

North Miami Police Pension Plan

CHAPTER 112.664, F.S. COMPLIANCE REPORT

IN CONNECTION WITH THE OCTOBER 1, 2023 FUNDING ACTUARIAL
VALUATION REPORT AND THE PLAN'S FINANCIAL REPORTING FOR THE
YEAR ENDING SEPTEMBER 30, 2023





June 14, 2024

Board of Trustees
North Miami Police Pension Plan
North Miami, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the North Miami Police Pension Plan (Plan) to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

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

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

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

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

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Board as described in our October 1, 2023 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2023 actuarial valuation report. Please refer to the October 1, 2023 actuarial valuation report, dated April 12, 2024, for summaries and descriptions of this information.

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

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 signing actuaries are independent of the plan sponsor.

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

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

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1) F.S., the actuarial disclosures required under this section were prepared and completed by 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, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By



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Enrolled Actuary No. 23-6599
Senior Consultant & Actuary

By



Trisha Amrose, MAAA
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RESULTS

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

Fiscal year ending September 30,	2023
1. Total pension liability	
a. Service Cost	\$ 2,565,332
b. Interest	9,259,494
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(235,691)
e. Assumption Changes	-
f. Benefit Payments	(6,494,396)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	5,094,739
i. Total Pension Liability - Beginning	132,960,355
j. Total Pension Liability - Ending	\$ 138,055,094
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 5,020,198
b. Contributions - State	82,682
c. Contributions - Member	930,523
d. Net Investment Income	6,962,387
e. Benefit Payments	(6,494,396)
f. Contribution Refunds	-
g. Administrative Expense	(434,757)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	6,066,637
j. Plan Fiduciary Net Position - Beginning	94,495,300
k. Plan Fiduciary Net Position - Ending	\$ 100,561,937
3. Net Pension Liability / (Asset)	37,493,157
Certain Key Assumptions	
Valuation Date	10/01/2022
Measurement Date	09/30/2023
Investment Return Assumption	7.00%
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation

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

Fiscal year ending September 30,

1. Total pension liability

	2023
a. Service Cost	\$ 2,565,332
b. Interest	9,259,494
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(235,691)
e. Assumption Changes	-
f. Benefit Payments	(6,494,396)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	5,094,739
i. Total Pension Liability - Beginning	132,960,355
j. Total Pension Liability - Ending	\$ 138,055,094

2. Plan Fiduciary Net Position

a. Contributions - Employer	\$ 5,020,198
b. Contributions - State	82,682
c. Contributions - Member	930,523
d. Net Investment Income	6,962,387
e. Benefit Payments	(6,494,396)
f. Contribution Refunds	-
g. Administrative Expense	(434,757)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	6,066,637
j. Plan Fiduciary Net Position - Beginning	94,495,300
k. Plan Fiduciary Net Position - Ending	\$ 100,561,937

3. Net Pension Liability / (Asset) 37,493,157

Certain Key Assumptions

Valuation Date	10/01/2022
Measurement Date	09/30/2023
Investment Return Assumption	7.00%
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation

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

Fiscal year ending September 30,

	2023
1. Total pension liability	
a. Service Cost	\$ 4,343,908
b. Interest	8,713,156
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(6,494,396)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	6,562,668
i. Total Pension Liability - Beginning	173,166,414
j. Total Pension Liability - Ending	\$ 179,729,082
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 5,020,198
b. Contributions - State	82,682
c. Contributions - Member	930,523
d. Net Investment Income	6,962,387
e. Benefit Payments	(6,494,396)
f. Contribution Refunds	-
g. Administrative Expense	(434,757)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	6,066,637
j. Plan Fiduciary Net Position - Beginning	94,495,300
k. Plan Fiduciary Net Position - Ending	\$ 100,561,937
3. Net Pension Liability / (Asset)	79,167,145
Certain Key Assumptions	
Valuation Date	10/01/2022
Measurement Date	09/30/2023
Investment Return Assumption	5.00%
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation

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

Fiscal year ending September 30,	2023
1. Total pension liability	
a. Service Cost	\$ 1,582,673
b. Interest	9,341,349
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(6,494,396)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	4,429,626
i. Total Pension Liability - Beginning	105,457,290
j. Total Pension Liability - Ending	\$ 109,886,916
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 5,020,198
b. Contributions - State	82,682
c. Contributions - Member	930,523
d. Net Investment Income	6,962,387
e. Benefit Payments	(6,494,396)
f. Contribution Refunds	-
g. Administrative Expense	(434,757)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	6,066,637
j. Plan Fiduciary Net Position - Beginning	94,495,300
k. Plan Fiduciary Net Position - Ending	\$ 100,561,937
3. Net Pension Liability / (Asset)	9,324,979
Certain Key Assumptions	
Valuation Date	10/01/2022
Measurement Date	09/30/2023
Investment Return Assumption	9.00%
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation

Asset and Benefit Payment Projection

Not Reflecting Any Contributions from the Employer, State or Employee

Using Assumptions per the Plan's latest Actuarial Valuation

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	100,561,937	6,804,825	6,700,293	100,666,469
2025	100,666,469	6,794,587	7,201,889	100,259,167
2026	100,259,167	6,749,445	7,677,044	99,331,568
2027	99,331,568	6,671,423	8,051,055	97,951,936
2028	97,951,936	6,561,684	8,427,176	96,086,444
2029	96,086,444	6,420,396	8,732,990	93,773,850
2030	93,773,850	6,247,444	9,049,310	90,971,984
2031	90,971,984	6,041,396	9,332,656	87,680,724
2032	87,680,724	5,802,774	9,567,905	83,915,593
2033	83,915,593	5,530,917	9,804,996	79,641,514
2034	79,641,514	5,222,217	10,076,818	74,786,913
2035	74,786,913	4,875,466	10,274,811	69,387,568
2036	69,387,568	4,491,698	10,440,894	63,438,372
2037	63,438,372	4,070,157	10,586,537	56,921,992
2038	56,921,992	3,607,137	10,782,927	49,746,202
2039	49,746,202	3,099,771	10,927,507	41,918,466
2040	41,918,466	2,549,051	11,006,897	33,460,620
2041	33,460,620	1,954,410	11,080,966	24,334,064
2042	24,334,064	1,314,683	11,105,749	14,542,998
2043	14,542,998	629,384	11,103,590	4,068,792
2044	4,068,792	-	11,070,527	-
2045	-	-	11,026,398	-
2046	-	-	10,950,182	-
2047	-	-	10,847,948	-
2048	-	-	10,719,782	-
2049	-	-	10,567,904	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions: 20.33

Certain Key Assumptions

Valuation Investment return assumption 7.00%
Valuation Mortality Table FRS Mortality Rates from 7/1/20 FRS Valuation

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



Asset and Benefit Payment Projection

Not Reflecting Any Contributions from the Employer, State or Employee

Using Assumptions required under 112.664(1)(a), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	100,561,937	6,804,825	6,700,293	100,666,469
2025	100,666,469	6,794,587	7,201,889	100,259,167
2026	100,259,167	6,749,445	7,677,044	99,331,568
2027	99,331,568	6,671,423	8,051,055	97,951,936
2028	97,951,936	6,561,684	8,427,176	96,086,444
2029	96,086,444	6,420,396	8,732,990	93,773,850
2030	93,773,850	6,247,444	9,049,310	90,971,984
2031	90,971,984	6,041,396	9,332,656	87,680,724
2032	87,680,724	5,802,774	9,567,905	83,915,593
2033	83,915,593	5,530,917	9,804,996	79,641,514
2034	79,641,514	5,222,217	10,076,818	74,786,913
2035	74,786,913	4,875,466	10,274,811	69,387,568
2036	69,387,568	4,491,698	10,440,894	63,438,372
2037	63,438,372	4,070,157	10,586,537	56,921,992
2038	56,921,992	3,607,137	10,782,927	49,746,202
2039	49,746,202	3,099,771	10,927,507	41,918,466
2040	41,918,466	2,549,051	11,006,897	33,460,620
2041	33,460,620	1,954,410	11,080,966	24,334,064
2042	24,334,064	1,314,683	11,105,749	14,542,998
2043	14,542,998	629,384	11,103,590	4,068,792
2044	4,068,792	-	11,070,527	-
2045	-	-	11,026,398	-
2046	-	-	10,950,182	-
2047	-	-	10,847,948	-
2048	-	-	10,719,782	-
2049	-	-	10,567,904	-

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

20.33

Certain Key Assumptions

Valuation Investment return assumption 7.00%
Valuation Mortality Table FRS Mortality Rates from 7/1/20 FRS Valuation

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



Asset and Benefit Payment Projection

Not Reflecting Any Contributions from the Employer, State or Employee

Using Assumptions required under 112.664(1)(b), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	100,561,937	4,860,590	6,700,293	98,722,234
2025	98,722,234	4,756,064	7,201,889	96,276,409
2026	96,276,409	4,621,894	7,677,044	93,221,259
2027	93,221,259	4,459,787	8,051,055	89,629,991
2028	89,629,991	4,270,820	8,427,176	85,473,635
2029	85,473,635	4,055,357	8,732,990	80,796,002
2030	80,796,002	3,813,567	9,049,310	75,560,259
2031	75,560,259	3,544,697	9,332,656	69,772,300
2032	69,772,300	3,249,417	9,567,905	63,453,812
2033	63,453,812	2,927,566	9,804,996	56,576,382
2034	56,576,382	2,576,899	10,076,818	49,076,463
2035	49,076,463	2,196,953	10,274,811	40,998,605
2036	40,998,605	1,788,908	10,440,894	32,346,619
2037	32,346,619	1,352,668	10,586,537	23,112,750
2038	23,112,750	886,064	10,782,927	13,215,887
2039	13,215,887	387,607	10,927,507	2,675,987
2040	2,675,987	-	11,006,897	-
2041	-	-	11,080,966	-
2042	-	-	11,105,749	-
2043	-	-	11,103,590	-
2044	-	-	11,070,527	-
2045	-	-	11,026,398	-
2046	-	-	10,950,182	-
2047	-	-	10,847,948	-
2048	-	-	10,719,782	-
2049	-	-	10,567,904	-

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

16.25

Certain Key Assumptions

Valuation Investment return assumption 5.00%
Valuation Mortality Table FRS Mortality Rates from 7/1/20 FRS Valuation

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



Asset and Benefit Payment Projection

Not Reflecting Any Contributions from the Employer, State or Employee

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

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	100,561,937	8,749,061	6,700,293	102,610,705
2025	102,610,705	8,910,878	7,201,889	104,319,694
2026	104,319,694	9,043,305	7,677,044	105,685,955
2027	105,685,955	9,149,438	8,051,055	106,784,338
2028	106,784,338	9,231,368	8,427,176	107,588,530
2029	107,588,530	9,289,983	8,732,990	108,145,523
2030	108,145,523	9,325,878	9,049,310	108,422,091
2031	108,422,091	9,338,019	9,332,656	108,427,454
2032	108,427,454	9,327,915	9,567,905	108,187,464
2033	108,187,464	9,295,647	9,804,996	107,678,115
2034	107,678,115	9,237,574	10,076,818	106,838,871
2035	106,838,871	9,153,132	10,274,811	105,717,192
2036	105,717,192	9,044,707	10,440,894	104,321,005
2037	104,321,005	8,912,496	10,586,537	102,646,964
2038	102,646,964	8,752,995	10,782,927	100,617,032
2039	100,617,032	8,563,795	10,927,507	98,253,320
2040	98,253,320	8,347,488	11,006,897	95,593,911
2041	95,593,911	8,104,809	11,080,966	92,617,754
2042	92,617,754	7,835,839	11,105,749	89,347,844
2043	89,347,844	7,541,644	11,103,590	85,785,898
2044	85,785,898	7,222,557	11,070,527	81,937,928
2045	81,937,928	6,878,226	11,026,398	77,789,756
2046	77,789,756	6,508,320	10,950,182	73,347,894
2047	73,347,894	6,113,153	10,847,948	68,613,099
2048	68,613,099	5,692,789	10,719,782	63,586,106
2049	63,586,106	5,247,194	10,567,904	58,265,396
2050	58,265,396	4,776,211	10,392,778	52,648,829
2051	52,648,829	4,279,540	10,196,775	46,731,594
2052	46,731,594	3,756,852	9,977,589	40,510,857
2053	40,510,857	3,207,799	9,737,288	33,981,368
2054	33,981,368	2,631,910	9,475,852	27,137,426
2055	27,137,426	2,028,631	9,194,172	19,971,885
2056	19,971,885	1,397,315	8,892,325	12,476,875
2057	12,476,875	737,174	8,572,099	4,641,950
2058	4,641,950	47,224	8,234,475	-

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

34.58

Certain Key Assumptions

Valuation Investment return assumption

9.00%

Valuation Mortality Table

FRS Mortality Rates from 7/1/20 FRS Valuation

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



ACTUARILY DETERMINED CONTRIBUTION					
	Plan's Latest Actuarial Valuation Assumptions	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. except 2% higher investment return assumption	
A. Valuation Date	October 1, 2023	October 1, 2023	October 1, 2023	October 1, 2023	
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2025	9/30/2025	9/30/2025	9/30/2025	
C. Assumed Dates of Employer Contributions	10/1/2024	10/1/2024	10/1/2024	10/1/2024	
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 3,603,052	\$ 3,603,052	\$ 6,476,354	\$ 1,111,677	
E. Employer Normal Cost	2,055,372	2,055,372	3,837,041	1,071,131	
F. Employer ADC if Paid on Valuation Date: D + E	5,658,424	5,658,424	10,313,395	2,182,808	
G. Employer ADC Adjusted for Frequency of Payments	5,658,424	5,658,424	10,313,395	2,182,808	
H. Employer ADC Adjusted for Frequency of Payments as % of Covered Payroll	70.59 %	70.59 %	128.66 %	27.23 %	
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	0.00 %	0.00 %	0.00 %	0.00 %	
J. Covered Payroll for Contribution Year	8,015,847	8,015,847	8,015,847	8,015,847	
K. Employer ADC for Contribution Year: H x J	5,658,424	5,658,424	10,313,395	2,182,808	
L. Allowable Credit for State Revenue in Contribution Year	82,682	82,682	82,682	82,682	
M. Net Employer ADC After State Revenue in Contribution Year	5,575,742	5,575,742	10,230,713	2,100,126	
N. Net Employer ADC as % of Covered Payroll in Contribution Year: M ÷ J	69.56 %	69.56 %	127.63 %	26.20 %	
O. Expected Member Contributions	922,624	922,624	922,624	922,624	
P. Total Contribution (including Members) in Contributing Year: K + O	6,581,048	6,581,048	11,236,019	3,105,432	
Q. Total Contribution as a % of covered payroll in Contribution Year: P ÷ J	82.10 %	82.10 %	140.17 %	38.74 %	
R. Certain Key Assumptions					
Investment Return Assumption	7.00%	7.00%	5.00%	9.00%	
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation				