

City of Sarasota General Employees' Pension Fund

Chapter 112.664, F.S. Compliance Report

In Connection with the September 30, 2023 Funding

Actuarial Valuation Report

And the Plan's Financial Reporting for the Year Ending

September 30, 2023





April 18, 2024

Board of Trustees
City of Sarasota General Employees' Pension Fund
Sarasota, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Sarasota General Employees' Pension Fund (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 Board and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board.

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

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

This report was based upon information furnished by the City and the Board 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 City.

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 September 30, 2023 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our September 30, 2023 actuarial valuation report. Please refer to the September 30, 2023 actuarial valuation report, dated January 30, 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.

Peter N. Strong and Israel Bichachi 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.

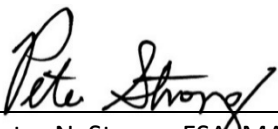
This report was prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the 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 us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate, and in our opinion, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By 
Peter N. Strong, FSA, MAAA, FCA
Enrolled Actuary No. 23-06975
Senior Consultant & Actuary


By 
Israel Bichachi, ASA, MAAA
Consultant & Actuary



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CHAPTER 112.664, FLORIDA STATUTES

RESULTS

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

Fiscal year ending September 30,	2023
1. Total pension liability	
a. Service Cost	\$ 1,609,372
b. Interest	13,265,834
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(367,885)
e. Assumption Changes	1,159,851
f. Benefit Payments	(13,207,320)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	2,459,852
i. Total Pension Liability - Beginning	219,776,143
j. Total Pension Liability - Ending	\$ 222,235,995
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 6,826,608
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	465,108
d. Net Investment Income	16,340,057
e. Benefit Payments	(13,207,320)
f. Contribution Refunds	-
g. Administrative Expense	(257,326)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	10,167,127
j. Plan Fiduciary Net Position - Beginning	151,024,624
k. Plan Fiduciary Net Position - Ending	\$ 161,191,751
 3. Net Pension Liability / (Asset)	61,044,244
 Certain Key Assumptions	
Valuation Date	09/30/2022
Measurement Date	09/30/2023
Investment Return Assumption	6.20%
Mortality Table	2021 Florida Retirement System - Non-Special Risk Mortality



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

Fiscal year ending September 30,	2023
1. Total pension liability	
a. Service Cost	\$ 1,609,372
b. Interest	13,265,834
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(367,885)
e. Assumption Changes	1,159,851
f. Benefit Payments	(13,207,320)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	2,459,852
i. Total Pension Liability - Beginning	219,776,143
j. Total Pension Liability - Ending	\$ 222,235,995
 2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 6,826,608
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	465,108
d. Net Investment Income	16,340,057
e. Benefit Payments	(13,207,320)
f. Contribution Refunds	-
g. Administrative Expense	(257,326)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	10,167,127
j. Plan Fiduciary Net Position - Beginning	151,024,624
k. Plan Fiduciary Net Position - Ending	\$ 161,191,751
 3. Net Pension Liability / (Asset)	61,044,244
 Certain Key Assumptions	
Valuation Date	09/30/2022
Measurement Date	09/30/2023
Investment Return Assumption	6.20%
Mortality Table	2021 Florida Retirement System - Non-Special Risk Mortality



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

Fiscal year ending September 30,	<u>2023</u>
1. Total pension liability	
a. Service Cost	\$ 2,833,118
b. Interest	11,289,772
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(13,207,320)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>915,570</u>
i. Total Pension Liability - Beginning	<u>274,005,759</u>
j. Total Pension Liability - Ending	<u>\$ 274,921,329</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 6,826,608
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	465,108
d. Net Investment Income	16,340,057
e. Benefit Payments	(13,207,320)
f. Contribution Refunds	-
g. Administrative Expense	(257,326)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>10,167,127</u>
j. Plan Fiduciary Net Position - Beginning	<u>151,024,624</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 161,191,751</u>
3. Net Pension Liability / (Asset)	113,729,578
Certain Key Assumptions	
Valuation Date	09/30/2022
Measurement Date	09/30/2023
Investment Return Assumption	4.20%
Mortality Table	2021 Florida Retirement System - Non-Special Risk Mortality



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,	<u>2023</u>
1. Total pension liability	
a. Service Cost	\$ 1,060,906
b. Interest	14,450,790
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(13,207,320)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>2,304,376</u>
i. Total Pension Liability - Beginning	<u>182,312,806</u>
j. Total Pension Liability - Ending	<u>\$ 184,617,182</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 6,826,608
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	465,108
d. Net Investment Income	16,340,057
e. Benefit Payments	(13,207,320)
f. Contribution Refunds	-
g. Administrative Expense	(257,326)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>10,167,127</u>
j. Plan Fiduciary Net Position - Beginning	<u>151,024,624</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 161,191,751</u>
3. Net Pension Liability / (Asset)	23,425,431
Certain Key Assumptions	
Valuation Date	09/30/2022
Measurement Date	09/30/2023
Investment Return Assumption	8.20%
Mortality Table	2021 Florida Retirement System - Non-Special Risk Mortality



Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions from the Plan's Latest Actuarial Valuation

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2024	159,457,983	9,455,611	13,896,265	155,017,329
2025	155,017,329	9,166,847	14,329,911	149,854,265
2026	149,854,265	8,833,344	14,761,955	143,925,654
2027	143,925,654	8,454,297	15,132,057	137,247,894
2028	137,247,894	8,030,799	15,437,749	129,840,944
2029	129,840,944	7,564,248	15,673,889	121,731,303
2030	121,731,303	7,055,512	15,865,436	112,921,379
2031	112,921,379	6,505,702	15,981,399	103,445,682
2032	103,445,682	5,915,344	16,073,831	93,287,195
2033	93,287,195	5,284,751	16,098,557	82,473,389
2034	82,473,389	4,615,157	16,070,735	71,017,811
2035	71,017,811	3,908,969	15,939,863	58,986,917
2036	58,986,917	3,166,077	15,842,307	46,310,687
2037	46,310,687	2,384,326	15,707,626	32,987,387
2038	32,987,387	1,565,825	15,464,300	19,088,912
2039	19,088,912	712,470	15,194,914	4,606,468
2040	4,606,468	-	14,847,694	-
2041	-	-	14,441,455	-
2042	-	-	13,998,652	-
2043	-	-	13,505,707	-
2044	-	-	12,997,734	-
2045	-	-	12,446,673	-
2046	-	-	11,872,931	-
2047	-	-	11,280,689	-
2048	-	-	10,671,847	-
2049	-	-	10,039,580	-

Number of years for which current market value of assets is 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 6.20%
 Valuation Mortality Table 2022 Florida Retirement System - Non-Special Risk Mortality

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	159,457,983	9,455,611	13,896,265	155,017,329
2025	155,017,329	9,166,847	14,329,911	149,854,265
2026	149,854,265	8,833,344	14,761,955	143,925,654
2027	143,925,654	8,454,297	15,132,057	137,247,894
2028	137,247,894	8,030,799	15,437,749	129,840,944
2029	129,840,944	7,564,248	15,673,889	121,731,303
2030	121,731,303	7,055,512	15,865,436	112,921,379
2031	112,921,379	6,505,702	15,981,399	103,445,682
2032	103,445,682	5,915,344	16,073,831	93,287,195
2033	93,287,195	5,284,751	16,098,557	82,473,389
2034	82,473,389	4,615,157	16,070,735	71,017,811
2035	71,017,811	3,908,969	15,939,863	58,986,917
2036	58,986,917	3,166,077	15,842,307	46,310,687
2037	46,310,687	2,384,326	15,707,626	32,987,387
2038	32,987,387	1,565,825	15,464,300	19,088,912
2039	19,088,912	712,470	15,194,914	4,606,468
2040	4,606,468	-	14,847,694	-
2041	-	-	14,441,455	-
2042	-	-	13,998,652	-
2043	-	-	13,505,707	-
2044	-	-	12,997,734	-
2045	-	-	12,446,673	-
2046	-	-	11,872,931	-
2047	-	-	11,280,689	-
2048	-	-	10,671,847	-
2049	-	-	10,039,580	-

Number of years for which current market value of assets is 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 6.20%
 Valuation Mortality Table 2022 Florida Retirement System - Non-Special Risk Mortality

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	159,457,983	6,405,414	13,896,265	151,967,132
2025	151,967,132	6,081,691	14,329,911	143,718,912
2026	143,718,912	5,726,193	14,761,955	134,683,150
2027	134,683,150	5,338,919	15,132,057	124,890,012
2028	124,890,012	4,921,188	15,437,749	114,373,451
2029	114,373,451	4,474,533	15,673,889	103,174,095
2030	103,174,095	4,000,138	15,865,436	91,308,797
2031	91,308,797	3,499,360	15,981,399	78,826,758
2032	78,826,758	2,973,173	16,073,831	65,726,100
2033	65,726,100	2,422,427	16,098,557	52,049,970
2034	52,049,970	1,848,613	16,070,735	37,827,848
2035	37,827,848	1,254,032	15,939,863	23,142,017
2036	23,142,017	639,276	15,842,307	7,938,986
2037	7,938,986	3,577	15,707,626	-
2038	-	-	15,464,300	-
2039	-	-	15,194,914	-
2040	-	-	14,847,694	-
2041	-	-	14,441,455	-
2042	-	-	13,998,652	-
2043	-	-	13,505,707	-
2044	-	-	12,997,734	-
2045	-	-	12,446,673	-
2046	-	-	11,872,931	-
2047	-	-	11,280,689	-
2048	-	-	10,671,847	-
2049	-	-	10,039,580	-

Number of years for which current market value of assets is 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:** 13.50

Certain Key Assumptions

Valuation Investment return assumption	4.20%
Valuation Mortality Table	2022 Florida Retirement System - Non-Special Risk Mortality

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	159,457,983	12,505,808	13,896,265	158,067,526
2025	158,067,526	12,374,011	14,329,911	156,111,626
2026	156,111,626	12,195,913	14,761,955	153,545,584
2027	153,545,584	11,970,324	15,132,057	150,383,851
2028	150,383,851	11,698,528	15,437,749	146,644,630
2029	146,644,630	11,382,230	15,673,889	142,352,971
2030	142,352,971	11,022,461	15,865,436	137,509,996
2031	137,509,996	10,620,582	15,981,399	132,149,179
2032	132,149,179	10,177,206	16,073,831	126,252,554
2033	126,252,554	9,692,669	16,098,557	119,846,666
2034	119,846,666	9,168,526	16,070,735	112,944,457
2035	112,944,457	8,607,911	15,939,863	105,612,505
2036	105,612,505	8,010,691	15,842,307	97,780,889
2037	97,780,889	7,374,020	15,707,626	89,447,283
2038	89,447,283	6,700,641	15,464,300	80,683,624
2039	80,683,624	5,993,066	15,194,914	71,481,776
2040	71,481,776	5,252,750	14,847,694	61,886,832
2041	61,886,832	4,482,621	14,441,455	51,927,998
2042	51,927,998	3,684,151	13,998,652	41,613,497
2043	41,613,497	2,858,573	13,505,707	30,966,363
2044	30,966,363	2,006,335	12,997,734	19,974,964
2045	19,974,964	1,127,633	12,446,673	8,655,924
2046	8,655,924	222,996	11,872,931	-
2047	-	-	11,280,689	-
2048	-	-	10,671,847	-
2049	-	-	10,039,580	-

Number of years for which current market value of assets is 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:

22.67

Certain Key Assumptions

Valuation Investment return assumption

8.20%

Valuation Mortality Table

2022 Florida Retirement System - Non-Special Risk Mortality

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



Actuarially Determined Contribution - Fiscal Year Ending 9/30/2025

	Plan's Latest Actuarial Valuation	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. except 2% higher investment return assumption
Normal Cost				
Service pensions	1,453,288	1,453,288	2,450,226	886,089
Disability pensions	23,886	23,886	34,399	16,826
Pre-retirement survivor pensions	21,668	21,668	37,520	12,788
Termination Benefits				
Deferred service pensions	81,939	81,939	154,109	47,397
Refunds of member contributions	38,930	38,930	34,787	42,884
Total Normal Cost	1,619,711	1,619,711	2,711,041	1,005,984
Unfunded Actuarial Accrued Liability	5,904,987	5,904,987	10,233,974	2,112,861
Administrative Expenses	257,326	257,326	257,326	257,326
Total Unadjusted Computed Contribution	7,782,024	7,782,024	13,202,341	3,376,171
Total Adjusted Contribution Requirement	7,782,024	7,782,024	13,202,341	3,376,171
Member portion	478,523	478,523	478,523	478,523
City portion #	7,303,501	7,303,501	12,723,818	2,897,648
Expected covered payroll	7,975,377	7,975,377	7,975,377	7,975,377
City Contribution as a % of covered payroll	91.58%	91.58%	159.54%	36.33%
Total Contribution as a % of covered payroll	97.58%	97.58%	165.54%	42.33%

FS 112.64 requires City contributions to be deposited not less frequently than quarterly. Member contributions, which are in addition to the City contributions, must be deposited immediately.