

# CITY OF LAKE WORTH BEACH GENERAL EMPLOYEES RETIREMENT SYSTEM

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





January 6, 2025

Board of Trustees  
City of Lake Worth Beach General  
Employees Retirement System  
Lake Worth Beach, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Lake Worth Beach General Employees Retirement System (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 Plan Administrator and the City 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 otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the Plan Administrator or the City.

This report complements the October 1, 2023 actuarial valuation report, dated August 30, 2024, and should be considered in conjunction with that report. 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 for summaries and descriptions of this information and for all relevant actuarial disclosures.

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.


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.


Nicolas Lahaye and Dina Lerner 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.

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 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 & COMPANY

By   
Nicolas Lahaye, FSA, MAAA, FCA  
Enrolled Actuary No. 23-07775  
Consultant & Actuary

By   
Dina Lerner, FSA, EA, MAAA, FCA  
Enrolled Actuary No. 23-08236  
Consultant & Actuary



## TABLE OF CONTENTS

Title	Page
Ch. 112.664, F.S. Results	
Schedule of Changes in Net Pension Liability	
1. Using financial reporting assumptions per GASB Statement No. 67	1
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	2
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	3
4. Using the mandated mortality and funding interest rate +2%	4
Assets Versus Benefit Payments Projections	
1. Using assumptions from the Plan's latest actuarial valuation	5
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	6
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	7
4. Using the mandated mortality and funding interest rate +2%	8
Actuarially Determined Contribution	9

## **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**

	<b>2023</b>
a. Service Cost	\$ 1,566,134
b. Interest	7,495,271
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(8,557,401)
g. Contribution Refunds	-
<b>h. Net Change in Total Pension Liability</b>	<b>504,004</b>
<b>i. Total Pension Liability - Beginning</b>	<b>109,787,870</b>
<b>j. Total Pension Liability - Ending</b>	<b>\$ 110,291,874</b>

**2. Plan Fiduciary Net Position**

a. Contributions - Employer	\$ 4,112,865
b. Contributions - State	-
c. Contributions - Member	1,222,731
d. Net Investment Income	6,106,049
e. Benefit Payments	(8,557,401)
f. Contribution Refunds	-
g. Administrative Expense	(150,032)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<b>2,734,212</b>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<b>68,728,004</b>
<b>k. Plan Fiduciary Net Position - Ending</b>	<b>\$ 71,462,216</b>

**3. Net Pension Liability / (Asset)**

38,829,658

**Certain Key Assumptions**

Valuation Date	10/01/2021
Measurement Date	09/30/2023
Investment Return Assumption	7.00%
Mortality Table	FRS Mortality - Regular Class (7/1/2021 FRS Valuation)



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

Fiscal year ending September 30,

**1. Total pension liability**

	<b>2023</b>
a. Service Cost	\$ 1,566,134
b. Interest	7,495,271
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(8,557,401)
g. Contribution Refunds	-
<b>h. Net Change in Total Pension Liability</b>	<b>504,004</b>
<b>i. Total Pension Liability - Beginning</b>	<b>109,787,870</b>
<b>j. Total Pension Liability - Ending</b>	<b>\$ 110,291,874</b>

**2. Plan Fiduciary Net Position**

a. Contributions - Employer	\$ 4,112,865
b. Contributions - State	-
c. Contributions - Member	1,222,731
d. Net Investment Income	6,106,049
e. Benefit Payments	(8,557,401)
f. Contribution Refunds	-
g. Administrative Expense	(150,032)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<b>2,734,212</b>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<b>68,728,004</b>
<b>k. Plan Fiduciary Net Position - Ending</b>	<b>\$ 71,462,216</b>

**3. Net Pension Liability / (Asset)** 38,829,658

**Certain Key Assumptions**

Valuation Date	10/01/2021
Measurement Date	09/30/2023
Investment Return Assumption	7.00%
Mortality Table	FRS Mortality - Regular Class (7/1/2021 FRS Valuation)



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

Fiscal year ending September 30,

**1. Total pension liability**

	<b>2023</b>
a. Service Cost	\$ 2,169,680
b. Interest	6,583,184
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(8,557,401)
g. Contribution Refunds	-
<b>h. Net Change in Total Pension Liability</b>	<b>195,463</b>
<b>i. Total Pension Liability - Beginning</b>	<b>133,772,705</b>
<b>j. Total Pension Liability - Ending</b>	<b>\$ 133,968,168</b>

**2. Plan Fiduciary Net Position**

a. Contributions - Employer	\$ 4,112,865
b. Contributions - State	-
c. Contributions - Member	1,222,731
d. Net Investment Income	6,106,049
e. Benefit Payments	(8,557,401)
f. Contribution Refunds	-
g. Administrative Expense	(150,032)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<b>2,734,212</b>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<b>68,728,004</b>
<b>k. Plan Fiduciary Net Position - Ending</b>	<b>\$ 71,462,216</b>

**3. Net Pension Liability / (Asset)** 62,505,952

**Certain Key Assumptions**

Valuation Date	10/01/2021
Measurement Date	09/30/2023
Investment Return Assumption	5.00%
Mortality Table	FRS Mortality - Regular Class (7/1/2021 FRS Valuation)





**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	\$ 1,195,251
b. Interest	8,064,815
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(8,557,401)
g. Contribution Refunds	-
<b>h. Net Change in Total Pension Liability</b>	<b>702,665</b>
<b>i. Total Pension Liability - Beginning</b>	<b>92,692,504</b>
<b>j. Total Pension Liability - Ending</b>	<b>\$ 93,395,169</b>

**2. Plan Fiduciary Net Position**

a. Contributions - Employer	\$ 4,112,865
b. Contributions - State	-
c. Contributions - Member	1,222,731
d. Net Investment Income	6,106,049
e. Benefit Payments	(8,557,401)
f. Contribution Refunds	-
g. Administrative Expense	(150,032)
h. Other	-
<b>i. Net Change in Plan Fiduciary Net Position</b>	<b>2,734,212</b>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<b>68,728,004</b>
<b>k. Plan Fiduciary Net Position - Ending</b>	<b>\$ 71,462,216</b>

**3. Net Pension Liability / (Asset)**

21,932,953

**Certain Key Assumptions**

Valuation Date	10/01/2021
Measurement Date	09/30/2023
Investment Return Assumption	9.00%
Mortality Table	FRS Mortality - Regular Class (7/1/2021 FRS Valuation)



**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	69,068,370	4,506,895	9,368,304	64,206,961
2025	64,206,961	4,190,065	8,697,783	59,699,243
2026	59,699,243	3,873,097	8,738,581	54,833,759
2027	54,833,759	3,536,138	8,635,003	49,734,894
2028	49,734,894	3,179,810	8,618,082	44,296,622
2029	44,296,622	2,798,395	8,639,089	38,455,928
2030	38,455,928	2,396,009	8,454,452	32,397,485
2031	32,397,485	1,974,476	8,381,359	25,990,602
2032	25,990,602	1,530,391	8,255,733	19,265,260
2033	19,265,260	1,066,256	8,066,054	12,265,462
2034	12,265,462	582,175	7,897,351	4,950,286
2035	4,950,286	76,935	7,702,431	-
2036	-	-	7,497,236	-
2037	-	-	7,309,984	-
2038	-	-	7,129,318	-
2039	-	-	6,921,438	-
2040	-	-	6,658,629	-
2041	-	-	6,431,909	-
2042	-	-	6,230,176	-
2043	-	-	6,059,231	-
2044	-	-	5,816,266	-
2045	-	-	5,550,794	-
2046	-	-	5,288,301	-
2047	-	-	5,108,963	-
2048	-	-	4,817,457	-
2049	-	-	4,646,781	-

Number of years for which current market value of assets are 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:** 11.67

**Certain Key Assumptions**

Valuation Investment return assumption 7.00%  
Valuation Mortality Table FRS Mortality - Regular Class  
(7/1/2022 FRS Valuation)

**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	69,068,370	4,506,895	9,368,304	64,206,961
2025	64,206,961	4,190,065	8,697,783	59,699,243
2026	59,699,243	3,873,097	8,738,581	54,833,759
2027	54,833,759	3,536,138	8,635,003	49,734,894
2028	49,734,894	3,179,810	8,618,082	44,296,622
2029	44,296,622	2,798,395	8,639,089	38,455,928
2030	38,455,928	2,396,009	8,454,452	32,397,485
2031	32,397,485	1,974,476	8,381,359	25,990,602
2032	25,990,602	1,530,391	8,255,733	19,265,260
2033	19,265,260	1,066,256	8,066,054	12,265,462
2034	12,265,462	582,175	7,897,351	4,950,286
2035	4,950,286	76,935	7,702,431	-
2036	-	-	7,497,236	-
2037	-	-	7,309,984	-
2038	-	-	7,129,318	-
2039	-	-	6,921,438	-
2040	-	-	6,658,629	-
2041	-	-	6,431,909	-
2042	-	-	6,230,176	-
2043	-	-	6,059,231	-
2044	-	-	5,816,266	-
2045	-	-	5,550,794	-
2046	-	-	5,288,301	-
2047	-	-	5,108,963	-
2048	-	-	4,817,457	-
2049	-	-	4,646,781	-

Number of years for which current market value of assets are 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:** 11.67

**Certain Key Assumptions**

Valuation Investment return assumption 7.00%  
Valuation Mortality Table FRS Mortality - Regular Class  
(7/1/2022 FRS Valuation)

**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	69,068,370	3,219,211	9,368,304	62,919,277
2025	62,919,277	2,928,519	8,697,783	57,150,013
2026	57,150,013	2,639,036	8,738,581	51,050,468
2027	51,050,468	2,336,648	8,635,003	44,752,113
2028	44,752,113	2,022,154	8,618,082	38,156,185
2029	38,156,185	1,691,832	8,639,089	31,208,928
2030	31,208,928	1,349,085	8,454,452	24,103,561
2031	24,103,561	995,644	8,381,359	16,717,846
2032	16,717,846	629,499	8,255,733	9,091,612
2033	9,091,612	252,929	8,066,054	1,278,487
2034	1,278,487	-	7,897,351	-
2035	-	-	7,702,431	-
2036	-	-	7,497,236	-
2037	-	-	7,309,984	-
2038	-	-	7,129,318	-
2039	-	-	6,921,438	-
2040	-	-	6,658,629	-
2041	-	-	6,431,909	-
2042	-	-	6,230,176	-
2043	-	-	6,059,231	-
2044	-	-	5,816,266	-
2045	-	-	5,550,794	-
2046	-	-	5,288,301	-
2047	-	-	5,108,963	-
2048	-	-	4,817,457	-
2049	-	-	4,646,781	-

Number of years for which current market value of assets are 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:** 10.17

**Certain Key Assumptions**

Valuation Investment return assumption 5.00%  
Valuation Mortality Table FRS Mortality - Regular Class  
(7/1/2022 FRS Valuation)

**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	69,068,370	5,794,580	9,368,304	65,494,646
2025	65,494,646	5,503,118	8,697,783	62,299,981
2026	62,299,981	5,213,762	8,738,581	58,775,162
2027	58,775,162	4,901,189	8,635,003	55,041,348
2028	55,041,348	4,565,908	8,618,082	50,989,174
2029	50,989,174	4,200,267	8,639,089	46,550,352
2030	46,550,352	3,809,081	8,454,452	41,904,981
2031	41,904,981	3,394,287	8,381,359	36,917,909
2032	36,917,909	2,951,104	8,255,733	31,613,280
2033	31,613,280	2,482,223	8,066,054	26,029,449
2034	26,029,449	1,987,270	7,897,351	20,119,368
2035	20,119,368	1,464,134	7,702,431	13,881,071
2036	13,881,071	911,921	7,497,236	7,295,756
2037	7,295,756	327,669	7,309,984	313,441
2038	313,441	-	7,129,318	-
2039	-	-	6,921,438	-
2040	-	-	6,658,629	-
2041	-	-	6,431,909	-
2042	-	-	6,230,176	-
2043	-	-	6,059,231	-
2044	-	-	5,816,266	-
2045	-	-	5,550,794	-
2046	-	-	5,288,301	-
2047	-	-	5,108,963	-
2048	-	-	4,817,457	-
2049	-	-	4,646,781	-

Number of years for which current market value of assets are 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:**

14.08

**Certain Key Assumptions**

Valuation Investment return assumption

9.00%

Valuation Mortality Table

FRS Mortality - Regular Class  
(7/1/2022 FRS Valuation)

**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 Dates of Employer Contributions	Monthly	Monthly	Monthly	Monthly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 3,460,126	\$ 3,460,126	\$ 4,712,862	\$ 2,238,832
E. Employer Normal Cost	532,740	532,740	1,082,998	188,697
F. Employer ADC if Paid on Valuation Date: D + E	3,992,866	3,992,866	5,795,860	2,427,529
G. Employer ADC Adjusted for Frequency of Payments	4,139,564	4,139,564	5,949,334	2,541,186
H. Employer ADC Adjusted for Frequency of Payments as % of Covered Payroll	22.18 %	22.18 %	31.88 %	13.62 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	4.00 %	4.00 %	4.00 %	4.00 %
J. Covered Payroll for Contribution Year	19,407,422	19,407,422	19,407,422	19,407,422
K. Employer ADC for Contribution Year: H x J	4,304,566	4,304,566	6,187,086	2,643,291
L. Expected Member Contributions	1,234,977	1,234,977	1,234,977	1,234,977
M. Total Contribution (Including Members) in Contribution Year	5,539,543	5,539,543	7,422,063	3,878,268
N. Total Contribution as % of Covered Payroll in Contribution Year: M ÷ J	28.54 %	28.54 %	38.24 %	19.98 %
O. Certain Key Assumptions				
Investment Return Assumption	7.00%	7.00%	5.00%	9.00%
Mortality Table	FRS Mortality - Regular Class (7/1/2022 FRS Valuation)	FRS Mortality - Regular Class (7/1/2022 FRS Valuation)	FRS Mortality - Regular Class (7/1/2022 FRS Valuation)	FRS Mortality - Regular Class (7/1/2022 FRS Valuation)

