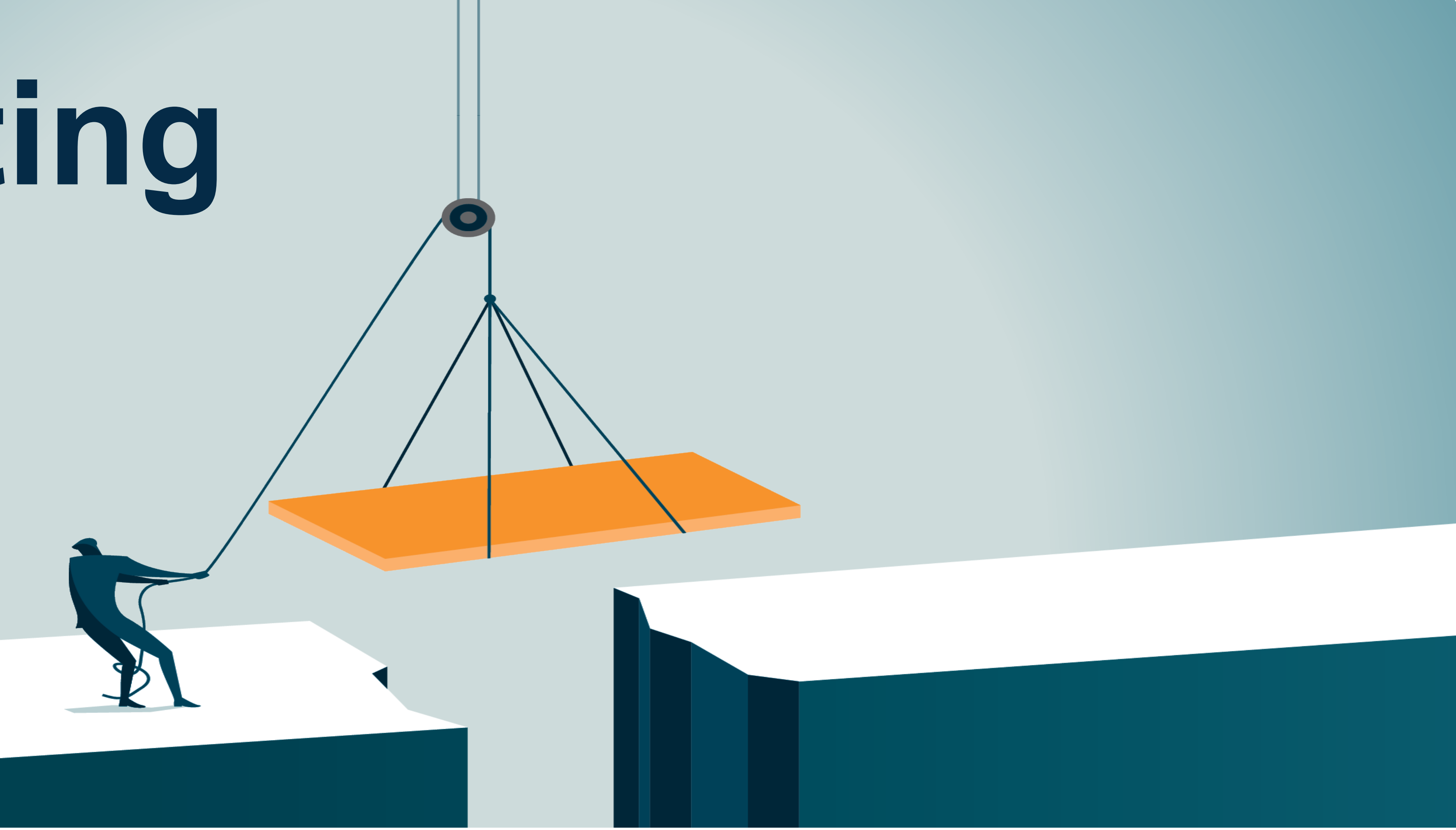
Navigating
Your Future



Pompano Beach General Employees' Retirement System
Valuation Results as of October 1, 2024

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Purposes of an Actuarial Valuation

1. Develop a strategy to systematically fund the promised benefits of the system

2. Measure assets and liabilities (future benefit payments)

3. Determine actuarial contribution rates needed based on actuarial assumptions and methods

4. Analyze experience (actual vs. expected) in the last year and report on trends

Actuarial Assumptions

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Turnover

Will an employee work long enough to vest and qualify for monthly benefits?

Retirement

When will the employee retire and start collecting benefits?

Mortality

How long will monthly benefits be paid?

Actuarial Assumptions

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Salary Increases

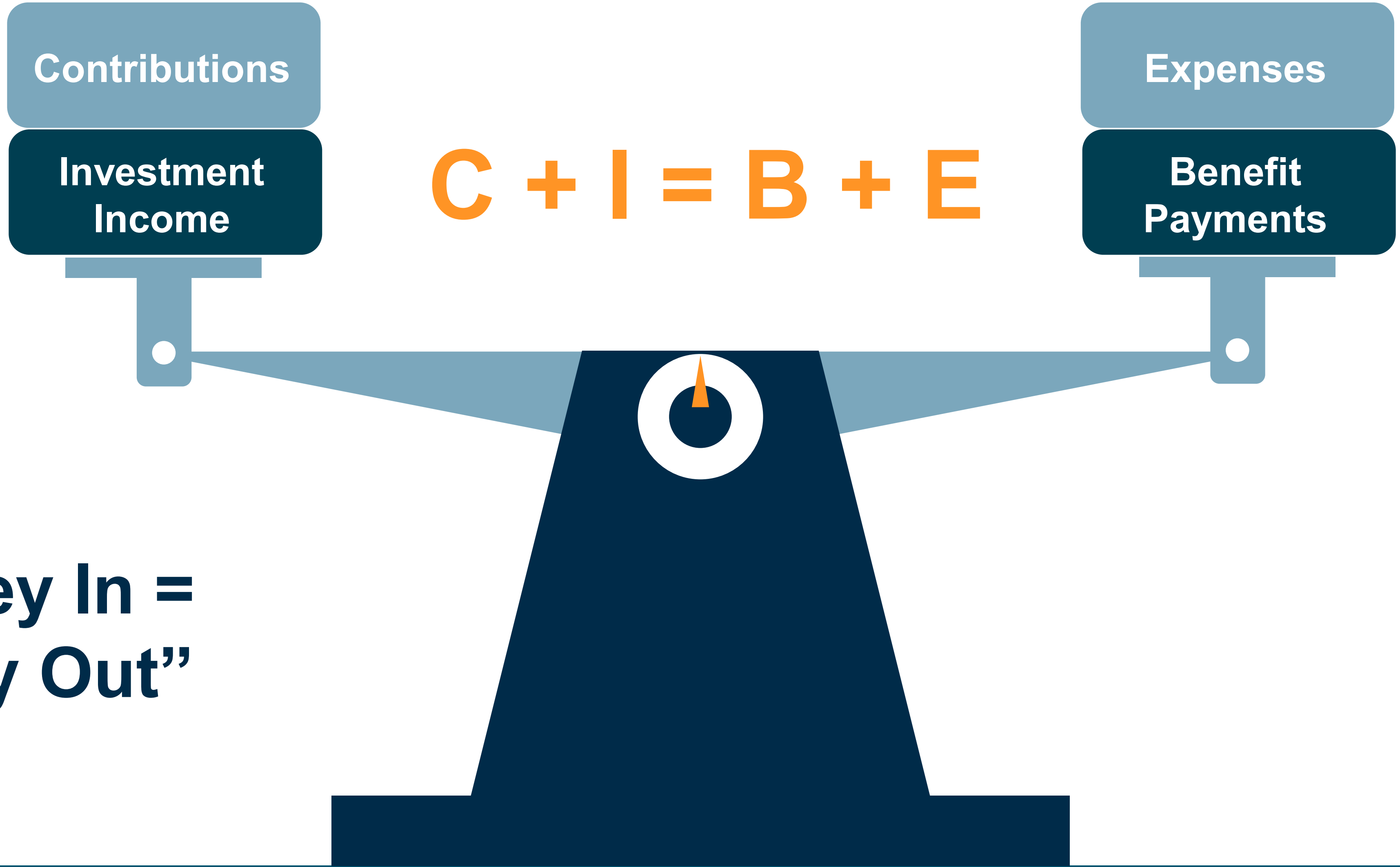
How will salaries grow in future years for each employee?

Discount Rate

What is the present value of all of those future benefits in terms of today’s dollars?

If we put money aside today, what rate of return can we expect to earn on it?

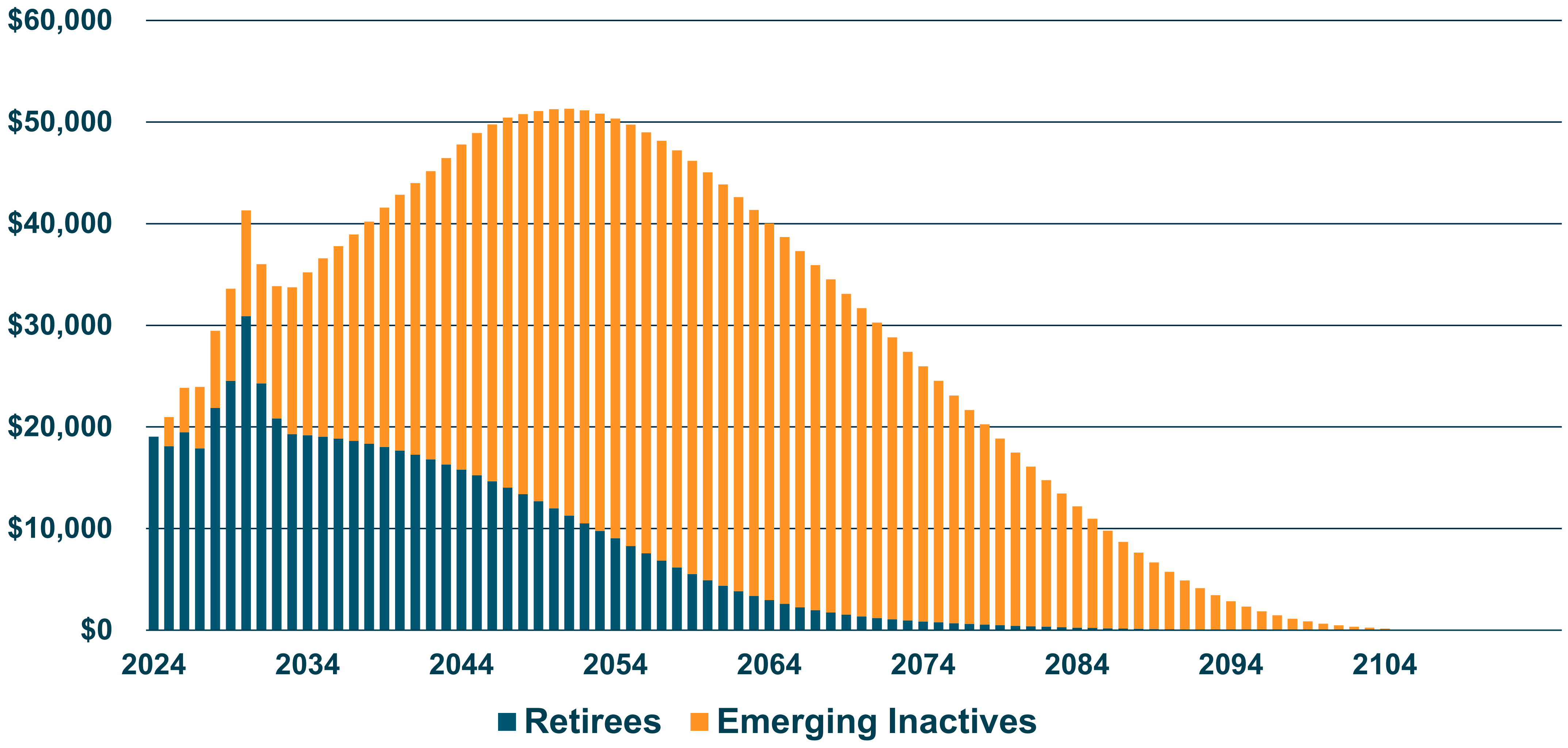
Basic Retirement Funding Formula



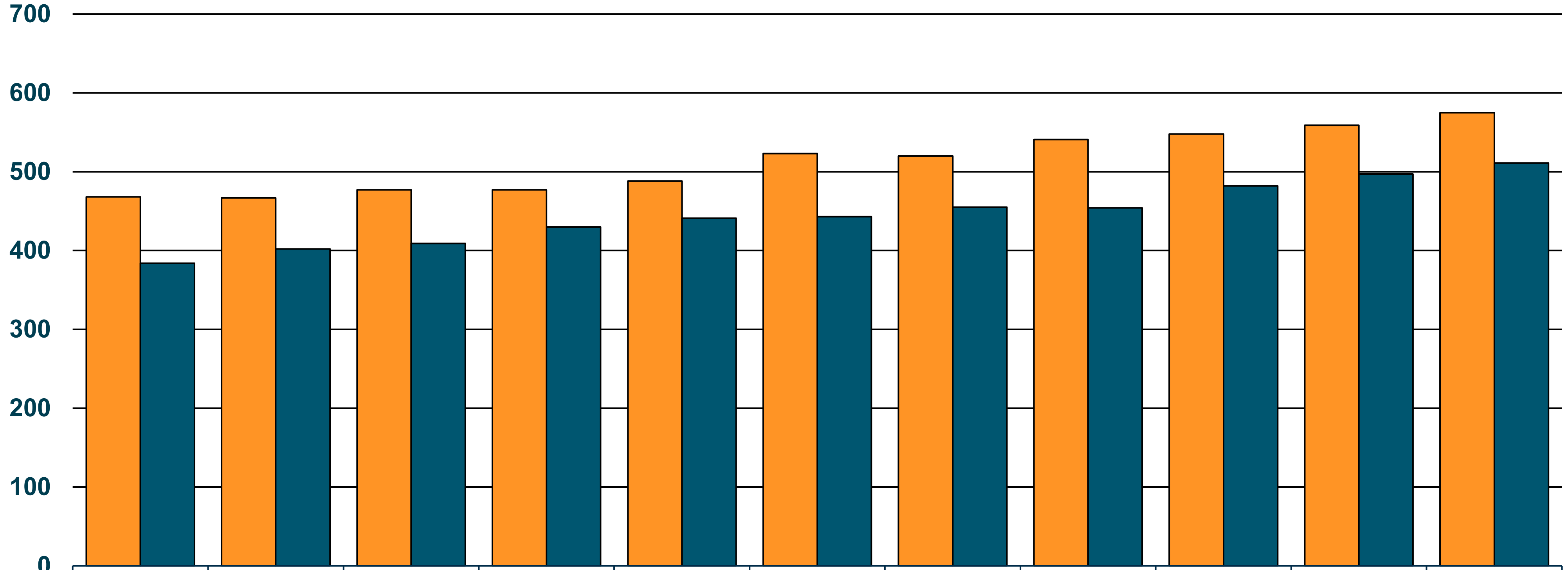
$$C + I = B + E$$

"Money In = Money Out"

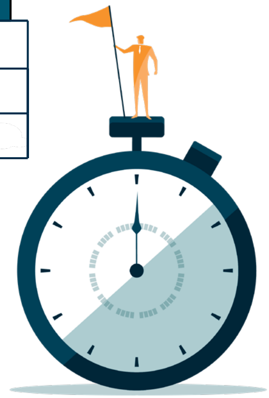
Projected Benefit Payments



Plan Membership

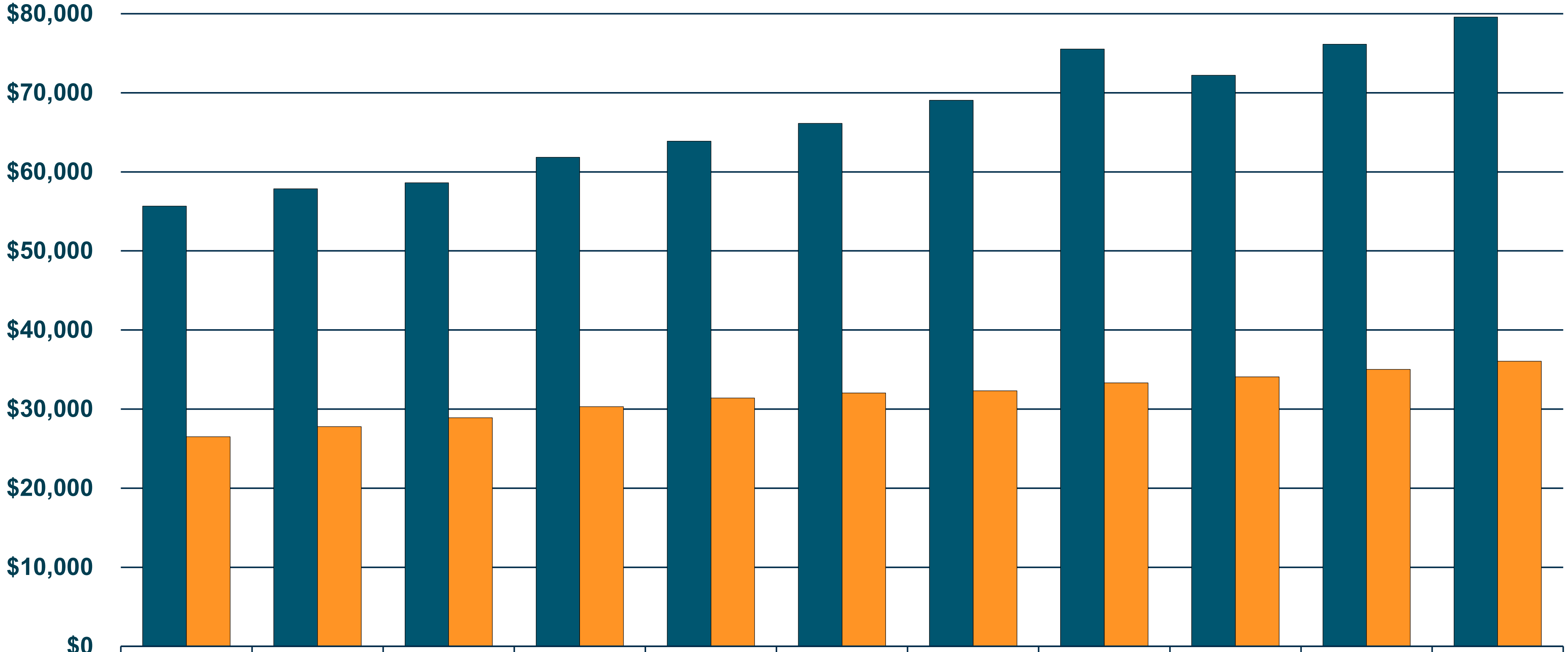


	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Active	468	467	477	477	488	523	520	541	548	559	575
Retirees	384	402	409	430	441	443	455	454	482	497	511



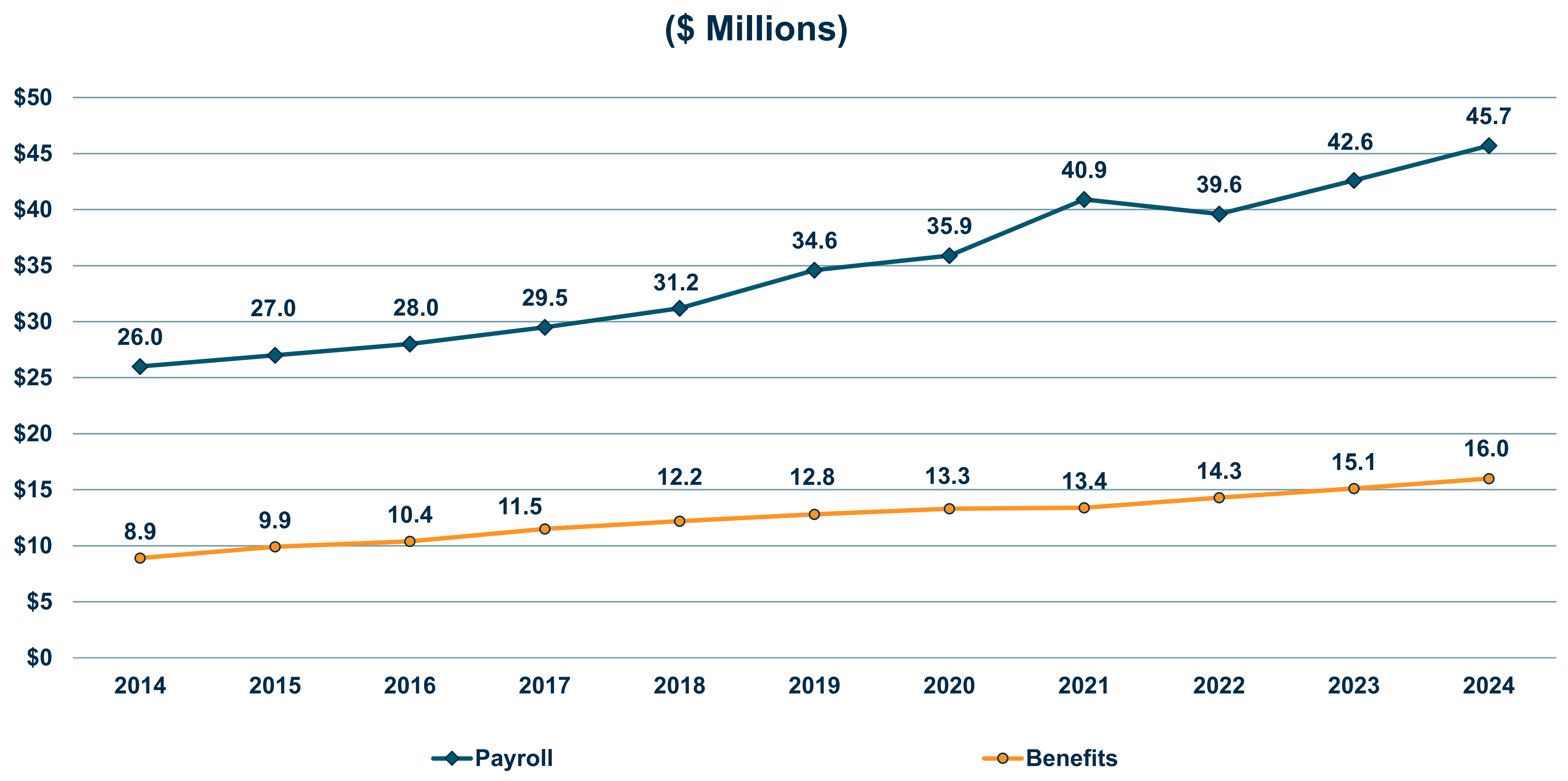
Active Members: Average Age is 47.6 Years with Average Service of 9.0 Years
Retirees: Average Age of 70.9 Years

Average Salary and Benefits



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Average Salary	$55,659	$57,849	$58,611	$61,859	$63,890	$66,131	$69,061	$75,538	$72,224	$76,139	$79,565
Average Benefits	$26,513	$27,769	$28,918	$30,310	$31,407	$32,028	$32,302	$33,305	$34,070	$35,014	$36,057

Payroll & Benefits



Assets

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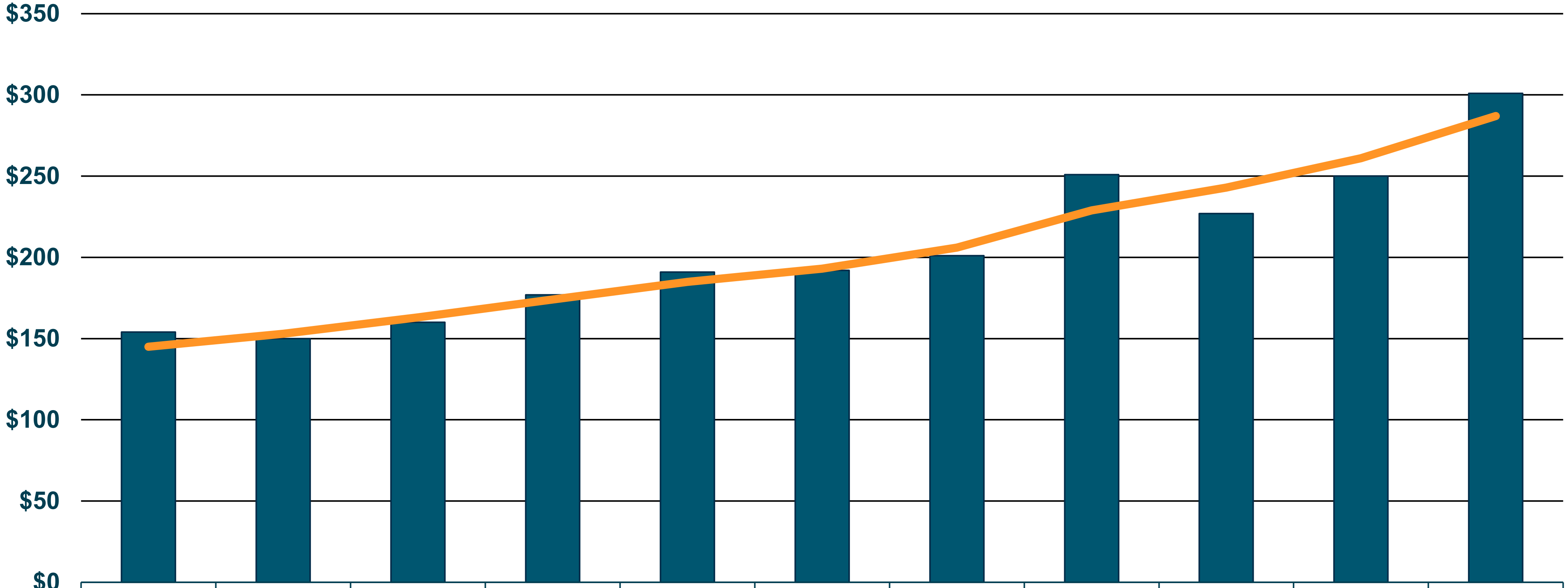
($ Millions)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Market	$154	$150	$160	$177	$191	$192	$201	$251	$227	$250	$301
Actuarial	$145	$153	$163	$174	$185	$193	$206	$229	$243	$261	$287

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Market Return	8.8%	(0.2)%	9.6%	13.3%	9.7%	2.9%	5.8%	24.8%	(9.4)%	7.9%	18.8%
Actuarial Return	10.7%	8.7%	9.4%	9.2%	8.4%	7.1%	7.7%	10.6%	6.6%	5.4%	8.5%

Results of Valuation

	October 1, 2023 Valuation	October 1, 2024 Valuation
Normal Cost Rate (Including Admin Expenses)	25.50%	26.11%
Less Member Rate	10.00%	10.00%
Employer Normal Cost Rate	15.50%	16.11%
Interest Adjustment	4.79%	5.19%
Rate to Amortize UAL	26.19%	25.36%
Required Employer Contribution Rate (lump sum payable 12/31)	46.48%	46.66%
Required Employer Contribution (lump sum payable 12/31)	$20,258,595	$21,631,155
Unfunded Accrued Liability	$118,885,045	$123,443,878
Funded Ratio	68.7%	69.9%

Change in Employer Contribution

Employer Contribution for Fiscal Year Ended 2025 (2023 Actuarial Valuation)	$20,258,595
Actuarial Asset (Gain) – actual 8.53% return vs. expected 7.35% return	($241,169)
2.40% Annual Increase in Payment Toward Unfunded Liability	$131,180
Full amortization of prior bases	($226,492)
Actuarial Experience – actual pay increases greater than expected and all other demographic experience	$480,450
Assumption Change – updated assumed mortality	$687,685
Assumption Change – reduce assumed rate of return from 7.35% to 7.25%	$540,906
Employer Contribution for Fiscal Year Ended 2026 (2024 Actuarial Valuation)	$21,631,155

Employer & Member Contributions

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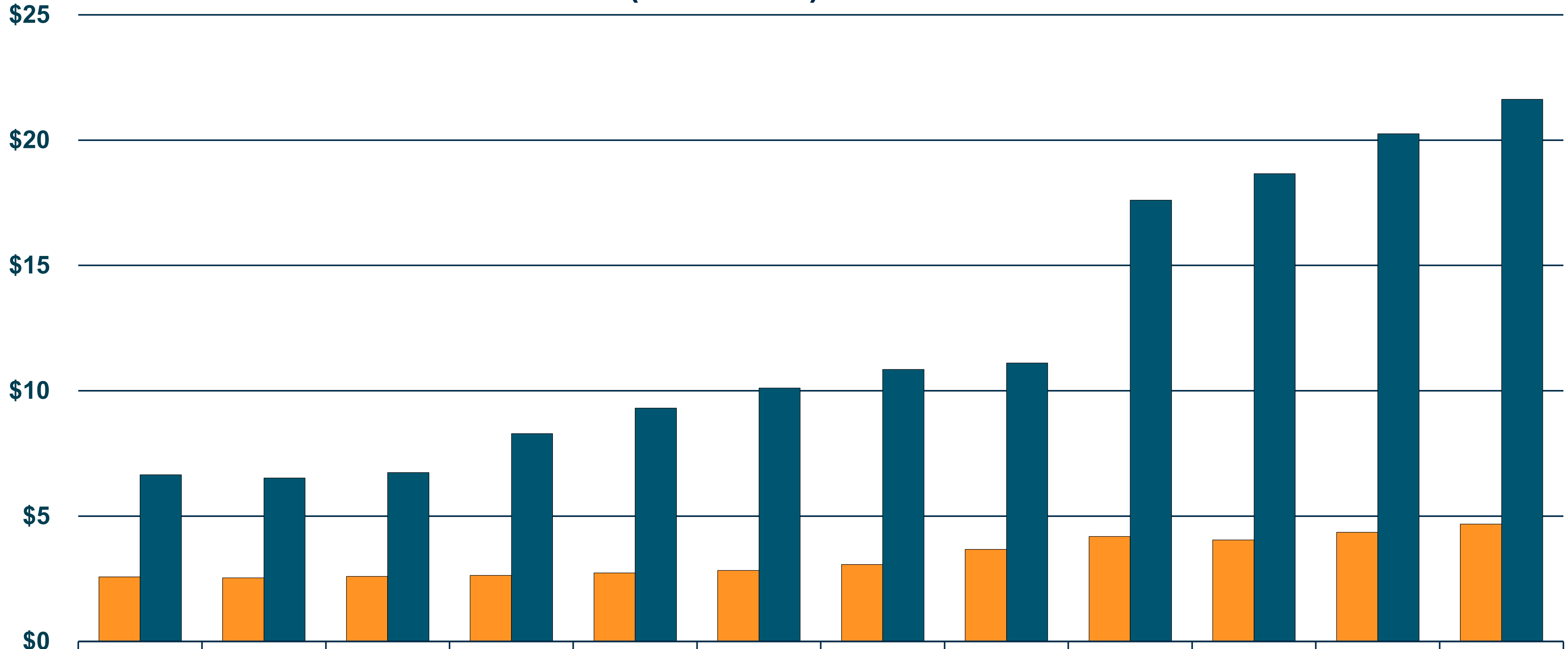
($ Millions)



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Member	$2,574,851	$2,539,324	$2,592,122	$2,633,793	$2,734,431	$2,831,902	$3,074,152	$3,677,341	$4,184,677	$4,052,887	$4,358,292	$4,684,772
City / County	$6,645,323	$6,524,606	$6,741,990	$8,286,744	$9,312,924	$10,112,862	$10,848,025	$11,109,716	$17,601,479	$18,658,621	$20,258,595	$21,631,155

Fiscal Year Ended

Historical Accrued Liability and Funded Ratio

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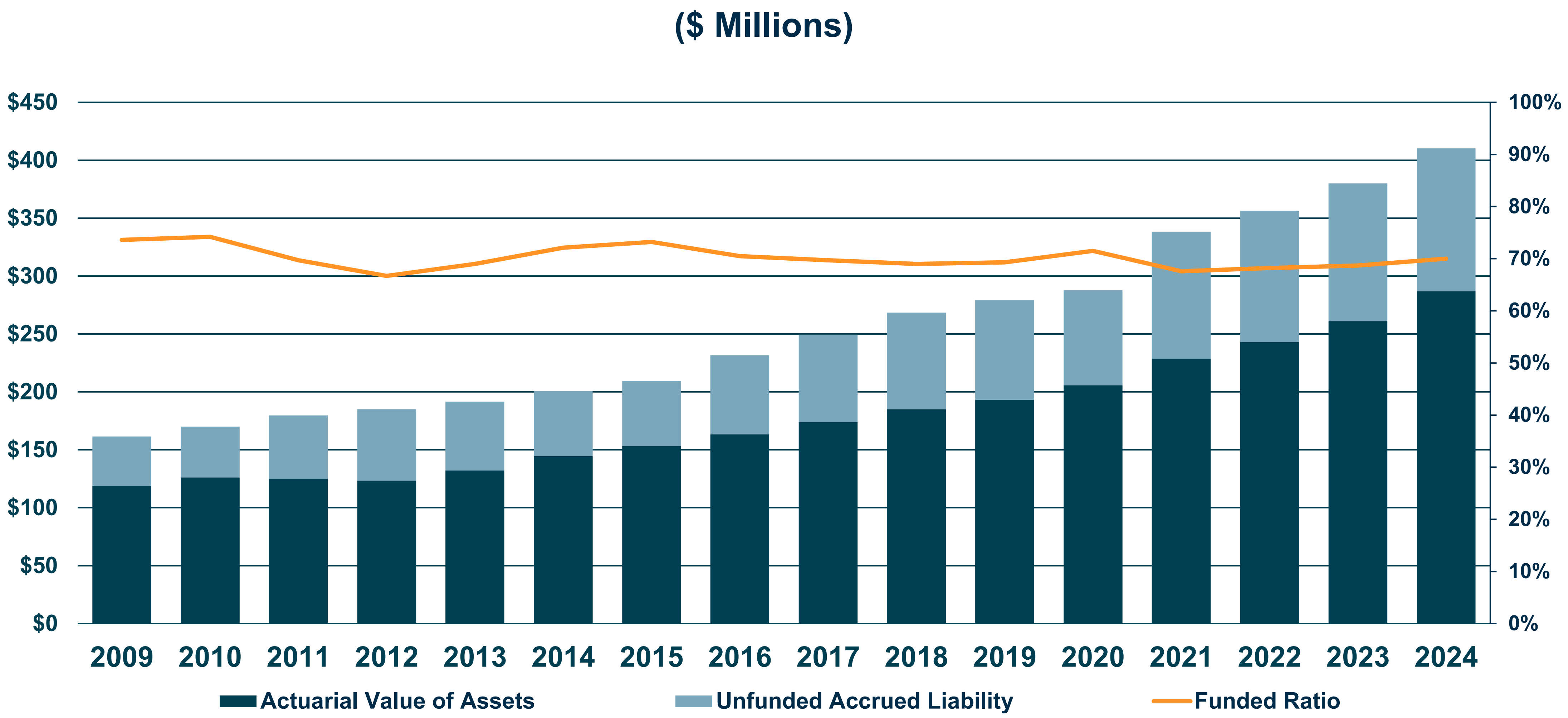
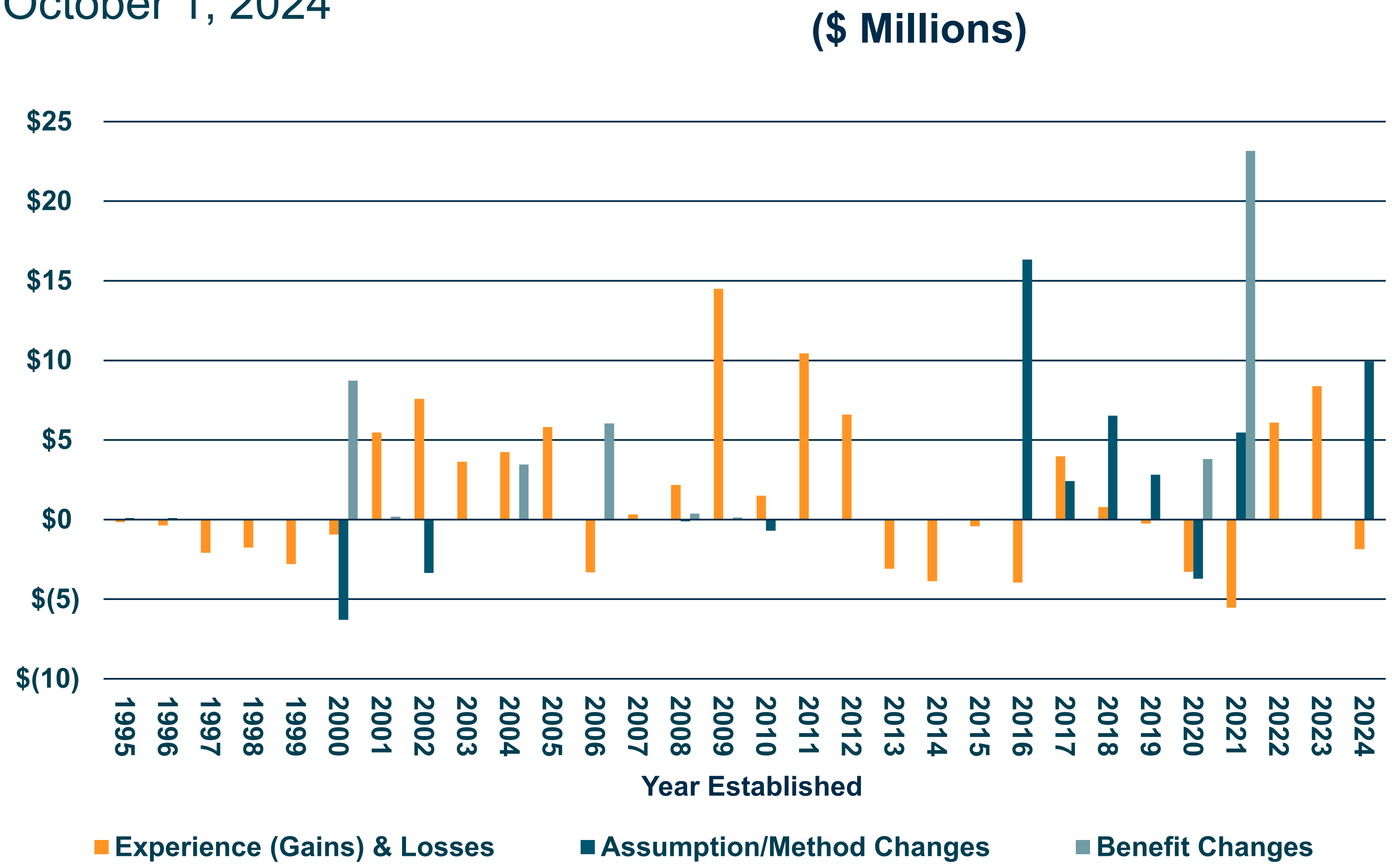
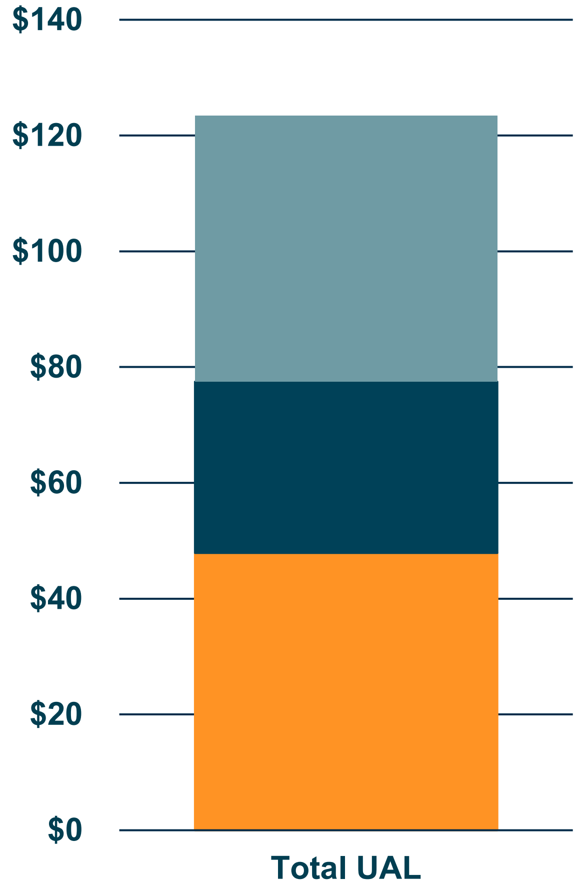


Unfunded Liability Amortization Bases

As of October 1, 2024





Total Amounts:	$47.9 Million	$29.6 Million	$45.9 Million

Projected UAAL and UAAL Amortization Payments

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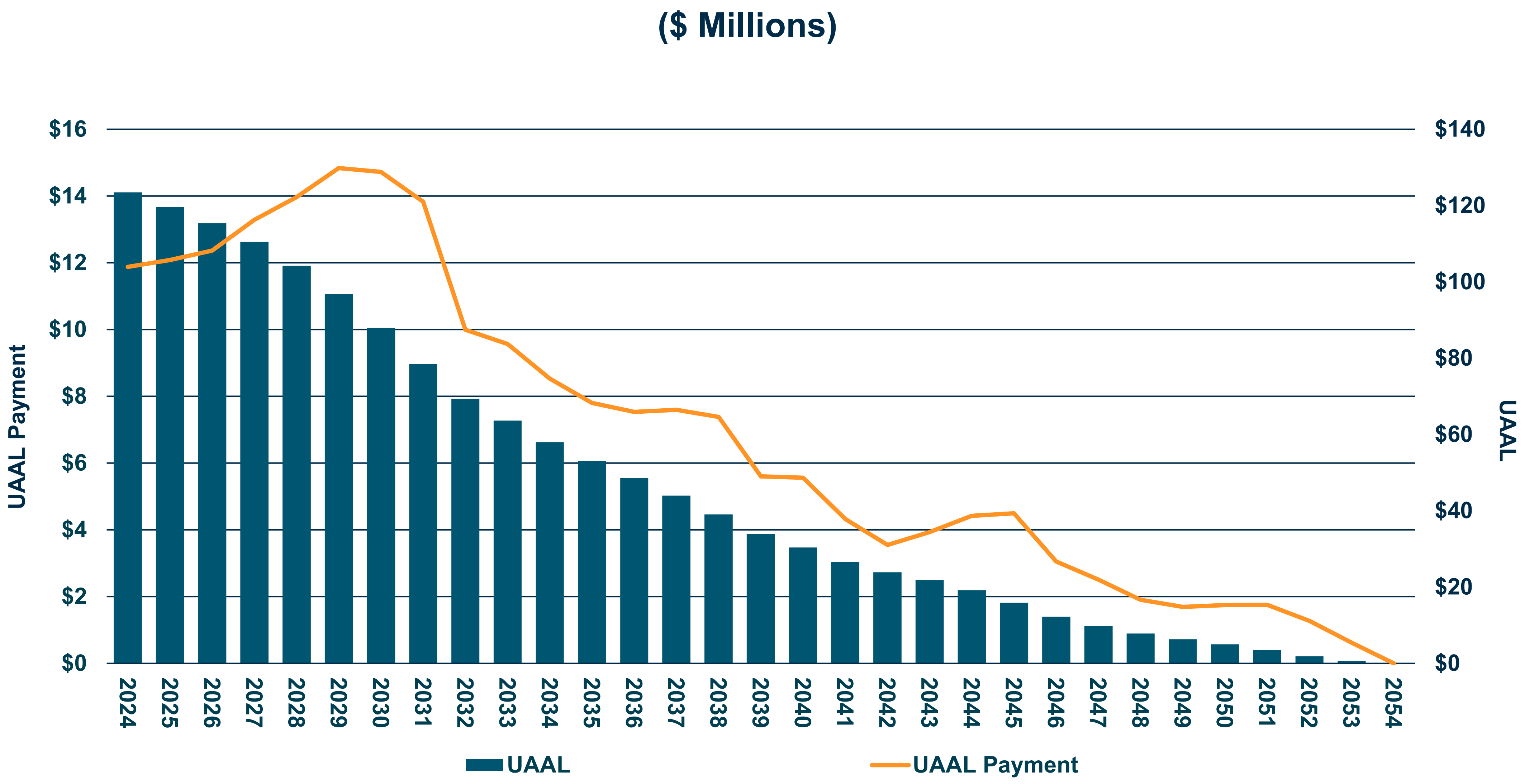

Caveats and Disclosures

- Additional information regarding the assumptions and methods can be found in the October 1, 2024 actuarial valuation report.

- The actuary who prepared these results, Todd B. Green, ASA, EA, MAAA, FCA, is a member of the American Academy of Actuaries and is qualified to render the actuarial opinions presented herein. We are happy to provide additional information and answer any questions, if necessary.

Questions?