City of Sunrise General Employees' Retirement Plan

Actuarial Valuation Report as of October 1, 2021
Annual Employer Contribution for the Fiscal Year Ending September 30, 2023

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April 26, 2022

Board of Trustees
City of Sunrise General Employees Retirement Plan
Sunrise, FL

Re: City of Sunrise General Employees' Retirement Plan
Actuarial Valuation as of October 1, 2021 and Actuarial Disclosures

Dear Board Members:

The results of the October 1, 2021 Annual Actuarial Valuation of the City of Sunrise General Employees' Retirement Plan are presented in this report.

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

The purposes of the valuation are to measure the System's funding progress, to determine the employer contribution rate for the fiscal year ending September 30, 2023, and to estimate the actuarial information for Governmental Accounting Standards Board (GASB) Statements No. 67 and No. 68 for the fiscal year ending September 30, 2022. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

The contribution rate in this report is determined using the actuarial assumptions and methods disclosed in Section II of this report. This report includes risk metrics in Section I but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The findings in this report are based on data and other information through September 30, 2021. The valuation was based upon information furnished by the Plan Administrator concerning Retirement System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by the Plan Administrator.

This report was prepared using assumptions adopted by the Board. All actuarial assumptions used in this report are reasonable for the purposes of this valuation. All actuarial assumptions and methods used in the

valuation follow the guidance in the applicable Actuarial Standards of Practice. Additional information about the actuarial assumptions is included in the section of this report entitled Actuarial Cost Methods and Assumptions.

This report was prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Sunrise General Employees Retirement Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board, and with applicable statutes.

Theora Braccialarghe and Jeff Amrose are members of the American Academy of Actuaries. These actuaries meet the Academy's Qualification Standards to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

This actuarial valuation and/or cost determination 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. In our opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices. 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 considered in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been considered in the valuation.

Gabriel, Roeder, Smith & Company will be pleased to review this valuation and Report with the Board of Trustees and to answer any questions pertaining to the valuation.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

By Theora Braccialarghe

Theora P. Braccialarghe, FSA, MAAA, FCA
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Enrolled Actuary No. 20-6599

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SECTION I

INTRODUCTION

DISCUSSION

REQUIRED CONTRIBUTIONS

The following table shows the required contribution for fiscal year ending 9/30/2023, as well as the required contribution for fiscal year ending 9/30/2022 for comparison.

Required Contributions

Based on Valuation as of: **For Fiscal Year:**	**10/1/2021** **2022/2023**	**10/1/2020** **2021/2022**	**Increase** **(Decrease)**
Members As a % of Payroll			
Tier I Commissioners, Management, and Senior Management Personnel	11.75%	11.75%	0%
Tier I Other Personnel	9.51%	9.51%	0%
Tier II and Tier III Members	8.00%	8.00%	0%
City			
Amount, paid quarterly*	$14,929,736	$15,378,832	-$449,096
As a % of Payroll	35.51%	38.53%	-3.02%
Amount, beginning of year*	$14,301,377	$14,740,421	-$439,044
As a % of Payroll	34.02%	36.93%	-2.91%

*The credit balance of $5,121,918 as of October 1, 2021 may be used as an offset to the Required City Contribution.

The required employer contribution of $14,929,736 includes interest assuming payments will be made at the end of each quarter during the fiscal year. Alternatively, if the full contribution for the fiscal year ending September 30, 2023 is paid on October 1, 2022, the required employer contribution is $14,301,377 or 34.02% of covered payroll.

When the city contribution, excluding the cost of post September 13, 1999 benefits for management and senior management personnel, exceeds 14.00% plus the cost of specified buy-backs, member contributions are increased by half of the excess percentage of payroll. The Plan includes caps on member contributions during the term of the 2014-2017, extended during the term of the 2017-2020 collective bargaining agreement, and beyond the term of the latest agreement until a new agreement is ratified. For members hired before 10/1/09 the caps are 9.51% for general employees and 11.75% for senior management, management and commissioners. For general employees hired on or after 10/1/09, the cap is 8.00%, and for other employees hired on or after 10/1/09, there is no cost sharing at all. Since the City contribution excluding the specified benefits and buybacks is over 14.00%, member contributions are at the caps summarized above. Until there is a subsequent collective bargaining agreement, the terms of the 2017-2020 agreement will apply.

VALUATION APPLICABLE TO FISCAL YEAR ENDED ON THE VALUATION DATE

The City contribution for the 2020/2021 year was determined by the October 1, 2019 valuation. The actual employer contribution during the fiscal year end September 30, 2021, made at the beginning of the year, was $14,164,599 compared to the required beginning-of-the-year contribution of $14,164,599.

EXPERIENCE

There was a net actuarial gain of $5,022,678 for the year, which means that actual experience overall was more favorable than assumed. This was primarily due to a greater return on investments than expected. The actual return on a market value basis net of investment expenses was 22.0%. Including portions of investment gains and losses from previous years, which continue to be smoothed into valuation assets, the investment return on a valuation asset basis was 11.0%, as compared to the assumed rate of 7.0%. Partially offsetting the investment gain was a loss primarily due to salary increases more than expected. Average salary increases were 7.92% as compared to an expected average increase of 5.14% for the year ended September 30, 2021.

The normal cost for the entire group is continuing to decrease as a percent of payroll, due to the tier 2 and tier 3 benefit structures. For example, the normal cost rates for the different tiers as of October 1, 2021 are 14.0% of pay for tier 1 Employees, 7.5% of pay for tier 2 Employees and 3.6% of pay for tier 3 Employees. With both tier 1 and tier 2 closed to new members, the tier 1 membership payroll has decreased from 35% of the total payroll last year to 30% of the total covered payroll this year, and the tier 2 membership payroll has decreased from 54% of the total payroll last year to 51% of the total covered payroll this year. The normal cost rate is expected to migrate to 3.6% over time as tier 3 members eventually make up the total population.

CHANGE IN BENEFITS

There were no changes in benefit provisions in connection with this valuation.

CHANGE IN ACTUARIAL ASSUMPTIONS OR METHODS

There were no changes in actuarial assumptions or methods in connection with this valuation.

FUNDED RATIO

The funded ratio, one measure of the Plan's financial health, is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability. The funded ratio is 73.1% this year compared to 69.2% last year. If the market value of assets were used in this measurement, the funded ratio, after assumption changes, would have been 81.8%. These funded ratios do not net out the credit balance from the Plan's assets.

VARIABILITY OF FUTURE CONTRIBUTION RATES

The Actuarial Cost Method used to determine the contribution is intended to produce contribution rates which are generally level as a percent of payroll. Even so, when experience differs from the assumptions, as it often does, the employer's contribution rate can vary significantly from year to year.

Over time, if the year-to-year gains and losses offset each other, the contribution rate would be expected to return to the current level, but this does not always happen.

The market value of assets exceeded the valuation assets by about $30.8 million as of the valuation date. This difference will be recognized gradually, and in the absence of offsetting losses, is expected to decrease the employer contribution rate by about 5.8% of covered payroll over the next few years.

Another area of potential variability has to do with the annual payment on the Unfunded Accrued Liability (UAL). This payment is scheduled to increase by 2.27% per year. If the actual payroll growth is less than 2.27%, the amortization payments will increase as a percent of payroll. There is also a small increase in the amortization payments due to the one-year lag between the valuation date and the year for which the contribution is determined. If the payroll growth assumption were lowered to 0%, the employer contribution rate would increase by about 4.1% of covered payroll.

RELATIONSHIP TO MARKET VALUE

If Market Value had been the basis for the valuation, funded ratio would have been 81.8% and the City contribution rate, reflecting quarterly payments, would have been 29.75%. In absence of other gains and losses, the City contribution rate can be expected to move in that direction over the next few years.

RECOMMENDATIONS

We recommend the Board continue to reduce the investment return assumption as the fund grows and risk is reduced in the portfolio.

CONCLUSION

The remainder of this Report covers detailed actuarial valuation results, financial information, other information and statistics, a summary of plan provisions, and annual filings required by law.

RISKS ASSOCIATED WITH THE MEASURING THE ACCRUED LIABILITY AND ACTUARIALLY DETERMINED CONTRIBUTION

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

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 due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. Investment risk – actual investment returns may differ from the expected returns;
2. Asset/Liability mismatch – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. Contribution risk – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base;
4. Salary and Payroll risk – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. Longevity risk – members may live longer or shorter than expected and receive pensions for a period of time other than assumed;
6. Other demographic risks – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

The required contribution rate shown on page 1 may be considered as a minimum contribution rate that complies with the Board's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.

PLAN MATURITY MEASURES

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

	2021	2020
Ratio of the market value of assets to total payroll	7.0	6.1
Ratio of actuarial accrued liability to payroll	8.6	8.6
Ratio of active members to inactive members	0.8	0.8
Ratio of net cash flow to market value of assets	-0.011	-0.004

RATIO OF MARKET VALUE OF ASSETS TO PAYROLL

The relationship between assets and payroll is a useful indicator of the potential volatility of contributions. For example, if the market value of assets is 2.0 times the payroll, a return on assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in plan sponsor contributions as a percentage of payroll.

RATIO OF ACTUARIAL ACCRUED LIABILITY TO PAYROLL

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of contributions for a fully funded plan. A funding policy that targets a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time.

The ratio of liability to payroll may also be used as a measure of sensitivity of the liability itself. For example, if the actuarial accrued liability is 2.5 times the payroll, a change in liability 2% other than assumed would equal 5% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in liability (and also plan sponsor contributions) as a percentage of payroll.

RATIO OF ACTIVES TO RETIREES AND BENEFICIARIES

A young plan with many active members and few retirees will have a high ratio of active to retirees. A mature open plan may have close to the same number of actives to retirees resulting in a ratio near 1.0. A super-mature or closed plan may have significantly more retirees than actives resulting in a ratio below 1.0.

RATIO OF NET CASH FLOW TO MARKET VALUE OF ASSETS

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

ADDITIONAL RISK ASSESSMENT

Additional risk assessment is outside the scope of the annual actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.

RECENT CHANGES IN PLAN, ASSUMPTIONS AND METHODS

1. Effective October 1, 2016, actuarial and economic assumptions were updated:

    a. The mortality tables were changed to that used by the Florida Retirement System (FRS)
    b. The assumed rate of return, net of investment expenses, was lowered from 7.50% to 7.45%
    c. The assumed rate of price inflation was lowered from 3.0% to 2.5%.
    d. The assumed rates of individual salary increase, rates of retirement, rates of disability, and rates of separation from employment were updated to reflect experience

2. Effective October 1, 2017, the assumed rate of return was lowered from 7.45% net of investment expenses, to 7.35% net of investment expenses, and the price inflation rate was lowered by the same amount, from 2.5% to 2.4%.

3. Effective October 1, 2018, the assumed rate of return was lowered from 7.35% net of investment expenses, to 7.25% net of investment expenses, and the price inflation rate was lowered by the same amount, from 2.4% to 2.3%.

4. Ordinance No. 124-X-18-B, passed and adopted August 14, 2018, implements certain provisions of the 2017-2020 Collective Bargaining Agreement (CBA) between the City and the Sunrise General Employees Union, Inc.

    a. Establishes a third tier of benefits, outlined in Section V of this report, for active participants hired on or after October 1, 2018. Tier 3 members will be reflected beginning with the October 1, 2019 actuarial valuation.

    b. The maximum employee contribution rate of 9.51% for general employees and 11.75% for management, senior management, and commissioner employees was extended for the period of the new CBA.

5. Effective October 1, 2019, the following actuarial assumptions were updated:

    a. The assumed rate of return was lowered from 7.25% net of investment expenses, to 7.15% net of investment expenses, and the price inflation rate was lowered by the same amount, from 2.3% to 2.2%.

    b. Florida Statutes Chapter 112.63(1)(f) mandate the use of the mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System (FRS). The mortality rates have been updated per the FRS update to its mortality assumption in the July 1, 2019 Actuarial Valuation.

6. Effective October 1, 2020, the assumed rate of return was lowered from 7.15% net of investment expenses, to 7.00% net of investment expenses, and the price inflation rate was lowered by the same amount, from 2.20% to 2.05%.

SECTION II

VALUATION RESULTS

SUMMARY OF VALUATION RESULTS AS OF OCTOBER 1

	2021	2020
Covered Group		
A. Number of Participants		
Actives	557	554
Retirees, Disabilities, Beneficiaries and Vested Terminations	618	588
DROP Participants	83	90
Total Covered Annual Payroll	$41,108,911	$39,027,379
Long Range Cost		
B. Actuarial Present Value of Projected Benefits	$411,708,154	$393,995,065
C. Actuarial Present Value of Future Normal Costs	59,805,667	57,971,249
D. Actuarial Accrued Liability (AAL): B - C	351,902,487	336,023,816
E. Valuation Assets	257,085,637	232,648,098
F. Unfunded Actuarial Accrued Liability (UAAL): D - E	94,816,850	103,375,718
G. Credit Balance	5,121,918	4,786,839
H. Outstanding Balances: F + G	99,938,768	108,162,557
Current Cost		
I. Payment Required to Amortize UAAL	10,183,686	10,586,458
As % of Payroll	24.77%	27.13%
J. Employer Normal Cost (for current year)	4,053,076	4,096,853
As % of Payroll	9.86%	10.50%
K. Fiscal Year End to which Contributions Apply	2023	2022
L. Required City Contribution before Cost Sharing*	15,188,295	15,655,033
As % of Payroll	36.13%	39.22%
M. Required Contributions after Cost Sharing*		
1. City As $ Amount, paid Quarterly	14,929,736	15,378,832
2. City As % of Payroll	35.51%	38.53%
3. Tier I Senior Management Personnel	11.75%	11.75%
4. Tier I City Commissioners	11.75%	11.75%
5. Tier I Management Personnel	11.75%	11.75%
6. Tier I Other Personnel	9.51%	9.51%
7. Tier II and Tier III Personnel	8.00%	8.00%

*In accordance with the cost sharing provisions in Section 11-26 of the City Ordinance.

DERIVATION OF NORMAL COST AS OF OCTOBER 1

	2021	2020
A. Entry Age Normal Costs for Benefits		
1. Service Retirement Benefits	$5,967,873	$5,916,069
2. Vesting Benefits	685,073	661,848
3. Disability Benefits	101,881	96,911
4. Preretirement Death Benefits	189,101	181,963
5. Return of Contributions	233,168	215,708
6. Total	7,177,096	7,072,499
B. Normal Cost for Administrative Expense	193,837	176,507
C. Expected Member Contributions (Before Cost Sharing)	3,317,857	3,152,153
D. Total Employer Normal Costs: (A)+(B)-(C)	4,053,076	4,096,853

PRESENT VALUE OF PROJECTED BENEFITS AS OF OCTOBER 1

	2021	2020
A. Present Value of Future Salaries	$392,473,161	$366,086,715
B. Present Value of Future Member Contributions	31,528,285	29,427,452
C. Present Value of Projected Benefits		
1. Active Members		
a. Service Retirement Benefits	150,066,626	146,305,245
b Vesting Benefits	8,403,251	8,049,137
c. Disability Benefits	1,794,971	1,668,639
d Preretirement Death Benefits	3,486,561	3,287,533
e. Return of Contributions	947,416	844,694
f. Total	164,698,825	160,155,248
2. DROP Participants	50,618,700	53,918,781
3. Inactive Members		
a. Service Retirees	176,053,303	160,293,274
b Disability Retirees	1,118,512	1,137,283
c. Beneficiaries Receiving Benefits	10,217,054	9,707,147
d Terminated Vested Members	9,001,760	8,783,332
e. Total	196,390,629	179,921,036
4. Grand Total	411,708,154	393,995,065

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

The Unfunded Actuarial Accrued Liability (UAAL) is being amortized as a level percent of payroll over the number of years remaining in the amortization period. Details relating to the UAAL are as follows:

Original UAAL			Current UAAL		
Date	Orig. Years	Amount	Years Left	Amount	Payment
10/1/02 Unfunded Liability	30	$ 865,090	11	$ 1,773,205	$ 200,039
10/1/03 Amendment	30	5,655,559	12	7,380,090	779,111
10/1/05 Re-initialize UFAAL	30	15,576,548	12	16,593,307	1,751,743
10/1/06 Change in Method:EANC	30	2,462,151	12	2,669,136	281,779
10/1/06 Change in Assumptions	30	6,902,728	12	7,483,012	789,976
10/1/07 (Gain) / Loss	30	(1,258,017)	12	(1,343,126)	(141,793)
10/1/07 Amendments	30	2,482,003	12	2,649,916	279,750
10/1/08 (Gain) / Loss	30	4,728,552	12	4,895,586	516,823
10/1/08 Change in Assumptions	30	482,707	12	499,757	52,759
10/1/09 (Gain) / Loss	30	7,192,206	12	7,181,405	758,136
10/1/10 (Gain) / Loss	30	5,909,739	12	5,687,815	600,458
10/1/10 Change in Assumptions	30	2,204,398	12	2,121,618	223,978
10/1/11 (Gain) / Loss	30	6,132,943	12	5,767,441	608,865
10/1/11 Change in Assumptions	30	2,504,488	12	2,355,229	248,640
10/1/12 (Gain) / Loss	30	4,562,246	12	4,187,964	442,120
10/1/13 (Gain) / Loss	20	(3,752,497)	12	(3,393,404)	(358,239)
10/1/13 Change in Assumptions	20	6,287,578	12	5,685,889	600,255
10/1/14 (Gain) / Loss	20	1,268,556	13	1,179,946	117,364
10/1/14 Change in Assumptions	20	2,870,501	13	2,669,991	265,572
10/1/15 (Gain) / Loss	20	5,540,664	14	5,256,886	495,498
10/1/16 (Gain) / Loss	20	683,000	15	655,531	58,843
10/1/16 Change in Assumptions	20	16,271,846	15	15,617,399	1,401,883
10/1/17 (Gain) / Loss	20	(3,561,613)	16	(3,422,576)	(293,838)
10/1/17 Change in Assumptions	20	3,146,893	16	3,024,046	259,623
10/1/18 (Gain) / Loss	20	(550,914)	17	(536,800)	(44,243)
10/1/18 Change in Assumptions	20	3,334,573	17	3,249,144	267,795
10/1/19 (Gain) / Loss	20	2,678,817	18	2,641,196	209,675
10/1/19 Change in Assumptions	20	(870,814)	18	(858,584)	(68,160)
10/1/20 (Gain) / Loss	20	(2,154,836)	19	(2,143,070)	(164,349)
10/1/20 Change in Assumptions	20	5,463,327	19	5,433,497	416,687
10/1/21 (Gain) / Loss	20	(5,022,678)	20	(5,022,678)	(373,064)
Totals				99,938,768	10,183,686

The Unfunded Actuarial Accrued Liability is currently being amortized as a level percent of pay over the number of years remaining in the amortization period. The expected amortization schedule is as follows:

Fiscal Year Ended	UAAL
2021	$ 99,938,768
2022	96,037,938
2023	91,616,699
2024	86,633,007
2025	81,041,747
2030	42,149,274
2035	2,348,022
2040	(571,215)
2041	0

CREDIT BALANCE RECONCILIATION

A credit balance was established as of October 1, 2006, based on excess employer contributions from 1994 through 2003, without any adjustments for interest. The balance is being carried forward with interest adjustments and additions or withdrawals based on the amount contributed by the City relative to the required amount.

Plan Year Ending	Required City Contribution	Actual City Contribution	Credit Balance
9/30/2021	$ 14,164,599	$ 14,164,599	$ 5,121,918
9/30/2020	13,785,067	13,785,067	4,786,839
9/30/2019	13,530,354	13,530,354	4,467,419
9/30/2018	13,239,759	13,239,759	4,165,426
9/30/2017	11,255,914	11,255,914	3,880,229
9/30/2016	10,310,136	10,310,136	3,611,195
9/30/2015	9,797,263	9,797,263	3,359,251
9/30/2014	9,606,777	9,606,777	3,124,885
9/30/2013	9,183,372	9,183,372	2,906,870
9/30/2012	8,377,259	8,377,259	2,691,546
9/30/2011	7,914,922	7,914,922	2,492,172
9/30/2010	7,141,640	7,141,640	2,304,899
9/30/2009	6,303,149	6,303,149	2,129,237
9/30/2008	5,977,714	5,977,714	1,966,963
9/30/2007	4,548,500	4,548,500	1,817,056
9/30/2006	4,474,168	4,474,168	1,678,574
9/30/2005	3,465,193	3,465,193	0
9/30/2004	2,322,063	2,322,063	0
9/30/2003	1,606,078	1,670,844	0
9/30/2002	1,428,961	2,066,999	0
9/30/2001	848,597	951,272	0
9/30/2000	235,100	725,629	0
9/30/1999	1,057,800	1,126,386	0
9/30/1998	1,270,700	1,389,888	0
9/30/1997	1,353,800	1,420,149	0
9/30/1996	859,900	954,383	0
9/30/1995	218,500	241,026	0
9/30/1994	1,209,400	1,220,834	0

ACTUARIAL GAINS AND LOSSES

The assumptions used to anticipate mortality, employment turnover, investment income, expenses, salary increases, and other factors have been based on long range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the period involved. If significant long-term experience reveals consistent deviation from what has been expected and that deviation is expected to continue, the assumptions should be modified. This year's gain/(loss) was determined as follows:

DEVELOPMENT OF ACTUARIAL GAIN / (LOSS)	
Plan Year Ending	9/30/2021
A. Derivation of Actuarial Gain / (Loss)	
1. Prior Year Unfunded Actuarial Accrued Liability (UAAL)	$ 103,375,718
2. Prior Year Normal Cost (NC)	4,096,853
3. Employer Contributions Previous Year (based on 10/1/19 Valuation)	14,164,599
4. Interest on:	
a. UAAL and NC	7,523,078
b. Contributions	991,522
c. Net Total: (a) - (b)	6,531,556
5. This Year Expected UAAL: (1) + (2) - (3) + (4)	99,839,528
6. This Year Actual UAAL Before Benefit/Assumption Changes	94,816,850
7. Actuarial Gain / (Loss): (5) - (6)	5,022,678
B. Approximate Portion of Gain / (Loss) Due to Investments	9,642,717
C. Approximate Portion of Gain / (Loss) Due to Other Sources: (A) - (B)	$ (4,620,039)

Net actuarial gains in this and previous years have been as follows:

Year Ending	Actuarial Gain (Loss)
9/30/2021	$ 5,022,678
9/30/2020	2,154,836
9/30/2019	(2,678,817)
9/30/2018	550,914
9/30/2017	3,561,613
9/30/2016	(683,000)
9/30/2015	(5,540,664)
9/30/2014	(1,268,556)
9/30/2013	3,752,497
9/30/2012	(4,562,246)

The fund earnings and salary increase assumptions have considerable impact on the cost of the Plan. It is important that they be in line with the actual experience. The following table shows the actual fund earnings and salary increase rates compared to the assumed rates.

	Rate of Return		Salary Increases	
Year Ended	Actual	Assumed	Actual	Assumed
9/30/2021	11.0 %	7.00 %	7.9 %	5.1 %
9/30/2020	8.4	7.15	6.0	5.2
9/30/2019	6.9	7.25	5.8	5.0
9/30/2018	7.8	7.35	6.5	5.1
9/30/2017	8.1	7.45	0.6	5.2
9/30/2016	8.5	7.50	8.7	5.2
9/30/2015	7.4	7.50	12.5	5.1
9/30/2014	9.5	7.50	8.8	5.2
9/30/2013	8.5	8.00	3.2	5.9
9/30/2012	2.3	8.00	1.4	5.9

The actual investment return rates shown above are based on the actuarial value of assets. The actual salary increases shown above are the increases in valuation pay received by those who were included as active members in both the current and prior actuarial valuation.

RECENT HISTORY OF VALUATION RESULTS

Val'n Date	Number of Members			Covered Annual Payroll	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Employer Normal Cost	
	Active	DROP	Inactive				Amount	% of Payroll
10/1/21	557	83	618	$ 41,108,911	$ 257,085,637	$ 94,816,850	$ 4,053,076	9.86 %
10/1/20	554	90	588	39,027,379	232,648,098	103,375,718	4,096,853	10.50
10/1/19	558	85	577	38,155,382	214,695,646	103,179,903	3,995,019	10.47
10/1/18	538	84	560	36,132,250	201,504,450	104,070,647	3,978,962	11.01
10/1/17	540	86	548	35,240,205	185,348,513	103,421,067	4,170,799	11.84
10/1/16	537	69	546	35,656,748	171,658,101	103,643,506	4,248,783	11.92
10/1/15	505	72	530	31,775,096	158,977,213	87,088,447	3,862,303	12.16
10/1/14	482	85	494	28,384,840	147,777,470	82,084,451	3,571,214	12.58
10/1/13	469	94	458	26,603,455	136,124,674	78,524,675	3,589,444	13.49
10/1/12	484	95	428	26,990,816	123,608,017	75,563,067	3,981,039	14.75

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Entry Age Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL As % of Covered Payroll [(b)-(a)]/(c)
10/1/21	$ 257,085,637	$ 351,902,487	$ 94,816,850	73.1 %	$ 41,108,911	230.6 %
10/1/20	232,648,098	336,023,816	103,375,718	69.2	39,027,379	264.9
10/1/19	214,695,646	317,875,549	103,179,903	67.5	38,155,382	270.4
10/1/18	201,504,450	305,575,097	104,070,647	65.9	36,132,250	288.0
10/1/17	185,348,513	288,769,580	103,421,067	64.2	35,240,205	293.5
10/1/16	171,658,101	275,301,607	103,643,506	62.4	35,656,748	290.7
10/1/15	158,977,213	246,065,660	87,088,447	64.6	31,775,096	274.1
10/1/14	147,777,470	229,861,921	82,084,451	64.3	28,384,840	289.2
10/1/13	136,124,674	214,649,349	78,524,675	63.4	26,603,455	295.2
10/1/12	123,608,017	199,171,084	75,563,067	62.1	26,990,816	280.0
10/1/11	120,143,329	189,892,774	69,749,445	63.3	27,618,109	252.5
10/1/10	117,661,547	177,683,859	60,022,312	66.2	26,013,750	230.7
10/1/09	113,739,248	163,886,756	50,147,508	69.4	25,457,453	197.0
10/1/08	109,409,765	150,914,942	41,505,177	72.5	27,552,303	150.6
10/1/07	100,965,565	136,197,667	35,232,102	74.1	26,315,942	133.9
10/1/06	89,522,831	123,028,694	33,505,863	72.8	25,558,247	131.1
10/1/05	81,221,757	105,624,336	24,402,579	76.9	23,805,069	102.5
10/1/04	76,484,956	96,028,943	19,543,987	79.6	22,938,276	85.2
10/1/03	73,585,609	85,055,350	11,469,741	86.5	22,934,745	50.0
10/1/02	70,311,343	71,176,433	865,090	98.8	21,559,323	4.0
10/1/01	68,788,451	63,488,252	0	108.3	21,226,895	0.0
10/1/00	59,789,067	52,961,756	0	112.9	20,051,697	0.0
10/1/99	56,393,542	47,731,500	0	118.1	19,371,956	0.0

FASB STATEMENT NO. 35 AS OF OCTOBER 1

	2021	2020
A. Members Included in the Valuation		
1. Employees: Vested	309	288
a. Not Vested	248	266
b. Total	557	554
2. DROP members	83	90
3. Members receiving benefits & other members	618	588
4. Total	1,258	1,232
B. Statement of Accumulated Plan Benefits		
1. Actuarial present value (APV) of accumulated vested plan benefits		
a. Members currently receiving benefits	$ 187,388,869	$ 171,137,704
b. DROP Reserve	8,794,026	9,971,860
c. Employees & Other Members		
i. Member contribution balances with interest	23,624,259	23,116,595
ii. Employer provided portion	115,102,115	118,613,126
iii. Total	138,726,374	141,729,721
d. APV of accumulated vested plan benefits	334,909,270	322,839,285
2. APV of accumulated non-vested plan benefits	2,279,985	2,492,981
3. Total APV of accumulated plan benefits	337,189,254	325,332,266
C. Statement of Change in Accumulated Plan Benefits		
1. Beginning of Year APV of accumulated plan benefits	325,332,266	310,394,723
2. Increase (decrease) during year attributable to:		
a. Plan Amendment	0	0
b. Change in actuarial assumptions	0	5,088,524
c. Benefits paid	(20,757,810)	(17,934,289)
d. Other, including benefits accumulated and interest	32,614,798	27,783,308
e. Net Increase	11,856,988	14,937,543
3. End of Year APV of accumulated plan benefits	337,189,254	325,332,266
D. Market Value of Assets	296,665,027	246,227,533
E. Funded Ratio	88.0%	75.7%

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
GASB Statement No. 67

Fiscal year ending September 30,	2022*	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability									
Service Cost	$ 7,177,096	$ 6,848,066	$ 6,778,624	$ 6,564,011	$ 6,700,193	$ 6,719,925	$ 6,249,017	$ 5,709,473	$ 5,592,989
Interest	24,718,478	24,064,037	23,540,693	22,761,354	22,116,944	19,803,514	18,468,241	17,739,019	16,695,690
Benefit Changes	-	-	-	-	-	-	-	-	-
Difference between actual & expected experience	4,705,751	473,120	1,961,459	111,572	(2,725,152)	2,638,592	6,201,568	4,223,251	(86,907)
Assumption Changes	-	5,580,401	(1,143,421)	3,416,624	3,234,052	17,587,407	-	2,870,501	
Benefit Payments	(20,491,371)	(20,676,285)	(17,818,644)	(17,985,794)	(14,471,951)	(13,058,734)	(13,886,080)	(14,424,957)	(16,155,069)
Refunds	(217,823)	(81,525)	(115,645)	(174,405)	(134,450)	(144,530)	(82,839)	(136,274)	(285,612)
Net Change in Total Pension Liability	15,892,131	16,207,814	13,203,066	14,693,362	14,719,636	33,546,174	16,949,907	15,981,013	5,761,091
Total Pension Liability - Beginning	356,298,614	340,090,800	326,887,734	312,194,372	297,474,737	263,928,563	246,978,656	230,997,643	225,236,553
Total Pension Liability - Ending (a)	$ 372,190,745	$ 356,298,614	$ 340,090,800	$ 326,887,734	$ 312,194,372	$ 297,474,737	$ 263,928,563	$ 246,978,656	$ 230,997,644
Plan Fiduciary Net Position									
Contributions - Employer and State	$ 14,740,421	$ 14,164,599	$ 13,785,067	$ 13,530,354	$ 13,239,759	$ 11,255,914	$ 10,310,136	$ 9,797,263	$ 9,606,777
Contributions - Member	3,576,417	3,534,479	3,416,185	3,306,287	3,198,740	3,173,557	3,103,175	2,951,954	2,676,412
Net Investment Income	20,676,306	53,690,063	23,060,016	7,039,352	18,581,100	21,271,925	16,019,240	(618,632)	12,106,642
Benefit Payments	(20,491,371)	(20,676,285)	(17,818,644)	(17,985,794)	(14,471,951)	(13,058,734)	(13,886,080)	(14,424,957)	(16,155,069)
Refunds	(217,823)	(81,525)	(115,645)	(174,405)	(134,450)	(144,530)	(82,839)	(136,274)	(285,612)
Administrative Expense	(186,101)	(193,837)	(176,507)	(190,238)	(196,903)	(189,591)	(204,736)	(198,432)	(172,293)
Other	-	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	18,097,848	50,437,494	22,150,472	5,525,556	20,216,295	22,308,541	15,258,896	(2,629,078)	7,776,857
Plan Fiduciary Net Position - Beginning	296,665,027	246,227,533	224,077,061	218,551,505	198,335,210	176,026,669	160,767,773	163,396,851	155,619,994
Plan Fiduciary Net Position - Ending (b)	$ 314,762,875	$ 296,665,027	$ 246,227,533	$ 224,077,061	$ 218,551,505	$ 198,335,210	$ 176,026,669	$ 160,767,773	$ 163,396,851
Net Pension Liability - Ending (a) - (b)	57,427,870	59,633,587	93,863,267	102,810,673	93,642,867	99,139,527	87,901,894	86,210,883	67,600,793
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.57 %	83.26 %	72.40 %	68.55 %	70.00 %	66.67 %	66.69 %	65.09 %	70.74 %
Covered Payroll**	$ 41,108,911	$ 39,027,379	$ 38,155,382	$ 36,132,250	$ 35,240,205	$ 35,656,748	$ 31,775,096	$ 28,384,840	$ 26,603,455
Net Pension Liability as a Percentage of Covered Payroll	139.70 %	152.80 %	246.00 %	284.54 %	265.73 %	278.04 %	276.64 %	303.72 %	254.11 %

*These figures are estimates only. Actual figures will be provided after the end of the fiscal year
**Estimated payroll

SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY
GASB Statement No. 67

FY Ending September 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll*	Net Pension Liability as a % of Covered Payroll
2022**	$372,190,745	$314,762,875	$57,427,870	84.57%	$41,108,911	139.70%
2021	356,298,614	296,665,027	59,633,587	83.26%	39,027,379	152.80%
2020	340,090,800	246,227,533	93,863,267	72.40%	38,155,382	246.00%
2019	326,887,734	224,077,061	102,810,673	68.55%	36,132,250	284.54%
2018	312,194,372	218,551,505	93,642,867	70.00%	35,240,205	265.73%
2017	297,474,737	198,335,210	99,139,527	66.67%	35,656,748	278.04%
2016	263,928,563	176,026,669	87,901,894	66.69%	31,775,096	276.64%
2015	246,978,656	160,767,773	86,210,883	65.09%	28,384,840	303.72%
2014	230,997,644	163,396,851	67,600,793	70.74%	26,603,455	254.11%

*Estimated payroll
**These figures are estimates only. Actual figures will be provided after the end of the fiscal year

NOTES TO SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY
GASB Statement No. 67

Valuation Date:	October 1, 2021
Measurement Date:	September 30, 2022

Methods and Assumptions Used to Determine Net Pension Liability:

Actuarial Cost Method	Entry Age Normal
Salary Increases	3.5% to 6.0% depending on service
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates depending on service
Mortality	Pub-2010 Headcount Weighted Mortality Tables, generational mortality using gender specific MP-2018 mortality improvement projection scale. The tables used during employment were the Below-Median Employee Tables, set back 1 year for males. The tables used post-employment are the Below-Median Healthy Retiree Tables, set back 1 year for males.

Other Information:

Notes	See Discussion of Valuation Results on page 1 of this Actuarial Valuation Report.

SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll*	Actual Contribution as a % of Covered Payroll
2022**	$14,740,421	$14,740,421	$0	$41,108,911	35.86 %
2021	14,164,599	14,164,599	0	39,027,379	36.29
2020	13,785,067	13,785,067	0	38,155,382	36.13
2019	13,530,354	13,530,354	0	36,132,250	37.45
2018	13,239,759	13,239,759	0	35,240,205	37.57
2017	11,255,914	11,255,914	0	35,656,748	31.57
2016	10,310,136	10,310,136	0	31,775,096	32.45
2015	9,797,263	9,797,263	0	28,384,840	34.52
2014	9,606,777	9,606,777	0	26,603,455	36.11
2013	9,183,372	9,183,372	0	26,990,816	34.02
2012	8,377,259	8,377,259	0	27,618,109	30.33
2011	7,914,922	7,914,922	0	26,013,750	30.43
2010	7,141,640	7,141,640	0	25,457,453	28.05
2009	6,303,149	6,303,149	0	27,552,303	22.88
2008	5,977,714	5,977,714	0	26,315,942	22.72
2007	4,548,500	4,548,500	0	25,558,247	17.80
2006	4,474,168	4,474,168	0	23,805,069	18.80

*Estimated payroll

**These figures are estimates only. Actual figures will be provided after the end of the fiscal year

NOTES TO SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

Valuation Date:	October 1, 2020
Notes	Actuarially determined contributions are calculated as of the October 1 which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Payroll, Closed
Payroll Growth Assumption	2.27%
Remaining Amortization Period	20 years
Asset Valuation Method	5-year smoothed market
Inflation	2.05%
Salary Increases	3.5% to 6.0% depending on service
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates depending on service
Mortality	Pub-2010 Headcount Weighted Mortality Tables, generational mortality using gender specific MP-2018 mortality improvement projection scale. The tables used during employment were the Below-Median Employee Tables, set back 1 year for males. The tables used post-employment are the Below-Median Healthy Retiree Tables, set back 1 year for males.

Other Information:

Notes	See Discussion of Valuation Results on Page 1 of our Actuarial Valuation Report as of October 1, 2020 dated April 26, 2021. The investment rate of return was lowered from 7.15% to 7.00%.

SENSITIVITY OF NET PENSION LIABILITY TO THE SINGLE DISCOUNT RATE ASSUMPTION GASB Statement No. 67

A single discount rate of 7.0% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.0%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at the actuarially determined contribution rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.0%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption*

1% Decrease	Current Single Discount Rate Assumption	1% Increase
6.00%	7.00%	8.00%
$100,620,910	$57,427,870	$21,384,966

*These figures are estimates only. Actual figures will be provided after the end of the fiscal year.

ACTUARIAL COST METHODS AND ASSUMPTIONS AS OF OCTOBER 1, 2021

Valuation Methods

Actuarial Cost Method **-** Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an **Individual Entry-Age Actuarial Cost Method** having the following characteristics:

(i) the annual normal cost for each individual active member, payable from the date of employment to the date of retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement;

(ii) each individual active member's annual normal cost is a constant percentage of the member's year by year projected covered pay.

Actuarial gains/(losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

Financing of Unfunded Actuarial Accrued Liabilities **-** Unfunded Actuarial Accrued Liabilities (full funding credit if assets exceed liabilities) were amortized by level (principal & interest combined) percent-of-payroll contributions over a reasonable period of future years, using the payroll growth assumption.

Actuarial Value of Assets **-** The Actuarial Value of Assets phases in the difference between the actual return and expected return on Market Value of Assets at the rate of 20% per year. The Actuarial Value of Assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

Valuation Assumptions

The actuarial assumptions used in the valuation are shown in this Section. They are based on the results of the experience study prepared in 2016, based on observed experience over a ten-year period ending in 2015, and approved by the Board of Trustees, effective October 1, 2016.

The mortality tables are based on the tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System (FRS), as required by the State. The FRS updated its mortality assumption in the July 1, 2020 Actuarial Valuation. Accordingly, this valuation reflects use of the updated tables.

Economic Assumptions

The investment return rate assumed in the valuation is 7.00% per direction from the Board of Trustees based on information from their investment consultant. The 7.00% rate is compounded annually, net after investment expenses.

The price inflation rate assumed in this valuation was 2.05% per year.

The real rate of return over inflation is defined to be the portion of total investment return that is more than the assumed wage inflation rate. Considering other economic assumptions, the 7.00% investment return rate translates to an assumed real rate of return over inflation of 4.95%.

Administrative Expenses paid out of the fund are assumed to equal the actual expenses from the previous year.

Payroll growth is assumed to be 2.27% per year for purposes of projecting the contribution amount one year beyond the valuation date, and for purposes of amortizing the unfunded liability. The active member population is assumed to remain constant.

Pay increase assumptions for individual active members are shown below. Part of the assumption for each age is for merit and/or seniority increases, and the other 2.0% recognizes wage inflation, including price inflation, productivity increases, and other macro-economic forces.

The rates of salary increase used are in accordance with the following table. This assumption is used to project a member's current salary to the salaries upon which benefits will be based. The table was developed by the City actuary based on input from City officials regarding revised pay policies that are expected to apply equally to management and non-management employees for the foreseeable future.

	Assumed Pay Increases		
Years of Service	Assumed Wage Inflation	Promotions, Longevity & Merit	Total
1 - 3	2.00 %	4.00 %	6.00 %
4 - 9	2.00	3.25	5.25
10 - 12	2.00	3.50	5.50
13 - 15	2.00	3.00	5.00
16 - 19	2.00	2.25	4.25
20 or more	2.00	1.50	3.50

Demographic & Other Assumptions

Maximum City Contribution. 19.84% of payroll plus cost-sharing, if applicable.

Promotions. The liabilities and normal costs for active Tier I members are loaded by 0.25% for General Employees and 2.0% for Management to recognize the increase in benefit levels due to future promotions between benefit groups.

Mortality. The assumed rates are used to measure the probabilities of each benefit payment being made after retirement.

The current mortality table is the Pub-2010 Headcount Weighted Mortality Tables, generational mortality using gender specific MP-2018 mortality improvement projection scale. These are the rates used in either of the July 1, 2019 actuarial valuation report of the Florida Retirement System (FRS), as mandated by Florida House Bill 1309 (codified in Chapter 2015-157). These rates are detailed below.

During Employment: Below-Median Employee Tables, set back 1 year for males, and set back 0 years for females. Sample Mortality Rates follow:

Sample Ages 2021	Probability of Pre-Retirement Mortality for Healthy Lives During the Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
20	0.04 %	0.01 %	68.95	71.90
25	0.05	0.02	63.64	66.56
30	0.07	0.03	58.35	61.23
35	0.09	0.04	53.13	55.94
40	0.11	0.06	47.96	50.68
45	0.14	0.07	42.82	45.45
50	0.19	0.11	37.72	40.26

Post-Employment: Below-Median Healthy Retiree Tables, set back 1 year for males, and set back 0 years for females. Sample Mortality Rates follow:

Sample Ages 2021	Probability of Post-Retirement Mortality for Healthy Lives During the Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.19 %	0.58 %	33.14	36.95
55	0.96	0.58	28.77	32.50
60	1.14	0.60	24.68	27.96
65	1.29	0.69	20.63	23.39
70	1.80	1.09	16.62	18.91
75	2.86	1.89	12.91	14.73
80	4.83	3.41	9.63	10.98

Post-Employment Disabled Lives: and for Disabled lives, the Headcount Weighted General Disabled Retiree Tables, set forward 3 years for males and females.

Sample Ages	Probability of Post-Retirement Mortality for Disabled Lives During the Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	2.02 %	1.64 %	20.99	23.92
55	2.53	1.91	18.18	20.88
60	3.08	2.27	15.50	17.88
65	3.93	2.83	12.94	14.91
70	5.08	3.79	10.53	12.07
75	6.98	5.46	8.29	9.45
80	10.12	8.31	6.33	7.19

The rates of retirement used to measure the probability of eligible members retiring or entering the DROP during the next year were as follows:

All Members Hired On or After October 1, 2009

	Years of Service						
Ages	0-5	6-9	10-19	20-24	25	26-29	30+
Under 57	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
57	0.00%	2.50%	5.00%	5.00%	10.00%	20.00%	25.00%
58-61	0.00%	2.50%	5.00%	5.00%	5.00%	5.00%	5.00%
62	0.00%	10.00%	20.00%	50.00%	50.00%	60.00%	100.00%
63-64	0.00%	2.50%	5.00%	5.00%	5.00%	5.00%	100.00%
65	0.00%	25.00%	33.00%	33.00%	33.00%	33.00%	100.00%
over 65	0.00%	10.00%	20.00%	20.00%	20.00%	20.00%	100.00%

Non-management Members Hired Before October 1, 2009

	Years of Service						
Ages	0-5	6-9	10-19	20-24	25	26-29	30+
Under 53	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
53	0.00%	2.50%	10.00%	20.00%	40.00%	40.00%	40.00%
54-57	0.00%	2.50%	15.00%	30.00%	30.00%	30.00%	30.00%
58-61	0.00%	12.50%	30.00%	60.00%	60.00%	60.00%	60.00%
62	0.00%	25.00%	50.00%	60.00%	60.00%	60.00%	100.00%
63-64	0.00%	25.00%	50.00%	50.00%	60.00%	60.00%	100.00%
65	0.00%	25.00%	50.00%	50.00%	60.00%	60.00%	100.00%
over 65	0.00%	15.00%	20.00%	20.00%	20.00%	20.00%	100.00%

Management Members Hired Before October 1, 2009

	Years of Service							
Ages	0-4	5-9	10-14	15-19	20-24	25	26-29	30+
Under 50	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
50-54	0.00%	5.00%	25.00%	25.00%	35.00%	35.00%	35.00%	100.00%
55	0.00%	20.00%	25.00%	25.00%	40.00%	40.00%	40.00%	100.00%
56-61	0.00%	10.00%	30.00%	35.00%	40.00%	40.00%	40.00%	100.00%
62	0.00%	25.00%	40.00%	40.00%	50.00%	50.00%	50.00%	100.00%
63-74	0.00%	25.00%	50.00%	50.00%	50.00%	50.00%	50.00%	100.00%
75 & Older	0.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Rates of separation from active membership shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members leaving employment.

Rates of Employment Termination		
Sample Ages	Years of Service	% Separating from Employment
ALL	0 - 1	10.0%
	1 - 2	9.0%
	2 - 3	8.0%
	3 - 4	7.0%
	4 - 5	6.0%
	5 - 6	6.0%
20 - 24	6 & Over	6.0%
25 - 29		6.0%
30 - 34		5.0%
35 - 39		4.0%
40 - 44		3.0%
45 - 49		3.0%
50 - 54		2.0%
55+		1.0%

Rates of disability among active members: The FRS Disability Rates for Non-Special Risk Employees in effect for the July 1, 2018 FRS Actuarial Valuation.

Florida Retirement System Disability Rates for Non-Special Risk Employees				
Sample Ages	Non Service-Connected		Service-Connected	
	Males	Females	Males	Females
20	0.000%	0.000%	0.000%	0.000%
25	0.010%	0.010%	0.001%	0.001%
30	0.010%	0.010%	0.001%	0.001%
35	0.020%	0.010%	0.001%	0.001%
40	0.020%	0.020%	0.001%	0.001%
45	0.080%	0.060%	0.004%	0.001%
50	0.160%	0.100%	0.006%	0.006%
55	0.250%	0.160%	0.006%	0.006%
60	0.300%	0.260%	0.010%	0.013%

Changes from Previous Actuarial Valuation.

None.

Rationale for Assumptions

The mortality table is based on the tables used by the Florida Retirement System, as required by the State.

The investment return rate assumed in the valuation is per direction from the Board of Trustees based on information from their investment consultant.

The remaining actuarial assumptions used in the valuation are based on the results of an experience study prepared in 2016, based on observed experience over a ten-year period ending in 2015, and approved by the Board of Trustees, effective October 1, 2016.

MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

Administrative Expenses	Assumed expenses paid from the fund are assumed to be equal to the actual amount for the previous year.
Benefit Service	Exact Fractional service is used to determine the benefit payable.
Cost of Living Allowances	Post retirement increases are assumed, compounded annually, at 2.5% for Tier 1 Senior Management, and 2.0% for Tier 1 Management and Commissioners. For other members, a 13th check is payable upon certain variable conditions outlined in the summary of plan provisions. It is assumed that the 13th check is 75% of the monthly benefit (50% for Tier III members)
Decrement Operation	Turnover does not operate during Normal Retirement eligibility; mortality and disability operate during Normal Retirement eligibility.
Decrement Timing	Decrements of all types are assumed to occur mid-year.
Eligibility Testing	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the valuation date.
Incidence of Contributions	Employer and Member contributions are assumed to be received bi-weekly throughout the year.
Marriage Assumption	100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.
Normal Form of Benefit	The normal form of benefit is 50% Joint & Survivor for Tier 1 Management, 100% Joint & Survivor for Tier 1 Senior Management and Commissioners, and Straight Life Annuity for all other personnel.
Option Factors	Valuation assumptions.
Salary	The greater of annual rate of pay or salary received during the plan year is used to value actuarial liabilities for the current and prior valuation year.
Service Credit Accruals	Service credit is assumed to accrue one year each year.
Vested Terminated Members	Receive the greater value of a refund of accumulated member contributions, with interest if applicable, or the vested deferred benefit.

GLOSSARY OF TERMS

Actuarial Accrued Liability (AAL)	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
Actuarial Assumptions	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members; and other items.
Actuarial Cost Method	A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.
Actuarial Equivalent	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
Actuarial Present Value (APV)	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made.
Actuarial Present Value of Future Benefits (APVFB)	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits, and inactive, non-retired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
Actuarial Valuation	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB, such as the Funded Ratio and the Actuarially Determined Employer Contribution (ADEC).

Actuarial Value of Assets	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the Actuarially Determined Employer Contribution (ADEC).
Actuarially Determined Employer Contribution (ADEC)	The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under GASB. The ADEC consists of the Employer Normal Cost and Amortization Payment.
Amortization Method	A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a series of equal payments whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a series of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the series of payments increases at the rate at which total covered payroll of all active members is assumed to increase.
Amortization Payment	That portion of the plan contribution or ADEC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
Amortization Period	The period used in calculating the Amortization Payment.
Closed Amortization Period	A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example, if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.
Employer Normal Cost	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.

Experience Gain/Loss	A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two actuarial valuations. To the extent that actual experience differs from that assumed, Unfunded Actuarial Accrued Liabilities emerge which may be larger or smaller than projected. Gains are due to favorable experience, e.g., the assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.
Funded Ratio	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
GASB	Governmental Accounting Standards Board.
GASB No. 67 and GASB No. 68	These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
Normal Cost	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
Unfunded Actuarial Accrued Liability	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
Valuation Date	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

SECTION III

PENSION FUND INFORMATION

ACTUARIAL VALUE OF ASSETS AS OF SEPTEMBER 30

	2024	2023	2022	2021
A. Market Value of Assets, Beginning of Year (BOY)	$	$	$	$ 246,227,533
B. Contributions				17,699,078
C. Benefit Payments & Expenses				20,951,647
D. Expected Investment Income				17,122,087
E. Expected Assets End of Year: A+B-C+D				260,097,051
F. Actual Market Value at End of Year				296,665,027
G. Excess/(Shortfall) of Actual over Expected Assets: F-E				
1. From This Year	-	-	-	36,567,976
2. From One Year Ago	-	-	36,567,976	7,071,022
3. From Two Years Ago	-	36,567,976	7,071,022	(8,750,757)
4. From Three Years Ago	36,567,976	7,071,022	(8,750,757)	3,943,365
H. Decreasing Fractions of Excess/(Shortfall)				
1. 80% From This Year	-	-	-	29,254,381
2. 60% From One Year Ago	-	-	21,940,786	4,242,613
3. 40% From Two Years Ago	-	14,627,190	2,828,409	(3,500,303)
4. 20% From Three Years Ago	7,313,595	1,414,204	(1,750,151)	788,673
5. Total	7,313,595	16,041,394	23,019,044	30,785,364
I. Preliminary Actuarial Value of Assets: F-H5				265,879,663
J. Final Valuation Assets must be within the range of 80% to 120% of Market Value				
1. 80% of Market Value				237,332,022
2. 120% of Market Value				355,998,032
K. Actuarial Value of Assets				265,879,663
L. Less DROP Balances				8,794,026
M. Final Actuarial Value of Assets				257,085,637

STATEMENT OF PLAN ASSETS AS OF SEPTEMBER 30

Item	2021	2020
A. Cash and Cash Equivalents (Operating Cash)	$ 2,421,903	$ 2,187,629
B. Receivables:		
1. Member Contributions	175,750	91,646
2. Employer Contributions	-	-
3. Due for Securities Sold	-	-
4. Investment Income and Other Receivables	41,300	42,389
5. Total Receivables	217,050	134,035
C. Investments		
1. Common Stocks	28,347,946	21,453,628
2. Collective Investment Trust	26,097,114	17,316,018
3. Fixed Income Mutual Funds	54,799,724	52,906,073
4. Equity Mutual Funds	97,920,580	81,420,032
5. International Equity Trust Funds	48,419,268	38,857,149
6. Real Estate Funds	38,613,020	32,082,630
7. Total Investments	294,197,652	244,035,530
D. Liabilities		
1. Net Due for Securities Purchased and Sold	-	-
2. Accrued Expenses and Other Payables	(171,578)	(129,661)
3. Total Liabilities	(171,578)	(129,661)
E. Total Market Value of Assets Available for Benefits	296,665,027	246,227,533
F. Reserve: DROP Accounts	8,794,026	9,971,860
G. Net Market Value of Assets Available for Benefits	$ 287,871,001	$ 236,255,673
H. Allocation of Investments		
1. Common Stocks	9.64%	8.79%
2. Collective Investment Trust	8.87%	7.10%
3. Fixed Income Mutual Funds	18.63%	21.68%
4. Equity Mutual Funds	33.28%	33.36%
5. International Equity Trust Funds	16.46%	15.92%
6. Real Estate Funds	13.12%	13.15%
7. Total Investments	100.00%	100.00%

STATEMENT OF NET CHANGES IN PLAN ASSETS DURING THE YEAR ENDED SEPTEMBER 30

Item	2021	2020
A. Market Value of Assets at Beginning of Year	$ 246,227,533	$ 224,077,061
B. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions	3,534,479	3,416,185
b. Employer Contributions	14,164,599	13,785,067
c. State Contributions	-	-
d. Purchased Service Credit	-	-
e. Total	17,699,078	17,201,252
2. Investment Income		
a. Interest, Dividends, and Other Income	3,049,446	4,072,578
b. Net Realized Gains/(Losses)	11,846,311	19,521,202
c. Net Unrealized Gains/(Losses)	39,631,709	-
d. Investment Expenses	(837,403)	(533,764)
e. Net Investment Income	53,690,063	23,060,016
3. Benefits and Refunds		
a. Refunds	(81,525)	(115,645)
b. Regular Monthly Benefits	(15,051,851)	(13,315,922)
c. DROP Distributions	(5,624,434)	(4,502,722)
d. Lump-Sum Benefits Paid	-	-
e. Total	(20,757,810)	(17,934,289)
4. Administrative and Miscellaneous Expenses	(193,837)	(176,507)
C. Market Value of Assets at End of Year		
1. Market Value at End of Year	$ 296,665,027	$ 246,227,533
2. Less DROP Account Balances	8,794,026	9,971,860
3. Net Market Value at End of Year	$ 287,871,001	$ 236,255,673

RECONCILIATION OF DROP ACCOUNTS

Year Ended 9/30	Balance at Beginning of Year	Credits	Interest	Distributions	Balance at End of Year
2021	$ 9,971,860	$ 4,052,110	$ 394,490	$ (5,624,434)	$ 8,794,026
2020	9,970,238	4,081,290	423,054	(4,502,722)	9,971,860
2019	10,057,781	3,739,594	395,641	(4,222,778)	9,970,238
2018	9,315,845	3,594,781	397,989	(3,250,834)	10,057,781
2017	7,353,306	3,023,836	321,937	(1,383,234)	9,315,845
2016	6,681,897	2,703,061	282,973	(2,314,625)	7,353,306
2015	8,389,268	2,927,042	390,723	(5,025,136)	6,681,897
2014	10,587,204	3,114,277	602,130	(5,914,343)	8,389,268
2013	11,390,786	3,326,821	823,521	(4,953,924)	10,587,204
2012	10,571,087	3,076,967	827,311	(3,084,579)	11,390,786
2011	8,705,678	3,224,290	724,307	(2,083,188)	10,571,087
2010	8,149,336	3,248,793	659,009	(3,351,460)	8,705,678

INVESTMENT RATE OF RETURN

The investment rate of return has been calculated on the following bases:

Net Market Value Basis - Interest, dividends, realized gains (losses) and unrealized appreciation (depreciation) minus investment expenses divided by the weighted average of the market value of the fund during the year.

Valuation Asset Basis - Investment earnings recognized in the Actuarial Value of Assets divided by the weighted average of the Actuarial Value of Assets during the year.

Year Ended	Investment Rate of Return	
	Net Market Value Basis	Valuation Asset Basis
9/30/2021	22.0 %	11.0 %
9/30/2020	10.3	8.4
9/30/2019	3.2	6.9
9/30/2018	9.3	7.8
9/30/2017	12.0	8.1
9/30/2016	10.0	8.5
9/30/2015	(0.4)	7.4
9/30/2014	7.9	9.5
9/30/2013	14.2	8.5
9/30/2012	18.1	2.3
Average Compounded Rate of Return for Last 5 Years	11.2	8.4
Average Compounded Rate of Return for Last 10 Years	10.5	7.8

SECTION IV

MEMBER STATISTICS

STATISTICAL DATA

	10/1/2021	10/1/2020	10/1/2019
Active Partipants			
Number	557	554	558
Total Annual Earnings	$ 41,108,911	$ 39,027,379	$ 38,155,382
Average Annual Earnings	73,804	70,447	68,379
Averages			
Current Age	45.1	45.4	45.7
Age at Employment	36.7	36.8	37.2
Past Service	8.4	8.6	8.5
Service at Age 60	23.3	23.2	22.8
Retirees and Beneficiaries			
Number	552	522	506
Total Annual Pension	$ 15,769,052	$ 14,445,524	$ 13,483,222
Average Monthly Benefit	2,381	2,306	2,221
Average Current Age (Retirees Only)	71	70	70
DROP Participants			
Number	83	90	85
Total Annual Pensions	$ 3,832,894	4,019,818	3,755,522
Average Monthly Benefit	3,848	3,722	3,682
Average Current Age	61	61	61
Disability Retirees			
Number	6	6	6
Total Annual Pension	$ 126,201	$ 126,201	$ 126,201
Average Monthly Benefit	1,753	1,753	1,753
Average Current Age	73	72	71
Terminated Vested Members			
Number	60	60	65
Total Annual Pensions	$ 1,144,615	$ 1,153,203	$ 1,203,314
Average Monthly Benefit	1,590	1,602	1,543
Average Current Age	50	50	50

Note: Benefits shown are regular monthly amounts plus guaranteed portion of 13th check payments.

AGE AND SERVICE DISTRIBUTION BY ATTAINED AGES
AS OF OCTOBER 1, 2021

	Years of Past Service											
Ages	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Totals
15-19	0	0	0	0	0	0	0	0	0	0	0	0
20-24	5	5	3	1	0	0	0	0	0	0	0	14
25-29	6	4	10	3	4	8	0	0	0	0	0	35
30-34	12	5	13	7	5	17	2	0	0	0	0	61
35-39	3	4	5	2	4	33	14	2	0	0	0	67
40-44	8	7	6	6	3	26	14	9	3	0	0	82
45-49	2	4	11	6	10	28	13	9	7	2	0	92
50-54	5	3	1	4	6	29	11	12	12	6	0	89
55-59	2	0	5	2	3	15	15	7	10	6	2	67
60-64	2	0	2	2	1	15	7	5	0	0	0	34
65&UP	0	0	2	3	1	5	2	0	2	1	0	16
Totals	45	32	58	36	37	176	78	44	34	15	2	557

RECONCILIATION OF MEMBERSHIP DATA
FROM 10/1/2020 TO 9/30/2021

A.	**Active Members**		
	1	Number Included in Last Valuation	554
	2	New Members Included in Current Valuation	49
	3	Non-Vested Employment Terminations/Transfers	(13)
	4	Vested Employment Terminations	(8)
	5	Service Retirements	(4)
	6	Deaths, with No Survivor Benefit	0
	7	Deaths, with Deferred Survivor Benefit	(1)
	8	DROP Retirements	(20)
	9	Number Included in This Valuation	557
B.	**DROP Participants**		
	1	Number Included in Last Valuation	90
	2	Additions from Active Members	20
	3	Deaths Resulting in No Further Payments	0
	4	Retired	(27)
	5	Number Included in This Valuation	83
C.	**Terminated Vested Members**		
	1	Number Included in Last Valuation	60
	2	Additions from Active Members	9
	3	Additions from Active Members, Death	0
	4	Rehired	0
	5	Refunds	(2)
	6	Payments Commenced	(7)
	7	Number Included in This Valuation	60
D.	**Service Retirees, Disability Retirees and Beneficiaries**		
	1	Number Included in Last Valuation	528
	2	Additions from Active Members	4
	3	Additions from Terminated Vested Members	7
	4	Additions from DROP	27
	5	Deaths Resulting in No Further Payments	(9)
	6	End of Certain Period - No Further Payments	0
	7	Paid Lump Sum - No Further Payments	0
	8	Other	1
	9	Number Included in This Valuation	558

SECTION V

SUMMARY OF RETIREMENT PLAN PROVISIONS

SUMMARY OF RETIREMENT PLAN PROVISIONS
AS OF OCTOBER 1, 2021

A. Effective Date:

The City of Sunrise General Employees' Retirement Fund, a single-employer defined benefit plan established by the City of Sunrise, Florida pursuant to the provisions and requirements of Ordinance No. 124-X-0 (as amended) which was adopted on September 12, 1989. Since the Plan is sponsored by the City, the Plan is included as a pension trust fund in the City's comprehensive financial report as part of the City's financial reporting entity. The most recent Ordinance reflected in this Summary is 124-X-18-B.

B. Eligibility Requirements:

Participants are all general employees with full-time status in the City of Sunrise, Florida. Participation is mandatory except as provided in the Ordinance.

C. Credited Service:

Service in completed months from date of employment to date of retirement or prior termination.

D. Average Final Compensation:

Average salary of the member's three best consecutive contributing years. For senior management personnel, it is the salary for the best 12 consecutive months. Denoted AFC.

Salary means the total actual fixed cash compensation paid and includes regular pay, overtime, holiday and other payroll cash incentives and general monthly expense allowances. Lump sum payouts of accrued benefits upon termination of employment shall not be included.

All Members hired on or after October 1, 2018: Salary excludes overtime pay.

E. Normal Retirement:

a. Eligibility:

General employees: For retirements on or after January 1, 2004, age 58 and 5 years of Credited Service. Additionally, for retirements on or after October 1, 2007, age 53 and 30 years of Credited Service.

Senior Management, Management & Commissioners: For retirements on or after September 13, 1999, age 55 and 5 years of Credited Service.

All Members hired on or after October 1, 2009 and prior to October 1, 2018: Age 62 with 6 years of Credited Service.

All Members hired on or after October 1, 2018: Age 62 with 10 years of Credited Service.

b. Benefit:

General employees: 4% of AFC for each of the first 10 years of Credited Service plus 2% of AFC for each year of Credited Service thereafter. The maximum for those first employed on or after January 1, 1980 is 100% of AFC. For members retiring on or after January 1, 2004, the benefit is increased by 1% of AFC for attaining 10 years of Credited Service, and by an additional 1% of AFC after attaining 20 years of Credited Service.

Management personnel & Commissioners: 4% of AFC for each of the first 10 years of Credited Service plus 2% of AFC for each year of Credited Service thereafter. The maximum for those first employed on or after January 1, 1980 is 100% of AFC. For members retiring on or after October 1, 2001, the benefit is increased by 1% of AFC for attaining 5 years of Credited Service, and by an additional 1% of AFC after attaining 10 years of Credited Service.

Senior management personnel: For members retiring on or after October 1, 2001, 5% of AFC for each of the first 10 years of Credited Service plus 2% of AFC for each year of Credited Service thereafter. The maximum benefit is 80% of AFC.

All Members hired on or after October 1, 2009: 2.5% of AFC for each year of Credited Service, up to 80% of AFC.

All Members hired on or after October 1, 2018: 2.5% of AFC for each year of Credited Service, up to 80% of AFC, not to exceed $80,000.

F. Early Retirement

a. Eligibility:

General employees: For retirements on or after January 1, 2004, age 53 and 5 years of credited service.

Senior Management, Management & Commissioners: For retirements on or after September 13, 1999, age 50 and 5 years of credited service.

All Members hired on or after October 1, 2009 and Prior to October 1, 2018: age 57 and 6 years of credited service.

All Members hired on or after October 1, 2018: age 57 and 10 years of credited service.

b. Benefit:

General employees: Benefit accrued to date of retirement, reduced by 3% for each year preceding normal retirement.

Senior Management, Management & Commissioners retiring on or after September 13, 1999: Benefit accrued to date of retirement, reduced by 1% for each year preceding normal retirement.

All Members hired on or after October 1, 2009: Benefit accrued to date of retirement, reduced by 3% for each year preceding normal retirement.

G. Non-Service Incurred Disability:

a. Eligibility: 5 years of Credited Service.

b. Benefit: Normal pension accrued, but not less than 25% nor more than 50% of AFC date of disability.

H. Service Incurred Disability:

a. Eligibility: No required age or service requirement.

b. Benefit: 75% of salary in effect at date of disability, with offsets for Social Security, Worker's Compensation, and income earned while disabled.

I. Vested Benefit Upon Termination:

a. Eligibility: Members hired prior to October 1, 2009: 100% vesting upon completion of 5 years of Credited Service.

Members hired on or after October 1, 2009 and prior to October 1, 2018: 100% vesting upon completion of 6 years of Credited Service.

Members hired on or after October 1, 2018: 100% vesting upon completion of 10 years of Credited Service.

b. Benefit: Benefit accrued to date of retirement. If participant elects an earlier commencement date, early retirement reduction factors apply. Members who have not completed 100% vesting at date of termination may elect a return of their employee contributions, without interest.

J. Death Benefits:

Before Vesting: If a member dies before becoming Vested, the designated beneficiary receives 100% of the member's contributions without interest.

After Vesting: If a deceased member has made a written selection of an Optional Allowance, said Optional Allowance shall be effective, with the designated beneficiary to receive the benefit of the Optional Allowance to commence on the earliest date the member could have retired had the member survived. (Options include 50% or 100% joint and survivor benefits.)

K. Member Contributions:

General Employees

General Employees contribute 8.00% of payroll, unless the required City contribution exceeds 19.84% (the cap described below), in which case members contribute 8.00% plus half the amount of any such excess. During the term of the 2014-2017 Collective Bargaining Agreement, general employees' contributions cannot exceed 9.51% of payroll.

Senior Management, Management and Commissioners

Senior Management, Management and Commissioners contribute 8.70% of payroll, unless the required City contribution exceeds 19.84% (the cap described below), in which case members contribute 8.70% plus the amount of any such excess. During the term of the 2017-2020 Collective Bargaining Agreement, senior management, management and commissioners contribute 11.75% of payroll.

Members hired on or after 10/1/09:

General Employees contribute 8.0% of payroll. After the end of the 2017-2020 Collective Bargaining Agreement (CBA), the contribution is subject to adjustment for cost sharing as described above for general employees. However, the CBA applies beyond the term of the agreement until a new agreement is ratified.

Senior Management, Management and Commissioners contribute 8.0% of payroll.

L. City Contributions: The City shall contribute such remaining amount as is necessary to place the Plan on a sound financial basis as determined by actuarial valuation and the provisions of Chapter 112, Florida Statues,

The city contributes up to maximum of 14% of payroll, plus costs for additional benefits for management and senior management personnel, plus an additional 0.17% of payroll for the cost of the 1989 buyback of service, together with any additional cost attributable to any subsequent buybacks of service of similar nature. Required contributions in excess of this amount (19.84% of payroll as of October 1, 2005) are shared between the City and contributing members of the Plan as described in Member contributions above.

M. Normal Form of Retirement Income:

City commissioners & senior management personnel:	100% joint and survivor annuity.
Management personnel:	50% joint and survivor annuity.
General Employees:	Life annuity.
Members hired on or after October 1, 2009:	Life Annuity

N. Cost of Living Increases

General Employees: There is a 13th check payable to covered employees who terminate employment and immediately retire under early or normal retirement, or enter the DROP, after May 27, 2003. The amount is based on cumulative actuarial gains from October 1, 2000 forward, and is limited to 100% of the monthly benefit. Such gains are first used to pay the 13th check. Then an amount up to the total amount of such 13th checks is credited toward reducing the City contribution. The remaining amount is brought forward. Effective January 1, 2004, a minimum of 50% of the 13th check is guaranteed payable notwithstanding actuarial gains, both to those already eligible for the 13th check and to those who become eligible. For those retiring or entering the DROP after October 1, 2007, the minimum is 75% of the 13th check.

Other Personnel: The annual post retirement cost of living increase is 2.0% for management personnel and commissioners, and 2.5% for senior management personnel. Only those actively employed on or after June 12, 2001 are eligible for the COLA's.

All Members hired on or after October 1, 2009 and prior to October 1, 2018: There is a 13th check payable, following the same rules as for General Employees hired before October 1, 2009. The amount payable is limited to 100% of the monthly benefit.

All Members hired on or after October 1, 2018: There is a 13th check payable, following the same rules as for General Employees hired before October 1, 2009, except that the COLA is based on excess investment earnings when the funded status of the plan is greater than or equal to 100%, as measured by the ratio of Plan Financial Net Position (PFNP) to Total Pension Liability (TPL). The amount payable is limited to 100% of the monthly benefit, and prorated to the extent excess earnings do not cover 100% of the monthly benefit.

O. Deferred Retirement Option Program (DROP)

Members are eligible to enter the DROP at any time between early or normal retirement age and the five year anniversary of the earliest normal retirement age. Delayed DROP entry is permitted after the five year anniversary of the earliest normal retirement age, with maximum participation reduced by one month for each month of delayed DROP entry. DROP accounts earn interest at the same rate as the investment earnings assumption for the Pension Plan for members who enter the DROP prior to October 1, 2009. DROP accounts earn interest at the rate of 4% per annum for members who enter the DROP on or after October 1, 2009. Earnings

cease after the earliest of the end of the maximum participation period, or death, or termination of City employment

All Members hired on or after October 1, 2009 and prior to October 1, 2018: Maximum participation is 72 months.

All Members hired on or after October 1, 2018: Maximum participation is 48 months.

P. Changes From Previous Actuarial Valuation

None.