

City of Parkland
Police Officers Retirement Plan

Actuarial Valuation
As of October 1, 2023

GASB 67/68 Supplement
As of September 30, 2024



DISCLOSURES RELATED TO THE POLICE PENSION PLAN

This report was issued on January 26, 2025 as a supplement to the October 1, 2023 actuarial valuation report, which report provides important information related to the assumptions, participant data, and assets used to prepare the following disclosures under Governmental Accounting Standards Board Statements Nos. 67 and 68 (GASB 67/68).

NET PENSION LIABILITY AS OF SEPTEMBER 30, 2024

Total pension liability	\$2,396,067 *
Less fiduciary net position	<u>(2,266,660)</u>
Net pension liability	<u>\$129,407 **</u>

* This amount has been rolled forward from October 1, 2023.

** This amount is recognized on the employer's balance sheet.

PENSION EXPENSE FOR THE 2023/24 FISCAL YEAR

Service cost	\$0
Other recognized changes in net pension liability:	
Expected interest growth	20,725
Investment gain/loss	11,495
Demographic gain/loss	15,906
Employee contributions	0
Administrative expenses	33,090
Changes in benefit terms	0
Assumption changes	<u>0</u>
Pension expense	<u>\$81,216 *</u>

* This amount is recognized on the employer's income statement, along with the employer contribution for the 2023/24 fiscal year.

DEFERRED INFLOW AND OUTFLOW OF RESOURCES

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2023	\$283,272	\$91,348
Change due to:		
Amortization payments	\$(112,755)	\$(85,354)
Investment gain/loss	\$0	\$207,288
Demographic gain/loss	\$15,906	\$0
Assumption changes	<u>\$0</u>	<u>\$0</u>
Total change	<u>\$(96,849)</u>	<u>\$121,934</u>
Balance as of September 30, 2024	\$186,423 *	\$213,282 *

* These amounts are recognized on the employer's balance sheet.

BALANCE EQUATION

Net pension liability as of September 30, 2023	\$335,980
Plus pension expense for the 2023/24 fiscal year	\$81,216
Minus employer contribution for the 2023/24 fiscal year	\$(69,006)
Plus change in balance of deferred outflows of resources	\$(96,849)
Minus change in balance of deferred inflows of resources	<u>\$(121,934)</u>
Net pension liability as of September 30, 2024	\$129,407

DISCLOSURES RELATED TO THE POLICE PENSION PLAN (continued)

DEFERRED INFLOW AND OUTFLOW OF RESOURCES (continued)

Amortization schedule for deferred outflows and inflows of resources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2024	\$186,423	\$213,282
Amount recognized in the 2024/25 pension expense:		
<i>Investment gain/loss</i>	\$93,212	\$85,355
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$93,212	\$85,355
Balance as of September 30, 2025	\$93,211	\$127,927
Amount recognized in the 2025/26 pension expense:		
<i>Investment gain/loss</i>	\$93,211	\$43,236
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$93,211	\$43,236
Balance as of September 30, 2026	\$0	\$84,691
Amount recognized in the 2026/27 pension expense:		
<i>Investment gain/loss</i>	\$0	\$43,235
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$43,235
Balance as of September 30, 2027	\$0	\$41,456
Amount recognized in the 2027/28 pension expense:		
<i>Investment gain/loss</i>	\$0	\$41,456
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$41,456
Balance as of September 30, 2028	\$0	\$0
Amount recognized in the 2028/29 pension expense:		
<i>Investment gain/loss</i>	\$0	\$0
<i>Demographic gain/loss</i>	\$0	\$0
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$0
Balance as of September 30, 2029	\$0	\$0

DISCLOSURES RELATED TO THE POLICE PENSION PLAN *(continued)*

CHANGES IN THE NET PENSION LIABILITY

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balance as of September 30, 2023	\$2,406,281	\$(2,070,301)	\$335,980
Change due to:			
Service cost	\$0	\$0	\$0
Expected interest growth	\$150,785	\$(130,060)	\$20,725
Unexpected investment income	\$0	\$(207,288)	\$(207,288)
Demographic experience	\$15,906	\$0	\$15,906
Employer contributions	\$0	\$(69,006)	\$(69,006)
Employee contributions	\$0	\$0	\$0
Benefit payments & refunds	\$(176,905)	\$176,905	\$0
Administrative expenses	\$0	\$33,090	\$33,090
Changes in benefit terms	\$0	\$0	\$0
Assumption changes	\$0	\$0	\$0
Balance as of September 30, 2024	\$2,396,067	\$(2,266,660)	\$129,407

COMPARISON OF NET PENSION LIABILITY USING ALTERNATIVE DISCOUNT RATES

	Discount Rate Minus 1.00%	6.50% Discount Rate	Discount Rate Plus 1.00%
Total pension liability	\$2,633,603	\$2,396,067	\$2,193,162
Less fiduciary net position	<u>(2,266,660)</u>	<u>(2,266,660)</u>	<u>(2,266,660)</u>
Net pension liability	\$366,943	\$129,407	\$(73,498)

HISTORICAL TREND INFORMATION

Measurement Date	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Funded Percentage	Covered Payroll	Net Pension Liability as a % of Covered Payroll
September 30, 2024	\$2,396,067	\$2,266,660	\$129,407	94.60%	\$0	<i>Not available</i>
September 30, 2023	\$2,406,281	\$2,070,301	\$335,980	86.04%	\$0	<i>Not available</i>
September 30, 2022	\$2,416,240	\$2,067,857	\$348,383	85.58%	\$0	<i>Not available</i>
September 30, 2021	\$2,382,772	\$2,504,980	\$(122,208)	105.13%	\$0	<i>Not available</i>
September 30, 2020	\$2,505,379	\$2,276,940	\$228,439	90.88%	\$0	<i>Not available</i>
September 30, 2019	\$2,503,688	\$2,250,661	\$253,027	89.89%	\$0	<i>Not available</i>
September 30, 2018	\$2,489,934	\$2,250,481	\$239,453	90.38%	\$0	<i>Not available</i>
September 30, 2017	\$2,484,592	\$2,229,766	\$254,826	89.74%	\$0	<i>Not available</i>
September 30, 2016	\$2,328,278	\$2,054,583	\$273,695	88.24%	\$0	<i>Not available</i>
September 30, 2015	\$2,338,078	\$1,961,246	\$376,832	83.88%	\$0	<i>Not available</i>

DISCLOSURES RELATED TO THE POLICE PENSION PLAN (continued)

HISTORICAL TREND INFORMATION (continued)

Changes in the net pension liability by source

Fiscal Year	Service Cost	Expected Interest Growth	Unexpected Investment Income	Demographic Experience	Employer Contributions	Employee Contributions	Benefit Payments & Refunds	Administrative Expenses	Changes In Benefit Terms	Assumption Changes
2023/24	\$0	\$20,725	\$(207,288)	\$15,906	\$(69,006)	\$0	\$0	\$33,090	\$0	\$0
2022/23	\$0	\$21,495	\$(8,889)	\$11,937	\$(69,006)	\$0	\$0	\$32,060	\$0	\$0
2021/22	\$0	\$(9,205)	\$466,059	\$54,035	\$(69,006)	\$0	\$0	\$28,708	\$0	\$0
2020/21	\$0	\$13,588	\$(210,591)	\$8,683	\$(69,006)	\$0	\$0	\$28,809	\$0	\$(122,130)
2019/20	\$0	\$14,390	\$18,193	\$7,597	\$(90,584)	\$0	\$0	\$25,816	\$0	\$0
2018/19	\$0	\$14,141	\$27,098	\$17,248	\$(69,006)	\$0	\$0	\$24,093	\$0	\$0
2017/18	\$0	\$14,714	\$22,179	\$5,943	\$(83,106)	\$0	\$0	\$24,897	\$0	\$0
2016/17	\$0	\$14,408	\$(91,094)	\$7,035	\$(131,560)	\$0	\$0	\$25,480	\$0	\$156,862
2015/16	\$0	\$11,202	\$1,001	\$(5,971)	\$(145,000)	\$0	\$0	\$35,631	\$0	\$0
2014/15	\$0	\$(3,645)	\$130,518	\$48,525	\$(78,193)	\$0	\$0	\$31,619	\$0	\$280,980

DISCLOSURES RELATED TO THE POLICE PENSION PLAN (continued)

HISTORICAL TREND INFORMATION (continued)

Fiscal Year End	(1) Actuarially Determined Contribution	(2) Contributions Recognized By the Plan	(3) Difference Between (1) and (2)	Covered Payroll	Column (2) as a % of Covered Payroll
September 30, 2024	\$85,282	\$69,006	\$(16,276)	\$0	Not Applicable
September 30, 2023	\$89,744	\$69,006	\$(20,738)	\$0	Not Applicable
September 30, 2022	\$30,753	\$69,006	\$38,253	\$0	Not Applicable
September 30, 2021	\$52,989	\$69,006	\$16,017	\$0	Not Applicable
September 30, 2020	\$95,718	\$90,584	\$(5,134)	\$0	Not Applicable
September 30, 2019	\$63,872	\$69,006	\$5,134	\$0	Not Applicable
September 30, 2018	\$83,106	\$83,106	\$0	\$0	Not Applicable
September 30, 2017	\$131,560	\$131,560	\$0	\$0	Not Applicable
September 30, 2016	\$145,000	\$145,000	\$0	\$0	Not Applicable
September 30, 2015	\$78,193	\$78,193	\$0	\$0	Not Applicable

INFORMATION USED TO DETERMINE THE NET PENSION LIABILITY

Employer's reporting date: September 30, 2024
Measurement date: September 30, 2024
Actuarial valuation date: October 1, 2023

Actuarial assumptions

Discount rate: 6.50% per annum (2.49% per annum is attributable to long-term inflation); this rate was used to discount all future benefit payments.

Cost-of-living increases: 2.00% per annum

Mortality basis: For non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018

Non-investment expenses: \$25,000 per year

Future contributions: Contributions from the employer are assumed to be made as legally required.

Changes: No assumptions were changed since the prior measurement date.

DETERMINATION OF THE LONG-TERM EXPECTED RATE OF RETURN ON PLAN ASSETS

Investment Category	Target Allocation	Expected Long-Term Real Return
Core bonds	20.00%	1.60% per annum
Core plus	20.00%	2.10% per annum
U.S. large cap equity	22.00%	4.60% per annum
U.S. small cap equity	10.00%	5.50% per annum
Non-U.S. equity	18.00%	6.70% per annum
Core real estate	10.00%	5.00% per annum
Total or weighted arithmetic average	100.00%	4.01% per annum

DISCLOSURES RELATED TO THE POLICE PENSION PLAN *(continued)*

PENSION PLAN DESCRIPTION

Name of the pension plan:	<i>City of Parkland Police Officers Retirement Plan</i>
Legal plan administrator:	<i>Board of Trustees of the City of Parkland Police Officers Retirement Plan</i>
Plan type:	<i>Single-employer defined benefit pension plan</i>
Number of covered individuals:	<i>Four (four inactive employees and beneficiaries currently receiving benefits; no inactive employees entitled to but not yet receiving benefits; no active employees)</i>
Contribution requirement:	<i>Employer contributions are actuarially determined and are subject to State minimums.</i>
Pension plan reporting:	<i>The plan issues a stand-alone financial report each year, which contains information about the plan's fiduciary net position. The plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of assets calculated under the accrual basis of accounting. This report is available to the public at the plan's investment office: Retirement Department, Florida League of Cities, Inc., P. O. Box 1757, Tallahassee, FL 32302, (800) 342-8112.</i>

DISCLOSURES RELATED TO THE POLICE PENSION PLAN (continued)**PROJECTION OF THE FIDUCIARY NET POSITION**

Date	BOY Balance	Contributions	Benefit Payments	Administrative Expenses	Investment Earnings	EOY Balance
October 1, 2023	\$2,070,301	\$69,006	\$176,905	\$33,090	\$337,348	\$2,266,660
October 1, 2024	\$2,266,660	\$85,282	\$177,987	\$25,153	\$143,563	\$2,292,365
October 1, 2025	\$2,292,365	\$85,282	\$180,016	\$25,440	\$145,160	\$2,317,351
October 1, 2026	\$2,317,351	\$85,282	\$181,840	\$25,697	\$146,717	\$2,341,813
October 1, 2027	\$2,341,813	\$85,282	\$183,423	\$25,921	\$148,249	\$2,366,000
October 1, 2028	\$2,366,000	\$41,272	\$184,725	\$26,105	\$148,366	\$2,344,808
October 1, 2029	\$2,344,808	\$0	\$185,707	\$26,244	\$145,633	\$2,278,490
October 1, 2030	\$2,278,490	\$0	\$186,326	\$26,331	\$141,299	\$2,207,132
October 1, 2031	\$2,207,132	\$0	\$186,535	\$26,361	\$136,653	\$2,130,889
October 1, 2032	\$2,130,889	\$0	\$186,293	\$26,327	\$131,706	\$2,049,975
October 1, 2033	\$2,049,975	\$0	\$185,552	\$26,222	\$126,474	\$1,964,675
October 1, 2034	\$1,964,675	\$0	\$184,260	\$26,039	\$120,977	\$1,875,353
October 1, 2035	\$1,875,353	\$0	\$182,364	\$25,771	\$115,240	\$1,782,458
October 1, 2036	\$1,782,458	\$0	\$179,828	\$25,413	\$109,294	\$1,686,511
October 1, 2037	\$1,686,511	\$0	\$176,629	\$24,961	\$103,175	\$1,588,096
October 1, 2038	\$1,588,096	\$0	\$172,740	\$24,411	\$96,920	\$1,487,865
October 1, 2039	\$1,487,865	\$0	\$168,158	\$23,764	\$90,572	\$1,386,515
October 1, 2040	\$1,386,515	\$0	\$162,860	\$23,015	\$84,178	\$1,284,818
October 1, 2041	\$1,284,818	\$0	\$156,855	\$22,167	\$77,787	\$1,183,583
October 1, 2042	\$1,183,583	\$0	\$150,165	\$21,221	\$71,451	\$1,083,648
October 1, 2043	\$1,083,648	\$0	\$142,854	\$20,188	\$65,222	\$985,828
October 1, 2044	\$985,828	\$0	\$135,000	\$19,078	\$59,150	\$890,900
October 1, 2045	\$890,900	\$0	\$126,699	\$17,905	\$53,283	\$799,579
October 1, 2046	\$799,579	\$0	\$118,051	\$16,683	\$47,663	\$712,508
October 1, 2047	\$712,508	\$0	\$109,143	\$15,424	\$42,328	\$630,269
October 1, 2048	\$630,269	\$0	\$100,117	\$14,148	\$37,312	\$553,316
October 1, 2049	\$553,316	\$0	\$91,146	\$12,881	\$32,638	\$481,927
October 1, 2050	\$481,927	\$0	\$82,376	\$11,641	\$28,318	\$416,228
October 1, 2051	\$416,228	\$0	\$73,895	\$10,443	\$24,357	\$356,247
October 1, 2052	\$356,247	\$0	\$65,784	\$9,297	\$20,754	\$301,920
October 1, 2053	\$301,920	\$0	\$58,098	\$8,210	\$17,504	\$253,116
October 1, 2054	\$253,116	\$0	\$50,854	\$7,187	\$14,596	\$209,671
October 1, 2055	\$209,671	\$0	\$44,059	\$6,226	\$12,020	\$171,406
October 1, 2056	\$171,406	\$0	\$37,303	\$5,272	\$9,779	\$138,610
October 1, 2057	\$138,610	\$0	\$31,653	\$4,473	\$7,854	\$110,338
October 1, 2058	\$110,338	\$0	\$26,460	\$3,739	\$6,206	\$86,345
October 1, 2059	\$86,345	\$0	\$21,747	\$3,073	\$4,818	\$66,343
October 1, 2060	\$66,343	\$0	\$17,353	\$2,452	\$3,679	\$50,217
October 1, 2061	\$50,217	\$0	\$13,818	\$1,953	\$2,760	\$37,206
October 1, 2062	\$37,206	\$0	\$10,776	\$1,523	\$2,025	\$26,932
October 1, 2063	\$26,932	\$0	\$8,121	\$1,148	\$1,454	\$19,117
October 1, 2064	\$19,117	\$0	\$6,054	\$856	\$1,022	\$13,229
October 1, 2065	\$13,229	\$0	\$4,393	\$621	\$699	\$8,914
October 1, 2066	\$8,914	\$0	\$3,100	\$438	\$466	\$5,842
October 1, 2067	\$5,842	\$0	\$2,131	\$301	\$302	\$3,712
October 1, 2068	\$3,712	\$0	\$1,423	\$201	\$189	\$2,277
October 1, 2069	\$2,277	\$0	\$922	\$130	\$114	\$1,339
October 1, 2070	\$1,339	\$0	\$579	\$82	\$66	\$744
October 1, 2071	\$744	\$0	\$353	\$50	\$35	\$376
October 1, 2072	\$376	\$0	\$208	\$29	\$17	\$156
October 1, 2073	\$156	\$0	\$120	\$17	\$6	\$25
October 1, 2074	\$25	\$0	\$0	\$0	\$2	\$27

DISCLOSURES RELATED TO THE POLICE PENSION PLAN (continued)

PROJECTION OF THE FIDUCIARY NET POSITION (continued)

Date	BOY Balance	Contributions	Benefit Payments	Administrative Expenses	Investment Earnings	EOY Balance
------	-------------	---------------	---------------------	----------------------------	------------------------	-------------

NOTES: *The fiduciary net position is projected to be sufficient to cover all future benefit payments when due.
The plan requires only a 6.5% average investment return per year to avoid a crossover date.
The projection shown above does not reflect future new entrants into the pension plan.*

DISCLOSURES RELATED TO THE POLICE PENSION PLAN (continued)

AMORTIZATION BASES ATTRIBUTABLE TO UNEXPECTED INVESTMENT INCOME

	YEAR DURING WHICH THE GAIN OR LOSS AROSE					TOTAL
	2019/20	2020/21	2021/22	2022/23	2023/24	
<u>Payment Year</u>						
2023/24	\$3,637	-\$42,118	\$93,212	-\$1,778	-\$41,458	\$11,495
2024/25		-\$42,119	\$93,212	-\$1,778	-\$41,458	\$7,857
2025/26			\$93,211	-\$1,778	-\$41,458	\$49,975
2026/27				-\$1,777	-\$41,458	-\$43,235
2027/28					-\$41,456	-\$41,456
Remaining Balance	\$3,637	-\$84,237	\$279,635	-\$7,111	-\$207,288	-\$15,364

SUMMARY OF DEFERRED OUTFLOWS AND INFLOWS AS OF SEPTEMBER 30, 2024

	Deferred Outflows	Deferred Inflows
Unexpected investment income	\$186,423	\$213,282
Demographic experience	\$0	\$0
Assumption changes	\$0	\$0
Total	\$186,423	\$213,282