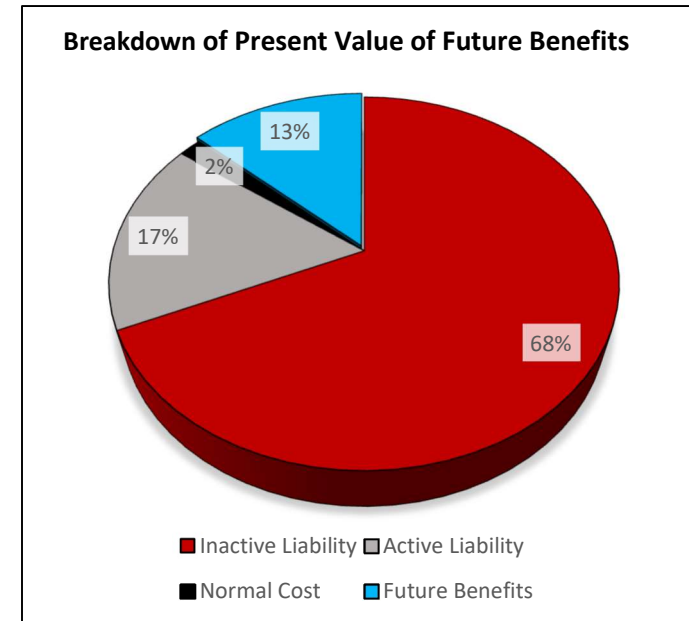
Present Value of Future Benefits

The Present Value of Future Benefits represents the discounted value of all future benefits expected to be payable to current members, considering future service and compensation not yet earned.

October 1, 2024

Present Value of Future Benefits

Active members	
Retirement	\$169,859,486
Disability	5,744,516
Death	1,657,789
Termination	2,156,045
Return of contributions	224,313
Total active	\$179,642,149
Inactive members	
Retired members	\$344,126,049
Beneficiaries	12,855,767
Disableds	28,697,845
Terminated vested members	1,338,017
Total inactive	\$387,017,678
Total	\$566,659,827
 Present value of future payrolls	 \$147,680,239



Assets and Liabilities

Accrued Liability

The Accrued Liability measures the present value of benefits earned as of the valuation date, using a specified set of actuarial assumptions. It is not a long-term snapshot of the liabilities.

October 1, 2024

Accrued Liabilities

Active members

Retirement	\$92,953,774
Disability	1,220,591
Death	278,279
Termination	777,287
Refund of contributions	28,285
Total Active	\$95,258,216

Inactive members

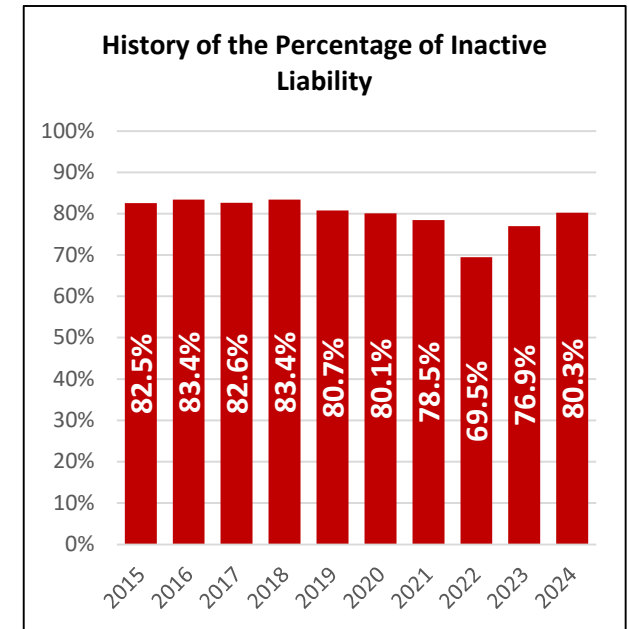
Retired members	\$344,126,049
Beneficiaries	12,855,767
Disableds	28,697,845
Terminated vested members	1,338,017
Total Inactive	\$387,017,678

Total Accrued Liability

\$482,275,894

Normal Cost

Retirement	\$8,824,706
Disability	516,572
Death	154,083
Termination	166,398
Total Normal Cost	\$9,661,759



Assets and Liabilities

Asset Information

The amount of assets backing the pension promise is typically the most significant driver of volatility and future costs within a pension plan. The investment performance of the assets directly offsets the ultimate cost.

	October 1, 2024
Market Value Reconciliation	
Market value of assets, beginning of prior year	\$235,404,466
Employer contributions (incl. discounted accrued items)	20,155,147
Member contributions	1,979,268
Non-employer contributing entity	3,832,801
Investment income	46,759,959
Investment expenses	(1,883,970)
Benefit payments	(25,689,804)
Administrative expenses	(771,977)
Other expenses	0
Market value of assets, beginning of current year*	\$279,785,890
Return on market value	19.13%
Reserve assets	\$517,281
DROP account	\$21,674,135
Market value of assets available for pension benefits	\$257,594,474
Actuarial value of plan assets	
Value at beginning of current year	\$256,306,551

* Effective September 30, 2022, the Firefighters' Share Plan was deemed terminated with funds still in the trust. This report reflects the associated assets and liabilities, in line with the System's financial statements.

Assets and Liabilities

Asset Information (continued)

Plan Assets are used to develop funded percentages and contribution requirements.

	October 1, 2024
1. Expected actuarial value of assets	
(a) Actuarial value of assets, beginning of prior year	\$263,286,085
(b) Contributions	25,967,216
(c) Benefit payments	(25,689,804)
(d) Expenses	(771,977)
(e) Expected return	18,413,010
(f) Expected actuarial value of assets, beginning of current year	<u>\$281,204,530</u>
2. Market value of assets, beginning of current year	\$279,785,890
3. Actual return on market value	\$44,875,989
4. Amount subject to phase in [(3)-(1e)]	\$26,462,979
5. Phase in of asset gain/(loss)	
(a) Current year (20% x \$26,462,979)	\$5,292,596
(b) First prior year (20% x \$1,569,816)	313,963
(c) Second prior year (20% x (\$65,000,426))	(13,000,085)
(d) Third prior year (20% x \$25,879,052)	5,175,810
(e) Fourth prior year (20% x (\$2,444,237))	(488,847)
(f) Total phase-in	<u>(\$2,706,563)</u>
6. Preliminary actuarial value of assets, beginning of current year [(1f)+(5f)]	\$278,497,967
7. 80% Market value of assets	\$223,828,712
8. 120% Market value of assets	\$335,743,068
9. Adjusted actuarial value of assets	\$278,497,967
10. Reserved Assets (including DROP)	(\$22,191,416)
11. Final actuarial value of assets [(9+10)]	\$256,306,551
12. Return on actuarial value of assets	5.98%

Contribution Requirements

Reconciliation of Gain/Loss

October 1, 2024

Liability (gain)/loss

Actuarial liability, beginning of prior year	\$450,195,671
Normal cost	8,473,048
Benefit payments paid from the Trust	(25,689,804)
Benefit payments attributable to DROP account contributions	(5,395,816)
Benefit payments attributable to DROP and Share Plan	2,419,258
Interest	31,120,457
Assumption Changes	17,377,771
Plan Provision Changes	0
Expected actuarial liability, beginning of current year	\$478,500,585
Actual actuarial liability	\$482,275,894
Liability (gain)/loss	\$3,775,309

Asset (gain)/loss

Actuarial value of assets, beginning of prior year	\$247,529,755
Contributions less the Police Share Plan contribution	25,525,532
Total benefit payments	(28,666,362)
Administrative Expenses	(771,977)
Investment return	17,192,452
Expected actuarial value of assets, beginning of current year	\$260,809,399
Actual actuarial value of assets, beginning of current year	\$256,306,551
Asset (gain)/loss	\$4,502,849

Lag Adjustment

\$1,933,412

Total (gain)/loss

\$10,211,570

Contribution Requirements

Development of Recommended Contribution

The minimum recommended contribution is the annual amount necessary to fund the plan according to funding policies and/or applicable laws. The recommended contribution is composed of the normal cost, administrative expenses, plus an amortization charge.

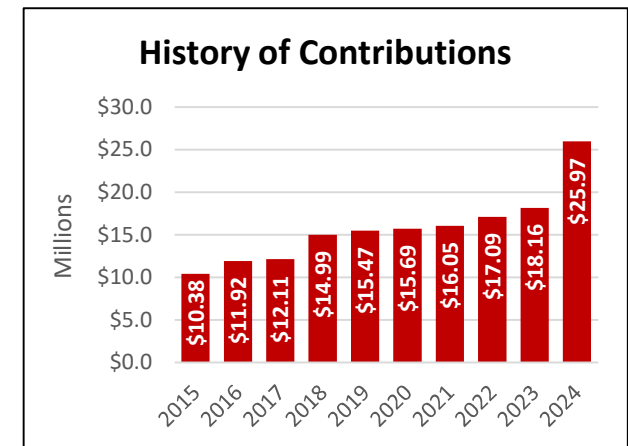
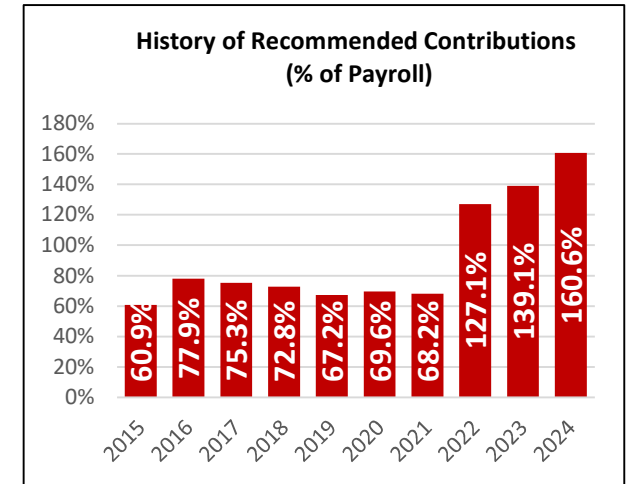
October 1, 2024

Funded Position

1. Entry age accrued liability	\$482,275,894
2. Actuarial value of assets	<u>(256,306,551)</u>
3. Unfunded actuarial accrued liability (UAAL)	\$225,969,343

Employer Contributions

1. Normal Cost	
(a) Total normal cost	\$9,661,759
(b) Less normal cost associated with participant contributions	<u>(1,932,952)</u>
(c) Net normal cost	\$7,728,807
2. Administrative expenses	747,772
3. Amortization of UAAL	20,390,341
4. Applicable interest	<u>2,020,685</u>
5. Total required contribution	\$30,887,605
6. Expected non-employer contributions	(3,391,116)
7. Total recommended contribution	\$27,496,489
As a percentage of current payroll	160.63%
8. Recommended contributions to be paid on 12/31/2025	\$27,963,919
As a percentage of expected payroll	163.36%

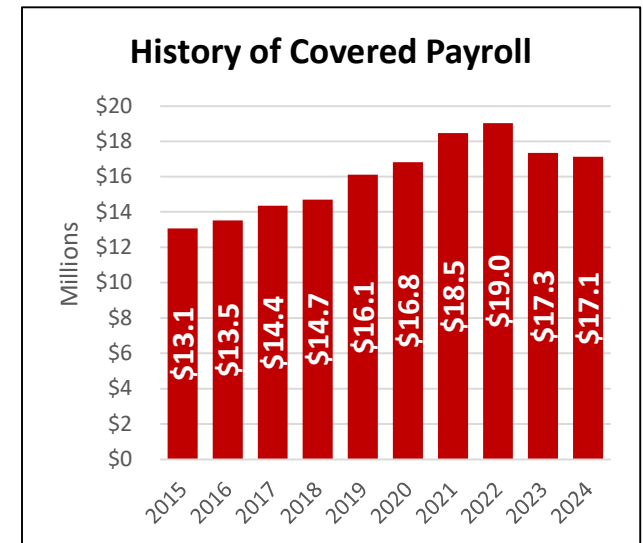


Demographic Information

The foundation of a reliable actuarial report is the participant information provided by the plan sponsor. Monitoring trends in demographic information is crucial for long-term pension planning.

October 1, 2024

Participant Counts	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Active Participants	0	153	153
Retired Participants	177	133	310
Beneficiaries	20	13	33
Disabled Participants	18	19	37
Terminated Vested Participants	0	3	3
DROP Participants	<u>2</u>	<u>66</u>	<u>68</u>
Total Participants	217	387	604
Active Participant Demographics			
Average Age			36.1
Average Service			8.5
Average Compensation			\$111,884
Covered Payroll			\$17,118,281
Employee Contributions with Interest			\$14,137,781



Demographic Information

October 1, 2024

Retiree Statistics

Average Age	69.0
Average Monthly Benefit	\$5,275

Beneficiary Statistics

Average Age	73.7
Average Monthly Benefit	\$3,320

Disabled Participants Statistics

Average Age	64.5
Average Monthly Benefit	\$5,676

Terminated Participants Statistics

Average Age	48.9
Average Monthly Benefit	\$4,106

DROP Participants Statistics

Average Age	51.3
Average Monthly Benefit	\$7,341

Participant Reconciliation

	Active	Terminated Vested	Disabled	Retired	Beneficiaries	DROP	Totals
Prior Year	157	6	36	313	32	56	600
Active							
To Terminated Vested							
To Disabled							
To Retired							
To DROP	(16)					16	
To Death							
To Lump Sum	(2)						(2)
Terminated Vested							
To Retired		(2)		2			
To Lump Sum		(1)					(1)
Disabled							
To Death							
Retired							
To Death				(8)			(8)
Beneficiaries							
To Death					(1)		(1)
To End of Certain Period					(1)		(1)
DROP							
To Retired				3		(3)	
To Disabled			1			(1)	
Additions	14				3		17
Departures							
Current Year	153	3	37	310	33	68	604

Participant Reconciliation

Active Participant Schedule

Active participant information grouped based on age and service.

Age Group	Years of Service										Total	Average Pay
	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		
Under 25	6	4									10	82,859
25 to 29	6	11	5								22	90,059
30 to 34	1	15	14	4							34	100,960
35 to 39		7	18	11	7						43	120,107
40 to 44		1	10	7	10						28	124,582
45 to 49			2	1	9						12	141,547
50 to 54					4						4	131,072
55 to 59												
60 to 64												
65 to 69												
70 & up												
Total	13	38	49	23	30						153	111,884

Plan Provisions

Plan Status

Plan established under the Code of Ordinances for the City of Pompano Beach, Florida, Sections 34.045-34.073 and was most recently stated under Ordinance No. 2024-01, passed and adopted on October 10, 2023. The Plan is also governed by certain provisions of Chapters 175 and 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

Eligibility for Participation

- (1) All Police Officers and Dispatchers who were participants of the prior Employees' Pension Plan and
- (2) Police Officers and Dispatchers who elected to remain in the Plan prior to the takeover of the police department by the Broward Sheriff's Office on 8/1/99.
- (3) All Firefighters who were participants in the prior Employees' Pension Plan; and
- (4) All regular, full time Firefighters (20 hours per week and 5 months per year) from age 18, upon date of employment.

Benefits

Normal Retirement

Eligibility	<p>All Police members and Firefighter members hired before May 27, 2014, may retire on the first day of the month coincident with or next following the earlier of:</p> <ol style="list-style-type: none">(1) age 47 with 20 years of Continuous Service, or(2) age 55 with 10 years of Continuous Service. <p>Firefighter members hired on or after May 27, 2014, may retire on the first day of the month coincident with or next following the earlier of:</p> <ol style="list-style-type: none">(1) age 50 with 20 years of Continuous Service, or(2) age 55 with 10 years of Continuous Service. <p>Active Firefighter members as of October 1, 2022 or hired on or after October 1, 2022, may retire on the first day of the month coincident with or next following the earlier of:</p> <ol style="list-style-type: none">(1) 20 years of Continuous Service, or(2) age 47 with 7 years of Continuous Service.
Police Benefit:	3.0% of Average Monthly Earnings (AME) multiplied by years of Continuous Service up to a maximum of 25 years, plus 2.0% of AME multiplied by years of Continuous Service in excess of 37.5.
Firefighter Benefit:	<p>Active firefighters as of October 1, 2022, 4.0% of AME multiplied by years of Continuous Service up to a maximum of 20 years.</p> <p>Otherwise, 3.0% of AME multiplied by the first 10 years Continuous Service, plus 4.0% of AME multiplied by the next 10 years, plus 2.0% of AME multiplied by the next 5 years with a maximum benefit equal to 80% of AME; plus 2% of AME multiplied by each year of service in excess of 40.</p>
Normal Form of Benefit	10 Years Certain and Life; other options are also available.

Plan Provisions

COLA Active or DROP firefighters as of October 1, 2022, effective October 1, 2024, beginning one year after benefit payments begin, retirees receive an automatic annual increase of 3% on each October 1. An additional annual increase of up to 1% is payable if certain conditions are met.

Otherwise, beginning five years after benefit payments begin, retirees receive an automatic annual increase of 2% on each October 1. An additional annual increase of up to 1% is payable if certain conditions are met. For Firefighters, if participant leaves the DROP after five years, the COLA begins when participant leaves the DROP.

Late Retirement (Police Only)

Eligibility Same as Normal Retirement taking into account compensation earned and service credited until the date of actual retirement.

Benefit Accrued Benefit

Normal Form of Benefit 10 Years Certain and Life; other options are also available.

COLA Beginning five years after benefit payments begin, retirees receive an automatic annual increase of 2% on each October 1. An additional annual increase of up to 1% is payable if certain conditions are met.

Ordinary Death before Retirement

Eligibility Any member with 1 or more years of Continuous Service who dies while employed by the City is eligible for survivor benefits.

Benefit

- (A) For members with less than 1 year of Continuous Service, no survivor benefits are payable.
- (B) For members with 1 year, but less than 5 years, of Continuous Service, the designated beneficiary will be paid a \$5,000 lump sum.
- (C) For Firefighters with 5 years, but less than 7 years, of Continuous Service or Police Officers with 5 years, but less than 10 years, of Continuous Service:
 - (1) \$5,000 lump sum paid to the member's designated beneficiary; plus
 - (2) Member's spouse will receive 65% of member's accrued pension as of the date of death subject to a minimum of 20% of AME; plus
 - (3) Each unmarried child under age 18 (22 if full-time student) will receive 7 ½% of member's Earnings. If there is no spouse, benefits increase to 15% of member's Earnings per child.

Maximum benefit to spouse and children is 50% of earnings.
- (D) For Firefighters with 7 or more years of Continuous Service or Police Officers with 10 or more years of Continuous Service: The designated beneficiary can elect to receive benefits described under subsection (C) above or the member's accrued benefit as of the date of death. Benefits are payable at the member's Normal or Early Retirement date and will be reduced for Early Retirement, when applicable.

Plan Provisions

Normal Form of Benefit Spouse's benefits are paid until death or remarriage; children's benefits are paid until the earlier of age 18 (22 if full-time student), marriage or death.

COLA Same as Normal Retirement

Accidental Death before Retirement

Eligibility Any member who dies as a direct result of an occurrence arising in the performance of service for the City is eligible for survivor benefits.

Benefit

(1) \$5,000 lump sum paid to the member's designated beneficiary; plus
 (2) Member's spouse will receive 75% of member's Earnings; plus
 (3) Each unmarried child under age 18 (22 if full-time student) will receive 7 ½% of member's Earnings. If there is no spouse, benefits increase to 15% per child.

Maximum benefit to spouse and children is 90% of earnings; if no spouse, maximum for children is 50% of Earnings.

Normal Form of Benefit Spouse's benefits are paid until death or remarriage; children's benefits are paid until the earlier of age 18 (22 if full-time student), marriage or death.

COLA Same as Normal Retirement

Termination Benefit

Eligibility A Firefighter has earned a non-forfeitable right to Plan benefits after the completion of 7 years of Credited Service (see table).

<u>Years of Credited Service</u>	<u>% of Normal Retirement Benefits</u>
Less Than 7	0%
7 or more	100%

A Police Officer has earned a non-forfeitable right to Plan benefits after the completion of 10 years of Credited Service (see table).

<u>Years of Credited Service</u>	<u>% of Normal Retirement Benefits</u>
Less Than 10	0%
10 or more	100%

Benefit The member's accrued Normal Retirement Benefit as of the date of termination. Benefit begins on the member's Normal Retirement date. Alternatively, Police members may elect to receive an actuarially reduced Early Retirement Benefit.

Normal Form of Benefit 10 Years Certain and Life thereafter; other options are also available.

COLA Same as Normal Retirement

Plan members who terminate with 0% vesting will receive a refund of accumulated contributions with interest.

Plan Provisions

Ordinary Disability Benefit

Eligibility	Any member who becomes totally and permanently disabled and unable to perform regular duties or any other duties available in the Department from an act occurring in the performance of duty for the City is eligible for a disability benefit.
Benefit	75% of rate of Earnings in effect on the date of disability (for Firefighters, not to be less than the accrued benefit).
Normal Form of Benefit	Benefits begin on the first day of the month following the date the Board approves the disability and are payable until death or recovery from disability. If the member dies before receiving payments for 10 years, the member's designated beneficiary will receive the same monthly benefit for the remainder of the 10 year period. Other options are also available.
COLA	Same as Normal Retirement

Accidental Disability Benefit

Eligibility	Any Firefighter with 7 or more years of Continuous Service or Police Officer with 10 or more years of Continuous Service who becomes totally and permanently disabled and unable to perform regular duties or any other duties available in the Department from an act not directly caused by the performance of duty for the City is eligible for a disability benefit.
Benefit	3.0% of AME multiplied by years of Continuous Service subject to a maximum of 60% of the rate of Earnings on the date of disability, plus 2.0% of AME multiplied by years of Continuous Service in excess of 25. Disability benefit is guaranteed to be no less than 25% of AME.
Normal Form of Benefit	Benefits begin on the first day of the month following the date the Board approves the disability and are payable until death or recovery from disability. If the member dies before receiving payments for 10 years, the member's designated beneficiary will receive the same monthly benefit for the remainder of the 10 year period. Other options are also available.
COLA	Same as Normal Retirement

Plan Provisions

Compensation

Earnable Compensation

Police Officers: Basic compensation and regular longevity pay, increased for temporary upgrade pay. Also includes up to 25 hours per year of overtime pay.

Firefighters: Basic compensation and regular longevity pay, increased for temporary upgrade pay and certain assignment pay.

Average Monthly Earnings (AME)*

For members hired before May 27, 2014:

The average of Earnings during the highest 3 years preceding termination; not including lump sum payments of unused leave

For members hired after May 27, 2014:

The average of Earnings during the highest 5 years preceding termination; not including lump sum payments of unused leave

*Administrative policy applies a 1.0048 multiplier to AME at the point of retirement. This valuation reflects the anticipated 0.48% increase pre-retirement.

Continuous Service

For Vesting and Benefit Accrual, total number of years and completed months from date of employment to date of termination or retirement.

No service is credited for any periods of employment for which a member received a refund of contributions.

Employee Contributions

Police: 8.6% of Earnings, paid by BSO.

Firefighters: 11.6% of Earnings "picked up" by the City.

Payment Forms

Normal Form 10 Years Certain and Life Annuity

Optional Forms
Single Life Annuity
Joint and 100% Contingent Survivor Annuity*
Joint and 75% Contingent Survivor Annuity*
Joint and 66 2/3% Contingent Survivor Annuity*
Joint and 50% Contingent Survivor Annuity*
Any Board-approved, actuarially equivalent benefit

*Administrative policy allows for a pop-up to the 10 Years Certain and Life Annuity upon the death of a spouse under the Joint and Contingent Survivor Annuity option. This valuation does not explicitly reflect this provision for retirees, thus it implicitly assumes a 0% probability of pop-up.

Plan Provisions

DROP

Eligibility	<p>All Police members and Firefighter members hired before May 27, 2014, are eligible for DROP on the first day of the month coincident with or next following the earlier of:</p> <ul style="list-style-type: none">(1) age 47 with 20 years of Continuous Service, or(2) age 55 with 10 years of Continuous Service. <p>Firefighter members hired on or after May 27, 2014, are eligible for DROP on the first day of the month coincident with or next following the earlier of:</p> <ul style="list-style-type: none">(1) age 50 with 20 years of Continuous Service, or(2) age 55 with 10 years of Continuous Service. <p>Active Firefighter members as of October 1, 2022 or hired on or after October 1, 2022, are eligible for DROP on the first day of the month coincident with or next following the earlier of:</p> <ul style="list-style-type: none">(1) 20 years of Continuous Service, or(2) age 47 with 7 years of Continuous Service. <p>Members who meet eligibility must submit a written election to participate in the DROP.</p>
Benefit	<p>The member's Credited Service and AME are frozen upon entry into the DROP. The monthly retirement benefit as described under Normal Retirement is calculated based upon the frozen Credited Service and AME.</p> <p>In addition, the members accumulated sick and annual leave pay will be paid in 5 equal annual installments on the member's DROP participation anniversary dates.</p>
Maximum Period	60 months (police) & 96 months (firefighters)
Interest Credited	<p>The member's DROP account is credited or debited quarterly at a rate equal to one of the following elected by the member:</p> <ul style="list-style-type: none">(1) the actual net rate of investment return realized by the Plan for that quarter, or(2) a rate set quarterly by the Board of Trustees, or(3) the actual net rate of investment return realized by a separate investment account made available by the Board of Trustees, but the investment proportions designated by the member.
Normal Form of Benefit	<p>The member's DROP account is paid out under one of the following options as elected by the member:</p> <ul style="list-style-type: none">(1) a full single lump sum payment, or(2) annual installments in amounts as requested by the member by June 30th of each year, or(3) equal monthly installments as requested by the member by June 30th of each year, or(4) a single lump sum of the remaining balance after any annual or monthly installments have been made under options (2) or (3) above.
COLA	Same as Normal Retirement

Plan Provisions

Plan Provisions Not Included

See Payment Forms section for a discussion of the plan's pop-up policy and valuation treatment.

Adjustments Made for Subsequent Events

We are not aware of any event following the measurement date and prior to the date of this report that would materially impact the results.

Changes Since Prior Report

None.

Actuarial Assumptions

Cost Method

Individual Entry Age Normal Cost Method; all new bases are to be amortized over 20 years from the date established using a level dollar amortization for police and a level percentage of pay amortization, with a 2.75% payroll growth assumption, for firefighters. As of 10/1/2024, amortization bases established from 10/1/1995 through 10/1/2001 have been consolidated into a single base to be amortized over the next 7 years.

Asset Valuation Method

20% Phase-In Method: Actuarial value of assets is equal to expected value phase in the difference between the expected investment earnings and actual investment earnings at the rate of 20% per year. The result cannot be greater than 120% of market value or less than 80% of market value. Fire and Police asset values are notional and based on divisions of gains and losses by prior year divisional actuarial values of assets. Total DROP balances and Share Plan assets are treated as reserved and are generally not reported in adjusted assets or liabilities for funding calculations.

Interest Rates

7.00%, compounded annually, net of investment expenses. Nyhart's professional judgment is that the rate is reasonable and has no significant bias. Support for the interest rate assumption has been provided in the experience study report dated October 23, 2024.

Annual Pay Increases

2.5%, compounded annually for inflation plus a seniority/merit scale using the following representative rates.

Years of Service	Merit and Seniority
1	8.50%
2	7.50%
3	7.50%
4	6.50%
5-7	5.00%
8-10	3.50%
11-20	2.00%
21 and Higher	0.50%

The assumed rates of pay increase are based on a study of actual experience for the plan from 2018-2023. See the experience study report dated October 23, 2024.

Expense and/or Contingency Loading

One-year term cost method; average of prior two years' expenses.

Mortality Rates

Pre-Retirement:

Pub-2010 Generational using scale MP-2021, Females, Benefit Weighted Safety Employee Female Table; Males, Benefit Weighted Safety Employee Male Table, set forward 1 year

Actuarial Assumptions

Post-Retirement:	Pub-2010 Generational using scale MP-2021, Females, Benefit Weighted Safety Healthy Retiree Female Table; Males, Benefit Weighted Safety Healthy Retiree Male Table, set forward 1 year
Disability	Pub-2010 Generational using scale MP-2021, Females, Headcount Weighted General Disabled Retiree Female Table, set forward 1 year; Males, Headcount Weighted General Disabled Retiree Male Table

These are the same mortality rates used by FRS in the July 1, 2024 Actuarial Valuation Report for Special Risk participants; these rates are prescribed by state law.

Retirement Rates

If eligible for Retirement, the following decrements apply, based on service:

<u>After First Eligibility for Normal Retirement</u>	<u>Fire</u>
0	55%
1	30
2	30
3	20
4	20
5+	100

The assumed rates of retirement are based on a study of actual experience for the plan from 2018-2023. See the experience study report dated October 23, 2024.

Disability Rates

Specimen rates for all groups are shown below:

<u>Sample Ages</u>	<u>% Becoming Disabled Within Next Year</u>
25	0.15%
30	0.18
35	0.23
40	0.30
45	0.51
50	1.00
55	1.59

The assumed rates of disability are based on a study of actual experience for the plan from 2018-2023. See the experience study report dated October 23, 2024.

Actuarial Assumptions

Type of Disability or Death: 75% of disabilities and deaths are assumed to be service-related

Workers' Compensation Offsets Current offsets are assumed to continue.

Withdrawal Rates

<u>Service</u>	<u>Fire Withdrawal Rate</u>
0	10.00%
1	5.00
2	5.00
3	4.00
4	3.00
5	2.00
6+	0.50

The assumed rates of withdrawal are based on a study of actual experience for the plan from 2018-2023. See the experience study report dated October 23, 2024.

Withdrawal of Employee Contributions

Non-vested terminated employees are assumed to withdraw their contribution balances upon termination. Vested terminated employees are assumed to defer commencement of benefits.

Marital Status and Ages

100% of employees are assumed to be married. Females are assumed to be 3 years younger than males.

State Contributions

Assumed to be the same as in the prior year

Changes Since Prior Report

An experience study was conducted for the period from 2018 to 2023. After presenting the results to the Board, the recommended changes to the inflation rate, salary scale, retirement rates, and withdrawal rates were adopted. The recommended change to reflect the 1.0048 AME multiplier administrative policy in the valuation results was also adopted. Please refer to the actuarial experience study report dated October 23, 2024 for more details.

The assumed mortality rates have been updated to match the Florida Retirement System mortality for Special Risk members after an experience study was conducted in 2024 and new mortality tables were adopted for the FRS Actuarial Valuation as of July 1, 2024.

To minimize volatility in the annual recommended contribution, amortization bases established from 10/1/1995 through 10/1/2001 have been consolidated into a single base to be amortized over the next 7 years.

Other Measurements

The actuarial report also shows the necessary items required for plan reporting and the any state requirements.

- Reconciliation of unfunded actuarial liability
- Statement of changes on value of assets
- Distribution Assets
- Schedule of amortizations
- Florida State requirements
 - Corporative Summary of Principal Valuation Results
 - Separation for Police & Fire
 - Comparison of payroll growth, salary increases and investment returns
 - Requirements under Florida Statute 112.664 and F.A.C. 60T – 1.0035
 - Reserve account for benefit improvements under 99-1 and SB 172
- Low-Default-Risk Obligation Measure (LDRM)

Other Measurements

Reconciliation of Unfunded Actuarial Liability

	October 1, 2024
1. Unfunded Actuarial Accrued Liability beginning of prior year	\$202,665,916
2. Normal Cost	8,473,048
3. Expenses	771,977
4. Employer Contributions	(20,155,147)
5. Employee Contributions	(1,979,268)
6. Non-Employer Contributions	(3,391,117)
7. Interest	13,928,005
8. Lag Adjustment	(1,933,412)
9. Expected Unfunded Actuarial Accrued Liability, beginning of current year	\$198,380,002
10. Accumulated Reserve Adjustment	\$0
11. Liability changes due to:	
12. Amendments	\$0
(a) Assumptions	17,377,771
(b) Funding Methods	0
(c) (Gain)/Loss	10,211,570
(d) Total	\$27,589,341
13. Unfunded Actuarial Liability beginning of current year	\$225,969,343

Other Measurements

Statement of Changes on Value of Assets

Additions

Contributions:

	September 30, 2023	September 30, 2024
Employer	\$12,675,261	\$20,155,147
Member	2,028,099	1,979,268
Nonemployer contributing entity	3,458,037	3,832,801
Total contributions	\$18,161,397	\$25,967,216

Investment income

Net increase in fair value of investments	\$16,379,320	\$42,022,184
Interest and dividends	5,072,424	4,722,523
Less investment expense, other than from securities lending	(1,254,538)	(1,883,970)
Net income other than from securities lending	\$20,197,206	\$44,860,737
Securities lending income	\$0	\$0
Less securities lending expense	0	0
Net income from securities lending	\$0	\$0
Net investment income	\$20,197,206	\$44,860,737

Other	40,237	15,252
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Total additions	\$38,398,840	\$70,843,205
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Deductions

Benefit payments, including refunds of member contributions	\$34,572,020	\$25,689,804
Administrative expense	723,567	771,977
Other	0	0

Total deductions	\$35,295,587	\$26,461,781
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Net increase in market value	\$3,103,253	\$44,381,424
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Market Value as of

Beginning of year	\$232,301,213	\$235,404,466
End of year	\$235,404,466	\$279,785,890

Other Measurements

Distribution of Assets

	September 30, 2023	September 30, 2024
Cash and deposits	\$2,267,728	\$2,229,824
Securities lending cash collateral	0	0
Total cash	\$2,267,728	\$2,229,824
Receivables:		
Contributions	\$0	\$0
Due from broker for investments sold	5,758,183	437,514
Investment income	267,196	276,802
Other	545,480	788,785
Total receivables	\$6,570,859	\$1,503,101
Investments:		
Equity	\$119,775,097	\$158,045,303
Fixed Income	27,749,261	31,314,737
Real Estate	0	0
Hedge Funds & Private Equity	67,624,561	79,911,910
Short Term Investments	12,744,247	7,934,309
Total investments	\$227,893,166	\$277,206,259
Sub-total	\$236,731,753	\$280,939,184
Payables:		
Investment management fees	\$184,999	\$271,909
Due to broker for investments purchased	879,253	657,614
Collateral payable for securities lending	0	0
Other	263,035	223,771
Total liabilities	\$1,327,287	\$1,153,294
Total	\$235,404,466	\$279,785,890

Other Measurements

Schedule of Amortizations – Police

October 1, 2024

<u>Date Established</u>	<u>Description</u>	<u>Original Amount</u>	Total	\$64,260,766	\$6,347,327	\$6,815,810
			<u>Remaining Period Years</u>	<u>Remaining Balance</u>	<u>Annual Payment (Prior Assumptions)</u>	<u>Annual Payment (Current Assumptions)</u>
10/1/1995	Assumption Change	(311,136)	1	(32,084)	(32,084)	0
10/1/1995	Actuarial Loss (Gain)	(271,042)	1	(27,948)	(27,948)	0
10/1/1996	Assumption Change	(374,561)	2	(76,627)	(39,609)	0
10/1/1996	Actuarial Loss (Gain)	(276,460)	2	(56,557)	(29,235)	0
10/1/1997	Assumption Change	1,345,971	3	396,193	141,093	0
10/1/1997	Actuarial Loss (Gain)	(3,074,778)	3	(1,009,220)	(359,407)	0
10/1/1998	Plan Amendment	(337,295)	4	(138,181)	(38,126)	0
10/1/1998	Actuarial Loss (Gain)	(3,155,507)	4	(1,292,715)	(356,678)	0
10/1/1999	Actuarial Loss (Gain)	(2,565,536)	5	(1,234,840)	(281,464)	0
10/1/2000	Assumption Change	(18,775,480)	6	(9,832,208)	(1,927,809)	0
10/1/2000	Plan Amendment	11,651,128	6	6,101,379	1,196,303	0
10/1/2000	Actuarial Loss (Gain)	3,153,187	6	1,651,240	323,760	0
10/1/2001	Variable COLA	484,615	7	280,055	48,566	0
10/1/2001	Plan Amendment	377,521	7	218,164	37,833	0
10/1/2001	Actuarial Loss (Gain)	5,917,320	7	3,419,537	592,996	0
10/1/2002	Actuarial Loss (Gain)	13,547,635	8	9,065,526	1,418,863	1,418,863
10/1/2003	Actuarial Loss (Gain)	8,453,577	9	5,318,442	762,906	762,906
10/1/2004	Actuarial Loss (Gain)	7,733,735	10	4,964,885	660,643	660,643

Other Measurements

Schedule of Amortizations - Police

<u>Date Established</u>	<u>Description</u>	<u>Original Amount</u>	<u>Remaining Period Years</u>	<u>Remaining Balance</u>	<u>Annual Payment (Prior Assumptions)</u>	<u>Annual Payment (Current Assumptions)</u>
10/1/2005	Plan Amendment	528,766	11	291,531	36,334	36,334
10/1/2005	Actuarial Loss (Gain)	1,811,918	11	1,197,898	149,297	149,297
10/1/2006	Actuarial Loss (Gain)	(2,245,390)	12	(1,550,471)	(182,437)	(182,437)
10/1/2007	Actuarial Loss (Gain)	(3,930,059)	13	(2,854,453)	(319,194)	(319,194)
10/1/2008	Assumption Change	(2,460,748)	14	(1,890,321)	(202,008)	(202,008)
10/1/2008	Actuarial Loss (Gain)	4,312,669	14	3,312,947	354,036	354,036
10/1/2009	Assumption Change	2,211,808	15	1,753,333	179,913	179,913
10/1/2009	Actuarial Loss (Gain)	4,953,816	15	3,926,968	402,953	402,953
10/1/2010	Assumption Change	2,351,731	16	1,889,942	186,976	186,976
10/1/2010	Actuarial Loss (Gain)	4,329,632	16	3,479,459	344,231	344,231
10/1/2011	Assumption Change	2,628,245	17	2,087,344	199,810	199,810
10/1/2011	Actuarial Loss (Gain)	2,882,428	17	2,289,221	219,134	219,134
10/1/2012	Valuation Software	(955,577)	18	(780,377)	(72,504)	(72,504)
10/1/2012	Assumption Change	2,734,348	18	2,233,012	207,467	207,467
10/1/2012	Actuarial Loss (Gain)	7,401,751	18	6,044,659	561,603	561,603
10/1/2013	Assumption Change	(2,014,446)	19	(1,687,663)	(152,604)	(152,604)
10/1/2013	Actuarial Loss (Gain)	1,279,029	19	1,071,546	96,893	96,893
10/1/2014	Actuarial Loss (Gain)	(1,640,207)	20	(1,406,821)	(124,106)	(124,106)

Other Measurements

Schedule of Amortizations – Police

<u>Date Established</u>	<u>Description</u>	<u>Original Amount</u>	<u>Remaining Period Years</u>	<u>Remaining Balance</u>	<u>Annual Payment (Prior Assumptions)</u>	<u>Annual Payment (Current Assumptions)</u>
10/1/2015	Actuarial Loss (Gain)	(532,193)	21	(467,397)	(40,314)	(40,314)
10/1/2016	Assumption Change	14,723,929	22	13,186,116	1,114,113	1,114,113
10/1/2016	Actuarial Loss (Gain)	(1,637,449)	22	(1,466,428)	(123,901)	(123,901)
10/1/2017	Actuarial Loss (Gain)	289,192	23	263,646	21,859	21,859
10/1/2018	Actuarial Loss (Gain)	(28,169)	14	(23,339)	(2,494)	(2,494)
10/1/2018	Assumption Change	1,526,587	14	1,264,850	135,167	135,167
10/1/2019	Actuarial Loss (Gain)	2,419,119	15	2,085,014	213,947	213,947
10/1/2019	Assumption Change	(4,439,151)	15	(3,826,060)	(392,599)	(392,599)
10/1/2020	Actuarial Loss (Gain)	802,666	16	716,920	70,927	70,927
10/1/2020	Assumption Change	(367,023)	16	(327,815)	(32,432)	(32,432)
10/1/2021	Actuarial Loss (Gain)	(3,170,932)	17	(2,924,666)	(279,962)	(279,962)
10/1/2021	Assumption Change	1,369,432	17	1,263,077	120,907	120,907
10/1/2022	Actuarial Loss (Gain)	2,536,822	18	2,409,384	223,853	223,853
10/1/2022	Assumption Change	1,353,161	18	1,285,184	119,405	119,405
10/1/2023	Actuarial Loss (Gain)	5,121,092	19	4,996,173	451,771	451,771
10/1/2023	Assumption Change	1,346,122	19	1,313,286	118,752	118,752
10/1/2024	Actuarial Loss (Gain)	2,207,338	20	2,207,338	194,726	194,726
10/1/2024	Assumption Change	5,182,688	20	5,182,688	457,205	457,205
10/1/2024	Combine Tail	(6,212,053)	7	(1,633,812)	0	(283,326)

Other Measurements

Schedule of Amortizations – Fire

October 1, 2024

<u>Date Established</u>	<u>Description</u>	<u>Original Amount</u>	Total	\$161,708,577	\$13,119,317	\$13,574,531
			<u>Remaining Period Years</u>	<u>Remaining Balance</u>	<u>Annual Payment (Prior Assumptions)</u>	<u>Annual Payment (Current Assumptions)</u>
10/1/1995	Assumption Change	(247,322)	1	(28,906)	(28,906)	0
10/1/1995	Actuarial Loss (Gain)	(215,450)	1	(25,180)	(25,180)	0
10/1/1996	Assumption Change	(297,737)	2	(69,976)	(35,697)	0
10/1/1996	Actuarial Loss (Gain)	(219,757)	2	(51,648)	(26,347)	0
10/1/1997	Assumption Change	1,069,910	3	366,413	127,120	0
10/1/1997	Actuarial Loss (Gain)	(2,444,135)	3	(933,359)	(323,811)	0
10/1/1998	Plan Amendment	(268,116)	4	(129,327)	(34,323)	0
10/1/1998	Actuarial Loss (Gain)	(2,508,306)	4	(1,209,915)	(321,109)	0
10/1/1999	Plan Amendment	114,009	5	65,348	14,150	0
10/1/1999	Actuarial Loss (Gain)	(2,039,340)	5	(1,168,881)	(253,099)	0
10/1/2000	Assumption Change	(13,798,204)	6	(8,578,256)	(1,578,384)	0
10/1/2000	Plan Amendment	8,646,272	6	5,375,332	989,052	0
10/1/2000	Actuarial Loss (Gain)	676,828	6	420,781	77,423	0
10/1/2000	Plan Amendment	299,541	6	186,225	34,265	0
10/1/2001	Actuarial Loss (Gain)	7,539,001	7	5,159,780	829,685	0
10/1/2002	Actuarial Loss (Gain)	9,466,755	8	8,933,244	1,281,312	1,281,312
10/1/2003	Actuarial Loss (Gain)	7,616,087	9	6,997,081	909,299	909,299
10/1/2004	Actuarial Loss (Gain)	6,692,396	10	6,256,254	745,735	745,735
10/1/2005	Plan Amendment	4,413,733	11	4,211,111	465,000	465,000

Other Measurements

Schedule of Amortizations – Fire

<u>Date Established</u>	<u>Description</u>	<u>Original Amount</u>	<u>Remaining Period Years</u>	<u>Remaining Balance</u>	<u>Annual Payment (Prior Assumptions)</u>	<u>Annual Payment (Current Assumptions)</u>
10/1/2005	Actuarial Loss (Gain)	2,591,529	11	2,472,556	273,025	273,025
10/1/2006	Actuarial Loss (Gain)	(2,040,207)	12	(1,993,831)	(205,625)	(205,625)
10/1/2007	Actuarial Loss (Gain)	(868,128)	13	(873,858)	(84,748)	(84,748)
10/1/2008	Assumption Change	(2,812,893)	14	(2,895,949)	(265,641)	(265,641)
10/1/2008	Actuarial Loss (Gain)	3,519,341	14	3,623,258	332,356	332,356
10/1/2009	Assumption Change	2,293,100	15	2,394,954	208,825	208,825
10/1/2009	Plan Amendment	23,114	15	24,141	2,105	2,105
10/1/2009	Actuarial Loss (Gain)	3,014,143	15	3,148,022	274,487	274,487
10/1/2010	Assumption Change	2,377,230	16	2,493,133	207,533	207,533
10/1/2010	Actuarial Loss (Gain)	(904,732)	16	(948,844)	(78,983)	(78,983)
10/1/2011	Actuarial Loss (Gain)	(1,874,268)	17	(1,934,284)	(154,298)	(154,298)
10/1/2011	Assumption Change	2,629,741	17	2,713,949	216,492	216,492
10/1/2012	Valuation Software	(2,713,381)	18	(2,815,182)	(215,919)	(215,919)
10/1/2012	Assumption Change	2,714,228	18	2,816,060	215,987	215,987
10/1/2012	Actuarial Loss (Gain)	1,168,034	18	1,211,855	92,947	92,947
10/1/2013	Assumption Change	(3,541,424)	19	(3,685,039)	(272,557)	(272,557)
10/1/2013	Actuarial Loss (Gain)	(1,830,796)	19	(1,905,042)	(140,903)	(140,903)
10/1/2014	Actuarial Loss (Gain)	(1,597,600)	20	(1,670,638)	(119,474)	(119,474)
10/1/2014	Plan Amendment	589	20	616	44	44

Other Measurements

Schedule of Amortizations – Fire

<u>Date Established</u>	<u>Description</u>	<u>Original Amount</u>	<u>Remaining Period Years</u>	<u>Remaining Balance</u>	<u>Annual Payment (Prior Assumptions)</u>	<u>Annual Payment (Current Assumptions)</u>
10/1/2015	Actuarial Loss (Gain)	(1,680,516)	21	(1,761,937)	(122,121)	(122,121)
10/1/2016	Assumption Change	14,229,829	22	14,926,740	1,004,846	1,004,846
10/1/2016	Actuarial Loss (Gain)	(228,270)	22	(239,449)	(16,119)	(16,119)
10/1/2017	Actuarial Loss (Gain)	1,124,272	23	1,177,676	77,150	77,150
10/1/2018	Actuarial Loss (Gain)	(3,291,760)	14	(3,033,825)	(278,288)	(278,288)
10/1/2018	Assumption Change	1,994,558	14	1,838,270	168,622	168,622
10/1/2019	Actuarial Loss (Gain)	2,687,801	15	2,532,683	220,834	220,834
10/1/2019	Assumption Change	(2,706,507)	15	(2,550,312)	(222,371)	(222,371)
10/1/2020	Actuarial Loss (Gain)	9,297,486	16	8,921,731	742,660	742,660
10/1/2020	Assumption Change	(599,422)	16	(575,197)	(47,880)	(47,880)
10/1/2021	Actuarial Loss (Gain)	2,679,081	17	2,608,168	208,054	208,054
10/1/2021	Assumption Change	2,238,789	17	2,179,530	173,861	173,861
10/1/2022	Actuarial Loss (Gain)	5,524,609	18	5,440,297	417,261	417,261
10/1/2022	Plan Change	50,499,089	18	49,728,406	3,814,079	3,814,079
10/1/2022	Assumption Change	3,183,147	18	3,134,568	240,416	240,416
10/1/2023	Actuarial Loss (Gain)	25,773,143	19	25,605,096	1,893,833	1,893,833
10/1/2023	Assumption Change	3,648,609	19	3,624,819	268,103	268,103
10/1/2024	Actuarial Loss (Gain)	8,004,232	20	8,004,232	572,417	572,417
10/1/2024	Assumption Change	12,195,083	20	12,195,083	872,122	872,122
10/1/2024	Combine Tail	(3,692,806)	7	(621,569)	0	(99,947)

Other Measurements

Information to Comply with Florida 60T-1.003(4)(i)

Comparative Summary of Principal Valuation Results

	10/1/2024 7.00% (current methods & assumptions)	10/1/2024 7.00% (prior methods & assumptions)	10/1/2023 7.00%
Participant Data			
Active members	153	153	157
Total annual payroll	\$17,118,281	\$17,118,281	\$17,343,391
Members in DROP	68	68	56
Total annualized benefit	\$5,989,989	\$5,989,989	\$4,684,976
Retired members and beneficiaries	343	343	345
Total annualized benefit	\$20,936,469	\$20,936,469	\$20,662,277
Disabled members receiving benefits	37	37	36
Total annualized benefit	\$2,520,115	\$2,520,115	\$2,388,890
Terminated vested members	3	3	6
Total annualized benefit	\$98,532	\$98,532	\$201,226
Assets			
Actuarial value of assets	\$256,306,551	\$256,306,551	\$247,529,755
Market value of assets	\$257,594,474	\$257,594,474	\$219,648,136

Other Measurements

Information to Comply with Florida 60T-1.003(4)(i)

Comparative Summary of Principal Valuation Results

	10/1/2024 7.00% (current methods & assumptions)	10/1/2024 7.00% (prior methods & assumptions)	10/1/2023 7.00%
Liabilities, present value of all future expected benefit payments			
Active members			
Retirement benefits	\$169,859,486	\$149,663,753	\$158,795,019
Vesting benefits	2,156,045	2,868,699	2,648,779
Disability benefits	5,744,516	5,126,999	4,837,882
Death benefits	1,657,789	1,867,675	1,764,154
Return of contribution	224,313	297,797	268,521
Total	<u>\$179,642,149</u>	<u>\$159,824,923</u>	<u>\$168,314,355</u>
Terminated vested members	\$1,338,017	\$1,308,442	\$2,573,401
Retired members and beneficiaries	\$356,981,816	\$345,603,698	\$316,953,688
Disabled members	\$28,697,845	\$28,012,572	\$26,786,111
Total	\$566,659,827	\$534,749,635	\$514,627,555
Liabilities due and unpaid	\$0	\$0	\$0
Actuarial accrued liability	\$482,275,894	\$464,898,123	\$450,195,671
Unfunded actuarial accrued liability	\$225,969,343	\$208,591,572	\$202,665,916

Other Measurements

Information to Comply with Florida 60T-1.003(4)(i)

Comparative Summary of Principal Valuation Results

	10/1/2024 7.00% (current methods & assumptions)	10/1/2024 7.00% (prior methods & assumptions)	10/1/2023 7.00%
Actuarial present value of accrued benefits			
Statement of actuarial present value of all accrued benefits			
Vested accrued benefits			
Inactive members and beneficiaries	\$408,691,813	\$396,598,847	\$361,646,276
Active members	51,552,284	49,631,290	61,735,177
Total value of all vested accrued benefits	<u>\$460,244,097</u>	<u>\$446,230,137</u>	<u>\$423,381,453</u>
Non-vested accrued benefits	25,171,193	23,936,304	25,960,929
Total actuarial present value of all accrued benefits	<u>\$485,415,290</u>	<u>\$470,166,441</u>	<u>\$449,342,382</u>
Statement of changes in total actuarial present value of all accrued benefits (ASC 960)			
Actuarial present value of accrued benefits, beginning of year	\$449,342,382	\$449,342,382	\$426,334,804
Increase (decrease) during year			
Benefits accumulated	\$15,943,832	\$15,943,832	\$23,696,921
Plan amendment	0	0	0
Changes in actuarial assumptions	15,248,848	0	4,819,169
Interest	30,570,031	30,570,031	29,063,508
Benefits paid	(25,689,804)	(25,689,804)	(34,572,020)
Other changes	0	0	0
Net increase (decrease)	<u>\$36,072,907</u>	<u>\$20,824,059</u>	<u>\$23,007,578</u>
Actuarial present value of accrued benefits, end of year	<u>\$485,415,290</u>	<u>\$470,166,441</u>	<u>\$449,342,382</u>

Other Measurements

Information to Comply with Florida 60T-1.003(4)(i)

Comparative Summary of Principal Valuation Results

	10/1/2024 7.00% (current methods & assumptions)	10/1/2024 7.00% (prior methods & assumptions)	10/1/2023 7.00%
Pension cost			
Normal Cost	\$9,661,759	\$8,541,570	\$8,473,048
Member contributions	\$1,932,952	\$1,876,216	\$1,880,712
Expected plan sponsor contribution	\$27,963,919	\$24,354,963	\$23,604,213
As % of payroll	163.36%	143.19%	136.10%
Member Contributions as % of payroll	11.29%	10.96%	10.84%
Past contributions	9/30/2024		9/30/2023
Required plan sponsor contribution	\$23,987,948		\$15,880,528
Required member contribution	\$1,979,268		\$2,028,099
Actual contributions made by:			
Plan's sponsor	\$23,987,948		\$15,880,528
Members	\$1,979,268		\$2,028,099
Other	\$0		\$0
Net actuarial (gain)/loss (if applicable)	\$10,211,570		\$30,894,235
Other disclosures (where applicable)			
Present value of active member			
Future salaries at attained age	\$147,680,239	\$137,090,714	\$126,448,228
Future contributions at attained age	\$15,746,083	\$14,572,071	\$13,401,385

Other Measurements

Information to Comply with Florida 60T-1.003(4)(i)

Hypothetical City Contribution Requirement for 2025/2026 Fiscal Year

	Police	Fire	Total
Unfunded actuarial accrued liability	\$64,260,766	\$161,708,577	\$225,969,343
Liabilities, present value of all future expected benefit payments			
Active members			
Retirement benefits	\$0	\$169,859,486	\$169,859,486
Vesting benefits	0	2,156,045	2,156,045
Disability benefits	0	5,744,516	5,744,516
Death benefits	0	1,657,789	1,657,789
Return of contribution	0	224,313	224,313
Total	\$0	\$179,642,149	\$179,642,149
Terminated vested members	\$0	\$1,338,017	\$1,338,017
Retired members and beneficiaries	\$142,628,038	\$214,353,778	\$356,981,816
Disabled members	\$12,487,631	\$16,210,214	\$28,697,845
Total	\$155,115,669	\$411,544,158	\$566,659,827
Entry age reserve			
Active	\$0	\$95,258,216	\$95,258,216
Inactive	155,115,668	231,902,010	387,017,678
Total	\$155,115,668	\$327,160,226	\$482,275,894
Accumulated Employee Contributions	\$0	\$14,137,781	\$14,137,781
Present Value of Future Salaries	\$0	\$147,680,239	\$147,680,239
Present Value of Future Member Contributions	\$0	\$15,746,083	\$15,746,083
Annual Inactive Benefits	\$13,028,373	\$16,418,200	\$29,446,573
Covered Payroll	\$0	\$17,118,281	\$17,118,281
ASC 960 Information			
Present Value of Vested Benefits	\$158,629,734	\$301,614,362	\$460,244,096
Present Value of Accrued Benefits	\$158,629,734	\$326,785,556	\$485,415,290

Other Measurements

Information to Comply with Florida 60T-1.003(4)(i)

Hypothetical City Contribution Requirement for 2025/2026 Fiscal Year

	Police	Fire	Total
Actuarial Value at 10/1/2023	\$97,342,526	\$165,943,559	\$263,286,085
Contribution by			
- Members	\$0	\$1,979,268	\$1,979,268
- City	4,890,981	15,264,166	20,155,147
- State	1,759,458	2,073,343	3,832,801
- Total	\$6,650,439	\$19,316,777	\$25,967,216
Net Earnings Recognized ¹	\$5,557,762	\$10,148,685	\$15,706,447
Disbursements			
- Benefit Payment	\$14,908,593	\$10,588,485	\$25,497,078
- Refunds	0	192,726	192,726
- Administrative Expenses ²	273,166	498,811	771,977
- Total	\$15,181,759	\$11,280,022	\$26,461,781
Actuarial Value at 10/1/2024	\$94,368,968	\$184,128,999	\$278,497,967
DROP Account Balance	\$3,052,523	\$18,621,612	\$21,674,135
State Contribution Reserve	\$0	\$0	\$0
Member Plan	\$461,543	\$55,738	\$517,281
Adjusted Actuarial Value at 10/1/2024	\$90,854,902	\$165,451,649	\$256,306,551
Market Value of Assets ³	\$91,311,442	\$166,283,032	\$257,594,474

¹Allocated based on Return of Actuarial Value of Assets

²Allocated based on Net Earnings Recognized

³Allocation based on Adjusted Actuarial Value as of 10/1/2024

Other Measurements

Information to Comply with Florida 60T-1.003(4)(i)

Hypothetical City Contribution Requirement for 2025/2026 Fiscal Year

	Police	Fire	Total
Employer Contributions			
Normal Cost	\$0	\$9,661,759	\$9,661,759
Expected Member Contributions	0	(1,932,952)	(1,932,952)
Net Normal Cost	\$0	\$7,728,807	\$7,728,807
Administrative expense ¹	\$271,256	\$476,516	\$747,772
Amortization of UAAL	\$6,815,810	\$13,574,531	\$20,390,341
Applicable Interest	\$496,095	\$1,524,590	\$2,020,685
Total Recommended Contribution	\$7,583,161	\$23,304,444	\$30,887,605
Expected Non-Employer Contributions	(1,317,773)	(2,073,343)	(3,391,116)
Total Recommended Contribution	\$6,265,388	\$21,231,101	\$27,496,489
As a percentage of payroll	N/A	124.03%	160.63%
Hypothetical Total			\$27,496,489
Total Recommended Contribution (paid in Lump Sum on 12/31)	\$6,371,897	\$21,592,022	\$27,963,919
Total Recommended Contribution (paid in Quarterly Installments)	\$6,534,843	\$22,144,186	\$28,679,029

¹Allocated based on Net Earnings Recognized

Other Measurements

Information to Comply with Florida 60T-1.003(3)(f)

September 30, 2024

Historical Salary Increases and Asset Performance

Year Ending	Payroll Growth	Salary Growth	Expected Salary Growth	Asset Return (Market)	Asset Return (Actuarial)	Asset Return (Expected)
9/30/2024	(1.30%)	7.31%	7.42%	19.13%	5.98%	7.00%
9/30/2023	(8.83%)	10.18%	6.70%	9.06%	3.46%	7.10%
9/30/2022	3.01%	3.54%	6.18%	(16.29%)	3.66%	7.20%
9/30/2021	9.80%	11.16%	6.14%	17.93%	9.28%	7.30%
9/30/2020	4.41%	9.20%	6.26%	6.37%	7.21%	7.30%
9/30/2019	9.54%	7.15%	6.06%	4.04%	5.84%	7.40%
9/30/2018	2.45%	2.52%	5.55%	8.59%	7.19%	7.50%
9/30/2017	6.11%	4.43%	5.41%	10.88%	7.91%	7.50%
9/30/2016	3.56%	6.06%	5.27%	7.63%	8.54%	7.50%
9/30/2015	(0.03%)	4.84%	5.41%	(1.71%)	7.46%	7.50%
9/30/2014	0.90%	5.50%	5.20%	10.00%	9.60%	7.50%
9/30/2013	(9.00%)	1.40%	7.00%	13.70%	8.00%	7.00%
9/30/2012	(7.00%)	1.60%	6.90%	16.80%	2.80%	7.90%
9/30/2011	(7.70%)	(1.50%)	6.40%	1.70%	1.20%	8.10%
9/30/2010	(7.60%)	5.00%	6.50%	10.40%	5.60%	8.30%
Averages						
3-year				2.84%	4.36%	
5-year				6.41%	5.90%	
10-year				6.10%	6.64%	
20-year				6.34%	6.27%	
48-year				8.06%	7.29%	

Other Measurements

Information to Comply with Florida 60T-1.003(3)(f)

September 30, 2024

Amortization of Unfunded Actuarial Accrued Liability

	UAAL	Amortization
10/1/2024	\$225,969,343	\$20,390,341
10/1/2025	\$219,969,534	\$20,763,639
10/1/2026	\$213,150,309	\$21,147,202
10/1/2027	\$205,443,322	\$21,541,315
10/1/2046	\$161,990	\$161,990

Other Measurements

Information to Comply with Florida Statute 112.664 and Florida Administrative Code 60T-1.0035¹

	GASB 7.00%	- 200 bp ² 5.00%	Funding Rate ² 7.00%	October 1, 2024 + 200 bp ² 9.00%
Total pension liability				
Service Cost	\$8,282,328	\$8,282,328	\$8,282,328	\$8,282,328
Interest	30,737,911	30,737,911	30,737,911	30,737,911
Benefit changes	0	0	0	0
Difference between expected and actual experience	30,448,863	7,454,284	7,454,284	7,454,284
Changes in assumptions	5,107,794	156,295,536	17,377,771	(75,457,537)
Benefit payments	(25,497,078)	(25,497,078)	(25,497,078)	(25,497,078)
Contribution refunds	(192,726)	(192,726)	(192,726)	(192,726)
Net change in pension liability	\$48,887,092	\$177,080,255	\$38,162,490	(\$54,672,818)
Total pension liability, beginning of year	\$437,490,906	\$466,304,820	\$466,304,820	\$466,304,820
Total pension liability, end of year	\$486,377,998	\$643,385,075	\$504,467,310	\$411,632,002
Plan fiduciary net position				
Contributions - Employer	\$20,155,147	\$20,155,147	\$20,155,147	\$20,155,147
Contributions - State	1,979,268	1,979,268	1,979,268	1,979,268
Contributions - Member	3,832,801	3,832,801	3,832,801	3,832,801
Net investment income	44,860,737	44,860,737	44,860,737	44,860,737
Benefit payments	(25,497,078)	(25,497,078)	(25,497,078)	(25,497,078)
Contribution refunds	(192,726)	(192,726)	(192,726)	(192,726)
Administrative expense	(771,977)	(771,977)	(771,977)	(771,977)
Other	15,252	15,252	15,252	15,252
Net change in plan fiduciary net position	\$44,381,424	\$44,381,424	\$44,381,424	\$44,381,424
Plan fiduciary net position, beginning of year	\$235,404,466	\$235,404,466	\$235,404,466	\$235,404,466
Plan fiduciary net position, end of year	\$279,785,890	\$279,785,890	\$279,785,890	\$279,785,890
Net pension liability/(asset)	\$206,592,108	\$363,599,185	\$224,681,420	\$131,846,112
Funded ratio	57.52%	43.49%	55.46%	67.97%
Years that Assets support expected benefit payments	11	9	10	12
Estimated employer and employee contribution				
Annual dollar value (as of 10/1)	\$25,820,102	\$42,206,596	\$29,429,441	\$20,182,851
Percentage of payroll	150.83%	246.56%	171.92%	117.90%

¹Includes DROP assets and liabilities

²Based on valuation assumption with the following changes

- changes to mortality rates, inflation rate, salary scale, retirement rates, withdrawal rates, the 1.0048 AME multiplier, and the consolidation of amortization bases established from 10/1/1995 through 10/1/2001 (as described on page 6)

Other Measurements

Information to Comply with Florida Statute 112.664 and Florida Administrative Code 60T-1.0035¹

October 1, 2024

Sustainment of Expected Benefit Payments

Mortality FRS Special Risk Scale MP-2018 Generational
Interest 7.00%

<u>Year</u>	<u>Market Value of Assets</u>	<u>Investment Return</u>	<u>Benefit Payments</u>
1	\$279,785,890	\$17,790,524	\$52,153,176 ¹
2	245,423,238	16,117,994	30,854,195
3	230,687,037	15,069,457	31,348,364
4	214,408,130	13,898,875	32,251,014
5	196,055,991	12,592,759	32,874,886
6	175,773,864	11,137,872	33,896,109
7	153,015,627	9,531,465	34,283,517
8	128,263,575	7,778,903	34,862,419
9	101,180,059	5,836,310	36,221,005
10	70,795,364	3,692,683	36,706,310
11	37,781,737	1,352,550	37,554,338
12	1,579,949		38,165,455

¹Benefit payments include the DROP balance and Share Plan Assets at 9/30/2024

Other Measurements

Information to Comply with Florida Statute 112.664 and Florida Administrative Code 60T-1.0035¹

October 1, 2024

Sustainment of Expected Benefit Payments

Mortality FRS Special Risk Scale MP-2021 Generational
 Interest 5.00%

<u>Year</u>	<u>Market Value of Assets</u>	<u>Investment Return</u>	<u>Benefit Payments</u>
1	\$279,785,890	\$12,701,259	\$52,157,590 ¹
2	240,329,559	11,251,975	30,957,714
3	220,623,820	10,251,841	31,558,928
4	199,316,733	9,161,563	32,568,169
5	175,910,127	7,972,312	33,334,331
6	150,548,108	6,675,575	34,493,953
7	122,729,730	5,272,411	34,989,808
8	93,012,333	3,767,777	35,749,602
9	61,030,508	2,129,510	37,335,994
10	25,824,024		38,015,317

¹Benefit payments include the DROP balance and Share Plan Assets at 9/30/2024

Other Measurements

Information to Comply with Florida Statute 112.664 and Florida Administrative Code 60T-1.0035¹

October 1, 2024

Sustainment of Expected Benefit Payments

Mortality FRS Special Risk Scale MP-2021 Generational
 Interest 7.00%

<u>Year</u>	<u>Market Value of Assets</u>	<u>Investment Return</u>	<u>Benefit Payments</u>
1	\$279,785,890	\$17,790,372	\$52,157,590 ¹
2	245,418,672	16,114,113	30,957,714
3	230,575,071	15,054,374	31,558,928
4	214,070,517	13,864,329	32,568,169
5	195,366,677	12,528,698	33,334,331
6	174,561,044	11,032,404	34,493,953
7	151,099,495	9,373,034	34,989,808
8	125,482,721	7,553,717	35,749,602
9	97,286,836	5,525,420	37,335,994
10	65,476,262	3,275,306	38,015,317
11	30,736,251		39,033,919

¹Benefit payments include the DROP balance and Share Plan Assets at 9/30/2024

Other Measurements

Information to Comply with Florida Statute 112.664 and Florida Administrative Code 60T-1.0035¹

October 1, 2024

Sustainment of Expected Benefit Payments

Mortality FRS Special Risk Scale MP-2021 Generational
Interest 9.00%

<u>Year</u>	<u>Market Value of Assets</u>	<u>Investment Return</u>	<u>Benefit Payments</u>
1	\$279,785,890	\$22,884,197	\$52,157,590 ¹
2	250,512,497	21,183,036	30,957,714
3	240,737,819	20,276,844	31,558,928
4	229,455,735	19,217,018	32,568,169
5	216,104,584	17,981,680	33,334,331
6	200,751,933	16,548,883	34,493,953
7	182,806,863	14,911,994	34,989,808
8	162,729,049	13,071,536	35,749,602
9	140,050,983	10,960,660	37,335,994
10	113,675,649	8,556,969	38,015,317
11	84,217,301	5,860,868	39,033,919
12	51,044,250	2,839,324	39,850,834
13	14,032,740		40,541,871

¹Benefit payments include the DROP balance and Share Plan Assets at 9/30/2024

Other Measurements

Reserve Account for Future Benefit Improvements Under F.L. 99-1

1. <u>Adjusted Base Amount at 10/1/2024</u>					
Year		Ch. 185	Ch. 175	Suppl.	Total
<u>Established</u>	<u>Description</u>	<u>Police</u>	<u>Fire</u>	<u>Fire</u>	<u>Fire</u>
	Adjusted Base Amount as of 10/1/10	798,463	704,031	28,723	732,754
2012	Ordinances 2012-30/31	0	88,476	0	88,476
2017	Ordinance 2017-30	77,625	0	0	0
	Adjusted Base Amount	876,088	792,507	28,723	821,230
2. <u>Reserve Account for 2023/2024</u>		<u>Police</u>			<u>Fire</u>
(a)	Reserve Account at September 30, 2023	367,516			N/A
(b)	Share Plan Allocation Paid Out	(809,201)			N/A
(c)	Share Plan Allocation for Reserve	441,685			N/A
(d)	Reserve Account at September 30, 2024 (a + b + c)	0			N/A
(e)	City Contribution Receivable for State Premium Shortfall				
i.	Premium Tax Distribution for 2023	1,759,458	1,815,297	258,046	2,073,343
ii.	Adjusted Base Amount	876,088			N/A
iii.	Shortfall of State Premium Tax Distribution	0			N/A
3. <u>Allocation of Accumulated Reserve Account under SB 172</u>		<u>Police</u>			<u>Fire</u>
(a)	Amount allocated to contribution	(441,685)			N/A
(b)	Amount allocated to Member Plan	(441,685)			N/A
(c)	Total	(883,370)			N/A
(d)	Total excess for fiscal year	883,370			N/A
(e)	Final Reserve Account at September 30, 2024	0			N/A
4. <u>Reconciliation of Share Plan Account Balances</u>		<u>Police</u>	<u>Fire</u>		<u>Total Plan</u>
(a)	Starting Balance at September 30, 2023	367,516	55,738		423,254
(b)	Distributions during plan year	(349,308)	0		(349,307)
(c)	Allocations of Premium Tax during plan year	441,685	0		441,684
(d)	Allocated earnings and adjustments	1,650	0		1,650
(e)	Ending Balance at September 30, 2024	461,543	55,738		517,281
5. <u>Reconciliation of DROP Account Balances</u>		<u>Police</u>	<u>Fire</u>		<u>Total Plan</u>
(a)	Starting Balance at September 30, 2023	4,122,964	11,210,112		15,333,076
(b)	Distributions during plan year	(1,878,108)	(191,843)		(2,069,951)
(c)	Allocations during plan year	191,057	5,204,759		5,395,816
(d)	Interest earned	616,609	2,398,585		3,015,194
(e)	Ending Balance at September 30, 2024	3,052,522	18,621,613		21,674,135

Other Measurements

Low-Default-Risk Obligation Measure (LDROM)

The LDROM liability represents the estimated asset value as of the measurement date the Plan would need in order to purchase a low-default-risk fixed income securities portfolio with durations that are reasonably consistent with the timing of benefits expected to be paid from the plan.

	October 1, 2024
LDROM liability	\$ (617,408,104)
Market value of assets	<u>\$ 257,594,474</u>
LDROM funded status	\$ (359,813,630)

The LDROM liability measure is for informational purposes only. The plan sponsor has no requirements to contribute to the Plan to meet this threshold, and the funded status on this basis is not used for any restrictions.

The LDROM funding target could reasonably be viewed as the assets needed to immunize the Plan against investment risk. If Plan assets are not funded to this level, it does not necessarily mean the security of participant benefits is at risk. If Plan assets are invested to earn in excess of a fixed income portfolio, future investment returns could make up the underfunding. If the plan is fully funded, or nearly fully funded, on the LDROM measure, the plan sponsor may want to consider reducing investment risk in order to offer greater benefit security and lower contribution volatility.

The above LDROM liability measure applies a single effective discount rate, 5.05%, that would produce approximately the same discounted plan cashflows as the FTSE Above Median Double-A Pension Discount Curve as of September 30, 2024. The measures above do not reflect reserved assets or their associated liabilities. All other data, assumptions, methods and provisions are the same as those detailed in this report. We did not perform an analysis of assumption or provision changes resulting from a potential shift in investment policy due to the limited scope of our engagement.