

City of Oakland Park
General Employees' Pension Plan

Actuarial Valuation
As of October 1, 2023

Determines the Contribution
For the 2024/25 Fiscal Year



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February 6, 2024

Introduction

This report presents the revised results of the October 1, 2023 actuarial valuation of the City of Oakland Park General Employees' Pension Plan. The report is based on the participant data and asset information provided by the pension plan administrator and, except for a cursory review for reasonableness including a comparison to the data provided for the previous valuation, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of October 1, 2023 and to determine the minimum required contribution under Chapter 112, Florida Statutes, for the 2024/25 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the minimum required contribution rate.

Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2024/25 plan year. The minimum required contribution is \$549,967, which represents an increase of \$140,291 from the prior valuation.

Table I-C provides a breakdown of the sources of change in the minimum required contribution. Significantly, the minimum required contribution increased by \$208,280 due to investment shortfalls and decreased by \$67,989 due to demographic experience. Although the market value of assets earned 10.66% during the 2022/23 plan year, the actuarial value of assets is based on a three-year phase-in of the unexpected investment gains and losses. On this basis, the actuarial value of assets only earned 4.66% during the 2022/23 plan year, whereas a 6.75% annual investment return was required to maintain a stable contribution rate.



Chapter 112, Florida Statutes, sets forth the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the employer must contribute an amount equal to the annual normal cost of the plan plus an adjustment to reflect interest on any delayed payment of the contribution beyond the valuation date. On this basis, the employer's 2024/25 minimum required contribution is equal to \$549,967.

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$44,427,018. As illustrated in Table I-A, current assets are sufficient to cover \$41,995,773 of this amount, the employer's 2023/24 contribution will cover \$409,676 of this amount, and the employer's 2024/25 contribution will cover \$549,967 of this amount, leaving \$1,471,602 to be covered by future employer funding beyond the 2024/25 fiscal year. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

Advance Employer Contribution

The City has made contributions to the plan in excess of the minimum amount that was required to be contributed pursuant to Chapter 112. In this report, the excess contributions are referred to as an "advance employer contribution." As of October 1, 2023, the advance employer contribution is \$53,837 as shown in Table II-F.

The City may apply all or any portion of the advance employer contribution towards the minimum required contribution for the 2023/24 plan year or for any later plan year. The minimum required contribution for that plan year will be reduced dollar-for-dollar by the amount of the advance employer contribution that is applied in this manner.

Alternatively, at any time, the City may apply all or any portion of the advance employer contribution as an *extra* contribution in excess of the minimum required contribution. In this case, the immediate application of the entire balance of the advance employer contribution as of October 1, 2023 would reduce the minimum required contribution for the 2024/25 plan year to \$537,132.

Identification and Assessment of Risk

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, there is always a risk that, should these assumptions not be realized, the liabilities of the plan, the contributions required to fund the plan, and the funded status of the plan may be significantly different than the amounts shown in this report.

Although a thorough analysis of the risk of not meeting the assumptions is beyond the scope of this report, this discussion is intended to identify the significant risks faced by the plan. In some cases, a more detailed review of the risks, including



numerical analysis, may be appropriate to help the plan sponsor and other interested parties assess the specific impact of not realizing certain assumptions. For example, Table I-B illustrates the impact that alternative long-term investment returns would have on the contribution rate. Note that this report is not intended to provide advice on the management or reduction of the identified risks nor is this report intended to provide investment advice.

The most significant risk faced by most defined benefit pension plans is investment risk, i.e. the risk that long-term investment returns will be less than assumed. Other related risks include a risk that, if the investments of the plan decline dramatically over a short period of time (such as occurred with many pension plans in 2008), the plan's assets may not have sufficient time to recover before benefits become due. Even if the assets of the plan grow in accordance with the assumed investment return over time, if benefit payments are expected to be large in the short-term (for example, if the plan provides an actuarial equivalent lump sum payment option and a large number of participants are expected to become entitled to such a lump sum in the near future), the plan's assets may not be sufficient to support such a high level of benefit payments. We have provided a 10-year projection of the expected benefit payments in Table III-G to help the Trustees in formulating an investment policy that is expected to provide an investment return that meets both the short- and long-term cash flow needs of the pension plan.

Another source of risk is demographic experience. This is the risk that participants will receive salary increases that are different than the amount assumed, that participants will retire, become disabled, or terminate their employment at a rate that is different than assumed, and that participants will live longer than assumed, just to cite a few examples of the demographic risk faced by the plan. Although for most pension plans, the demographic risk is not as significant as the investment risk, particularly in light of the fact that the mortality assumption includes a component for future life expectancy increases, the demographic risk can nevertheless be a significant contributing factor to liabilities and contribution rates that become higher than anticipated.

A third source of risk is the risk that the plan sponsor (or other contributing entities) will not make, or will not have the ability to make, the contributions that are required to keep the plan funded at a sufficient level. Material changes in the number of covered employees, covered payroll, and, in some cases, hours worked by active participants can also significantly impact the plan's liabilities and the level of contributions received by the plan.

Finally, an actuarial funding method has been used to allocate the gap between projected liabilities and assets to each year in the future. The contribution rate under some funding methods is higher during the early years of the plan and then is lower during the later years of the plan. Other funding methods provide for lower contribution rates initially, with increasing contribution rates over time.

The Trustees have adopted the aggregate funding method for this plan, which is expected to result in a contribution rate that is level as a percentage of payroll over the working life of the plan's active participants. A brief description of the actuarial funding method is provided in Table IV-A.

Contents of the Report

Tables I-D through I-G provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Specifically, Table II-A shows



the development of the actuarial value of assets, which is based on a three-year phase-in of the net investment appreciation in order to provide a more stable and predictable contribution rate for the employer. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of October 1, 2023, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

Certification

This actuarial valuation was prepared 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 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 change in plan costs or required contribution rates have been taken into account in the valuation.

For the firm,

Charles T. Carr

Charles T. Carr
Consulting Actuary
Southern Actuarial Services Company, Inc.

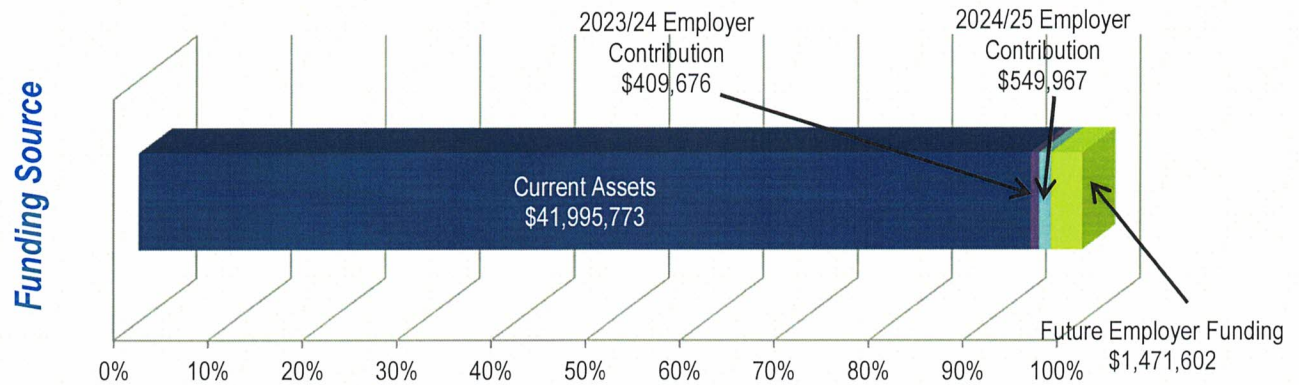
Enrolled Actuary No. 23-04927

The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



Minimum Required Contribution

Table I-A



For the 2024/25 Plan Year

Present Value of Future Benefits	\$44,299,532
Present Value of Future Administrative Expenses	\$127,486
Actuarial Value of Assets	(\$41,995,773)
Present Value of Future Employee Contributions	\$0

Present Value of Future Normal Costs	\$2,431,245
Present Value of Future Payroll	÷ \$10,198,911

Normal Cost Rate	= 23.8383%
Expected Payroll	x \$2,201,845

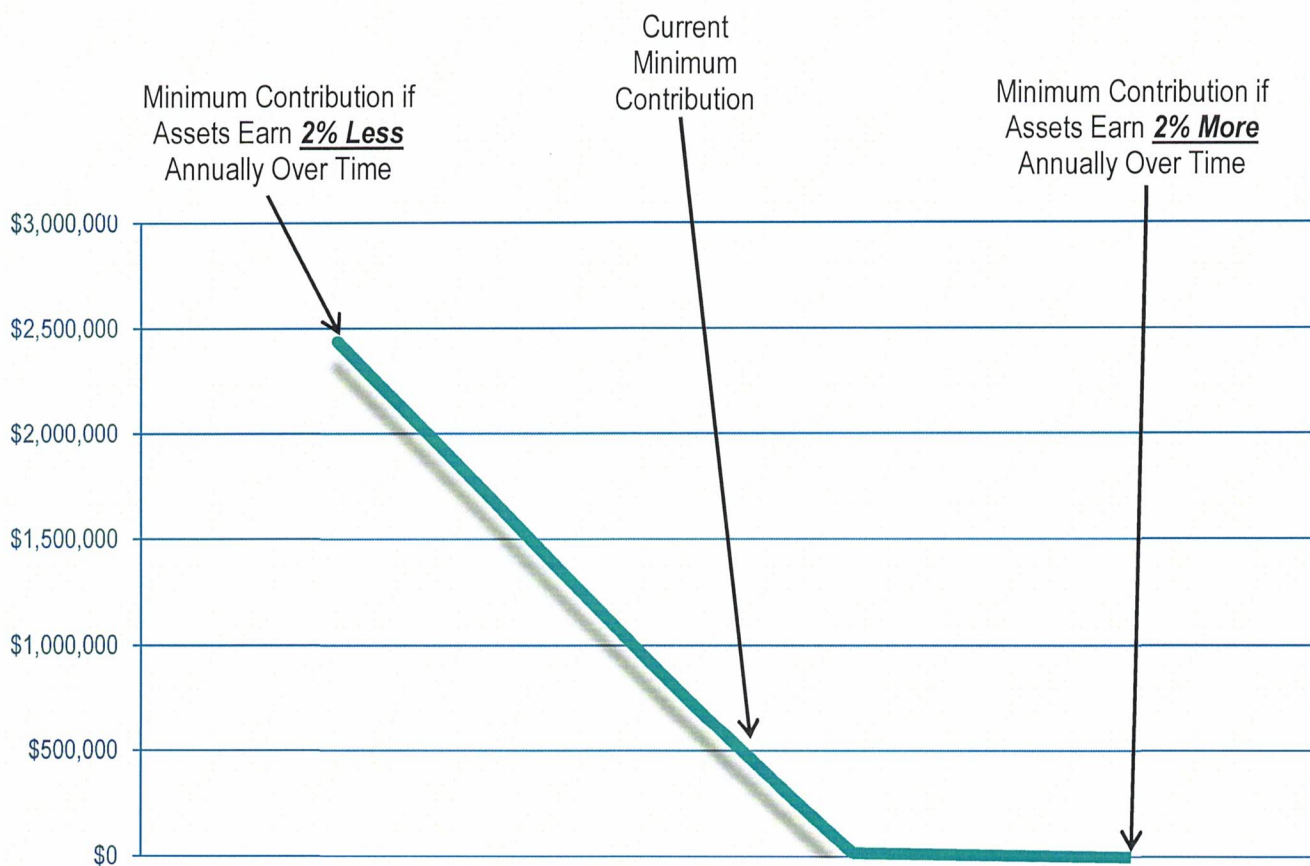
Normal Cost	\$524,882
Adjustment to Reflect Semi-Monthly Employer Contributions	\$16,214
Expected Employer Contribution for the 2023/24 Plan Year	(\$409,676)
Remaining Contribution Due/(Credit) for the 2023/24 Plan Year	\$131,420
	x 0.0675
One Year's Interest Charge/(Credit) on the Remaining Contribution	\$8,871

Minimum Required Contribution for the 2024/25 Plan Year **\$549,967**



Sensitivity Analysis

Table I-B



The line above illustrates the sensitivity of the minimum required contribution to changes in the long-term investment return.



Gain and Loss Analysis

Table I-C

Source of Change in the Minimum Required Contribution

Previous minimum required contribution	\$409,676
Increase (decrease) due to investment gains and losses	\$208,280
Increase (decrease) due to demographic experience	(\$67,989)
Increase (decrease) due to plan amendments	\$0
Increase (decrease) due to actuarial assumption changes	\$0
Increase (decrease) due to actuarial method changes	\$0
Current minimum required contribution	<u>\$549,967</u>



Present Value of Future Benefits

Table I-D

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$6,447,022	\$6,447,022	\$6,447,022
Termination benefits	\$31,560	\$31,560	\$31,560
Disability benefits	\$14,023	\$14,023	\$14,023
Death benefits	\$15,842	\$15,842	\$15,842
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$6,508,447	\$6,508,447	\$6,508,447
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$2,615,267	\$2,615,267	\$2,615,267
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$2,615,267	\$2,615,267	\$2,615,267
<i><u>Due a Refund of Contributions</u></i>	\$637	\$637	\$637
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$34,492,134	\$34,492,134	\$34,492,134
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$683,047	\$683,047	\$683,047
DROP participants	\$0	\$0	\$0
Sub-total	\$35,175,181	\$35,175,181	\$35,175,181
<i><u>Grand Total</u></i>	<u>\$44,299,532</u>	<u>\$44,299,532</u>	<u>\$44,299,532</u>
Present Value of Future Payroll	\$10,198,911	\$10,198,911	\$10,198,911
Present Value of Future Employee Contribs.	\$0	\$0	\$0
Present Value of Future Employer Contribs.	\$2,431,245	\$2,431,245	\$2,431,245



Present Value of Accrued Benefits

Table I-E

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$6,447,022	\$6,447,022	\$6,447,022
Termination benefits	\$31,560	\$31,560	\$31,560
Disability benefits	\$14,023	\$14,023	\$14,023
Death benefits	\$15,842	\$15,842	\$15,842
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$6,508,447	\$6,508,447	\$6,508,447
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$2,615,267	\$2,615,267	\$2,615,267
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$2,615,267	\$2,615,267	\$2,615,267
<i><u>Due a Refund of Contributions</u></i>	\$637	\$637	\$637
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$34,492,134	\$34,492,134	\$34,492,134
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$683,047	\$683,047	\$683,047
DROP participants	\$0	\$0	\$0
Sub-total	\$35,175,181	\$35,175,181	\$35,175,181
<i><u>Grand Total</u></i>	<u>\$44,299,532</u>	<u>\$44,299,532</u>	<u>\$44,299,532</u>
<i><u>Funded Percentage</u></i>	89.87%	89.87%	89.87%

(Note: Funded percentage is equal to the ratio of the usable portion of the market value of assets divided by the present value of accrued benefits.)



Present Value of Vested Benefits

Table I-F

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$6,447,022	\$6,447,022	\$6,447,022
Termination benefits	\$31,560	\$31,560	\$31,560
Disability benefits	\$14,023	\$14,023	\$14,023
Death benefits	\$15,842	\$15,842	\$15,842
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$6,508,447	\$6,508,447	\$6,508,447
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$2,615,267	\$2,615,267	\$2,615,267
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$2,615,267	\$2,615,267	\$2,615,267
<i><u>Due a Refund of Contributions</u></i>	\$637	\$637	\$637
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$34,492,134	\$34,492,134	\$34,492,134
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$683,047	\$683,047	\$683,047
DROP participants	\$0	\$0	\$0
Sub-total	\$35,175,181	\$35,175,181	\$35,175,181
<i><u>Grand Total</u></i>	<u>\$44,299,532</u>	<u>\$44,299,532</u>	<u>\$44,299,532</u>



Entry Age Normal Accrued Liability

Table I-G

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$6,447,022	\$6,447,022	\$6,447,022
Termination benefits	\$31,560	\$31,560	\$31,560
Disability benefits	\$14,023	\$14,023	\$14,023
Death benefits	\$15,842	\$15,842	\$15,842
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$6,508,447	\$6,508,447	\$6,508,447
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$2,615,267	\$2,615,267	\$2,615,267
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$2,615,267	\$2,615,267	\$2,615,267
<i><u>Due a Refund of Contributions</u></i>	\$637	\$637	\$637
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$34,492,134	\$34,492,134	\$34,492,134
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$683,047	\$683,047	\$683,047
DROP participants	\$0	\$0	\$0
Sub-total	\$35,175,181	\$35,175,181	\$35,175,181
<i><u>Grand Total</u></i>	<u>\$44,299,532</u>	<u>\$44,299,532</u>	<u>\$44,299,532</u>



Actuarial Value of Assets

Table II-A

<u>Unexpected Appreciation (Depreciation)</u>			<u>Unrecognized Gain (Loss)</u>
For the 2021/22 plan year	(\$9,638,320)	x 1/3	(\$3,212,773)
For the 2022/23 plan year	\$1,465,957	x 2/3	\$977,305
			<u>(\$2,235,468)</u>

Market Value of Assets as of October 1, 2023 \$39,814,142

Minus advance employer contributions (\$53,837)

Adjustment for unrecognized gain or loss as shown above,
but restricted to an amount that keeps the actuarial value
of assets within an 80%-120% corridor of the market value \$2,235,468

Actuarial Value of Assets as of October 1, 2023 \$41,995,773

<u>Historical Actuarial Value of Assets</u>	
October 1, 2014	\$31,247,703
October 1, 2015	\$32,835,674
October 1, 2016	\$35,588,977
October 1, 2017	\$35,716,148
October 1, 2018	\$37,009,247
October 1, 2019	\$38,895,913
October 1, 2020	\$42,561,426
October 1, 2021	\$44,530,374
October 1, 2022	\$43,463,547
October 1, 2023	\$41,995,773

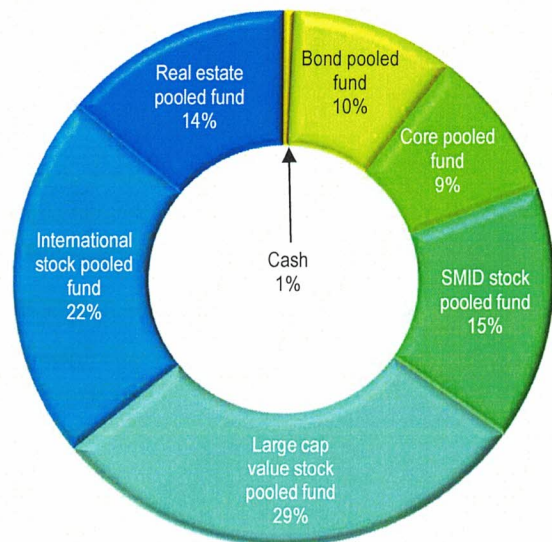


Market Value of Assets

Table II-B

As of October 1, 2023

Market Value of Assets	<u>\$39,814,142</u>
Cash	\$238,885
Bond pooled fund	\$3,901,786
Core pooled fund	\$3,583,273
SMID stock pooled fund	\$6,131,378
Large cap value stock pooled fund	\$11,665,543
International stock pooled fund	\$8,798,925
Real estate pooled fund	\$5,494,352

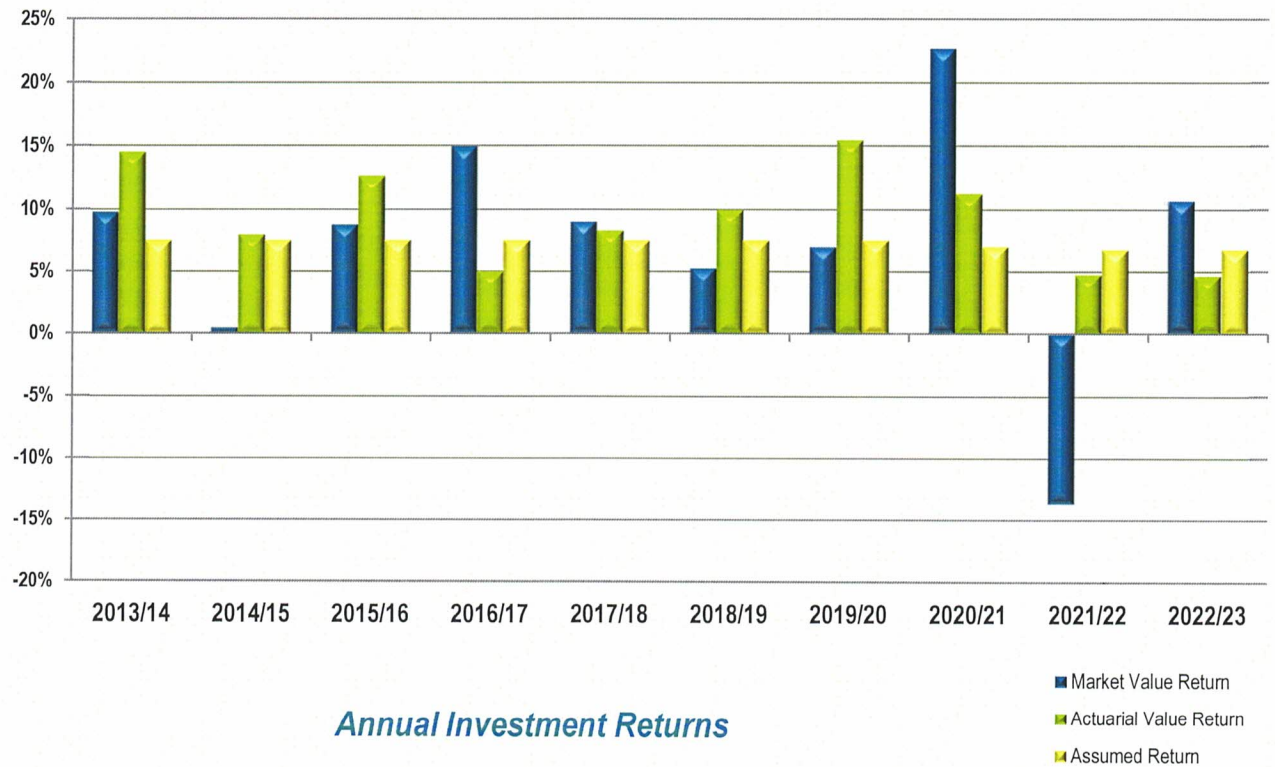
Historical Market Value of Assets

October 1, 2014	\$34,677,145
October 1, 2015	\$33,980,146
October 1, 2016	\$35,588,977
October 1, 2017	\$39,187,602
October 1, 2018	\$41,181,250
October 1, 2019	\$41,531,792
October 1, 2020	\$42,191,516
October 1, 2021	\$48,805,681
October 1, 2022	\$39,229,050
October 1, 2023	\$39,814,142



Investment Return

Table II-C

*Annual Investment Returns*

Plan	Market Value	Actuarial Value	Assumed
<u>Year</u>	<u>Return</u>	<u>Return</u>	<u>Return</u>
2013/14	9.77%	14.48%	7.50%
2014/15	0.47%	7.94%	7.50%
2015/16	8.76%	12.63%	7.50%
2016/17	14.97%	4.99%	7.50%
2017/18	9.01%	8.28%	7.50%
2018/19	5.25%	9.95%	7.50%
2019/20	6.99%	15.43%	7.50%
2020/21	22.69%	11.23%	7.00%
2021/22	-13.65%	4.76%	6.75%
2022/23	10.66%	4.66%	6.75%
10yr. Avg.	7.09%	9.37%	7.30%



Asset Reconciliation

Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of October 1, 2022	\$39,229,050	\$43,463,547
<i>Increases Due To:</i>		
Employer Contributions	\$308,420	\$308,420
Employee Contributions	\$0	\$0
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$308,420</u>	<u>\$308,420</u>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	\$4,000,529	
Total Investment Income	<u>\$4,000,529</u>	\$1,947,663
Other Income	\$0	
Total Income	<u>\$4,308,949</u>	<u>\$2,256,083</u>
<i>Decreases Due To:</i>		
Monthly Benefit Payments	(\$3,641,722)	(\$3,641,722)
Refund of Employee Contributions	\$0	\$0
Total Benefit Payments	<u>(\$3,641,722)</u>	<u>(\$3,641,722)</u>
Investment Expenses	\$0	
Administrative Expenses	(\$82,135)	(\$82,135)
Advance Employer Contribution		\$0
Total Expenses	<u>(\$3,723,857)</u>	<u>(\$3,723,857)</u>
As of October 1, 2023	<u>\$39,814,142</u>	<u>\$41,995,773</u>



Historical Trust Fund Detail

Table II-E

Income

Plan Year	Employer Contribs.	Employee Contribs.	Service Purchase Contribs.	Interest / Dividends	Realized Gains / Losses	Unrealized Gains / Losses	Other Income
2013/14	\$2,519,977	\$0	\$0	\$0	\$0	\$3,112,186	\$0
2014/15	\$2,230,002	\$0	\$0	\$0	\$0	\$160,616	\$0
2015/16	\$1,863,600	\$0	\$0	\$0	\$0	\$2,919,202	\$0
2016/17	\$1,610,387	\$0	\$0	\$0	\$0	\$5,207,181	\$0
2017/18	\$1,962,213	\$0	\$0	\$0	\$0	\$3,464,404	\$0
2018/19	\$1,789,505	\$0	\$0	\$0	\$0	\$2,117,250	\$0
2019/20	\$1,612,366	\$0	\$0	\$0	\$0	\$2,828,923	\$0
2020/21	\$1,107,595	\$0	\$0	\$0	\$0	\$9,273,540	\$0
2021/22	\$639,896	\$0	\$0	\$0	\$0	-\$6,447,810	\$0
2022/23	\$308,420	\$0	\$0	\$0	\$0	\$4,000,529	\$0

Expenses

Plan Year	Monthly Benefit Payments	Contrib. Refunds	Admin. Expenses	Invest. Expenses
2013/14	\$2,998,668	\$0	\$74,923	\$0
2014/15	\$3,010,328	\$0	\$77,289	\$0
2015/16	\$3,091,344	\$0	\$82,627	\$0
2016/17	\$3,134,446	\$4,357	\$80,140	\$0
2017/18	\$3,350,003	\$1,608	\$81,358	\$0
2018/19	\$3,465,094	\$0	\$91,119	\$0
2019/20	\$3,700,098	\$0	\$81,467	\$0
2020/21	\$3,689,707	\$0	\$77,263	\$0
2021/22	\$3,680,598	\$0	\$88,119	\$0
2022/23	\$3,641,722	\$0	\$82,135	\$0

Other Actuarial Adjustments

Advance Employer Contribs.
\$0
\$0
\$0
\$0
\$126,673
-\$57,095
\$0
\$0
-\$15,741
\$0

Note: Information was not available to separate the realized and unrealized gains and losses.



Other Reconciliations

Table II-F

Advance Employer Contribution

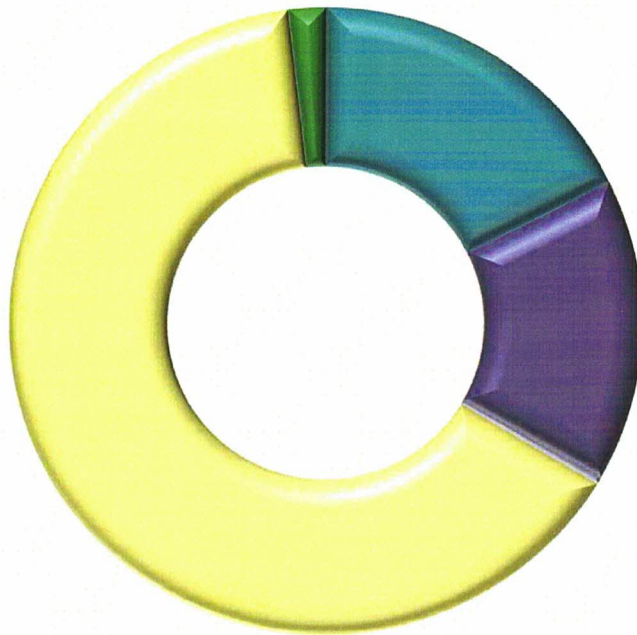
Advance Employer Contribution as of October 1, 2022	\$53,837
Additional Employer Contribution	\$308,420
Minimum Required Contribution	<u>(\$308,420)</u>
Net Increase in Advance Employer Contribution	\$0
Advance Employer Contribution as of October 1, 2023	<u><u>\$53,837</u></u>



Summary of Participant Data

Table III-A

As of October 1, 2023

*Participant Distribution by Status*Actively Employed Participants

Active Participants	45
DROP Participants	0

Inactive Participants

Deferred Vested Participants	40
Due a Refund of Contributions	1
Deferred Beneficiaries	0

Participants Receiving a Benefit

Service Retirements	165
Disability Retirements	0
Beneficiaries Receiving	5

Total Participants 256Number of Participants Included in Prior Valuations

	<i>Active</i>	<i>DROP</i>	<i>Inactive</i>	<i>Retired</i>	<i>Total</i>
October 1, 2014	102	0	46	158	306
October 1, 2015	95	0	51	155	301
October 1, 2016	84	0	50	161	295
October 1, 2017	76	0	50	161	287
October 1, 2018	68	0	46	164	278
October 1, 2019	60	0	44	171	275
October 1, 2020	57	0	38	176	271
October 1, 2021	51	0	40	175	266
October 1, 2022	46	0	42	174	262
October 1, 2023	45	0	41	170	256



Data Reconciliation

Table III-B

	<u>Active</u>	<u>DROP</u>	<u>Deferred Vested</u>	<u>Due a Refund</u>	<u>Def. Benef.</u>	<u>Service Retiree</u>	<u>Disabled Retiree</u>	<u>Benef. Rec'v.</u>	<u>Total</u>
<u>October 1, 2022</u>	46	0	41	1	0	169	0	5	262
<u>Change in Status</u>									
Re-employed									
Terminated	(1)		1						
Retired			(2)			2			
<u>Participation Ended</u>									
Transferred Out									
Cashed Out									
Died						(6)			(6)
<u>Participation Began</u>									
Newly Hired									
Transferred In									
New Beneficiary									
<u>Other Adjustment</u>									
<u>October 1, 2023</u>	45	0	40	1	0	165	0	5	256

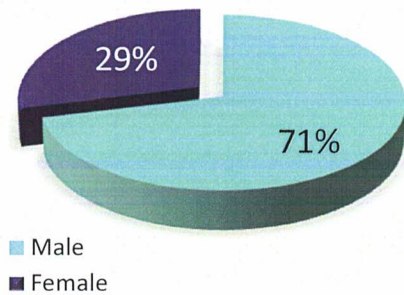


Active Participant Data

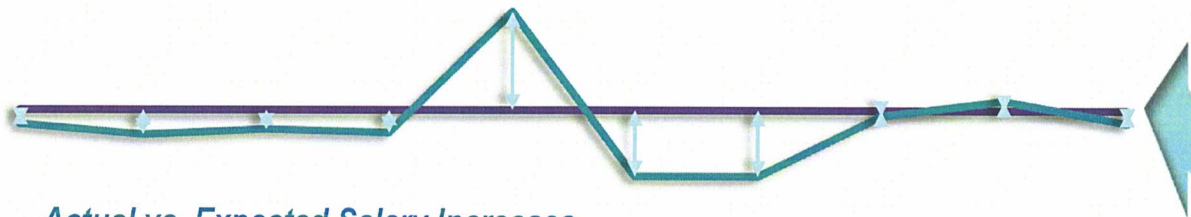
Table III-C

As of October 1, 2023

Gender Mix



Average Age	56.8 years
Average Service	21.6 years
Total Annualized Compensation for the Prior Year	\$2,796,289
Total Expected Compensation for the Current Year	\$2,201,845
Average Increase in Compensation for the Prior Year	4.05%
Expected Increase in Compensation for the Current Year	5.00%
Accumulated Contributions for Active Employees	\$147,184



Actual vs. Expected Salary Increases

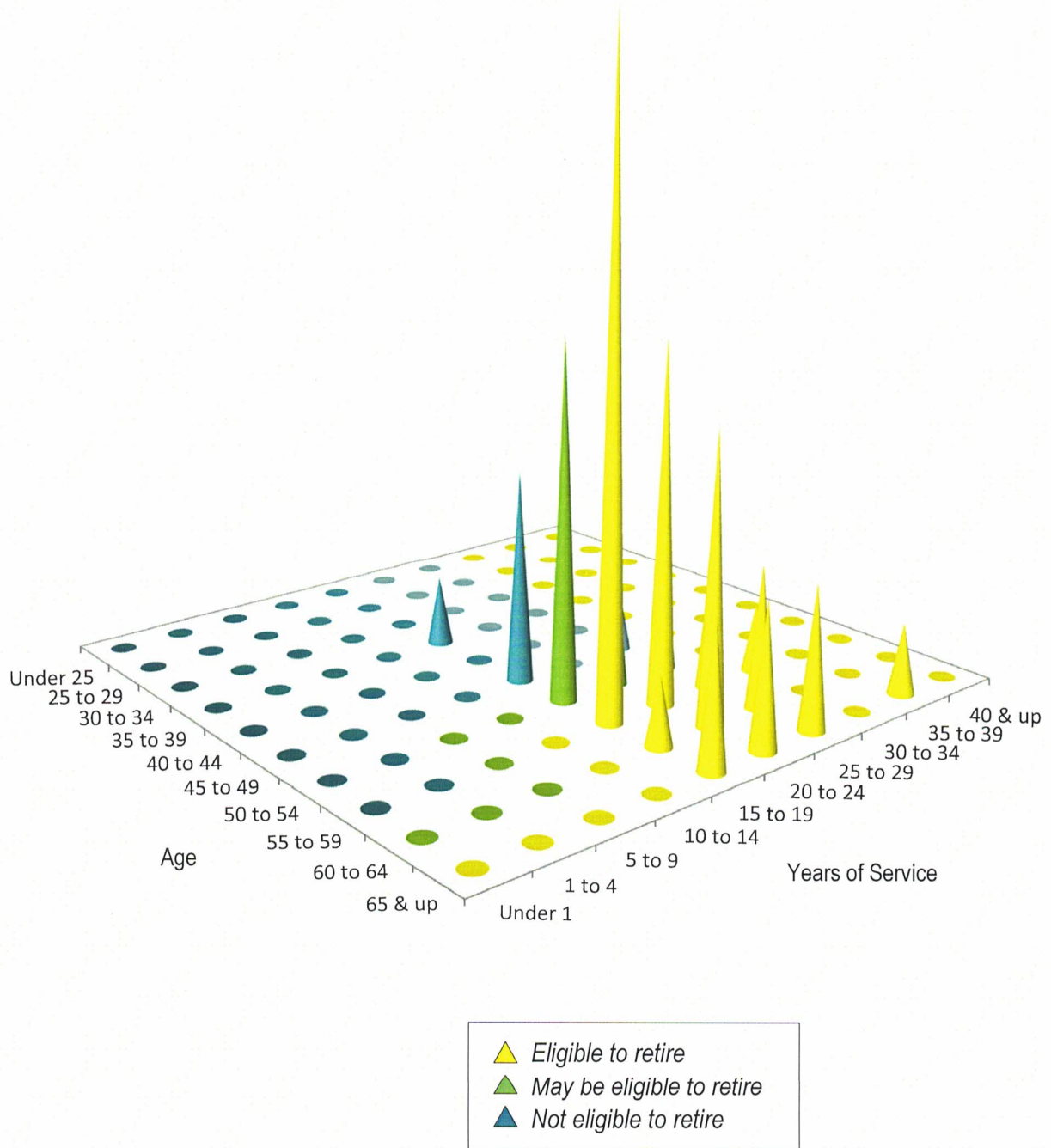
Active Participant Statistics From Prior Valuations

	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
October 1, 2014	50.2	15.3	\$50,439	5.00%	3.91%
October 1, 2015	51.5	16.5	\$51,668	5.00%	3.12%
October 1, 2016	52.5	17.7	\$52,066	5.00%	3.53%
October 1, 2017	53.1	18.5	\$51,396	5.00%	3.29%
October 1, 2018	53.1	18.5	\$51,013	5.00%	12.48%
October 1, 2019	53.6	18.5	\$52,416	5.00%	N/A
October 1, 2020	54.5	19.1	\$51,148	5.00%	N/A
October 1, 2021	54.7	19.7	\$56,737	5.00%	4.58%
October 1, 2022	55.7	20.5	\$59,218	5.00%	5.75%
October 1, 2023	56.8	21.6	\$62,140	5.00%	4.05%



Active Age-Service Distribution

Table III-D



Active Age-Service-Salary Table

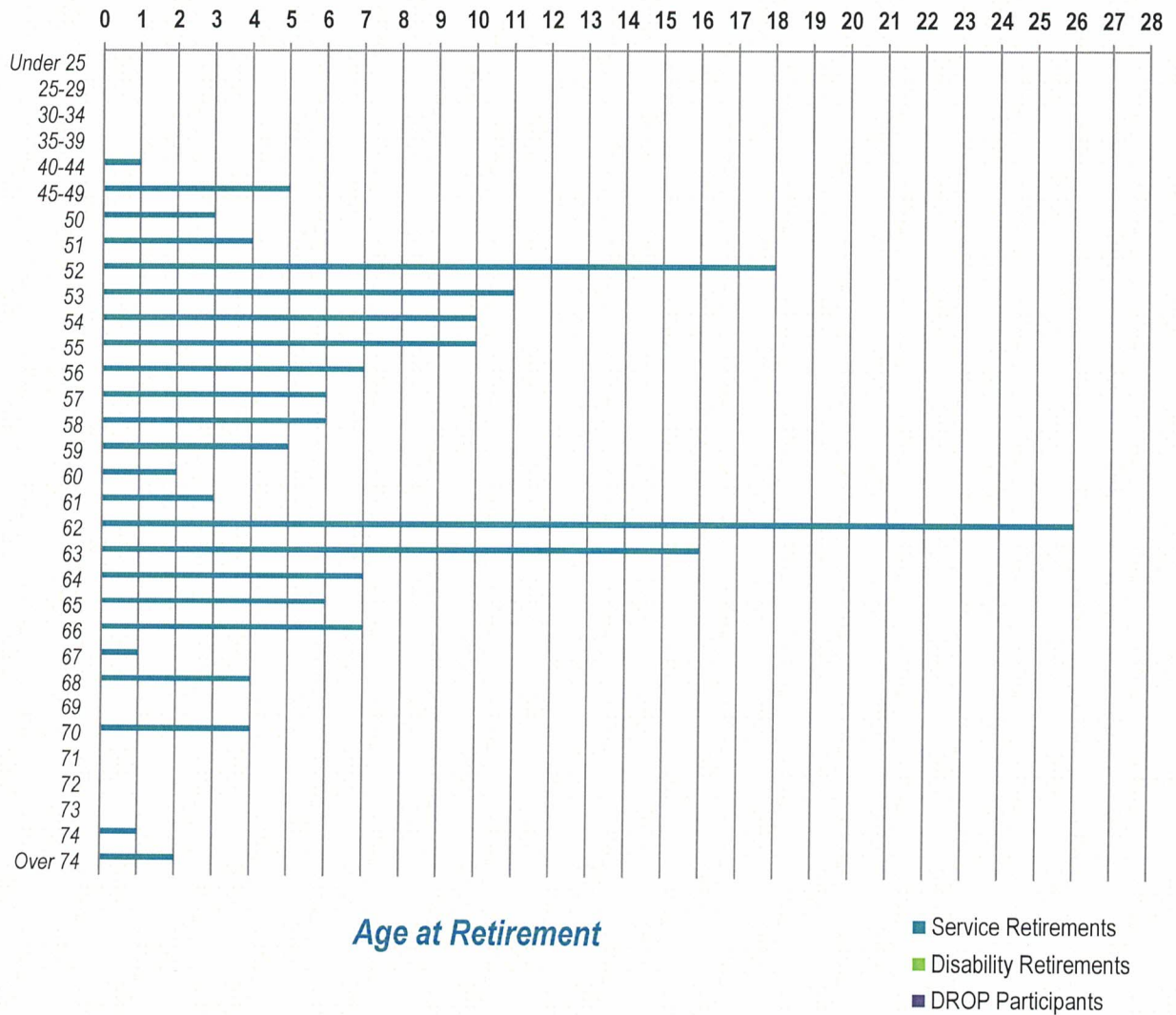
Table III-E

Attained Age	Completed Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	1	0	0	0	0	0	1
Avg.Pay	0	0	0	0	49,740	0	0	0	0	0	49,740
40 to 44	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
45 to 49	0	0	0	0	3	0	1	0	0	0	4
Avg.Pay	0	0	0	0	51,990	0	89,945	0	0	0	61,479
50 to 54	0	0	0	0	5	2	2	0	0	0	9
Avg.Pay	0	0	0	0	55,131	72,994	60,868	0	0	0	60,375
55 to 59	0	0	0	0	9	5	2	1	0	0	17
Avg.Pay	0	0	0	0	51,884	68,667	83,298	62,605	0	0	61,147
60 to 64	0	0	0	0	1	4	2	0	0	0	7
Avg.Pay	0	0	0	0	45,872	77,026	66,291	0	0	0	69,508
65 & up	0	0	0	0	2	2	2	0	1	0	7
Avg.Pay	0	0	0	0	43,251	52,765	71,952	0	95,272	0	61,601
Total	0	0	0	0	21	13	9	1	1	0	45
Avg.Pay	0	0	0	0	51,462	69,458	72,751	62,605	95,272	0	62,140



Inactive Participant Data

Table III-F

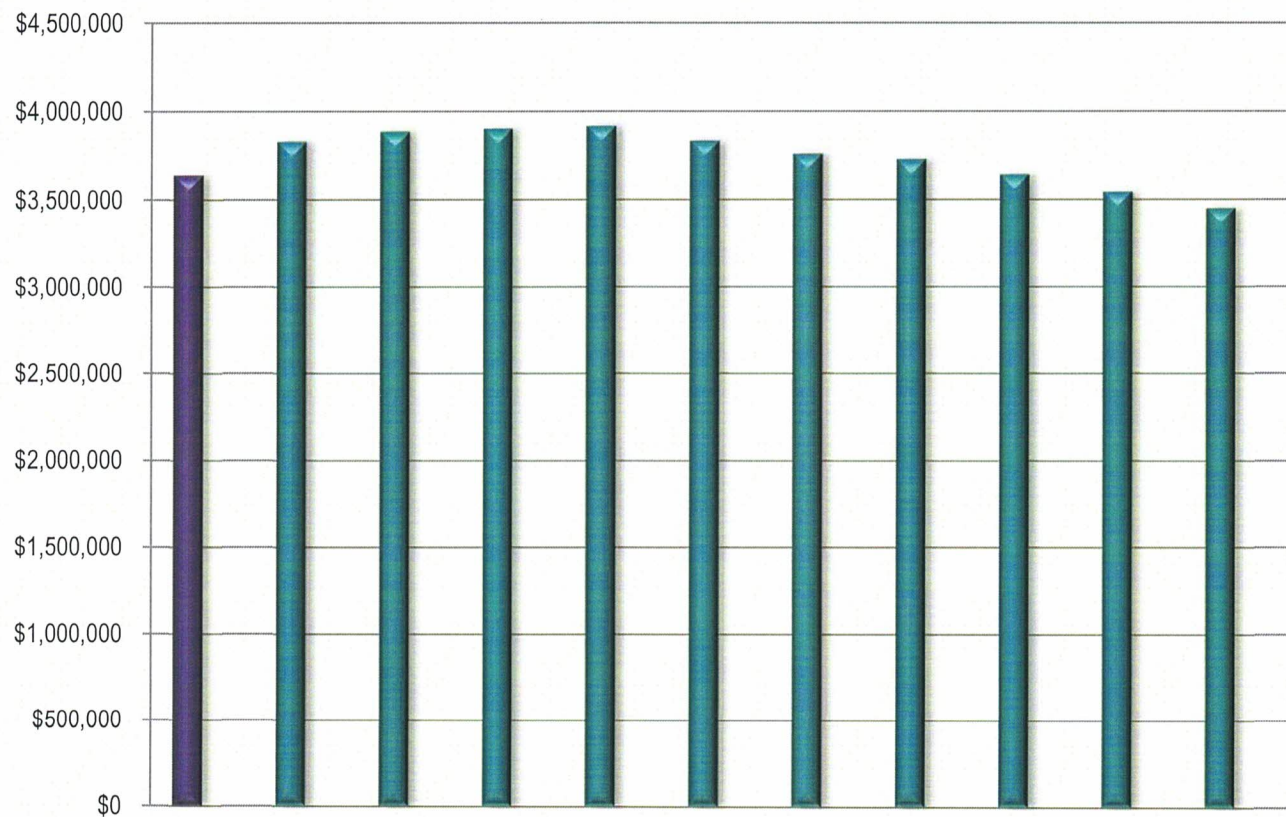
Average Monthly Benefit

Service Retirements	\$1,802.28
Disability Retirements	Not applicable
Beneficiaries Receiving	\$1,008.39
DROP Participants	Not applicable
Deferred Vested Participants	\$745.47
Deferred Beneficiaries	Not applicable



Projected Benefit Payments

Table III-G

Actual

For the period October 1, 2022 through September 30, 2023

\$3,641,722

Projected

For the period October 1, 2023 through September 30, 2024

\$3,829,528

For the period October 1, 2024 through September 30, 2025

\$3,885,313

For the period October 1, 2025 through September 30, 2026

\$3,902,387

For the period October 1, 2026 through September 30, 2027

\$3,918,321

For the period October 1, 2027 through September 30, 2028

\$3,833,938

For the period October 1, 2028 through September 30, 2029

\$3,760,774

For the period October 1, 2029 through September 30, 2030

\$3,729,800

For the period October 1, 2030 through September 30, 2031

\$3,645,476

For the period October 1, 2031 through September 30, 2032

\$3,545,758

For the period October 1, 2032 through September 30, 2033

\$3,452,282



Summary of Actuarial Methods and Assumptions

Table IV-A

NOTE: The following assumptions and methods have been selected and approved by the Board of Trustees based in part on the advice of the plan's enrolled actuary in accordance with the authority granted to the Board under the pension ordinances and State law.

1. **Actuarial Cost Method**

Aggregate cost method. Under this actuarial cost method, a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the expected future payroll for current active participants. The normal cost is equal to the level funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

2. **Asset Method**

The actuarial value of assets is equal to the market value of assets, adjusted to reflect a three-year phase-in of the unexpected investment gains and losses.

3. **Interest (or Discount) Rate**

6.75% per annum

4. **Salary Increases**

Plan compensation is assumed to increase at the rate of 5.00% per annum, unless actual plan compensation is known for a prior plan year.

5. **Decrement**

- Pre-retirement mortality: Sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year
- Post-retirement mortality: Sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year



Summary of Actuarial Methods and Assumptions

Table IV-A

(continued)

- Disability: Sex-distinct rates set forth in the Wyatt 1985 Disability Study (Class 1)
- Termination: Sex-distinct rates set forth in the Scale 255 Table
- Retirement: Retirement is assumed to occur upon the earlier of the attainment of age 62 or 30 years of service.

6. Form of Payment

Future retirees have been assumed to select the five-year certain and life annuity.

7. Expenses

Administrative expenses are assumed to be 1.25% of covered payroll. In addition, the interest rate set forth in item 3. above is assumed to be net of investment expenses and commissions.



Changes in Actuarial Methods and Assumptions

Table IV-B

There were no method or assumption changes since the completion of the previous valuation.

The following additional assumption and method changes were made during the past 10 years:

- (1) *Effective October 1, 2021, the interest (or discount) rate was decreased from 7.00% per annum to 6.75% per annum.*
- (2) *Effective October 1, 2020, the interest (or discount) rate was decreased from 7.50% per annum to 7.00% per annum.*
- (3) *Effective October 1, 2020, the mortality basis was changed from the RP-2000 Combined Mortality Table with generational improvements in mortality using Scale BB to selected PUB-2010 Mortality Tables with generational improvements in mortality using Scale MP-2018.*
- (4) *Effective October 1, 2020, the actuarial value of assets was changed from the market value adjusted to reflect a three-year phase-in of the net investment gains and losses to the market value adjusted to reflect a three-year phase-in of the unexpected investment gains and losses.*
- (5) *Effective October 1, 2016, the mortality basis was changed from a 2007 projection of the RP-2000 Mortality Table for annuitants to a full generational projection using Scale BB of the RP-2000 Combined Mortality Table as required by State law.*
- (6) *Effective October 1, 2016, the method used to determine the actuarial value of assets was changed from the market value adjusted to reflect a three-year phase-in of the net investment gains and losses to the market value adjusted to reflect a three-year phase-in of the net investment gains and losses that occur after September 30, 2016.*



Summary of Plan Provisions

Table V-A

1. **Monthly Accrued Benefit**

3.50% of Final Average Monthly Earnings multiplied by up to 20 years of service plus 0.50% of Final Average Monthly Earnings multiplied by up to 10 years of service in excess of 20 years **(Note: Benefits cease to accrue as of September 30, 2011.)**

2. **Normal Retirement Age and Benefit**

- **Age**
Age 62
- **Amount**
Monthly Accrued Benefit
- **Form of Payment**
Five-year certain and life annuity (normal form of payment);
Actuarially equivalent five-year certain and joint and contingent annuity (optional);
Actuarially equivalent temporary life annuity (optional);
A combination of the certain and life or certain and joint and contingent annuity with a temporary life annuity as described above (optional); or
Actuarially equivalent lump sum distribution (automatic if the participant's monthly annuity is less than \$5.00)

3. **Early Retirement Age and Benefit**

- **Age**
Age 52 with at least seven years of service; or
Any age with at least 30 years of service
- **Amount**
Monthly Accrued Benefit (payable at age 62); or
Monthly Accrued Benefit, reduced by 3.1% for each year by which the participant's Early Retirement Age precedes age 62 for those participants who have earned less than 30 years of service (payable at Early Retirement Age).
- **Form of Payment**
Same as for Normal Retirement

4. **Deferred Retirement Age and Benefit**

- **Age**
After Normal Retirement Age
- **Amount**
Monthly Accrued Benefit
- **Form of Payment**
Same as for Normal Retirement



Summary of Plan Provisions

Table V-A

(continued)

5. Disability Eligibility and Benefit

- **Eligibility**
All participants are eligible.
- **Condition**
The participant must be eligible for a federal Social Security disability benefit and must have become disabled during his period of employment with the City.
- **Amount Payable Until Normal Retirement Age**
Temporary life annuity equal to 66⅔% of the participant's base salary at the time of his disability, offset by any Social Security and workmen's compensation benefits that are payable to the participant
- **Amount Payable Upon Attainment of Normal Retirement Age**
Monthly Accrued Benefit determined as of the original date of disability

6. Deferred Vested Benefit

- **Amount**
Monthly Accrued Benefit (payable at age 62);
Monthly Accrued Benefit, reduced by 3.1% for each whole year by which the participant's Early Retirement Age precedes age 62 (payable at Early Retirement Age).
- **Form of Payment**
Same as for Normal Retirement

7. Vested Percentage

For those participants who terminated their employment prior to September 30, 2011, 35% upon the attainment of seven years of service plus an additional 5% for each whole year of service earned in excess of seven years, to a maximum of 100% upon the attainment of 20 years of service; for all other participants, 100%.

8. Pre-Retirement Death Benefits

Upon the death prior to retirement of a fully or partially vested participant, the participant's beneficiary receives a single lump sum payment equal to 100% of the basic annual rate of pay (for those participants who have earned less than 15 years of service at the time of their death) or 150% of the basic annual rate of pay (for all other participants). The maximum lump sum payment is \$30,000.



Summary of Plan Provisions

Table V-A

(continued)

9. Final Average Monthly Earnings

Average monthly earnings for the highest-paid three years of service out of the last five years of service prior to the determination, where monthly compensation is based on $4\frac{1}{3}$ times basic weekly salary or $173\frac{1}{3}$ times basic hourly rate, as applicable, and where compensation excludes overtime pay, bonuses, or other extra compensation; final average monthly earnings does not reflect compensation earned after September 30, 2011.

10. Years of Service

The uninterrupted service, calculated in elapsed time, from the participant's date of hire until his date of termination, retirement, or death; for purposes of determining the amount of the Monthly Accrued Benefit, service does not reflect periods after September 30, 2007 for those individuals who opt to participate in the FRS as of October 1, 2007 and does not reflect periods after September 30, 2011 for all other individuals.

11. Employee Contribution

Effective during the period June, 2009, through September 30, 2011, the plan requires that all active employees other than BSO employees must contribute 4% of their pensionable earnings. All forms of payment guarantee at least the return of accumulated employee contributions.

12. Participation Requirement

General employees of the City of Oakland Park, Florida automatically become a participant in the plan on their date of hire except for the following individuals:

- (a) *Employees hired after September 30, 2007;*
- (b) *The mayor and City Commission members; and*
- (c) *Non-classified employees who do not opt to continue participation in the plan.*

In addition, certain former employees of the City of Oakland Park who are now employed by the Broward Sheriff's Office (BSO) have been allowed to continue actively participating in the plan.



Summary of Plan Provisions

Table V-A

(continued)

13. Definition of Actuarially Equivalent

- **Interest Rate**
6.75% per annum
- **Mortality Table**
1994 Group Annuity Reserving Table, projected to 2002 by Scale AA

14. Plan Effective Date

The initial plan effective date is May 1, 1963; the most recent plan restatement effective date is August 13, 1977.



Summary of Plan Amendments

Table V-B

No significant plan changes were adopted since the completion of the previous valuation.

