

CITY OF BOYNTON BEACH MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND

Chapter 112.664, F.S. Compliance Report
In Connection with the October 1, 2023 Funding
Actuarial Valuation Report
And the Plan's Financial Reporting for the Year
Ending September 30, 2023





June 27, 2024

Board of Trustees
City of Boynton Beach Municipal
Firefighters Pension Fund
Boynton Beach, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Boynton Beach Municipal Firefighters Pension Fund (System) to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

This report was prepared at the request of the Board and is intended for use by the Retirement Board and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board.

The purpose of the report is to provide the required information specified in Ch. 112.664, F.S. as well as supplement this information with additional exhibits. This report should not be relied on for any purpose other than the purpose described above.

The findings in this report are based on data or other information through September 30, 2023. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of this engagement does not include an analysis of the potential range of such measurements.

This report was based upon information furnished by the City and the Board concerning Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by the City.

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Board as described in our October 1, 2023 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2023 actuarial valuation report. Please refer to the October 1, 2023 actuarial valuation report, dated April 25, 2024, for summaries and descriptions of this information.

Board of Trustees
City of Boynton Beach Municipal Firefighters' Pension Trust Fund
June 27, 2024

The use of an investment return assumption that is 2% higher than the investment return assumption used to determine the funding requirements does not represent an estimate of future Plan experience nor does it reflect an observation of future return estimates inherent in financial market data. The use of this investment return assumption is provided as a counterpart to the Chapter 112.664, Florida Statutes requirement to utilize an investment return assumption that is 2% lower than the assumption used to determine the funding requirements. The inclusion of the additional exhibits showing the effect of using a 2% higher investment return assumption shows a more complete assessment of the range of possible results as opposed to showing a one-sided range as required by Florida Statutes.

This report was prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

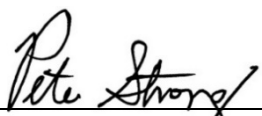
Peter N. Strong and Israel Bichachi are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

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 complete by us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate, and in our opinion, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By 
Peter N. Strong, FSA, MAAA
Enrolled Actuary No. 23-06975
Senior Consultant & Actuary


By 
Israel Bichachi, ASA, MAAA
Consultant and Actuary



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CH. 112.664, FLORIDA STATUTES

RESULTS



**Schedule of Changes in the Employers' Net Pension Liability
Using Financial Reporting Assumptions per GASB Statement No. 67**

Fiscal year ending September 30,

1. Total pension liability

	<u>2023</u>
a. Service Cost	\$ 4,422,986
b. Interest	14,339,515
c. Benefit Changes	(1,270,839)
d. Difference between actual & expected experience & Other	2,059,968
e. Assumption Changes	-
f. Benefit Payments	(8,248,643)
g. Contribution Refunds	(58,282)
h. Net Change in Total Pension Liability	<u>11,244,705</u>
i. Total Pension Liability - Beginning	<u>201,025,429</u>
j. Total Pension Liability - Ending	<u><u>\$ 212,270,134</u></u>

2. Plan Fiduciary Net Position

a. Contributions - Employer (From City)	\$ 5,703,846
b. Contributions - Employer (From State)	1,637,868
c. Contributions - Member	1,824,709
d. Net Investment Income	13,156,607
e. Benefit Payments	(8,248,643)
f. Contribution Refunds	(58,282)
g. Administrative Expense	(192,301)
h. Other	395,544
i. Net Change in Plan Fiduciary Net Position	<u>14,219,348</u>
j. Plan Fiduciary Net Position - Beginning	<u>138,792,289</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 153,011,637</u></u>

3. Net Pension Liability / (Asset) 59,258,497

Certain Key Assumptions

Valuation Date	10/01/2022
Measurement Date	09/30/2023
Investment Return Assumption	7.15%
Mortality Table	2022 FRS Mortality - Special Risk



**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(a), F.S.**

Fiscal year ending September 30,	<u>2023</u>
1. Total pension liability	
a. Service Cost	\$ 4,422,986
b. Interest	14,339,515
c. Benefit Changes	(1,270,839)
d. Difference between actual & expected experience & Other	2,059,968
e. Assumption Changes	-
f. Benefit Payments	(8,248,643)
g. Contribution Refunds	(58,282)
h. Net Change in Total Pension Liability	<u>11,244,705</u>
i. Total Pension Liability - Beginning	<u>201,025,429</u>
j. Total Pension Liability - Ending	<u><u>\$ 212,270,134</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer (From City)	\$ 5,703,846
b. Contributions - Employer (From State)	1,637,868
c. Contributions - Member	1,824,709
d. Net Investment Income	13,156,607
e. Benefit Payments	(8,248,643)
f. Contribution Refunds	(58,282)
g. Administrative Expense	(192,301)
h. Other	395,544
i. Net Change in Plan Fiduciary Net Position	<u>14,219,348</u>
j. Plan Fiduciary Net Position - Beginning	<u>138,792,289</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 153,011,637</u></u>
3. Net Pension Liability / (Asset)	59,258,497
Certain Key Assumptions	
Valuation Date	10/01/2022
Measurement Date	09/30/2023
Investment Return Assumption	7.15%
Mortality Table	2022 FRS Mortality - Special Risk



**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(b), F.S.**

Fiscal year ending September 30,	<u>2023</u>
1. Total pension liability	
a. Service Cost	\$ 7,005,132
b. Interest	13,057,966
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	1,089,946
e. Assumption Changes	-
f. Benefit Payments	(8,248,643)
g. Contribution Refunds	(58,282)
h. Net Change in Total Pension Liability	<u>12,846,119</u>
i. Total Pension Liability - Beginning	<u>250,172,538</u>
j. Total Pension Liability - Ending	<u><u>\$ 263,018,657</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer (From City)	\$ 5,703,846
b. Contributions - Employer (From State)	1,637,868
c. Contributions - Member	1,824,709
d. Net Investment Income	13,156,607
e. Benefit Payments	(8,248,643)
f. Contribution Refunds	(58,282)
g. Administrative Expense	(192,301)
h. Other	395,544
i. Net Change in Plan Fiduciary Net Position	<u>14,219,348</u>
j. Plan Fiduciary Net Position - Beginning	<u>138,792,289</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 153,011,637</u></u>
3. Net Pension Liability / (Asset)	110,007,020
Certain Key Assumptions	
Valuation Date	10/01/2022
Measurement Date	09/30/2023
Investment Return Assumption	5.15%
Mortality Table	2022 FRS Mortality - Special Risk



Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

Fiscal year ending September 30,	2023
1. Total pension liability	
a. Service Cost	\$ 2,911,797
b. Interest	15,237,162
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	1,089,946
e. Assumption Changes	-
f. Benefit Payments	(8,248,643)
g. Contribution Refunds	(58,282)
h. Net Change in Total Pension Liability	10,931,980
i. Total Pension Liability - Beginning	167,239,487
j. Total Pension Liability - Ending	\$ 178,171,467
 2. Plan Fiduciary Net Position	
a. Contributions - Employer (From City)	\$ 5,703,846
b. Contributions - Employer (From State)	1,637,868
c. Contributions - Member	1,824,709
d. Net Investment Income	13,156,607
e. Benefit Payments	(8,248,643)
f. Contribution Refunds	(58,282)
g. Administrative Expense	(192,301)
h. Other	395,544
i. Net Change in Plan Fiduciary Net Position	14,219,348
j. Plan Fiduciary Net Position - Beginning	138,792,289
k. Plan Fiduciary Net Position - Ending	\$ 153,011,637
 3. Net Pension Liability / (Asset)	 25,159,830
 Certain Key Assumptions	
Valuation Date	10/01/2022
Measurement Date	09/30/2023
Investment Return Assumption	9.15%
Mortality Table	2022 FRS Mortality - Special Risk



Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions from the Plan's Latest Actuarial Valuation

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	123,369,026	8,479,136	9,559,420	122,288,742
2025	122,288,742	8,366,527	10,548,744	120,106,525
2026	120,106,525	8,188,717	11,158,036	117,137,206
2027	117,137,206	7,948,191	11,947,384	113,138,013
2028	113,138,013	7,643,833	12,462,528	108,319,318
2029	108,319,318	7,292,839	12,643,135	102,969,022
2030	102,969,022	6,896,088	13,040,489	96,824,621
2031	96,824,621	6,451,959	13,174,866	90,101,714
2032	90,101,714	5,967,031	13,293,460	82,775,285
2033	82,775,285	5,440,753	13,361,662	74,854,376
2034	74,854,376	4,864,194	13,647,383	66,071,187
2035	66,071,187	4,232,510	13,750,477	56,553,220
2036	56,553,220	3,548,955	13,834,962	46,267,213
2037	46,267,213	2,812,044	13,875,842	35,203,415
2038	35,203,415	2,018,970	13,932,158	23,290,227
2039	23,290,227	1,166,296	13,956,785	10,499,738
2040	10,499,738	251,856	13,954,553	-
2041	-	-	13,927,453	-
2042	-	-	13,892,748	-
2043	-	-	13,838,720	-
2044	-	-	13,786,660	-
2045	-	-	13,782,257	-
2046	-	-	13,682,295	-
2047	-	-	13,599,894	-
2048	-	-	13,550,734	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions: 16.75

Certain Key Assumptions

Valuation Investment Return Assumption 7.15%
 Valuation Mortality Table 2022 FRS Mortality - Special Risk

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.



Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(a), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	123,369,026	8,479,136	9,559,420	122,288,742
2025	122,288,742	8,366,527	10,548,744	120,106,525
2026	120,106,525	8,188,717	11,158,036	117,137,206
2027	117,137,206	7,948,191	11,947,384	113,138,013
2028	113,138,013	7,643,833	12,462,528	108,319,318
2029	108,319,318	7,292,839	12,643,135	102,969,022
2030	102,969,022	6,896,088	13,040,489	96,824,621
2031	96,824,621	6,451,959	13,174,866	90,101,714
2032	90,101,714	5,967,031	13,293,460	82,775,285
2033	82,775,285	5,440,753	13,361,662	74,854,376
2034	74,854,376	4,864,194	13,647,383	66,071,187
2035	66,071,187	4,232,510	13,750,477	56,553,220
2036	56,553,220	3,548,955	13,834,962	46,267,213
2037	46,267,213	2,812,044	13,875,842	35,203,415
2038	35,203,415	2,018,970	13,932,158	23,290,227
2039	23,290,227	1,166,296	13,956,785	10,499,738
2040	10,499,738	251,856	13,954,553	-
2041	-	-	13,927,453	-
2042	-	-	13,892,748	-
2043	-	-	13,838,720	-
2044	-	-	13,786,660	-
2045	-	-	13,782,257	-
2046	-	-	13,682,295	-
2047	-	-	13,599,894	-
2048	-	-	13,550,734	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions: 16.75

Certain Key Assumptions

Valuation Investment Return Assumption 7.15%
 Valuation Mortality Table 2022 FRS Mortality - Special Risk

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.



Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(b), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	123,369,026	6,107,350	9,559,420	119,916,956
2025	119,916,956	5,904,093	10,548,744	115,272,305
2026	115,272,305	5,649,204	11,158,036	109,763,473
2027	109,763,473	5,345,174	11,947,384	103,161,263
2028	103,161,263	4,991,895	12,462,528	95,690,630
2029	95,690,630	4,602,507	12,643,135	87,650,002
2030	87,650,002	4,178,183	13,040,489	78,787,696
2031	78,787,696	3,718,314	13,174,866	69,331,144
2032	69,331,144	3,228,247	13,293,460	59,265,931
2033	59,265,931	2,708,133	13,361,662	48,612,402
2034	48,612,402	2,152,119	13,647,383	37,117,138
2035	37,117,138	1,557,458	13,750,477	24,924,119
2036	24,924,119	927,342	13,834,962	12,016,499
2037	12,016,499	261,547	13,875,842	-
2038	-	-	13,932,158	-
2039	-	-	13,956,785	-
2040	-	-	13,954,553	-
2041	-	-	13,927,453	-
2042	-	-	13,892,748	-
2043	-	-	13,838,720	-
2044	-	-	13,786,660	-
2045	-	-	13,782,257	-
2046	-	-	13,682,295	-
2047	-	-	13,599,894	-
2048	-	-	13,550,734	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions: 13.83

Certain Key Assumptions

Valuation Investment Return Assumption 5.15%
 Valuation Mortality Table 2022 FRS Mortality - Special Risk

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.



Asset and Benefit Payment Projection

Not Reflecting Any Contributions from the Employer, State or Employee

Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	123,369,026	10,850,922	9,559,420	124,660,528
2025	124,660,528	10,923,833	10,548,744	125,035,617
2026	125,035,617	10,930,279	11,158,036	124,807,860
2027	124,807,860	10,873,326	11,947,384	123,733,802
2028	123,733,802	10,751,482	12,462,528	122,022,756
2029	122,022,756	10,586,659	12,643,135	119,966,280
2030	119,966,280	10,380,312	13,040,489	117,306,103
2031	117,306,103	10,130,758	13,174,866	114,261,995
2032	114,261,995	9,846,797	13,293,460	110,815,332
2033	110,815,332	9,528,307	13,361,662	106,981,977
2034	106,981,977	9,164,483	13,647,383	102,499,077
2035	102,499,077	8,749,581	13,750,477	97,498,181
2036	97,498,181	8,288,134	13,834,962	91,951,353
2037	91,951,353	7,778,729	13,875,842	85,854,240
2038	85,854,240	7,218,267	13,932,158	79,140,349
2039	79,140,349	6,602,819	13,956,785	71,786,383
2040	71,786,383	5,930,033	13,954,553	63,761,863
2041	63,761,863	5,197,029	13,927,453	55,031,439
2042	55,031,439	4,399,783	13,892,748	45,538,474
2043	45,538,474	3,533,649	13,838,720	35,233,403
2044	35,233,403	2,593,117	13,786,660	24,039,860
2045	24,039,860	1,569,109	13,782,257	11,826,712
2046	11,826,712	456,179	13,682,295	-
2047	-	-	13,599,894	-
2048	-	-	13,550,734	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions: 22.83

Certain Key Assumptions

Valuation Investment Return Assumption 9.15%
 Valuation Mortality Table 2022 FRS Mortality - Special Risk

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.



ACTUARIALLY DETERMINED CONTRIBUTION

	Plan's Latest Actuarial Valuation	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. except 2% higher investment return assumption
A. Valuation Date	October 1, 2023	October 1, 2023	October 1, 2023	October 1, 2023
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2025	9/30/2025	9/30/2025	9/30/2025
C. Assumed Date(s) of Employer Contributions	10/1/2024	10/1/2024	10/1/2024	10/1/2024
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 4,401,864	\$ 4,401,864	\$ 6,732,320	\$ 2,185,736
E. Employer Normal Cost	3,209,050	3,209,050	6,010,815	1,577,639
F. Employer ADC if Paid on Valuation Date: D + E	7,610,914	7,610,914	12,743,135	3,763,375
G. Employer ADC Adjusted for Frequency of Payments	7,610,914	7,610,914	12,743,135	3,763,375
H. Employer ADC Adjusted for Frequency of Payments as % of Covered Payroll	53.21 %	53.21 %	89.09 %	26.31 %
I. Covered Payroll per Valuation	14,304,178	14,304,178	14,304,178	14,304,178
J. Assumed Rate of Increase in Covered Payroll to Contribution Year	2.50 %	2.50 %	2.50 %	2.50 %
K. Covered Payroll for Contribution Year	14,661,782	14,661,782	14,661,782	14,661,782
L. Employer ADC for Contribution Year: H x K	7,801,534	7,801,534	13,062,182	3,857,515
M. Estimated State Revenue in Contribution Year Including amounts from Excess Reserve	943,466	943,466	943,466	943,466
N. Net Employer ADC in Contribution Year	6,858,068	6,858,068	12,118,716	2,914,049
O. Net Employer ADC as % of Covered Payroll in Contribution Year: N ÷ K	46.78 %	46.78 %	82.66 %	19.88 %
P. Expected Member Contribution	1,759,414	1,759,414	1,759,414	1,759,414
Q. Total Contribution (Including Members) in Contribution Year	9,560,948	9,560,948	14,821,596	5,616,929
R. Total Contribution as % of Covered Payroll in Contribution Year: Q ÷ K	65.21 %	65.21 %	101.09 %	38.31 %
S. Certain Key Assumptions				
Investment Return Assumption	7.15%	7.15%	5.15%	9.15%
Mortality Table	2022 FRS Mortality - Special Risk	2022 FRS Mortality - Special Risk	2022 FRS Mortality - Special Risk	2022 FRS Mortality - Special Risk

