

CITY OF CORAL SPRINGS  
POLICE OFFICERS' PENSION PLAN

SECTION 112.664, FLORIDA STATUTES COMPLIANCE  
DETERMINED AS OF THE  
OCTOBER 1, 2022 VALUATION DATE



June 7, 2023

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, 2022 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, 2022 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, 2022**

	ACTUAL	HYPOTHETICAL	
Discount Rate:	7.00%	5.00%	9.00%
<u>Total Pension Liability</u>			
Service Cost	5,349,081	8,391,458	3,529,388
Interest	24,638,623	21,998,971	25,227,749
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(1,934,052)	18,616,461	-
Changes of Assumptions	19,100,703	29,041,535	13,179,013
Contributions - Buy Back	451,517	451,517	451,517
Benefit Payments, Including Refunds of Employee Contributions	(18,736,364)	(18,736,364)	(18,736,364)
Net Change in Total Pension Liability	28,869,508	59,763,578	23,651,303
Total Pension Liability - Beginning	332,534,074	400,958,018	271,394,047
Total Pension Liability - Ending (a)	<u>\$ 361,403,582</u>	<u>\$ 460,721,596</u>	<u>\$ 295,045,350</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	9,935,449	9,935,449	9,935,449
Contributions - State	1,302,752	1,302,752	1,302,752
Contributions - Employee	1,994,904	1,994,904	1,994,904
Contributions - Buy Back	451,517	451,517	451,517
Contributions - Other	3,293,591	3,293,591	3,293,591
Net Investment Income	(43,413,523)	(43,413,523)	(43,413,523)
Benefit Payments, Including Refunds of Employee Contributions	(18,736,364)	(18,736,364)	(18,736,364)
Administrative Expenses	(262,876)	(262,876)	(262,876)
Net Change in Plan Fiduciary Net Position	(45,434,550)	(45,434,550)	(45,434,550)
Plan Fiduciary Net Position - Beginning	324,180,394	324,180,394	324,180,394
Plan Fiduciary Net Position - Ending (b)	<u>\$ 278,745,844</u>	<u>\$ 278,745,844</u>	<u>\$ 278,745,844</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 82,657,738</u>	<u>\$ 181,975,752</u>	<u>\$ 16,299,506</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
2022	258,203,044	-	17,521,163	-	17,460,972	258,142,853
2023	258,142,853	-	18,448,790	-	17,424,292	257,118,355
2024	257,118,355	-	19,439,782	-	17,317,892	254,996,465
2025	254,996,465	-	20,347,851	-	17,137,578	251,786,192
2026	251,786,192	-	21,336,715	-	16,878,248	247,327,725
2027	247,327,725	-	22,318,931	-	16,531,778	241,540,572
2028	241,540,572	-	23,078,660	-	16,100,087	234,561,999
2029	234,561,999	-	23,877,727	-	15,583,619	226,267,891
2030	226,267,891	-	24,646,813	-	14,976,114	216,597,192
2031	216,597,192	-	25,230,596	-	14,278,733	205,645,329
2032	205,645,329	-	25,640,801	-	13,497,745	193,502,273
2033	193,502,273	-	25,754,387	-	12,643,756	180,391,642
2034	180,391,642	-	25,965,592	-	11,718,619	166,144,669
2035	166,144,669	-	26,180,163	-	10,713,821	150,678,327
2036	150,678,327	-	26,565,833	-	9,617,679	133,730,173
2037	133,730,173	-	26,715,292	-	8,426,077	115,440,958
2038	115,440,958	-	26,940,562	-	7,137,947	95,638,343
2039	95,638,343	-	27,028,426	-	5,748,689	74,358,606
2040	74,358,606	-	27,057,605	-	4,258,086	51,559,087
2041	51,559,087	-	27,020,665	-	2,663,413	27,201,835
2042	27,201,835	-	26,924,329	-	961,777	1,239,283
2043	1,239,283	-	26,719,192	-	-	-

Number of Years Expected Benefit Payments Sustained: 21.05

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
2022	258,203,044	-	17,521,163	-	12,472,123	253,154,004
2023	253,154,004	-	18,448,790	-	12,196,480	246,901,694
2024	246,901,694	-	19,439,782	-	11,859,090	239,321,002
2025	239,321,002	-	20,347,851	-	11,457,354	230,430,505
2026	230,430,505	-	21,336,715	-	10,988,107	220,081,897
2027	220,081,897	-	22,318,931	-	10,446,122	208,209,088
2028	208,209,088	-	23,078,660	-	9,833,488	194,963,916
2029	194,963,916	-	23,877,727	-	9,151,253	180,237,442
2030	180,237,442	-	24,646,813	-	8,395,702	163,986,331
2031	163,986,331	-	25,230,596	-	7,568,552	146,324,287
2032	146,324,287	-	25,640,801	-	6,675,194	127,358,680
2033	127,358,680	-	25,754,387	-	5,724,074	107,328,367
2034	107,328,367	-	25,965,592	-	4,717,279	86,080,054
2035	86,080,054	-	26,180,163	-	3,649,499	63,549,390
2036	63,549,390	-	26,565,833	-	2,513,324	39,496,881
2037	39,496,881	-	26,715,292	-	1,306,962	14,088,551
2038	14,088,551	-	26,940,562	-	-	-

Number of Years Expected Benefit Payments Sustained: 16.52

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
2022	258,203,044	-	17,521,163	-	22,449,822	263,131,703
2023	263,131,703	-	18,448,790	-	22,851,658	267,534,571
2024	267,534,571	-	19,439,782	-	23,203,321	271,298,110
2025	271,298,110	-	20,347,851	-	23,501,177	274,451,436
2026	274,451,436	-	21,336,715	-	23,740,477	276,855,198
2027	276,855,198	-	22,318,931	-	23,912,616	278,448,883
2028	278,448,883	-	23,078,660	-	24,021,860	279,392,083
2029	279,392,083	-	23,877,727	-	24,070,790	279,585,146
2030	279,585,146	-	24,646,813	-	24,053,557	278,991,890
2031	278,991,890	-	25,230,596	-	23,973,893	277,735,187
2032	277,735,187	-	25,640,801	-	23,842,331	275,936,717
2033	275,936,717	-	25,754,387	-	23,675,357	273,857,687
2034	273,857,687	-	25,965,592	-	23,478,740	271,370,835
2035	271,370,835	-	26,180,163	-	23,245,268	268,435,940
2036	268,435,940	-	26,565,833	-	22,963,772	264,833,879
2037	264,833,879	-	26,715,292	-	22,632,861	260,751,448
2038	260,751,448	-	26,940,562	-	22,255,305	256,066,191
2039	256,066,191	-	27,028,426	-	21,829,678	250,867,443
2040	250,867,443	-	27,057,605	-	21,360,478	245,170,316
2041	245,170,316	-	27,020,665	-	20,849,399	238,999,050
2042	238,999,050	-	26,924,329	-	20,298,320	232,373,041
2043	232,373,041	-	26,719,192	-	19,711,210	225,365,059
2044	225,365,059	-	26,474,781	-	19,091,490	217,981,768
2045	217,981,768	-	26,092,787	-	18,444,184	210,333,165
2046	210,333,165	-	25,719,389	-	17,772,612	202,386,388
2047	202,386,388	-	25,302,994	-	17,076,140	194,159,534
2048	194,159,534	-	24,777,901	-	16,359,353	185,740,986
2049	185,740,986	-	24,198,272	-	15,627,767	177,170,481
2050	177,170,481	-	23,567,291	-	14,884,815	168,488,005
2051	168,488,005	-	22,888,331	-	14,133,946	159,733,620
2052	159,733,620	-	22,165,340	-	13,378,586	150,946,866
2053	150,946,866	-	21,401,834	-	12,622,135	142,167,167
2054	142,167,167	-	20,602,317	-	11,867,941	133,432,791
2055	133,432,791	-	19,771,634	-	11,119,228	124,780,385
2056	124,780,385	-	18,914,800	-	10,379,069	116,244,654
2057	116,244,654	-	18,037,597	-	9,650,327	107,857,384
2058	107,857,384	-	17,145,989	-	8,935,595	99,646,990
2059	99,646,990	-	16,245,705	-	8,237,172	91,638,457
2060	91,638,457	-	15,342,342	-	7,557,056	83,853,171
2061	83,853,171	-	14,441,048	-	6,896,938	76,309,061
2062	76,309,061	-	13,546,237	-	6,258,235	69,021,059
2063	69,021,059	-	12,662,028	-	5,642,104	62,001,135
2064	62,001,135	-	11,792,540	-	5,049,438	55,258,033
2065	55,258,033	-	10,941,856	-	4,480,839	48,797,016
2066	48,797,016	-	10,113,452	-	3,936,626	42,620,190
2067	42,620,190	-	9,310,205	-	3,416,858	36,726,843
2068	36,726,843	-	8,534,772	-	2,921,351	31,113,422
2069	31,113,422	-	7,789,703	-	2,449,671	25,773,390
2070	25,773,390	-	7,077,416	-	2,001,121	20,697,095

## 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
2071	20,697,095	-	6,399,970	-	1,574,740	15,871,865
2072	15,871,865	-	5,759,224	-	1,169,303	11,281,944
2073	11,281,944	-	5,156,724	-	783,322	6,908,542
2074	6,908,542	-	4,593,516	-	415,061	2,730,087
2075	2,730,087	-	4,070,155	-	-	-

Number of Years Expected Benefit Payments Sustained: 53.67

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, 2024**

Valuation Date: 10/1/2022

Investment Rate of Return:	ACTUAL	HYPOTHETICAL	
	7.00%	5.00%	9.00%
Minimum Required Contribution (Fixed \$)	\$13,428,878	\$23,391,384	\$5,387,438
Minimum Required Contribution (% of Payroll)	68.5%	119.3%	27.5%
Expected Member Contribution	2,253,834	2,253,834	2,253,834
Expected State Money	1,302,752	1,302,752	1,302,752
Expected Sponsor Contribution (Fixed \$)	\$9,872,292	\$19,834,798	\$1,830,852
Expected Sponsor Contribution (% of Payroll)	50.0%	100.8%	9.0%

**ASSETS**

Actuarial Value	285,725,706	285,725,706	285,725,706
Market Value	258,203,044	258,203,044	258,203,044

**LIABILITIES**

Present Value of Benefits			
Active Members			
Retirement Benefits	115,147,935	174,659,420	80,322,705
Disability Benefits	5,576,300	8,118,388	4,033,349
Death Benefits	1,193,521	1,752,482	864,857
Vested Benefits	8,009,862	13,020,523	5,224,328
Refund of Contributions	115,148	119,941	110,672
Service Retirees	186,894,568	235,757,073	153,298,690
DROP Retirees	48,692,702	64,061,462	38,768,152
Beneficiaries	7,727,045	9,237,726	6,610,330
Disability Retirees	13,511,851	16,738,055	11,259,186
Terminated Vested	3,193,922	4,411,220	2,431,454
Total:	390,062,854	527,876,290	302,923,723
Present Value of Future Salaries	142,043,116	157,882,408	129,110,374
Present Value of Future Member Contributions	16,334,958	18,156,477	14,847,693
Total Normal Cost	6,582,810	10,444,747	4,304,697
Present Value of Future Normal Costs (Entry Age Normal)	47,493,980	83,880,295	28,185,339
Total Actuarial Accrued Liability (EAN)	342,568,874	443,995,995	274,738,384
Unfunded Actuarial Accrued Liability (UAAL)	56,843,168	158,270,289	(10,987,322)

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2024

Valuation Date: 10/1/2022

	ACTUAL	HYPOTHETICAL	
Investment Rate of Return:	7.00%	5.00%	9.00%
<b><u>PENSION COST</u></b>			
Normal Cost <sup>1</sup>	6,895,493	10,940,872	4,509,170
Administrative Expenses <sup>1</sup>	279,438	279,438	279,438
Payment Required To Amortize UAAL <sup>1</sup>	6,253,947	12,171,074	598,830
Minimum Required Contribution	\$13,428,878	\$23,391,384	\$5,387,438

<sup>1</sup> Contributions developed as of 10/1/2022 displayed above have been adjusted to account for assumed salary increase and interest components.