

CITY OF CORAL SPRINGS
POLICE OFFICERS' PENSION PLAN

SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2023 VALUATION DATE





FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

May 22, 2024

VIA E-MAIL

Trustees of the City of Coral Springs Police Officers' Pension Plan
c/o Ms. Gina Orlando
City of Coral Springs
9500 West Sample Road
Coral Springs, FL 33065

Re: City of Coral Springs Police Officers' Pension Plan
Section 112.664, Florida Statutes Compliance

Dear Gina:

Please find enclosed the annual disclosures that satisfy the October 1, 2023 financial reporting requirements made under Section 112.664.

Our office will submit this information electronically to the Department of Management Services. However, it is important for you to be aware that this report must also be made available on the Plan or Plan Sponsor's website, if such website exists. A deadline for this website publication is not made clear in the law.

In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should contact its Investment Consultant for this information.

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

If there are any questions, concerns, or comments about any of the items contained in this report, please feel free to contact me.

Respectfully submitted,

Foster & Foster, Inc.

By: 

Sara E. Carlson, ASA, EA, MAAA
Enrolled Actuary #23-8546

Enclosures

When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2023 Actuarial Valuation Report, as adopted by the Board of Trustees, are reasonable individually and in the aggregate, and represent our best estimate of future Plan experience.
- 5) The “Number of Years Expected Benefit Payments Sustained” calculated in Section II: Asset Sustainability should not be interpreted as the number of years the Plan has left until it is insolvent. This calculation is required by 112.664, Florida Statutes, but the numeric result is irrelevant, since in its calculation we are to assume there will be no further contributions to the Fund. As long as the Actuarially Determined Contribution is made each year the Plan will never become insolvent.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
FISCAL YEAR SEPTEMBER 30, 2023

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Discount Rate:	7.00%	5.00%	9.00%
<u>Total Pension Liability</u>			
Service Cost	6,561,326	10,415,239	4,287,833
Interest	24,979,467	23,001,073	25,939,602
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience	1,296,153	3,458,239	(268,214)
Changes of Assumptions	3,413,529	5,573,799	1,926,840
Contributions - Buy Back	239,611	239,611	239,611
Benefit Payments, Including Refunds of Employee			
Contributions	(22,230,755)	(22,230,755)	(22,230,755)
Net Change in Total Pension Liability	14,259,331	20,457,206	9,894,917
Total Pension Liability - Beginning	361,403,582	460,721,596	295,045,350
Total Pension Liability - Ending (a)	<u>\$ 375,662,913</u>	<u>\$ 481,178,802</u>	<u>\$ 304,940,267</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	9,161,809	9,161,809	9,161,809
Contributions - State	1,579,510	1,579,510	1,579,510
Contributions - Other	2,848,630	2,848,630	2,848,630
Contributions - Employee	2,126,668	2,126,668	2,126,668
Contributions - Buy Back	239,611	239,611	239,611
Net Investment Income	25,003,692	25,003,692	25,003,692
Benefit Payments, Including Refunds of Employee			
Contributions	(22,230,755)	(22,230,755)	(22,230,755)
Administrative Expenses	(251,738)	(251,738)	(251,738)
Other	2	2	2
Net Change in Plan Fiduciary Net Position	18,477,429	18,477,429	18,477,429
Plan Fiduciary Net Position - Beginning	278,745,844	278,745,844	278,745,844
Plan Fiduciary Net Position - Ending (b)	<u>\$ 297,223,273</u>	<u>\$ 297,223,273</u>	<u>\$ 297,223,273</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 78,439,640</u>	<u>\$ 183,955,529</u>	<u>\$ 7,716,994</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Discount Rate = 7.00%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2023	275,366,391	-	18,511,839	-	18,627,733	275,482,285
2024	275,482,285	-	19,292,966	-	18,608,506	274,797,825
2025	274,797,825	-	20,167,365	-	18,529,990	273,160,450
2026	273,160,450	-	21,198,021	-	18,379,301	270,341,730
2027	270,341,730	-	22,248,477	-	18,145,224	266,238,477
2028	266,238,477	-	23,201,219	-	17,824,651	260,861,909
2029	260,861,909	-	24,160,259	-	17,414,725	254,116,375
2030	254,116,375	-	25,004,402	-	16,912,992	246,024,965
2031	246,024,965	-	25,795,285	-	16,318,913	236,548,593
2032	236,548,593	-	26,357,790	-	15,635,879	225,826,682
2033	225,826,682	-	26,667,596	-	14,874,502	214,033,588
2034	214,033,588	-	26,994,497	-	14,037,544	201,076,635
2035	201,076,635	-	27,352,875	-	13,118,014	186,841,774
2036	186,841,774	-	27,693,474	-	12,109,653	171,257,953
2037	171,257,953	-	27,954,577	-	11,009,647	154,313,023
2038	154,313,023	-	28,272,194	-	9,812,385	135,853,214
2039	135,853,214	-	28,440,125	-	8,514,321	115,927,410
2040	115,927,410	-	28,548,766	-	7,115,712	94,494,356
2041	94,494,356	-	28,585,755	-	5,614,103	71,522,704
2042	71,522,704	-	28,580,787	-	4,006,262	46,948,179
2043	46,948,179	-	28,436,398	-	2,291,099	20,802,880
2044	20,802,880	-	28,267,530	-	-	-

Number of Years Expected Benefit Payments Sustained: 21.74

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.00% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 2
Hypothetical Assumptions: Discount Rate = 5.00%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2023	275,366,391	-	18,511,839	-	13,305,524	270,160,076
2024	270,160,076	-	19,292,966	-	13,025,680	263,892,790
2025	263,892,790	-	20,167,365	-	12,690,455	256,415,880
2026	256,415,880	-	21,198,021	-	12,290,843	247,508,702
2027	247,508,702	-	22,248,477	-	11,819,223	237,079,448
2028	237,079,448	-	23,201,219	-	11,273,942	225,152,171
2029	225,152,171	-	24,160,259	-	10,653,602	211,645,514
2030	211,645,514	-	25,004,402	-	9,957,166	196,598,278
2031	196,598,278	-	25,795,285	-	9,185,032	179,988,025
2032	179,988,025	-	26,357,790	-	8,340,457	161,970,692
2033	161,970,692	-	26,667,596	-	7,431,845	142,734,941
2034	142,734,941	-	26,994,497	-	6,461,885	122,202,329
2035	122,202,329	-	27,352,875	-	5,426,295	100,275,749
2036	100,275,749	-	27,693,474	-	4,321,451	76,903,726
2037	76,903,726	-	27,954,577	-	3,146,322	52,095,471
2038	52,095,471	-	28,272,194	-	1,897,969	25,721,246
2039	25,721,246	-	28,440,125	-	-	-

Number of Years Expected Benefit Payments Sustained: 16.90

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.00% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Discount Rate = 9.00%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2023	275,366,391	-	18,511,839	-	23,949,942	280,804,494
2024	280,804,494	-	19,292,966	-	24,404,221	285,915,749
2025	285,915,749	-	20,167,365	-	24,824,886	290,573,270
2026	290,573,270	-	21,198,021	-	25,197,683	294,572,932
2027	294,572,932	-	22,248,477	-	25,510,382	297,834,837
2028	297,834,837	-	23,201,219	-	25,761,080	300,394,698
2029	300,394,698	-	24,160,259	-	25,948,311	302,182,750
2030	302,182,750	-	25,004,402	-	26,071,249	303,249,597
2031	303,249,597	-	25,795,285	-	26,131,676	303,585,988
2032	303,585,988	-	26,357,790	-	26,136,638	303,364,836
2033	303,364,836	-	26,667,596	-	26,102,793	302,800,033
2034	302,800,033	-	26,994,497	-	26,037,251	301,842,787
2035	301,842,787	-	27,352,875	-	25,934,971	300,424,883
2036	300,424,883	-	27,693,474	-	25,792,033	298,523,442
2037	298,523,442	-	27,954,577	-	25,609,154	296,178,019
2038	296,178,019	-	28,272,194	-	25,383,773	293,289,598
2039	293,289,598	-	28,440,125	-	25,116,258	289,965,731
2040	289,965,731	-	28,548,766	-	24,812,221	286,229,186
2041	286,229,186	-	28,585,755	-	24,474,268	282,117,699
2042	282,117,699	-	28,580,787	-	24,104,457	277,641,369
2043	277,641,369	-	28,436,398	-	23,708,085	272,913,056
2044	272,913,056	-	28,267,530	-	23,290,136	267,935,662
2045	267,935,662	-	27,948,691	-	22,856,518	262,843,489
2046	262,843,489	-	27,593,850	-	22,414,191	257,663,830
2047	257,663,830	-	27,202,992	-	21,965,610	252,426,448
2048	252,426,448	-	26,725,476	-	21,515,734	247,216,706
2049	247,216,706	-	26,162,909	-	21,072,173	242,125,970
2050	242,125,970	-	25,544,134	-	20,641,851	237,223,687
2051	237,223,687	-	24,872,539	-	20,230,868	232,582,016
2052	232,582,016	-	24,151,590	-	19,845,560	228,275,986
2053	228,275,986	-	23,385,155	-	19,492,507	224,383,338
2054	224,383,338	-	22,577,207	-	19,178,526	220,984,657
2055	220,984,657	-	21,732,439	-	18,910,659	218,162,877
2056	218,162,877	-	20,856,129	-	18,696,133	216,002,881
2057	216,002,881	-	19,953,711	-	18,542,342	214,591,512
2058	214,591,512	-	19,030,803	-	18,456,850	214,017,559
2059	214,017,559	-	18,092,864	-	18,447,401	214,372,096
2060	214,372,096	-	17,145,464	-	18,521,943	215,748,575
2061	215,748,575	-	16,193,903	-	18,688,646	218,243,318
2062	218,243,318	-	15,242,979	-	18,955,965	221,956,304
2063	221,956,304	-	14,297,387	-	19,332,685	226,991,602
2064	226,991,602	-	13,361,955	-	19,827,956	233,457,603
2065	233,457,603	-	12,441,579	-	20,451,313	241,467,337
2066	241,467,337	-	11,540,561	-	21,212,735	251,139,511
2067	251,139,511	-	10,662,614	-	22,122,738	262,599,635
2068	262,599,635	-	9,811,036	-	23,192,471	275,981,070
2069	275,981,070	-	8,988,912	-	24,433,795	291,425,953
2070	291,425,953	-	8,199,224	-	25,859,371	309,086,100
2071	309,086,100	-	7,444,533	-	27,482,745	329,124,312
2072	329,124,312	-	6,727,206	-	29,318,464	351,715,570
2073	351,715,570	-	6,049,228	-	31,382,186	377,048,528
2074	377,048,528	-	5,412,062	-	33,690,825	405,327,291
2075	405,327,291	-	4,816,734	-	36,262,703	436,773,260
2076	436,773,260	-	4,262,840	-	39,117,766	471,628,186
2077	471,628,186	-	3,749,539	-	42,277,807	510,156,454
2078	510,156,454	-	3,276,144	-	45,766,654	552,646,964
2079	552,646,964	-	2,842,434	-	49,610,317	599,414,847
2080	599,414,847	-	2,448,191	-	53,837,168	650,803,824
2081	650,803,824	-	2,092,641	-	58,478,175	707,189,358

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Discount Rate = 9.00%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2082	707,189,358	-	1,774,621	-	63,567,184	768,981,921
2083	768,981,921	-	1,492,536	-	69,141,209	836,630,594
2084	836,630,594	-	1,244,551	-	75,240,749	910,626,792
2085	910,626,792	-	1,028,344	-	81,910,136	991,508,584
2086	991,508,584	-	841,527	-	89,197,904	1,079,864,961
2087	1,079,864,961	-	681,737	-	97,157,168	1,176,340,392
2088	1,176,340,392	-	546,608	-	105,846,038	1,281,639,822
2089	1,281,639,822	-	433,519	-	115,328,076	1,396,534,379
2090	1,396,534,379	-	339,892	-	125,672,799	1,521,867,286
2091	1,521,867,286	-	263,306	-	136,956,207	1,658,560,187
2092	1,658,560,187	-	201,474	-	149,261,351	1,807,620,064
2093	1,807,620,064	-	152,194	-	162,678,957	1,970,146,827
2094	1,970,146,827	-	113,425	-	177,308,110	2,147,341,512
2095	2,147,341,512	-	83,367	-	193,256,985	2,340,515,130
2096	2,340,515,130	-	60,432	-	210,643,642	2,551,098,340
2097	2,551,098,340	-	43,213	-	229,596,906	2,780,652,033
2098	2,780,652,033	-	30,491	-	250,257,311	3,030,878,853
2099	3,030,878,853	-	21,235	-	272,778,141	3,303,635,759
2100	3,303,635,759	-	14,599	-	297,326,561	3,600,947,721
2101	3,600,947,721	-	9,914	-	324,084,849	3,925,022,656
2102	3,925,022,656	-	6,647	-	353,251,740	4,278,267,749
2103	4,278,267,749	-	4,391	-	385,043,900	4,663,307,258
2104	4,663,307,258	-	2,857	-	419,697,525	5,083,001,926
2105	5,083,001,926	-	1,831	-	457,470,091	5,540,470,186
2106	5,540,470,186	-	1,152	-	498,642,265	6,039,111,299
2107	6,039,111,299	-	710	-	543,519,985	6,582,630,574
2108	6,582,630,574	-	428	-	592,436,732	7,175,066,878
2109	7,175,066,878	-	252	-	645,756,008	7,820,822,634
2110	7,820,822,634	-	146	-	703,874,030	8,524,696,518
2111	8,524,696,518	-	83	-	767,222,683	9,291,919,118
2112	9,291,919,118	-	46	-	836,272,719	10,128,191,791
2113	10,128,191,791	-	25	-	911,537,260	11,039,729,026
2114	11,039,729,026	-	13	-	993,575,612	12,033,304,625
2115	12,033,304,625	-	6	-	1,082,997,416	13,116,302,035
2116	13,116,302,035	-	3	-	1,180,467,183	14,296,769,215
2117	14,296,769,215	-	1	-	1,286,709,229	15,583,478,443
2118	15,583,478,443	-	1	-	1,402,513,060	16,985,991,502
2119	16,985,991,502	-	-	-	1,528,739,235	18,514,730,737

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 9.00% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2025

Valuation Date: 10/1/2023

	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
Investment Rate of Return:	7.00%	5.00%	9.00%
Minimum Required Contribution (Fixed \$)	\$14,805,212	\$25,128,941	\$6,425,385
Minimum Required Contribution (% of Payroll)	71.9%	122.1%	31.2%
Expected Member Contribution	2,366,402	2,366,402	2,366,402
Expected State Money	1,579,510	1,579,510	1,579,510
Expected Sponsor Contribution (Fixed \$)	\$10,859,300	\$21,183,029	\$2,479,473
Expected Sponsor Contribution (% of Payroll)	52.3%	102.5%	11.6%

ASSETS

Actuarial Value ¹	294,070,905	294,070,905	294,070,905
Market Value ¹	275,366,391	275,366,391	275,366,391

LIABILITIES

Present Value of Benefits			
Actives			
Retirement Benefits	131,369,614	203,652,770	89,879,034
Disability Benefits	7,829,321	11,214,670	5,725,928
Death Benefits	1,226,168	1,833,039	874,092
Vested Benefits	6,521,042	10,520,879	4,288,731
Refund of Contributions	163,491	168,429	158,874
Service Retirees	199,456,235	251,577,160	163,592,997
DROP Retirees ¹	46,401,232	61,110,339	36,906,683
Beneficiaries	7,518,682	8,973,157	6,440,918
Disability Retirees	14,178,064	17,479,974	11,871,249
Terminated Vested	3,465,873	4,838,999	2,613,587
Total:	418,129,722	571,369,416	322,352,093
Present Value of Future Salaries	178,248,433	201,470,211	159,627,539
Present Value of Future Member Contributions	20,498,570	23,169,074	18,357,167
Total Normal Cost	6,622,329	10,495,397	4,338,010
Present Value of Future Normal Costs (Entry Age Normal)	58,322,994	104,872,784	34,056,355
Total Actuarial Accrued Liability (EAN) ¹	359,806,728	466,496,632	288,295,738
Unfunded Actuarial Accrued Liability (UAAL)	65,735,823	172,425,727	(5,775,167)

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2025

Valuation Date: 10/1/2023

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.00%	5.00%	9.00%
<u>PENSION COST</u>			
Normal Cost ²	7,003,775	11,099,932	4,587,879
Administrative Expenses ²	272,128	272,128	272,128
Payment Required To Amortize UAAL ²	<u>7,529,309</u>	<u>13,756,881</u>	<u>1,565,378</u>
Minimum Required Contribution	\$14,805,212	\$25,128,941	\$6,425,385

¹ The asset values and liabilities exclude accumulated DROP Plan Balances as of 9/30/2023.

² Contributions developed as of 10/1/2023 displayed above have been adjusted to account for assumed salary increase components.