



February 28, 2025

Mr. Albert Lovingood  
Resource Centers, LLC  
4360 Northlake Blvd., Suite 206  
Palm Beach Gardens, FL 33410

**Re: Palm Beach Gardens Police Officers' Pension Fund  
GASB No. 67 Disclosure Information – Fiscal Year Ending September 30, 2024**

Dear AC:

We have prepared the updated actuarial disclosure information required under Governmental Accounting Standards Board (GASB) Statement No. 67, as amended by GASB Statement No. 82, for the fiscal year ending September 30, 2024.

The following exhibits were based upon audited draft financial information as of September 30, 2024, which was furnished by the Plan's auditor (Cherry Bekaert LLP). If any of this information changes during the auditing process (including benefit payments, contributions, administrative expenses, or the actual market value of assets as of September 30, 2024), then the following exhibits will need to be revised:

- Schedule of Changes in Net Pension Liability and Ratios
- Schedule of the Employer's Net Pension Liability
- Notes to Schedule of the Employer's Net Pension Liability
- Schedule of Contributions
- Notes to Schedule of Contributions
- Sensitivity to Single Discount Rate

The actuarial valuation of the liabilities has been determined as of the beginning of the year, October 1, 2023, and "rolled forward" to the measurement date, September 30, 2024. Using a beginning of the year valuation of the 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.

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 Annual Comprehensive Financial Report (ACFR) 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.

This information is intended to assist in preparation of the financial statements of the Plan.

Financial statements are the responsibility of the 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.

The calculations in this report are based on financial information as of September 30, 2024 furnished by the Plan's auditor as well as information furnished by the Plan Administrator for the October 1, 2023 Actuarial Valuation concerning plan benefits, financial transactions, plan provisions, and active 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 and auditor.

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.

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 our October 1, 2023 Actuarial Valuation Report dated March 25, 2024. If you have reason to believe that the assumptions that were used are unreasonable, that the plan provisions are incorrectly described, or that conditions have changed since the calculations were made, you should contact the author of this letter prior to relying on information in the letter. This letter may be distributed to other parties only in its entirety.

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.

Future actuarial measurements may differ significantly from the current measurements presented in this letter due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in such 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.




To best of our knowledge, the information contained in this letter 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, with the Actuarial Standards of Practice issued by the Actuarial Standard Board, and with applicable statutes.

Peter N. Strong and Israel Bichachi are Members of the American Academy of Actuaries (MAAA) 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.

We welcome your questions and comments,

Respectfully submitted,  
Gabriel, Roeder, Smith & Company

  
Peter N. Strong, FSA, EA, MAAA  
Senior Consultant and Actuary

  
Israel Bichachi, ASA, MAAA  
Consultant and Actuary

This communication shall not be construed to provide tax advice, legal advice or investment advice.

# SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS

## GASB Statement No. 67

Fiscal year ending September 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total pension liability</b>										
Service Cost	\$ 3,809,457	\$ 3,575,569	\$ 3,164,702	\$ 2,828,584	\$ 2,593,244	\$ 2,000,321	\$ 1,673,425	\$ 1,490,207	\$ 1,355,530	\$ 1,206,826
Interest	8,476,723	8,239,125	7,974,687	7,867,652	7,586,544	7,238,249	7,039,556	6,909,106	6,784,226	6,504,741
Benefit Changes	-	-	-	-	-	1,667,089	-	-	-	-
Difference between actual & expected experience	(476,716)	(516,108)	135,387	751,163	626,257	395,555	569,580	56,862	976,528	344,110
Assumption Changes	-	2,520,154	2,589,296	288,169	1,095,424	1,035,169	989,170	1,015,319	573,052	875,147
Benefit Payments	(6,788,652)	(7,033,082)	(7,042,743)	(6,279,976)	(5,982,441)	(6,283,515)	(6,137,826)	(6,532,546)	(3,938,855)	(3,297,505)
Refunds	(118,820)	(118,312)	(31,153)	(32,533)	(61,754)	(56,045)	(12,573)	(13,857)	(8,046)	-
Other (Net Change in Share Plan Reserve)	312,894	259,119	190,649	135,474	133,929	219,362	94,711	74,487	(70,233)	(426,717)
<b>Net Change in Total Pension Liability</b>	<b>5,214,886</b>	<b>6,926,465</b>	<b>6,980,825</b>	<b>5,558,533</b>	<b>5,991,203</b>	<b>6,216,185</b>	<b>4,216,043</b>	<b>2,999,578</b>	<b>5,672,202</b>	<b>5,206,602</b>
<b>Total Pension Liability - Beginning</b>	<b>140,766,549</b>	<b>133,840,084</b>	<b>126,859,259</b>	<b>121,300,726</b>	<b>115,309,523</b>	<b>109,093,338</b>	<b>104,877,295</b>	<b>101,877,717</b>	<b>96,205,515</b>	<b>90,998,913</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 145,981,435</b>	<b>\$ 140,766,549</b>	<b>\$ 133,840,084</b>	<b>\$ 126,859,259</b>	<b>\$ 121,300,726</b>	<b>\$ 115,309,523</b>	<b>\$ 109,093,338</b>	<b>\$ 104,877,295</b>	<b>\$ 101,877,717</b>	<b>\$ 96,205,515</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer (from City)	\$ 5,205,649	\$ 4,719,149	\$ 4,416,118	\$ 4,119,614	\$ 3,685,878	\$ 3,566,126	\$ 2,834,931	\$ 2,843,423	\$ 2,897,754	\$ 3,007,780
Contributions - Employer (from State)	1,101,003	993,453	856,513	746,163	743,073	913,938	664,636	624,188	643,259	524,479
Contributions - Non-Employer Contributing Entity	-	-	-	-	-	-	-	-	-	-
Contributions - Member	1,024,295	888,285	854,303	882,102	755,910	694,166	599,553	515,513	452,421	422,145
Net Investment Income	23,855,612	10,633,174	(14,576,176)	23,717,145	7,131,158	2,046,222	9,658,544	10,747,480	8,107,238	925,754
Benefit Payments	(6,788,652)	(7,033,082)	(7,042,743)	(6,279,976)	(5,982,441)	(6,283,515)	(6,137,826)	(6,532,546)	(3,938,855)	(3,297,505)
Refunds	(118,820)	(118,312)	(31,153)	(32,533)	(61,754)	(56,045)	(12,573)	(13,857)	(8,046)	-
Administrative Expense	(197,168)	(159,161)	(159,383)	(154,039)	(147,675)	(144,764)	(134,667)	(121,211)	(132,973)	(116,088)
Other	-	-	-	-	-	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>24,081,919</b>	<b>9,923,506</b>	<b>(15,682,521)</b>	<b>22,998,476</b>	<b>6,124,149</b>	<b>736,128</b>	<b>7,472,598</b>	<b>8,062,990</b>	<b>8,020,798</b>	<b>1,466,565</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>121,749,020</b>	<b>111,825,514</b>	<b>127,508,035</b>	<b>104,509,559</b>	<b>98,385,410</b>	<b>97,649,282</b>	<b>90,176,684</b>	<b>82,113,694</b>	<b>74,092,896</b>	<b>72,626,331</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 145,830,939</b>	<b>\$ 121,749,020</b>	<b>\$ 111,825,514</b>	<b>\$ 127,508,035</b>	<b>\$ 104,509,559</b>	<b>\$ 98,385,410</b>	<b>\$ 97,649,282</b>	<b>\$ 90,176,684</b>	<b>\$ 82,113,694</b>	<b>\$ 74,092,896</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>150,496</b>	<b>19,017,529</b>	<b>22,014,570</b>	<b>(648,776)</b>	<b>16,791,167</b>	<b>16,924,113</b>	<b>11,444,056</b>	<b>14,700,611</b>	<b>19,764,023</b>	<b>22,112,619</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>99.90 %</b>	<b>86.49 %</b>	<b>83.55 %</b>	<b>100.51 %</b>	<b>86.16 %</b>	<b>85.32 %</b>	<b>89.51 %</b>	<b>85.98 %</b>	<b>80.60 %</b>	<b>77.02 %</b>
<b>Covered Payroll</b>	<b>\$ 10,800,267</b>	<b>\$ 10,321,314</b>	<b>\$ 9,933,756</b>	<b>\$ 9,501,186</b>	<b>\$ 8,789,651</b>	<b>\$ 8,071,698</b>	<b>\$ 6,971,547</b>	<b>\$ 5,994,337</b>	<b>\$ 5,260,709</b>	<b>\$ 4,908,663</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>1.39 %</b>	<b>184.25 %</b>	<b>221.61 %</b>	<b>(6.83)%</b>	<b>191.03 %</b>	<b>209.67 %</b>	<b>164.15 %</b>	<b>245.24 %</b>	<b>375.69 %</b>	<b>450.48 %</b>



## SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY

### GASB Statement No. 67

FY Ending September 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2015	\$ 96,205,515	\$ 74,092,896	\$ 22,112,619	77.02%	\$ 4,908,663	450.48%
2016	101,877,717	82,113,694	19,764,023	80.60%	5,260,709	375.69%
2017	104,877,295	90,176,684	14,700,611	85.98%	5,994,337	245.24%
2018	109,093,338	97,649,282	11,444,056	89.51%	6,971,547	164.15%
2019	115,309,523	98,385,410	16,924,113	85.32%	8,071,698	209.67%
2020	121,300,726	104,509,559	16,791,167	86.16%	8,789,651	191.03%
2021	126,859,259	127,508,035	(648,776)	100.51%	9,501,186	(6.83)%
2022	133,840,084	111,825,514	22,014,570	83.55%	9,933,756	221.61 %
2023	140,766,549	121,749,020	19,017,529	86.49%	10,321,314	184.25 %
2024	145,981,435	145,830,939	150,496	99.90%	10,800,267	1.39 %

## NOTES TO SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY

### GASB Statement No. 67

**Valuation Date:** October 1, 2023  
**Measurement Date:** September 30, 2024

**Methods and Assumptions Used to Determine Net Pension Liability:**

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	5.5% to 6.75% depending on service, including inflation
Investment Rate of Return	6.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) for Special Risk Class members in their July 1, 2022 actuarial valuation (with mortality improvements projected for non-disabled lives to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

**Other Information:**

Notes See Discussion of Valuation Results in the October 1, 2023 Actuarial Valuation Report date March 25, 2024.

## SCHEDULE OF CONTRIBUTIONS

### GASB Statement No. 67

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	\$ 3,357,659	\$ 3,420,424	\$ (62,765)	\$ 4,908,663	69.68%
2016	3,316,250	3,456,991	(140,741)	5,260,709	65.71%
2017	3,256,067	3,393,124	(137,057)	5,994,337	56.61%
2018	3,394,168	3,404,856	(10,688)	6,971,547	48.84%
2019	3,754,169	4,260,702	(506,533)	8,071,698	52.79%
2020	4,295,022	4,295,022	-	8,789,651	48.86%
2021	4,730,303	4,730,303	-	9,501,186	49.79%
2022	5,025,262	5,081,982	(56,720)	9,933,756	51.16%
2023	5,329,838	5,453,483	(123,645)	10,321,314	52.84%
2024	5,871,513	5,993,758	(122,245)	10,800,267	55.50%

## NOTES TO SCHEDULE OF CONTRIBUTIONS

### GASB Statement No. 67

**Valuation Date:** October 1, 2022  
**Notes** Actuarially determined contributions are calculated as of the October 1st 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	11 years (single equivalent period)
Asset Valuation Method	Recognizes 20% of difference between market value of assets and expected actuarial asset value
Inflation	2.25%
Salary Increases	5.5% to 6.75% depending on service, including inflation
Investment Rate of Return	6.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) for Special Risk Class members in their July 1, 2021 actuarial valuation (with mortality improvements projected for non-disabled lives to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

**Other Information:**  
**Notes** See Discussion of Valuation Results in the October 1, 2022 Actuarial Valuation Report dated March 23, 2023.



## SENSITIVITY TO SINGLE DISCOUNT RATE

### GASB Statement No. 67

A single discount rate of 6.00% 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 6.00%. 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 (6.00%) 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 6.00%, 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:

#### Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

1% Decrease	Current Single Discount Rate Assumption	1% Increase
5.00%	6.00%	7.00%
\$14,756,796	\$150,496	(\$11,998,382)