



December 21, 2023

Ms. Kyle Tintle
Resource Centers, LLC
4360 Northlake Blvd, Suite 206
Palm Beach Gardens, Florida 33410

**Re: Town of Lantana Police Relief and Pension Fund
GASB No. 67 Disclosure Information for the Fiscal Year Ending September 30, 2023**

Dear Kyle:

As requested, we have prepared the actuarial disclosure information required under Governmental Accounting Standards Board (GASB) Statement Number 67 for the Town of Lantana Police Relief and Pension Fund for the fiscal year ending September 30, 2023. Enclosed are the following exhibits:

- Statement of Changes in Net Pension Liability and Ratios
- Schedule of Net Pension Liability
- Notes to Schedule of Net Pension Liability
- Schedule of Contributions
- Notes to Schedule of Contributions
- Sensitivity Analysis

The actuarial valuation of the liabilities has been determined as of the beginning of the year, October 1, 2022 (based on the actuarial valuation results reported in the October 1, 2022 actuarial valuation report dated January 30, 2023), and “rolled forward” to the measurement date, September 30, 2023. Using the beginning of the year valuation of liabilities allows for timelier reporting at the end of the year. If significant changes occur during the year, such as benefit changes or changes in assumptions or methods, these may need to be reflected in the process.

The enclosed exhibits were based upon draft financial information as of September 30, 2023, which was furnished by the Plan auditor. If any of this information changes during the auditing process, then these exhibits will need to be revised.

Please note that there are other items not listed above that will be required in the Plan’s financial statements and/or the City’s Comprehensive Annual Financial Report (CAFR) to fully comply with GASB No. 67 standards. This additional information will need to be provided by the Plans’ investment consultants, accountants or other financial statement preparers.

Required Disclosures

This information is intended to assist in preparation of the financial statements of the Plan. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes.

Our actuarial calculations for this report were prepared for the purpose of complying with the requirements of GASB Statement No. 67. These calculations have been made on a basis that is consistent with our understanding of this Statement.

Our calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 67. The Net Pension Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimated cost of settling the employer's benefit obligation. The Net Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 67 may produce significantly different results.

This report was prepared at the request of the Board and is intended for use by the Plan and those designated or approved by them. This report may be provided to parties other than the Plan only in its entirety and only with their permission. This report should not be relied on for any purpose other than the purpose described above. GRS is not responsible for unauthorized use of this report.

The calculations in this report are based on financial information as of September 30, 2023 as well as information furnished by the Board for the October 1, 2022 Actuarial Valuation concerning plan provisions, active members, terminated members, retirees and beneficiaries. We reviewed this information 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 Plan Administrator.

The calculations are based upon assumptions regarding future events, which may or may not materialize. They are also based on the assumptions, methods, and plan provisions outlined in this report. 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. If you have reason to believe that the assumptions that were used are unreasonable, that the plan provisions are incorrectly described, that important plan provisions relevant to this proposal are not described, or that conditions have changed since the calculations were made, you should contact the author of the report prior to relying on information in the report.



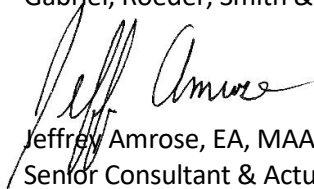
This report was prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the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

Jeffrey Amrose and Trisha Amrose 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 undersigned 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 Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

We welcome your questions and comments.

Sincerely yours,
Gabriel, Roeder, Smith & Company



Jeffrey Amrose, EA, MAAA
Senior Consultant & Actuary



Trisha Amrose, EA, MAAA
Consultant & Actuary

Enclosures



SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
GASB Statement No. 67

Fiscal year ending September 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 711,489	\$ 633,973	\$ 640,452	\$ 625,849	\$ 545,724	\$ 505,944	\$ 362,009	\$ 343,544	\$ 357,506	\$ 390,463
Interest	1,745,814	1,654,350	1,585,956	1,455,520	1,414,270	1,376,374	1,024,448	989,489	928,071	853,826
Benefit Changes	-	-	-	-	(20,334)	-	3,021,409	-	-	-
Difference between actual & expected experience	445,150	(116,623)	114,444	476,957	(63,829)	(700,332)	512,020	(298,613)	(113,373)	(847)
Assumption Changes	-	744,915	122,095	-	214,552	-	5,673	(221,282)	-	-
Benefit Payments	(797,954)	(697,378)	(654,567)	(833,212)	(1,026,779)	(377,772)	(364,808)	(388,273)	(270,957)	(247,244)
Refunds	(22,860)	(9,406)	(34,927)	(24,942)	(17,668)	(10,762)	(930)	(31,262)	(6,834)	(716)
Other (Increase in State Contribution Reserve)	-	-	-	-	-	-	-	27,147	9,333	2,279
Net Change in Total Pension Liability	2,081,639	2,209,831	1,773,453	1,700,172	1,045,936	793,452	4,559,821	420,750	903,746	997,761
Total Pension Liability - Beginning	25,562,827	23,352,996	21,579,543	19,879,371	18,833,435	18,039,983	13,480,162	13,059,412	12,155,666	11,157,905
Total Pension Liability - Ending (a)	\$ 27,644,466	\$ 25,562,827	\$ 23,352,996	\$ 21,579,543	\$ 19,879,371	\$ 18,833,435	\$ 18,039,983	\$ 13,480,162	\$ 13,059,412	\$ 12,155,666
Plan Fiduciary Net Position										
Contributions - Employer (from Town)	\$ 936,825	\$ 943,987	\$ 933,367	\$ 991,819	\$ 833,774	\$ 701,427	\$ 302,908	\$ 429,970	\$ 408,040	\$ 377,272
Contributions - Employer (from State)	190,032	153,631	143,591	136,170	133,628	116,796	112,686	119,700	101,886	95,532
Contributions - Member	198,753	183,718	179,196	180,660	145,099	124,905	120,005	120,049	105,492	111,001
Net Investment Income	2,262,759	(3,818,394)	3,954,571	1,759,889	723,759	1,268,013	1,510,543	987,257	(63,982)	992,243
Benefit Payments	(797,954)	(697,378)	(654,567)	(833,212)	(1,026,779)	(377,772)	(364,808)	(388,273)	(270,957)	(247,244)
Refunds	(22,860)	(9,406)	(34,927)	(24,942)	(17,668)	(10,762)	(930)	(31,262)	(6,834)	(716)
Administrative Expense	(80,126)	(78,565)	(66,106)	(78,287)	(69,643)	(86,349)	(57,996)	(65,361)	(51,501)	(42,022)
Other	-	-	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	2,687,429	(3,322,407)	4,455,125	2,132,097	722,170	1,736,258	1,622,408	1,172,080	222,144	1,286,066
Plan Fiduciary Net Position - Beginning	19,707,249	23,029,656	18,574,531	16,442,434	15,720,264	13,984,006	12,361,598	11,189,518	10,967,374	9,681,308
Plan Fiduciary Net Position - Ending (b)	\$ 22,394,678	\$ 19,707,249	\$ 23,029,656	\$ 18,574,531	\$ 16,442,434	\$ 15,720,264	\$ 13,984,006	\$ 12,361,598	\$ 11,189,518	\$ 10,967,374
Net Pension Liability - Ending (a) - (b)	\$ 5,249,788	\$ 5,855,578	\$ 323,340	\$ 3,005,012	\$ 3,436,937	\$ 3,113,171	\$ 4,055,977	\$ 1,118,564	\$ 1,869,894	\$ 1,188,292
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	81.01 %	77.09 %	98.62 %	86.07 %	82.71 %	83.47 %	77.52 %	91.70 %	85.68 %	90.22 %
Covered Payroll	\$ 2,484,413	\$ 2,296,475	\$ 2,239,950	\$ 2,258,250	\$ 2,072,843	\$ 1,784,354	\$ 1,714,357	\$ 1,704,833	\$ 1,507,029	\$ 1,585,729
Net Pension Liability as a Percentage of Covered Payroll	211.31 %	254.98 %	14.44 %	133.07 %	165.81 %	174.47 %	236.59 %	65.61 %	124.08 %	74.94 %



SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY
GASB Statement No. 67

<u>FY Ending September 30,</u>	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>	<u>Plan Net Position as a % of Total Pension Liability</u>	<u>Covered Payroll</u>	<u>Net Pension Liability as a % of Covered Payroll</u>
2014	\$ 12,155,666	\$ 10,967,374	\$ 1,188,292	90.22%	\$ 1,585,729	74.94%
2015	13,059,412	11,189,518	1,869,894	85.68%	1,507,029	124.08%
2016	13,480,162	12,361,598	1,118,564	91.70%	1,704,833	65.61%
2017	18,039,983	13,984,006	4,055,977	77.52%	1,714,357	236.59%
2018	18,833,435	15,720,264	3,113,171	83.47%	1,784,354	174.47%
2019	19,879,371	16,442,434	3,436,937	82.71%	2,072,843	165.81%
2020	21,579,543	18,574,531	3,005,012	86.07%	2,258,250	133.07%
2021	23,352,996	23,029,656	323,340	98.62%	2,239,950	14.44%
2022	25,562,827	19,707,249	5,855,578	77.09%	2,296,475	254.98%
2023	27,644,466	22,394,678	5,249,788	81.01%	2,484,413	211.31%



NOTES TO SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY
GASB Statement No. 67

Valuation Date: October 1, 2022
Measurement Date: September 30, 2023

Methods and Assumptions Used to Determine Net Pension Liability:

Actuarial Cost Method	Entry Age Normal
Roll Forward Procedures	The Total Pension Liability was developed by using standard actuarial techniques to roll forward amounts from the October 1, 2022 actuarial valuation one year to the measurement date.
Inflation	2.50%
Salary Increases	6.00%, including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates
Mortality	The mortality tables are the PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2021 Actuarial Valuation of the Florida Retirement System (FRS).

Other Information:

Notes See Discussion of Valuation Results in the October 1, 2022 Actuarial Valuation Report.



SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

<u>FY Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2014	\$ 465,226	\$ 469,825	\$ (4,599)	\$ 1,585,729	29.63%
2015	500,593	500,593	-	1,507,029	33.22%
2016	466,726	522,523	(55,797)	1,704,833	30.65%
2017	415,594	415,594	-	1,714,357	24.24%
2018*	904,992	818,223	86,769	1,784,354	45.86%
2019	894,650	967,402	(72,752)	2,072,843	46.67%
2020	929,330	1,127,989	(198,659)	2,258,250	49.95%
2021	1,033,924	1,076,958	(43,034)	2,239,950	48.08%
2022	1,068,833	1,097,618	(28,785)	2,296,475	47.80%
2023	1,059,275	1,126,857	(67,582)	2,484,413	45.36%

** A portion of the Prepaid Town Contribution was applied to meet the remainder of the actuarially determined contribution for the fiscal year ending September 30, 2018.*



NOTES TO SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

Valuation Date: October 1, 2021
Notes Actuarially determined contributions are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	20 years
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	6.00%, including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates
Mortality	The mortality tables are the PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2020 Actuarial Valuation of the Florida Retirement System (FRS).

Other Information:
Notes See Discussion of Valuation Results in the October 1, 2021 Actuarial Valuation Report.



SINGLE DISCOUNT RATE

GASB Statement No. 67

A single discount rate of 6.75% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.75%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.75%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Current Single Discount		
1% Decrease	Rate Assumption	1% Increase
5.75%	6.75%	7.75%
\$ 8,907,698	\$ 5,249,788	\$ 2,260,445

