

**ACTUARIAL VALUATION OF
CITY OF LAUDERHILL POLICE OFFICERS'
RETIREMENT SYSTEM
AS OF OCTOBER 1, 2025**

June, 2026

Determination of Contribution for the
Plan Year ending September 30, 2026
Contribution to be
Paid in Fiscal Year October 1, 2025
through September 30, 2026

**DuLaney and Company, Inc.
Actuarial Services**

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June 18, 2026

Board of Trustees
City of Lauderdale Police Officers' Retirement System
c/o Mr. Dave Williams
Precision Pension Administration, Inc.
2650 W. State Road 84, Suite 100A
Fort Lauderdale, FL 33312

Dear Board Members:

We are pleased to present the October 1, 2025 Actuarial Valuation for the City of Lauderdale Police Officers' Retirement System. The purpose of this report is to indicate appropriate contribution levels and to satisfy State requirements. The report is prepared for and at the request of the Board of Trustees.

This report consists of this commentary, detail Tables I through XVI and State Required Exhibit - Table XVII. The Tables contain basic Retirement Plan cost figures plus significant detail on the benefits, liabilities and experience of your Plan.

Costs for Fiscal Year Beginning October 1, 2025

This Actuarial Valuation develops the required minimum Retirement Plan payment for the fiscal year beginning October 1, 2025 and ending September 30, 2026 under the Florida Protection of Public Employee Retirement Benefits Act and Chapter 185. The minimum payment consists of payment of annual normal cost plus amortization of the unfunded actuarial accrued liability over various periods, and interest, as prescribed by law. We anticipate that the member contributions will be \$1,419,941 (10.0% of covered payroll).

The required funding amount for the plan/fiscal year ending September 30, 2026, to be met by the City and State contributions under Chapter 185 is **43.5%** of the covered payroll. The anticipated State (Chapter 185) contribution is \$763,987. The City and State required contribution, computed based on the October 1, 2025 covered payroll of \$14,199,407, is **\$6,176,756** or 43.5% of covered payroll, if the payment requirement is met by September 30, 2026. We have assumed that the State contribution available (limited by rules under Chapter 99-1) would be **\$763,987** (same as the amount the City was credited with for contribution purposes for the prior plan/fiscal year, and assumed to be 5.4% of covered payroll). Thus, the required City contribution would be **\$5,412,769** (38.1% of covered payroll). Under the rules of Chapter 99-1, any amount of the State contribution received above the assumed amount of \$763,987 can be used to reduce the City's contribution requirement. If the actual State contribution is less than the assumed amount, the shortfall must be made up by the City.

Please note that Chapter 185 states that employer contributions must be made at least quarterly.

Changes in Plan Provisions, Actuarial Methods or Assumptions Recognized in this Valuation

In this valuation, the Post Retirement Supplement was changed to \$40.00 per month for each year of service up to a maximum of \$800.00/month. A COLA was added, as described on page 24. There were no other changes in plan provisions.

The actuarial assumptions regarding mortality tables and salary scale have been revised, with the salary scale being changed from 6.0% to 6.5% in this valuation. There were no other changes in the actuarial assumptions and methods utilized in this valuation from those of the October 1, 2024 valuation. Table XII contains an outline of the assumptions and methods used.

Comparison of Costs With Previous Valuation Year of 2024/2025

Table II of the report provides information of a comparative nature. Column I shows the results of the October 1, 2024 Actuarial Valuation while Column II shows the results as of October 1, 2025 Actuarial Valuation prior to the change in actuarial assumptions. A comparison of the two columns shows the effect of plan experience during the year. Covered payroll increased by approximately 9.3% while the number of active participants increased by about 8.0%. The unfunded liability increased from \$19,563,488 to \$22,723,789 during the plan year. The City minimum funding requirement increased from 28.2% to 29.4% of the covered pension payroll and the City minimum funding requirement increased from \$3,663,672 to \$4,176,074.

Column III of the Table displays the results after the actuarial assumption and provisions changes. A comparison of Columns II and III indicates that the changes increased the unfunded actuarial accrued liability by \$8,112,461 from \$22,723,789 to \$30,836,250. The City minimum funding requirement increased from 29.4% to 38.1% of the covered pension payroll.

Plan Experience

Table XVI provides a summary of certain plan experience during the plan year. The actuarial value of assets return was 5.6% for the plan year ended September 30, 2025, which was lower than the assumption of 6.75%. The market value rate of return was 9.8%. Employee turnover was 2% higher than the expected turnover during the last plan year. The actual pensionable earnings increased by an average of 8.5% per active member as compared to the assumption of 6.0%. The turnover experience was a minor source of actuarial gain, but the salary experience and actuarial value of assets return were sources of actuarial loss during the plan year. A more detailed analysis would be needed to determine the actual magnitude of gain or loss attributable to each of these elements.

Identification and Assessment of Risk

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an estimate of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table XII. If any of the assumptions are changed, then the cost shown in this report will change accordingly. Likewise, there is always a risk that, should these assumptions not be realized, the liabilities of the plan, the contributions required to fund the plan, and the funded status of the plan may be significantly different than the amounts shown in this report.

Although a thorough analysis of the risk of not meeting the assumptions is beyond the scope of this report, this discussion is intended to identify the significant risks faced by the plan. In some cases, a more detailed review of the risks, including numerical analysis, may be appropriate to help the plan sponsor and other interested parties assess the specific impact of not realizing certain assumptions. Note that this report is not intended to provide advice on the management or reduction of the identified risks nor is this report intended to provide investment advice.

The most significant risk faced by most defined benefit pension plans is investment risk, i.e. the risk that long-term investment returns will be less than assumed. Other related risks include a risk that, if the investments of the plan decline dramatically over a short period of time (such as occurred with many pension plans in 2008), the plan's assets may not have sufficient time to recover before benefits become due. Even if the assets of the plan grow in accordance with the assumed investment return over time, if benefit payments are expected to be large in the short-term, the plan's assets may not be sufficient to support such a high level of benefit payments.

Another source of risk is demographic experience. This is the risk that participants will retire, become disabled, or terminate their employment at a rate that is different than assumed, and that participants will live longer than assumed, just to cite a few examples of the demographic risk faced by the plan. Although for most pension plans, the demographic risk is not as significant as the investment risk, particularly in light of the fact that the mortality assumption includes a component for future life expectancy increases; the demographic risk can nevertheless be a significant contributing factor to liabilities and contribution rates that become higher than anticipated.

Finally, an actuarial funding method has been used to allocate the gap between projected liabilities and assets to each year in the future. The contribution rate under some funding methods is higher during the early years of the plan and then is lower during the later years of the plan. Other funding methods provide for lower contribution rates initially, with increasing contribution rate over time. The Trustees have adopted the entry age normal cost, level percent of pay funding method for this plan. Under this method, the contribution requirement is expected to remain relatively constant as a percentage of covered payroll over the next 10 to 20 years, absent investment or demographic experience.

Participant Census and Financial Data

Census data for the fiscal year October 1, 2024 through September 30, 2025 was provided by the plan administrator, the plan auditor, and the City. The data was reviewed for consistency and is believed to be reliable.

Information on Plan assets was received from the Plan's auditors. We did not audit this information; however, we believe it to be reliable.

DuLaney and Company



Donald A. DuLaney, Jr. A.S.A., F.C.A.
Senior Consulting Actuary



Corinne Paull, A.S.A.
Actuary

DAD/CP
Attachments

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Table I

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Summary of Retirement Plan Costs as of October 1, 2025

	<u>Cost Data</u>	<u>% of Payroll</u>
A. <u>Participant Data Summary (Table III)</u>		
1. Active employees		
a) Tier One	23	N/A
b) Tier Two	99	N/A
c) Total	122	N/A
2. Terminated vested	12	N/A
3. Receiving benefits	70	N/A
4. DROP participants	13	N/A
5. Annual payroll of active employees	\$ 14,199,407	100.0%
B. <u>Total Normal Costs</u>		
1. Age retirement benefits	\$ 3,520,629	24.8%
2. Deferred vesting benefits	482,623	3.4%
3. Death benefits	16,016	0.1%
4. Disability benefits	55,225	0.4%
5. Estimated expenses	162,877	1.1%
6. Total annual normal costs	\$ 4,237,370	29.8%
C. <u>Total Actuarial Accrued Liability</u>		
1. Age retirement benefits active employees	\$ 53,833,386	379.1%
2. Termination benefits active employees	2,285,804	16.1%
3. Death benefits active employees	102,344	0.7%
4. Disability benefits active employees	137,346	1.0%
5. Retired or terminated vested participants receiving benefits	57,764,398	406.8%
6. DROP participants	17,926,541	126.2%
7. Terminated vested participants entitled to future benefits	3,246,292	22.9%
8. Deceased participants whose beneficiaries are receiving benefits	1,762,033	12.4%
9. Disabled participants receiving benefits	884,717	6.2%
10. Total actuarial accrued liability	\$137,942,861	971.5%

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Table I
(continued two)

	<u>Cost Data</u>	<u>% of Payroll</u>
D. <u>Actuarial Value of Assets (Table VI)</u>	\$107,106,611	754.3%
E. <u>Unfunded Actuarial Accrued Liability (C.-D.)</u>	\$ 30,836,250	217.2%
F. <u>Actuarial Gains / (Losses) (Table VIII)</u>	\$ (4,062,659)	(28.6%)
G. <u>Minimum Funding Requirements</u>		
1. Total normal cost	\$ 4,237,370	29.8%
2. Amortization of unfunded actuarial accrued liability	3,147,769	22.2%
3. Interest adjustment	<u>211,558</u>	<u>1.5%</u>
4. Total payment	\$ 7,596,697	53.5%
H. <u>Estimated Contribution Sources</u>		
1. City	\$ 5,412,769	38.1%
2. State	\$ 763,987	5.4%
3. Employees	\$ 1,419,941	10.0%
I. <u>Actuarial Present Value of Vested Accrued Benefits</u>		
1. Retired, terminated vested, beneficiaries and disabled receiving benefits	\$ 60,411,148	425.4%
2. DROP participants	17,926,541	126.2%
3. Terminated vested participants entitled to future benefits	3,246,292	22.9%
4. Active participants entitled to future benefits	<u>41,036,802</u>	<u>289.0%</u>
5. Total actuarial present value of vested accrued benefits	\$122,620,783	863.6%
J. <u>Market Value of Assets (Table IV)</u>	\$111,581,671	785.8%
K. <u>Unfunded Actuarial Present Value of Vested Accrued Benefits (I. - J., not less than \$0)</u>	\$ 11,039,112	77.7%
L. <u>Vested Benefit Security Ratio (J. ÷ I.)</u>	91.0%	N/A

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Table II

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Comparison of Cost Data of October 1, 2024 and October 1, 2025 Actuarial Valuations

	Column I		Column II		Column III	
	October 1, 2024		Prior Assumptions and Plan Provisions October 1, 2025		Current Assumptions and Plan Provisions October 1, 2025	
	Cost Data	% of Annual Pay	Cost Data	% of Annual Pay	Cost Data	% of Annual Pay
A. Participants						
1. Active employees						
- Tier One	27	N/A	23	N/A	23	N/A
- Tier Two	86	N/A	99	N/A	99	N/A
- Total	113	N/A	122	N/A	122	N/A
2. Terminated vested	12	N/A	12	N/A	12	N/A
3. Receiving benefits	67	N/A	70	N/A	70	N/A
4. DROP participants	11	N/A	13	N/A	13	N/A
5. Annual payroll of active employees	\$ 12,988,801	100.0%	\$ 14,199,407	100.0%	\$ 14,199,407	100.0%
B. Total Normal Costs	\$ 3,429,309	26.4%	\$ 3,755,918	26.5%	\$ 4,237,370	29.8%
C. Actuarial Accrued Liability	\$121,242,740	933.4%	\$129,830,400	914.3%	\$137,942,861	971.5%
D. Actuarial Value of Assets	\$101,679,252	782.8%	\$107,106,611	754.3%	\$107,106,611	754.3%
E. Unfunded Actuarial Accrued Liability	\$ 19,563,488	150.6%	\$ 22,723,789	160.0%	\$ 30,836,250	217.2%
F. Actuarial Gains / (Losses)	\$ 662,230	5.1%	\$ (4,062,659)	(28.6%)	\$ (4,062,659)	(28.6%)
G. City Minimum Funding Requirement	\$ 3,663,672	28.2%	\$ 4,176,074	29.4%	\$ 5,412,769	38.1%
H. Unfunded Actuarial Present Value of Vested Accrued Benefits*	\$ 5,241,454	40.4%	\$ 4,350,612	30.6%	\$ 11,039,112	77.7%
I. Vested Benefit Security Ratio*	95.1%	N/A	96.2%	N/A	91.0%	N/A

*Computed based on market value of assets

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Table III

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Characteristics of Participants in
Actuarial Valuation as of October 1, 2025

A. Characteristics of Active Participants

1.	Active participants as of beginning of prior year	113
2.	New entrants during prior year	19
3.	Exits during prior year	<u>(10)</u>
4.	Active participants as of beginning of year	122
5.	Active participants fully vested	67
6.	Active participants partially vested	0
7.	Active participants non-vested	55
8.	Annual payroll of active participants	\$ 14,199,407
9.	Average pay	\$ 116,389
10.	Average attained age	37.2 years
11.	Percent female	18.9%

B. Characteristics of Inactive Participants

1.	Inactives as of beginning of prior year	90
2.	Newly inactive during prior year	5
3.	Exits during prior year	<u>(0)</u>
4.	Inactives as of beginning of year	95
5.	Age retirees	63
6.	Projected annual benefit for age retirees	\$ 4,544,558
7.	DROP participants	13
8.	Projected annual benefit for DROP participants	\$ 1,153,560
9.	Beneficiaries receiving benefits	4
10.	Projected annual benefits for beneficiaries receiving benefits	\$ 152,060
11.	Disabled participants receiving benefits	3
12.	Projected annual benefits for disabled participants	\$ 83,210
13.	Terminated vested due deferred benefits	12
14.	Projected annual benefits for terminated vested participants	\$ 382,002

Table IV

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Statement of Assets as of October 1, 2025¹

	<u>Market Value</u>
A. <u>Assets</u>	
1. Cash and Cash Equivalents	\$ 3,936,813
2. Common Stocks	76,594,458
3. Domestic Fixed Income Funds	9,023,972
4. Absolute Return Equity Funds	6,394,085
5. Hedge Fund	4,925,176
6. Accrued Interest & Dividends Receivable	37,327
7. Private Credit Funds	2,487,832
8. Receivable Employee Contributions	0
9. Receivable Buyback Contributions	0
10. Prepaid Expense	1,000
11. Real Estate Fund	11,301,595
12. Other Assets	0
13. Assets Purchased with Receivable Buyback Contributions Paid	<u>445,012</u>
14. Total Assets	\$ 115,147,270
B. <u>Liabilities</u>	
1. Prepaid City Contributions	\$ 0
2. Overpayment of Contributions	125,605
3. Due to Broker	0
4. Unused Chapter 185 Funds	0
5. Deferred Retirement Option Plan Accounts Payable	3,359,736
6. Accounts Payable	<u>80,258</u>
7. Total Liabilities	\$ 3,565,599
C. <u>Grand Total (Item A.14. – Item B.7.)</u>	<u>\$ 111,581,671</u>

¹ At market value as reported by Plan's Auditors.

Table V

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Reconciliation of Plan Assets¹

A.	<u>Market Value of Assets as of October 1, 2024</u>	\$102,490,430
B.	<u>Receipts During Period</u>	
1.	Contributions	
a.	City	\$ 3,607,102
b.	Employee	1,527,896
c.	State (not limited by 99-1)	<u>763,987</u>
d.	Total	\$ 5,898,985
2.	Investment income	
a.	Interest, dividends and miscellaneous income	\$ 2,463,410
b.	Investment expenses	<u>(1,354,077)</u>
c.	Net	\$ 1,109,333
3.	Net realized and unrealized appreciation	
a.	Realized appreciation	\$ 0
b.	Unrealized appreciation	<u>\$ 8,337,560</u>
c.	Total	\$ 8,337,560
4.	Receivable buyback contributions paid	<u>\$ 0</u>
5.	Total receipts during period (1.d. + 2.c. + 3.c. + 4.)	\$ 15,345,878
C.	<u>Disbursements During Period</u>	
1.	Pension payments	\$ 4,866,316
2.	DROP payments	1,064,674
3.	Contribution refunds	66,694
4.	Administrative expenses	162,877
5.	Increase / (decrease) in Chapter 185 reserve	0
6.	Decrease in receivable buyback contributions	<u>94,076</u>
7.	Total disbursements during period	\$ 6,254,637
D.	<u>Market Value of Assets as of October 1, 2025 (A. + B.5. - C.7.)</u>	<u>\$111,581,671</u>
E.	<u>Reconciliation of DROP Accounts Balance</u>	
1.	DROP accounts balance as of October 1, 2024	\$ 2,811,507
2.	Benefit payments into DROP accounts during year	1,064,674
3.	Disbursements from DROP accounts during year	(804,226)
4.	Expenses deducted from DROP accounts	(0)
5.	Investment gains/(losses) during year	<u>287,781</u>
6.	DROP accounts balance as of September 30, 2025	\$ 3,359,736

¹ As reported by Plan's Auditors.



Table VI

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Development of Actuarial Value of Assets

	10/1/2024 – 9/30/2025	10/1/2023 – 9/30/2024	10/1/2022 – 9/30/2023	10/1/2021 – 9/30/2022	10/1/2020 – 9/30/2021
A. Preliminary actuarial value of assets as of beginning of year	\$ 101,679,252	\$ 94,127,528	\$ 88,918,148	\$ 85,225,656	\$ 78,158,823
B. Contributions and miscellaneous income	5,898,985	5,895,606	5,457,132	4,834,532	4,477,529
C. Benefit payments and administrative expenses	6,160,561	5,762,940	5,317,122	5,129,443	4,707,063
D. Actual investment earnings net of investment expenses	9,258,740	13,544,296	6,419,456	(8,750,645)	16,773,536
E. Expected investment earnings (A. x .0675 + (B.-C.) x .03375)	6,854,521	6,358,086	6,051,194	5,870,396	5,463,084
F. Excess of actual over expected investment earnings (D.-E.)	2,404,219	7,186,210	368,262	(14,621,041)	11,310,452
G. Recognition of excess earnings over 4 years					
1. 25% from this plan year	601,055	1,796,553	92,066	(3,655,260)	2,827,613
2. 25% from last plan year	1,796,553	92,066	(3,655,260)	2,827,613	(246,243)
3. 25% from two plan years ago	92,066	(3,655,260)	2,827,613	(246,243)	(809,103)
4. 25% from three plan years ago	<u>(3,655,260)</u>	<u>2,827,613</u>	<u>(246,243)</u>	<u>(809,103)</u>	<u>61,016</u>
5. Total	(1,165,586)	1,060,972	(981,824)	(1,882,993)	1,833,283
H. Preliminary actuarial value of assets at end of year (A. + B. – C. + E. + G.5.)	\$ 107,106,611	\$ 101,679,252	\$ 94,127,528	\$ 88,918,148	\$ 85,225,656
I. Actuarial value of assets limitations					
1. Market value of assets prior to exclusion of Chapter 185 accumulated excess reserve	\$ 111,581,671	\$ 102,490,430	\$ 88,743,761	\$ 82,099,189	\$ 91,173,718
2. 80% of I.1.	89,265,337	81,992,344	70,995,009	65,679,351	72,938,974
3. 120% of I.1.	133,898,005	122,988,516	106,492,513	98,519,027	109,408,462
4. Actuarial value of assets (H., but not less than I.2. or more than I.3.)	\$ 107,106,611	\$ 101,679,252	\$ 94,127,528	\$ 88,918,148	\$ 85,255,656
J. Return on Actuarial Value	\$ 5,688,935	\$ 7,419,058	\$ 5,069,370	\$ 3,987,403	\$ 7,296,367
K. Net actuarial value of assets	\$ 107,106,611	\$ 101,679,252	\$ 94,127,528	\$ 88,918,148	\$ 85,225,656

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Table VII

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

History of Chapter 185 Contribution Usage

Under the provisions of Florida Statutes Chapter 185, as amended by Chapter 99-1, increments in Chapter 185 contributions over the amount for 1997 must first be used to fund the cost of meeting minimum benefit requirements. After the minimum requirements are met, any additional Chapter 185 contributions received must be used to provide extra benefits. The following is an accounting of the contributions received and the amounts used for compliance.

A. Benefit improvements needed to meet Chapter 185 minimum benefits:

None.

B. History of Chapter 185 contribution usage*

Received During Plan Year	<u>Adjusted Base Amount</u>			<u>Actual Amount Received</u>		
	Chapter 185 Contribution	Cost for New Benefits	Total Chapter 185 Contribution Used	Chapter 185 Contribution	Excess of Actual over Base Amount	Cumulative Excess of Actual over Base Amount without Interest
1999/2000	\$ 0	\$ 92,774	\$ 92,774	\$ 126,081	\$ 33,307	\$ 33,307
2000/2001	\$ 92,774	\$ 0	\$ 92,774	\$ 131,250	\$ 38,476	\$ 71,783
2001/2002	\$ 92,774	\$ 175,245	\$ 268,019	\$ 153,775	\$ 0	\$ 71,783
2002/2003	\$ 268,019	\$ 0	\$ 268,019	\$ 190,235	\$ 0	\$ 71,783
2003/2004	\$ 268,019	\$ 236,780	\$ 504,799 ¹	\$ 249,479	\$ 0	\$ 0 ¹
2004/2005	\$ 504,799	\$ 0	\$ 504,799	\$ 243,140	\$ 0	\$ 0
2005/2006	\$ 504,799	\$ 0	\$ 504,799	\$ 249,845	\$ 0	\$ 0
2006/2007	\$ 504,799	\$ 0	\$ 504,799	\$ 267,834	\$ 0	\$ 0
2007/2008	\$ 504,799	\$ 0	\$ 504,799	\$ 298,188	\$ 0	\$ 0
2008/2009	\$ 504,799	\$ 0	\$ 504,799	\$ 350,408	\$ 0	\$ 0
2009/2010	\$ 504,799	\$ 0	\$ 504,799	\$ 332,466	\$ 0	\$ 0
2010/2011	\$ 504,799	\$ 0	\$ 504,799	\$ 285,072	\$ 0	\$ 0
2011/2012	\$ 504,799	\$ 0	\$ 504,799	\$ 303,327	\$ 0	\$ 0
2012/2013	\$ 504,799	\$ 0	\$ 504,799	\$ 310,332	\$ 0	\$ 0
2013/2014	\$ 504,799	\$ 0	\$ 504,799	\$ 356,564	\$ 0	\$ 0
2014/2015	\$ 504,799	\$ 0	\$ 504,799	\$ 365,170	\$ 0	\$ 0
2015/2016	\$ 504,799	\$ 0	\$ 504,799	\$ 381,449	\$ 0	\$ 0
2016/2017	\$ 504,799	\$ 0	\$ 504,799	\$ 408,853	\$ 0	\$ 0
2017/2018	\$ 504,799	\$ 0	\$ 504,799	\$ 438,599	\$ 0	\$ 0
2018/2019	\$ 504,799	\$ 0	\$ 504,799	\$ 491,287	\$ 0	\$ 0
2019/2020	\$ 504,799	\$ 0	\$ 504,799	\$ 488,659	\$ 0	\$ 0
2020/2021	\$ 504,799	\$ 0	\$ 504,799	\$ 504,438	\$ 0	\$ 0
2021/2022	\$ 504,799	\$ 0	\$ 504,799	\$ 547,431	\$ 42,632	\$ 42,632
2022/2023	\$ 504,799	\$ 0	\$ 504,799	\$ 601,075	\$ 96,276	\$ 138,908
2023/2024	\$ 504,799	\$ 0	\$ 504,799	\$ 707,417	\$ 202,618	\$ 341,526
2024/2025	\$ 504,799	\$ 0	\$ 504,799	\$ 763,987	\$ 259,188	\$ 600,717

* Figures prior to the 2006/2007 plan year were as reported by the plan's prior actuary.

¹ A one-time use in the amount of \$71,783 from the Cumulative Excess also occurred.

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Table VIII

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Actuarial Gains / (Losses) for Current and Prior Plan Years

A.	<u>Derivation of Actuarial Gain / (Loss) for Plan Year Ended September 30, 2025</u>	
1.	City and State normal cost previous valuation	\$ 2,130,429
2.	Unfunded actuarial accrued liability previous valuation	\$ 19,563,488
3.	City and State contributions previous year (limited by 99-1)	\$ 4,371,089
4.	Interest on:	
	(a) City normal costs \$ 143,804	
	(b) Unfunded actuarial accrued liability 1,320,535	
	(c) City and State contributions <u>126,037</u>	
	(d) Net total: (a) + (b) - (c)	\$ 1,338,302
5.	Increase in unfunded actuarial accrued liability due to plan amendment	\$ 5,408,743
6.	Increase in unfunded actuarial accrued liability due to assumptions / methods change	\$ 2,703,718
7.	Expected unfunded actuarial accrued liability current year: 1. + 2. - 3. + 4. + 5. + 6.	\$ 26,773,591
8.	Actual unfunded actuarial accrued liability current year	\$ 30,836,250
9.	Actuarial gain / (loss): 7. - 8.	\$ (4,062,659)
B.	<u>Approximate Portion of Plan Year Gain / (Loss) Due to Investments</u>	
1.	Actuarial value of assets previous year	\$101,679,252
2.	Contributions during year	\$ 5,898,985
3.	Disbursements during year (expenses & benefits)	\$ 6,160,561
4.	Expected appreciation for period	<u>\$ 6,833,034</u>
5.	Expected actuarial value of assets current year 1. + 2. - 3. + 4.	\$108,250,710
6.	Actual actuarial value of assets current year	\$107,106,611
7.	Approximate gain / (loss): 6. - 5.	\$ (1,144,099)
C.	<u>Approximate Portion of Plan Year Gain / (Loss) Due to Liabilities: A. - B.</u>	
		\$ (2,918,560)

Table VIII
(continued two)

D. Review of Cumulative Actuarial Gains / (Losses) for Determination of 13th Checks to Retirees for the 2024/2025 Plan Year

<u>Plan Year</u>	<u>Actuarial Gains / (Losses)</u>
2004 / 2005	\$ (1,323,287)
2005 / 2006	(1,289,042)
2006 / 2007	374,572
2007 / 2008	(35,607)
2008 / 2009	(2,228,287)
2009 / 2010	(887,495)
2010 / 2011	(2,335,636)
2011 / 2012	(1,285,896)
2012 / 2013	(640,982)
2013 / 2014	368,363
2014 / 2015	34,968
2015 / 2016	734,341
2016 / 2017	(364,763)
2017 / 2018	1,964,205
2018 / 2019	(373,990)
2019 / 2020	(354,347)
2020 / 2021	(1,105,430)
2021 / 2022	(2,567,853)
2022 / 2023	(1,231,113)
2023 / 2024	662,230
2024 / 2025	<u>(4,062,659)</u>
Cumulative Total Gains / (Losses)	\$ (15,947,708)

Requirements for 13th Check to members Retired on or after 10/1/2004 and before 10/1/2024:

- There must be a net actuarial gain during the most recent plan year based on the experience of the plan from all sources
- There must be an investment gain during the most recent plan year
- There must be cumulative net actuarial gains from inception (requirement by the State)
- 13th check payable to Tier One members only
- Members who retired on or after 10/1/2024 are eligible for a non-recurring COLA as described in item 20, Table XI.

Table IX

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Amortization of Unfunded Liability

<u>Date</u>	<u>Total Unfunded Liability</u>	<u>Amortization Payment</u>
10/01/2025	\$ 30,836,250	\$ 3,147,769
10/01/2026	\$ 29,557,453	\$ 3,147,769
10/01/2027	\$ 28,192,338	\$ 3,147,769
10/01/2028	\$ 26,735,078	\$ 3,147,769
10/01/2045	\$ 0	\$ 0

Table X

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Accounting Disclosure Exhibit

I. <u>Number of Plan Participants</u>	<u>10/01/2024</u>	<u>10/01/2025</u>
1. Retirees, disabled and beneficiaries receiving benefits	67	70
2. Terminated plan participants entitled to but not yet receiving benefits	12	12
3. DROP participants	11	13
4. Active plan participants	<u>113</u>	<u>122</u>
5. Total	<u>203</u>	<u>217</u>
II. <u>Financial Accounting Standards Board Allocations as of October 1, 2025</u>		
A. <u>Statement of Accumulated Plan Benefits</u>		
1. Actuarial present value of accumulated vested plan benefits		
a. Participants currently receiving benefits	\$ 55,596,195	\$ 60,411,148
b. DROP participants	12,926,591	17,926,541
c. Participants due deferred vested benefits	3,022,056	3,246,292
d. Others	<u>36,187,042</u>	<u>41,036,802</u>
e. Total	<u>\$107,731,884</u>	<u>\$ 122,620,783</u>
2. Actuarial present value of accumulated non-vested plan benefits	<u>1,809,231</u>	<u>1,485,750</u>
3. Total actuarial present value of accumulated plan benefits	<u>\$109,541,115</u>	<u>\$ 124,106,533</u>
B. <u>Statement of Change in Accumulated Plan Benefits</u>		
1. Actuarial present value of accumulated plan benefits as of October 1, 2024	\$109,541,115	
2. Increase (decrease) during year attributable to:		
a. Plan amendment	\$ 4,804,108	
b. Actuarial assumptions and method change	2,011,540	
c. Benefits paid and contribution refunds	(5,997,684)	
d. Other, including benefits accumulated and increase for interest due to decrease in the discount period	<u>13,747,454</u>	
e. Net increase	<u>\$ 14,565,418</u>	
3. Actuarial present value of accumulated plan benefits as of October 1, 2025	\$124,106,533	

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Table X
(continued two)

C. Significant Matters Affecting Calculations

- | | | |
|----|---|-------------------------|
| 1. | Assumed rate of return used in determining actuarial present values | 6.75% |
| 2. | Plan amendments | See Table XI, Item 20. |
| 3. | Change in actuarial assumptions | See Table XII, Item 12. |

Table X
(continued three)

III. Schedule of Funding Progress (As required by GASB #25)

(1) Valuation Date	(2) Actuarial Value of Assets (AVA)	(3) Actuarial Accrued Liability (AAL)	(4) Unfunded Actuarial Accrued Liability (UAAL) (3) - (2)	(5) Funded Ratio (2) / (3)	(6) Annual Covered Payroll	(7) UAAL as % of Payroll (4) / (6)
October 1, 1998	\$ 1,435	\$ 1,033	\$ (402)	138.9%	\$ 3,106	(12.9%)
October 1, 1999	\$ 1,978	\$ 1,628	\$ (350)	121.5%	\$ 3,870	(9.0%)
October 1, 2000	\$ 2,605	\$ 2,959	\$ 354	88.0%	\$ 3,851	9.2%
October 1, 2001	\$ 3,161	\$ 3,343	\$ 182	94.6%	\$ 3,561	5.1%
October 1, 2002	\$ 3,899	\$ 4,934	\$ 1,035	79.0%	\$ 4,212	24.6%
October 1, 2003	\$ 4,990	\$ 6,124	\$ 1,136	81.5%	\$ 4,998	22.7%
October 1, 2004	\$ 6,462	\$ 8,816	\$ 2,354	73.3%	\$ 5,256	44.8%
October 1, 2005	\$ 8,661	\$ 12,331	\$ 3,670	70.2%	\$ 6,519	56.3%
October 1, 2006	\$ 11,940	\$ 17,767	\$ 5,827	67.2%	\$ 7,099	82.1%
October 1, 2007	\$ 16,348	\$ 21,747	\$ 5,399	75.2%	\$ 8,103	66.6%
October 1, 2008	\$ 19,775	\$ 25,153	\$ 5,377	78.6%	\$ 7,678	70.0%
October 1, 2009	\$ 23,088	\$ 30,634	\$ 7,546	75.4%	\$ 8,751	86.2%
October 1, 2010	\$ 27,137	\$ 35,483	\$ 8,346	76.5%	\$ 9,149	91.2%
October 1, 2011	\$ 29,530	\$ 42,473	\$ 12,943	69.5%	\$ 8,819	146.8%
October 1, 2012	\$ 34,645	\$ 48,670	\$ 14,025	71.2%	\$ 8,844	158.6%
October 1, 2013	\$ 40,583	\$ 55,039	\$ 14,456	73.7%	\$ 9,671	149.5%
October 1, 2014	\$ 46,824	\$ 61,626	\$ 14,802	76.0%	\$ 9,712	152.4%
October 1, 2015	\$ 52,511	\$ 67,003	\$ 14,492	78.4%	\$ 8,480	170.9%
October 1, 2016	\$ 57,327	\$ 71,572	\$ 14,245	80.1%	\$ 8,092	176.0%
October 1, 2017	\$ 62,108	\$ 77,768	\$ 15,661	79.9%	\$ 8,751	179.0%
October 1, 2018	\$ 67,562	\$ 82,327	\$ 14,765	82.1%	\$ 9,422	156.7%
October 1, 2019	\$ 73,062	\$ 86,961	\$ 13,899	84.0%	\$ 10,306	134.9%
October 1, 2020	\$ 78,159	\$ 92,431	\$ 14,273	84.6%	\$ 10,233	139.5%
October 1, 2021	\$ 85,226	\$ 101,262	\$ 16,036	84.2%	\$ 11,287	142.1%
October 1, 2022	\$ 88,918	\$ 108,174	\$ 19,256	82.2%	\$ 11,777	163.5%
October 1, 2023	\$ 94,128	\$ 115,215	\$ 21,088	81.7%	\$ 12,828	164.4%
October 1, 2024	\$ 101,679	\$ 121,243	\$ 19,564	83.9%	\$ 12,989	150.6%
October 1, 2025	\$ 107,107	\$ 137,943	\$ 30,836	77.6%	\$ 14,199	217.2%

Note: Dollar amounts in thousands

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Table X
(continued four)

IV. Schedule of Employer Contributions (As required by GASB #25)

Plan Year	Annual Required Contribution ¹	Percentage of Covered Payroll	Percentage Contributed
(1)	(2)	(3)	(4)
1998	\$ 304,195	9.8%	100%
1999	\$ 392,661	10.1%	100%
2000	\$ 492,397	12.8%	100%
2001	\$ 458,942	12.9%	100%
2002	\$ 636,674	15.1%	100%
2003	\$ 847,764	17.0%	100%
2004	\$ 1,151,914	21.9%	100%
2005	\$ 1,415,977	21.7%	100%
2006	\$ 1,782,115	25.1%	100%
2007	\$ 2,095,909	25.9%	100%
2008	\$ 2,076,113	27.0%	100%
2009	\$ 2,320,278	26.5%	100%
2010	\$ 2,306,698	25.2%	100%
2011	\$ 2,629,422	29.8%	100%
2012	\$ 2,769,493	31.3%	100%
2013	\$ 2,872,191	29.7%	100%
2014	\$ 2,831,755	29.2%	100%
2015	\$ 2,723,906	32.1%	100%
2016	\$ 2,720,045	33.6%	100%
2017	\$ 2,938,028	33.6%	100%
2018	\$ 2,990,419	31.7%	100%
2019	\$ 3,123,011	30.3%	100%
2020	\$ 3,222,009	31.5%	100%
2021	\$ 3,578,118	31.7%	100%
2022	\$ 4,058,368	34.5%	100%
2023	\$ 4,496,677	35.1%	100%
2024	\$ 4,371,089	30.8%	100%

V. Notes to Required Supplementary Information

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	October 1, 2025
Actuarial cost method	Entry Age Normal Level Percent
Amortization method	Layered amortization
Remaining amortization period	20 years
Asset valuation method	See Table XII., Item 8.
Actuarial assumptions:	
Investment rate of return*	6.75%
Projected salary increases*	6.50%
Cost-of-living adjustments	Variable 13 th check, only if plan has cumulative net actuarial gain

* Includes inflation at 3.00%

¹ Sum of City and State contributions, determined by the prior plan year's actuarial valuation.

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Table X
(continued five)

Accounting Disclosure Exhibit

VI. Revenues by Source and Expenses by Type

<u>Plan Year</u>	<u>Revenues by Source</u>				
	<u>Employee Contributions</u>	<u>City Contributions</u>	<u>State Contributions</u>	<u>Investment Income</u>	<u>Total</u>
2025	\$ 1,527,896	\$ 3,607,102	\$ 763,987	\$ 9,546,522	\$15,445,507
2024	\$ 1,398,929	\$ 3,789,260	\$ 707,417	\$ 13,884,199	\$19,779,805
2023	\$ 1,398,764	\$ 3,457,293	\$ 601,075	\$ 6,562,336	\$12,019,468
2022	\$ 1,256,414	\$ 3,030,687	\$ 547,431	\$ (8,917,933)	\$ (4,083,401)
2021	\$ 1,255,520	\$ 2,717,571	\$ 504,438	\$ 17,183,343	\$21,660,872
2020	\$ 1,128,506	\$ 2,634,352	\$ 488,659	\$ 4,233,791	\$ 8,485,308
2019	\$ 1,091,077	\$ 2,499,132	\$ 491,287	\$ 1,786,676	\$ 5,868,172
2018	\$ 954,885	\$ 2,499,429	\$ 438,599	\$ 5,066,977	\$ 8,959,890
2017	\$ 911,939	\$ 2,311,962	\$ 408,853	\$ 6,998,269	\$10,631,023
2016	\$ 922,206	\$ 2,342,742	\$ 381,449	\$ 5,125,830	\$ 8,772,227

<u>Plan Year</u>	<u>Expenses by Type</u>			
	<u>Benefits & DROP Payments</u>	<u>Expenses</u>	<u>Refunds</u>	<u>Total</u>
2025	\$ 5,930,990	\$1,516,954	\$ 66,694	\$ 7,514,638
2024	\$ 5,446,993	\$1,687,979	\$ 153,815	\$ 7,288,787
2023	\$ 5,119,805	\$1,211,910	\$ 47,524	\$ 6,379,239
2022	\$ 4,915,782	\$1,306,972	\$ 47,249	\$ 6,270,003
2021	\$ 4,624,354	\$ 411,726	\$ 82,709	\$ 5,118,789
2020	\$ 4,032,128	\$ 401,227	\$ 42,587	\$ 4,475,942
2019	\$ 3,961,877	\$ 318,659	\$ 10,270	\$ 4,290,806
2018	\$ 3,537,096	\$ 355,111	\$ 10,095	\$ 3,902,302
2017	\$ 3,314,226	\$ 349,773	\$ 278,082	\$ 3,942,081
2016	\$ 2,734,744	\$ 325,429	\$ 197,402	\$ 3,257,575

Contributions were made in accordance with actuarially determined contribution requirements.

Table XI

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Outline of Principal Provisions of the Plan

1. Effective Date

July 25, 1994. The latest amendment reflected is Ordinance 200-10-145.

2. Eligibility Requirements

Participation is mandatory for all full-time police officers employed by the City with the exception of the Police Chief. Members hired by the City on or after March 23, 2009 are classified as Tier Two members. All other members are Tier One members.

3. Credited Service

Service of a member from employment date through termination date measured in years and completed months. A member may buy back up to a total of five (5) years of prior military and sworn police service by paying the full actuarial cost of the increase service. Service purchased does not count for vesting or retirement eligibility.

4. Earnable Compensation

Tier One members: base pay, longevity pay, educational incentive pay, assignment pay and up to 300 hours of overtime pay per year, as well as payouts for accrued holiday/incentive, vacation and/or sick time earned prior to September 30, 2013 based on the member's rate of pay as of September 30, 2014.

Tier Two members: base pay, longevity pay, educational incentive pay, assignment pay and up to 300 hours of overtime pay per year.

5. Final Monthly Compensation (FMC)

Final Monthly Compensation is the average monthly rate of earnable compensation during the five (5) best years out of the last ten (10) years of employment.

6. Employee Contributions

10.0% of earnable compensation.

7. Normal Retirement Date

Tier One members: the first of the month coincident with or next following the earlier of (i) completion of 20 years of Credited Service or (ii) the attainment of age 55 with completion of five (5) years of Credited Service.

Tier Two members: the first of the month coincident with or next following the earlier of (i) completion of 20 years of Credited Service or (ii) the attainment of age 55 with completion of 10 years of Credited Service.

Table XI
(continued two)

8. Amount of Normal Retirement Income

Tier One members: monthly retirement income is equal to 3.0% times FMC for Credited Service through September 30, 2001 plus 3.5% times FMC for Credited Service thereafter, payable under the normal form of payment under the plan. For members employed by the City as of April 25, 2011, monthly retirement income for years of Credited Service prior to October 1, 2001 is 3.5% times FMC. The maximum accrual is 100% of FMC.

Tier Two members: monthly retirement income is equal to 3.0% times FMC for all years of Credited Service, payable under the normal form of payment under the plan. The maximum accrual is 75% of FMC. However, members are allowed to purchase an increase in their multiplier up to 3.5% per year (from 3.0%) by paying the full actuarial costs. Any enhanced multiplier benefit purchased will not be subject to the 75% of FMC maximum, but the maximum accruals for members with such purchases will not exceed 100% of FMC.

9. Early Retirement Date

The attainment of age 50 and completion of 10 years of Credited Service.

10. Amount of Early Retirement Income

Benefit accrued to Early Retirement Date payable at Normal Retirement Date, with a 3.0% per year reduction for benefit commencement prior to Normal Retirement Date.

11. Delayed Retirement Date

A member may continue to work beyond his Normal Retirement Date and retire on any subsequent first day of the month.

12. Amount of Delayed Retirement Income

The benefit accrued on Delayed Retirement Date.

13. Benefits on Termination of Service

In the event of termination of service prior to Normal Retirement Date or Early Retirement Date, for reasons other than death, early retirement or disability, a monthly benefit will be payable commencing on Normal Retirement Date, equal to the benefit accrued up to the date of termination, or the refund of accumulated employee contributions made, if the terminated member has completed:

Tier One members: five (5) or more years of Credited Service

Tier Two members: seven (7) or more years of Credited Service

Otherwise, the member is entitled only to the refund of accumulated employee contributions made.



Table XI
(continued three)

14. Disability Retirement Benefits

For a member totally and permanently disabled where the disability is service-connected, the monthly benefit shall be equal to the greater of 42% of such member's FMC at the time of disability or the member's accrued benefit under the plan.

In order to be eligible for non-service disability benefits, a member must have completed at least ten (10) years of Credited Service at the date of disability. The non-service disability benefit is equal to the greatest of: i) 2.0% of FMC times years of Credited Service; ii) 25.0% of FMC, and iii) accrued benefit at date of disability.

15. Death Benefits

For deaths prior to completion of five (5) years of Credited Service, the benefit would be the refund of the accumulated employee contributions. With the completion of five (5) or more years of Credited Service the death benefit payable would be the benefit otherwise payable at Early Retirement Date or Normal Retirement Date to the member.

16. Normal Form of Retirement Income

The normal form of payment is a ten year certain and life annuity.

17. Optional Forms of Retirement Income

The following optional forms of retirement income may be elected by a member without presenting evidence of good health, if elected at least one year prior to his date of retirement:

Option 1 A single life annuity payable during the lifetime of the participant only.

Option 2 A retirement annuity payable to the member during the joint lifetime of the member and a joint pensioner designated by the member, and following the death of either of them, 50%, 66-2/3%, 75%, or 100% depending on the retiree's election, of such smaller monthly amount payable to the survivor for the lifetime of the survivor.

18. Deferred Retirement Option Plan (DROP)

The DROP is available only if the member makes an irrevocable election to participate upon the eligibility of Normal or Early Retirement, or upon attaining age 50 with 15 years of service. The DROP has a five (5) year maximum participation period. Effective October 1, 2024, members who are presently in the DROP, or who enter the DROP on or after the effective date, may remain in the DROP for up to seven (7) years, provided that members make a one and one-half percent (1.5%) contribution of applicable Tier 1 or Tier 2 Earnable Compensation, to be deducted from earnable compensation, for any time worked during the member's sixth or seventh year in the DROP. Members who have previously completed five (5) years in the DROP prior to the effective date are not eligible for additional DROP time. Depending on when a member enters the DROP and the election that is made, the DROP account will be credited with the annual assumed investment return per year, or the actual rate of return, net of investment fees. There is a guarantee that upon exiting the DROP, a member's account will not be less than the sum of the monthly payments into the DROP account. If the member dies or becomes

Table XI
(continued four)

disabled during the DROP period, the member will have presumed to have retired on a normal retirement on the day prior to disability or death.

19. Variable Thirteenth Check

For Tier One members retiring on or after October 1, 2004 and before October 1, 2024, 13th checks may be paid based on annual investment and actuarial gains, but only if the plan has cumulative net actuarial gain beginning with the 2004/2005 plan year. The amount of the 13th checks shall be computed as a uniform percentage of the current monthly benefits of the applicable retirees, with the actual amounts limited to the current monthly benefits and prorated for those retired less than a year.

Tier Two members will not be eligible for the variable thirteenth checks.

20. Cost of Living Adjustment (COLA)

Effective October 1, 2024, the board shall be authorized to pay a non-recurring cost-of-living adjustment to a member, who has retired on or after October 1, 2024 and has fully separated from service from the DROP if applicable, beginning in the third (3rd) year after retirement provided the plan has an actuarial gain in the preceding fiscal year and the amount of the cost-of-living adjustment does not exceed three (3.00%) percent of the retired member's annual retirement benefit in any given year. This benefit is to abolish and replace the 13th check benefit set forth in item 19 of Table XI for members who separate from City service on or after October 1, 2024. Members who separated from City service on or before September 30, 2024 shall not be eligible for the benefit in this paragraph but shall retain all rights set forth in item 19 of Table XI. The board may adopt any administrative rules necessary to administer the cost-of-living benefit adjustment. The amount of the COLA will be determined as follows:

<u>If Actuarial Gain</u>	<u>Pensioner</u>
<u>Exceeds</u>	<u>Increase</u>
\$600,000	3.00%
\$550,000	2.75%
\$500,000	2.50%
\$450,000	2.25%
\$400,000	2.00%
\$350,000	1.75%
\$300,000	1.50%
\$250,000	1.25%
\$200,000	1.00%
\$150,000	0.75%
\$100,000	0.50%
\$50,000	0.25%

Table XI
(continued five)

21. Post Retirement Supplement

In addition to the monthly retirement benefits provided by this plan, there is a supplemental payment of ten dollars (\$10.00) per month per year of service for all members employed by the city on or after April 25, 2011, and retired on or before September 28, 2016, provided such member has at least twenty (20) years of credited service with the city or provided such members left the city at age fifty-five (55) or older with more than five (5) years of credited service with the city. This benefit commences on the fifth anniversary date of termination of service and ceases upon the member reaching sixty-five (65) years of age.

For bargaining employees employed by the City on or after September 28, 2016, the supplemental payment is based on the following: ten dollars (\$10.00) per month per year of service up to a maximum of 20 years of service (\$200/month) and is provided to all members employed by the City on or after September 28, 2016, provided such member is eligible to begin drawing his/her normal retirement benefit immediately upon separation. This benefit ceases upon the member reaching sixty-five (65) years of age.

Effective 6/29/2020, for all members employed by the city as of 7/1/2020 who retire after 6/29/2020, the supplemental payment is based on the following: twenty-five dollars (\$25.00) per month for each year of service up to a maximum of \$600.00/month, provided such member is eligible to begin withdrawing his/her normal retirement benefit immediately upon separation.

This benefit will commence the first full month following his/her retirement from city service and will cease upon the retiree reaching 65 years of age.

Effective 10/1/2024, for all members employed by the city as of 10/1/2024, the supplemental payment is based on the following: forty dollars (\$40.00) per month for each year of service up to a maximum of \$800.00/month, provided such member is eligible to immediately begin drawing his/her normal retirement benefit immediately upon separation. This benefit will commence the first full month following his/her retirement from city service and will cease upon the retiree reaching 65 years of age.

22. Changes from Most Recent Valuation

Addition of the COLA and improved Post Retirement Supplement, as described above.

Table XII

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Actuarial Assumptions and Actuarial Cost Methods

1. Mortality:

Pre-Retirement:

Sex-distinct rates set forth in the PUB-2010 Benefits-Weighted Mortality Table for public safety employees, with full generational improvements in mortality using Scale MP-2021 and with male ages set forward one year

Post-Retirement healthy:

Sex-distinct rates set forth in the PUB-2010 Benefits-Weighted Healthy Retiree Mortality Table for public safety employees, with full generational improvements in mortality using Scale MP-2021 and with male ages set forward one year

Post-Retirement disabled:

Sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2021 and with female ages set forward one year

2. Interest to be Earned by Fund:

6.75%, compounded annually, net of investment expenses.

3. Allowances for Administrative Expenses:

Actual administrative expenses paid during the prior plan year.

4. Employee Withdrawal Rates:

Withdrawal rates were used in accordance with a table per the following illustrative example:

<u>Age</u>	<u>Withdrawal Rates Per 100 Employees</u>
20	7.8
25	7.4
30	6.5
35	4.9
40	3.4
45	2.1
50	0.7
55 & over	0.0

Table XII
(continued two)

5. Retirement Age Assumption:

Tier One members: the earlier of the completion of 20 years of Credited Service or the attainment of age 55 with completion of five (5) years of Credited Service.

Tier Two members: the earlier of the completion of 20 years of Credited Service or the attainment of age 55 with completion of 10 years of Credited Service.

6. Salary Increase Factors:

Current salaries are assumed to increase at a rate of 6.5% per year until retirement. In addition, accumulated sick and vacation leaves cash outs are added to the final pay.

7. Disability Rates:

Disability incidence rates were used in accordance with a table per the following illustrative example:

<u>Age</u>	<u>Disability Rates Per 100 Employees</u>
20	0.03
25	0.03
30	0.04
35	0.05
40	0.07
45	0.10
50	0.18
55	0.36
60	0.90
65 & over	0.00

75% of disabilities assumed to be service incurred, 25% assumed to be non-service incurred.

8. Asset Valuation Method:

The actuarial value of assets is determined by smoothing the differences between actual investment earnings and assumed investment return over four (4) years. The resulting value would then be limited to between 80% and 120% of market value.

Table XII
(continued three)

9. Actuarial Cost Method:

Normal Retirement, Termination, Disability and Pre-Retirement Death Benefits: Entry-Age-Actuarial Cost Method.

Under this method the normal cost for each active employee is the amount which is calculated to be a level percentage of pay that would be required annually from his date of hire to his retirement age to fund his estimated benefits, assuming the plan had always been in effect. The normal cost for the plan is the sum of the individual normal costs for all active participants. The actuarial accrued liability as of any valuation date for each active employee or inactive employee who is eligible to receive benefits under the plan is the excess of the actuarial present value of estimated future benefits over the actuarial present value of current and future normal costs. The unfunded actuarial accrued liability as of any valuation date is the excess of the actuarial accrued liability over the actuarial value of assets of the plan.

The amortization bases would be funded by the excess of actual contributions over prior year's normal cost, adjusted with interest. For each existing base, the funding is done proportionally, determined based on the individual base's required amortization payment as a percentage of the overall total required total amortization payment for the prior year. New bases are then added to the total outstanding unfunded actuarial accrued liability as new layers.

10. Marriage Assumptions:

100% of active participants were assumed married, with husbands three (3) years older than wives.

11. Inflation Assumption:

3.0% per year.

12. Changes from Last Actuarial Valuation:

- The actuarial assumptions regarding mortality tables and salary scale have been revised:
- Mortality tables were changed to those used by the FRS (Florida Retirement System)
- The salary scale was changed from 6.0% to 6.5%.
- The assumed administrative expenses were changed from \$162,132 to \$162,877 for the plan/fiscal year.

Table XIII

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Distribution of Active Participants by Age and Service Groups
as of October 1, 2025

Years of Credited Service

<u>Age</u>	<u>0 - 4</u>	<u>5 - 9</u>	<u>10 - 14</u>	<u>15 - 19</u>	<u>20 - 24</u>	<u>25 - 29</u>	<u>30 & Over</u>	<u>Total</u>
Under 25	6	.	.	.	.	.	.	6
25 - 29	10	1	.	.	.	.	.	11
30 - 34	21	16	.	1	.	.	.	38
35 - 39	8	9	3	2	.	.	.	22
40 - 44	3	7	1	13	1	.	.	25
45 - 49	.	5	1	4	2	.	.	12
50 - 54	.	.	1	3	2	.	.	6
55 - 59	1	.	.	.	1	.	.	2
60 - 64	.	.	.	.	.	.	.	0
65 & Over	.	.	.	.	.	.	.	0
TOTAL	<u>49</u>	<u>38</u>	<u>6</u>	<u>23</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>122</u>

10/01/2024

10/01/2025

Average Attained Age

37.8 years

37.2 years

Average Covered Pay

\$114,945

\$116,389

Percent Female

16.8%

18.9%

D

Table XIV

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Reconciliation of Participant Data

A. Active Participants

1. Active participants previous year	113
2. Retired during year	(1)
3. Entered DROP during year	(4)
4. Died during year	0
5. Disabled during year	0
6. Terminated vested during year	0
7. Terminated non-vested during period	(5)
8. New active participants	19
9. Rehired / Reinstated	<u>0</u>
10. Active participants current year	122

B. Participants Receiving Benefits

1. Participants receiving benefits previous year	67
2. New retired participants	1
3. New terminated vested receiving benefits	0
4. New disabled receiving benefits	0
5. New beneficiaries receiving benefits	0
6. DROP participants exited and retired	2
7. Died or ceased payment during year	<u>0</u>
8. Retired or terminated vested receiving benefits current year	70

C. Terminated Participants Entitled to Future Benefits

1. Terminated participants entitled to future benefits previous year	12
2. Died during year	0
3. Commenced receiving benefits during year	0
4. Rehired / Reinstated during year	0
5. New terminated participants	<u>0</u>
6. Terminated participants entitled to future benefits current year	12

D. DROP Participants

1. DROP participants previous year	11
2. New entrants during year	4
3. Died during year	0
4. Exited and retired during year	<u>(2)</u>
5. DROP participants current year	13

Table XV

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

**Statistics for Participants Entitled to Deferred Vested Benefits
and Participants Receiving Payments**

A. Entitled to Deferred Benefits

<u>Current Age Group</u>	<u>Count</u>	<u>Total Annual Benefit</u>	<u>Average Annual Benefit</u>
Less than 40	0	\$ 0	\$ 0
40 - 44	4	134,766	33 692
45 - 49	4	144,290	36,072
50 - 54	1	10,824	10,824
55 - 59	3	92,122	30,707
60 - 64	0	0	0
65 & over	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	12	\$ 382,002	\$ 31,834

B. Receiving Benefits & DROP Participants

<u>Current Age Group</u>	<u>Count</u>	<u>Total Annual Benefit</u>	<u>Average Annual Benefit</u>
Less than 40	0	\$ 0	\$ 0
40 - 44	2	209,987	104,993
45 - 49	10	817,069	81,707
50 - 54	17	1,465,793	86,223
55 - 59	20	1,583,137	79,157
60 - 64	17	1,204,708	70,865
65 & over	<u>17</u>	<u>652,696</u>	<u>38,394</u>
TOTAL	83	\$ 5,933,390	\$ 71,487

Table XVI

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

Recent Investment, Salary Increase, and Turnover Experience

A. Investment Return

Comparison of actual to assumed investment return for the last five years:

Year Ended	Rate of Return		Assumed
	Market Value	Actuarial Value	
09/30/2025	9.8%	5.6%	6.75%
09/30/2024	16.5%	7.9%	6.75%
09/30/2023	8.7%	5.7%	6.80%
09/30/2022	(9.6%)	4.7%	6.90%
09/30/2021	22.7%	9.3%	7.00%
Last 3 Yrs.	11.6%	6.4%	6.77%
Last 5 Yrs.	9.1%	6.6%	6.84%

B. Recent Salary Increase and Turnover Experience

Year Ended	Salary Increase		Ratio of Actual Turnover to Expected
	Actual	Assumed	
09/30/2025	8.5%	6.0%	1.02
09/30/2024	8.9%	6.0%	1.38
09/30/2023	5.2%	6.0%	0.49
09/30/2022	4.6%	6.0%	0.58
09/30/2021	12.0%	6.0%	1.10
Last 3 Yrs.	7.5%	6.0%	0.96
Last 5 Yrs.	7.8%	6.0%	0.91

Table XVII

CITY OF LAUDERHILL POLICE OFFICERS' RETIREMENT SYSTEM

State Required Exhibit

	<u>10/01/2024</u>	<u>10/01/2025</u>
A. <u>Participant Data</u>		
1. Active participants	113	122
2. Retired participants and beneficiaries receiving benefits	64	67
3. DROP participants	11	13
4. Disabled participants receiving benefits	3	3
5. Terminated vested participants	12	12
6. Total participants	203	217
7. Annual payroll of active participants	\$ 12,988,801	\$ 14,199,407
8. Annual benefits payable to those currently receiving benefits	\$ 4,511,991	\$ 4,779,828
9. Annual benefits payable to terminated vested participants	\$ 382,002	\$ 382,002
10. Annual benefits payable to DROP participants	\$ 937,373	\$ 1,153,560
B. <u>Value of Assets</u>		
1. Actuarial value	\$ 101,679,252	\$ 107,106,611
2. Market value	\$ 102,490,430	\$ 111,581,671
C. <u>Liabilities</u>		
1. Actuarial present value of future expected benefit payments for active members		
a. Age retirement benefits	\$ 66,689,366	\$ 79,408,422
b. Vesting benefits	4,629,357	5,590,803
c. Death benefits	232,193	215,537
d. Disability benefits	428,958	552,066
e. Total	\$ 71,979,874	\$ 85,766,828
2. Actuarial present value of future expected benefit payments terminated vested members	\$ 3,022,056	\$ 3,246,292
3. Actuarial present value of future expected benefit payments for those receiving benefits		
a. Service retired	\$ 52,890,920	\$ 57,764,398
b. DROP participants	12,926,591	17,926,541
c. Disability retired	913,469	884,717
d. Beneficiaries	1,791,806	1,762,033
e. Total	\$ 68,522,786	\$ 78,337,689

Table XVII
(continued two)

	<u>10/01/2024</u>	<u>10/01/2025</u>
4. Total actuarial present value of future expected benefit payments	\$ 143,524,716	\$ 167,350,809
5. Actuarial accrued liabilities	\$ 121,242,740	\$ 137,942,861
6. Unfunded actuarial accrued liabilities (see footnote 1/ for separation)	\$ 19,563,488	\$ 30,836,250
D. <u>Statement of Accumulated Plan Benefits</u>		
1. Actuarial present value of accumulated vested plan benefits		
a. Participants currently receiving benefits	\$ 55,596,195	\$ 60,411,148
b. DROP participants	12,926,591	17,926,541
c. Participants due deferred benefits	3,022,056	3,246,292
d. Other participants	<u>36,187,042</u>	<u>41,036,802</u>
e. Total	\$ 107,731,884	\$ 122,620,783
2. Actuarial present value of accumulated non-vested plan benefits	<u>1,809,231</u>	<u>1,485,750</u>
3. Total actuarial present value of accumulated plan benefits	\$ 109,541,115	\$ 124,106,533
E. <u>Statement of Change in Accumulated Plan Benefits</u>		
1. Actuarial present value of accumulated plan benefits as of October 1, 2024		\$ 109,541,115
2. Increase (decrease) during year attributable to:		
a. Plan amendment		\$ 4,804,108
b. Actuarial assumptions and methods changes		2,011,540
c. Benefits paid and contribution refunds		(5,997,684)
d. Other, including benefits accumulated and increase for interest due to decrease in the discount period		<u>13,747,454</u>
e. Net increase (decrease)		\$ 14,565,418
3. Actuarial present value of accumulated plan benefits as of October 1, 2025		\$ 124,106,533

Table XVII
(continued three)

	<u>10/01/2024</u>	<u>10/01/2025</u>
F. <u>Pension Cost</u>		
1. Total normal cost including expenses	\$ 3,429,309	\$ 4,237,370
2. Expected member contribution	1,298,880	1,419,941
3. Item 2. as percentage of payroll	10.0%	10.0%
4. Net employer normal cost	\$ 2,130,429	\$ 2,817,429
5. Payment required to amortize unfunded liability	2,090,948	3,147,769
6. Total employer required contribution (including interest)	\$ 4,371,089	\$ 6,176,756
7. Item 6. as a percentage of payroll	33.7%	43.5%
8. Estimated State contributions	\$ 707,417	\$ 763,987
9. Item 8. as a percentage of payroll	5.4%	5.4%
10. Net amount payable by City	\$ 3,663,672	\$ 5,412,769
11. Item 10. as a percentage of payroll	28.2%	38.1%
G. <u>Past Contributions</u>		
1. Total contribution required	\$ 5,669,969	\$ 7,596,697
2. Actual contributions made:		
a. Employees	1,527,896	N/A
b. City	3,607,102	N/A
c. State	763,987	N/A
d. Total	5,898,985	N/A
H. <u>Net Actuarial Gain / (Loss)</u>	\$ 662,230	\$ (4,062,659)
I. <u>Disclosure of Following Items:</u>		
1. Actuarial present value of future salaries - attained age	\$ 90,922,549	\$ 106,379,311
2. Actuarial present value of future employee contributions - attained age	\$ 9,092,255	\$ 10,637,931
3. Actuarial present value of future contributions from other sources	N/A	N/A
4. Amount of active members' accumulated contributions	\$ 9,553,049	\$ 9,941,205
5. Actuarial present value of future salaries and future benefits at entry age	Not provided by software	
6. Actuarial present value of future employee contributions at entry age	Not provided by software	

Table XVII
(continued four)

1/ Unfunded Actuarial Accrued Liabilities

Description and Amount of Original Liability	Remaining Amortization Period	Unamortized Amount as of Valuation Date	Amortization Payment
10/01/1999 New Method	4 years	\$ (98,009)	\$ (26,953)
10/01/2000 Actuarial Loss	5 years	133,477	30,292
10/01/2000 Plan Amendment	5 years	104,725	23,766
10/01/2001 Actuarial (Gain)	6 years	(64,950)	(12,666)
10/01/2002 Actuarial (Gain)	7 years	(167,008)	(28,777)
10/01/2002 Plan Amendment	7 years	475,885	81,999
10/01/2002 Plan Amendment	7 years	79,978	13,781
10/01/2003 Actuarial Loss	8 years	48,449	7,527
10/01/2004 Actuarial Loss	9 years	97,882	13,924
10/01/2004 Plan Amendment	9 years	571,603	81,314
10/01/2005 Actuarial Loss	10 years	767,255	101,153
10/01/2006 Actuarial Loss	11 years	794,732	98,049
10/01/2006 Assumption Change	11 years	554,369	68,394
10/01/2007 Actuarial (Gain)	12 years	(243,801)	(28,372)
10/01/2008 Actuarial Loss	13 years	24,316	2,687
10/01/2009 Actuarial Loss	14 years	1,587,282	167,481
10/01/2010 Actuarial Loss	15 years	656,671	66,477
10/01/2011 Actuarial Loss	16 years	1,793,826	174,948
10/01/2011 Plan Amendment	6 years	634,021	123,644
10/01/2011 Assumptions Change	11 years	651,546	80,383
10/01/2012 Actuarial Loss	16 years	1,009,910	98,494
10/01/2013 Actuarial Loss	16 years	513,023	50,034
10/01/2014 Actuarial Gain	16 years	(299,938)	(29,252)
10/01/2014 Plan Amendment	9 years	(429,612)	(61,115)
10/01/2014 Assumptions Change	9 years	1,014,811	144,363
10/01/2015 Actuarial Gain	16 years	(28,934)	(2,822)
10/01/2016 Actuarial Gain	16 years	(616,658)	(60,141)
10/01/2016 Assumptions Change	11 years	555,462	68,529
10/01/2017 Actuarial Loss	16 years	310,458	30,278
10/01/2017 Assumptions Change	12 years	1,035,462	120,501
10/01/2018 Actuarial Gain	16 years	(1,692,809)	(165,096)
10/01/2018 Assumptions Change	13 years	1,152,418	127,345
10/01/2019 Actuarial Loss	16 years	326,098	31,804
10/01/2019 Assumptions Change	14 years	(660,848)	(69,729)
10/01/2020 Actuarial Loss	16 years	312,457	30,473
10/01/2020 Plan Amendment	15 years	418,084	42,324
10/01/2021 Actuarial Loss	16 years	984,703	96,036
10/01/2021 Assumptions Change	16 years	1,042,710	101,693
10/01/2022 Actuarial Loss	17 years	2,364,071	222,917
10/01/2022 Assumptions Change	17 years	1,154,077	108,822
10/01/2023 Actuarial Loss	18 years	1,168,126	106,829
10/01/2023 Plan Change	18 years	643,974	60,723
10/01/2023 Assumptions Change	18 years	627,719	57,407
10/01/2024 Actuarial Gain	19 years	(645,883)	(57,447)
10/01/2025 Actuarial Loss	20 years	4,062,659	352,288
10/01/2025 Assumption Changes	20 years	2,703,718	234,449
10/01/2025 Plan Changes	20 years	<u>5,408,743</u>	<u>469,011</u>
TOTAL		<u>\$ 30,836,250</u>	<u>\$ 3,147,769</u>

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Table XVII
(continued five)

This actuarial valuation and/or cost determination was 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, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.



Donald A. DuLaney, Jr. A.S.A., F.C.A.
Senior Consulting Actuary

6/18/2026

Date

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