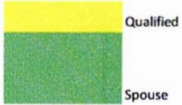


**City of Cooper City**  
**Estimated Lifetime Insurance**  
**Benefit Costs 2024 to Date of**  
**Death**



Employee Name	Hire Date	Termination Date	Years Served	Age @ 2024	Years to 50	Years to 65	Years to 85	Cost @ 50%	Cost @ 100%	Medicare Cost	Total Cost	Total Per Elected Official
PALANK-SHARLET, ANGELICA	3/19/1990	3/18/2002	11	65	-15	0	20	\$ -	\$ -	\$ 122,158.80	\$ 122,158.80	\$ 216,607.20
SPOUSE OF COMMISSIONER SHARLET		3/18/2002			-15	0	20	\$ -	\$ -	\$ 94,448.40	\$ 94,448.40	
WARSCH, BARRY J	3/16/1993	3/18/2002	9	69	-19	-4	16	\$ -	\$ -	\$ 82,952.64	\$ 82,952.64	\$ 82,952.64
KLEIMAN, SCOTT M	3/20/1995	1/28/2004	8	63	-13	2	22	\$ -	\$ 65,470.80	\$ 122,158.80	\$ 187,629.60	\$ 323,903.04
SPOUSE OF COMMISSIONER KLEIMAN		1/28/2004			-9	6	26	\$ -	\$ 60,714.72	\$ 75,558.72	\$ 136,273.44	
WEBSTER, ROBERT	3/20/1995	3/14/2004	8	79	-29	-14	6	\$ -	\$ -	\$ 36,647.64	\$ 36,647.64	\$ 64,982.16
SPOUSE OF COMMISSIONER WEBSTER		3/14/2004			-28	-13	7	\$ -	\$ -	\$ 28,334.52	\$ 28,334.52	
FARDELMANN, SUELLEN H	3/19/1984	3/14/2005	20	79	-29	-14	6	\$ -	\$ -	\$ 36,647.64	\$ 36,647.64	\$ 64,982.16
SPOUSE OF MAYOR FARDELMANN		3/14/2005			-25	-10	10	\$ -	\$ -	\$ 28,334.52	\$ 28,334.52	
EISINGER, DEBRA W	3/18/2002	11/20/2012	10	66	-16	-1	19	\$ -	\$ -	\$ 116,050.86	\$ 116,050.86	\$ 205,776.84
SPOUSE OF COMMISSIONER EISINGER		11/20/2012			-17	-2	18	\$ -	\$ -	\$ 89,725.98	\$ 89,725.98	
MALLOZZI, LISA A	3/19/2007	11/20/2018	11	60	-10	5	25	\$ -	\$ 163,677.00	\$ 122,158.80	\$ 285,835.80	\$ 411,652.98
SPOUSE OF COMMISSIONER MALLOZZI		11/20/2018			-7	8	28	\$ -	\$ 45,536.04	\$ 80,281.14	\$ 125,817.18	
SIMS, JOHN B	3/19/2007	11/20/2018	11	66	-16	-1	19	\$ -	\$ -	\$ 116,050.86	\$ 116,050.86	\$ 205,776.84
SPOUSE OF COMMISSIONER SIMS		11/20/2018			-15	0	20	\$ -	\$ -	\$ 89,725.98	\$ 89,725.98	
CURRAN, JAMES C	3/17/2008	11/17/2020	12	62	-12	3	23	\$ -	\$ 98,206.20	\$ 122,158.80	\$ 220,365.00	\$ 314,813.40
SPOUSE OF COMMISSIONER CURRAN		11/17/2020			-12	3	23	\$ -	\$ -	\$ 94,448.40	\$ 94,448.40	
ROSS, GREG	11/20/2012	11/20/2024	12	68	-18	-3	17	\$ -	\$ -	\$ 103,834.98	\$ 103,834.98	\$ 103,834.98
GREEN, JEFFREY L	11/2/2010	11/20/2024	14	55	-5	10	30	\$ -	\$ 327,354.00	\$ 122,158.80	\$ 449,512.80	\$ 575,329.98
SPOUSE OF COMMISSIONER GREEN		11/20/2024			-2	13	33	\$ -	\$ 45,536.04	\$ 80,281.14	\$ 125,817.18	
<b>Current Vested</b>											<b>\$ 2,570,612.22</b>	<b>\$ 2,570,612.22</b>

\* Spouses assigned termination date of elected officials to match benefits start date

Assumptions	Average Age at Retirement 2024	Single	Family	Medicare	Costs
Total Officials					
Total Retired	11	\$ 15,178.68	\$ 31,349.88	\$ 3,480.42	\$ 378.60
Total Qualified					\$ 83.52
Age of Death	85				\$ 213.00
					\$ 1,242.00

*MC, Inc.*  
**Menard Consulting, Inc.**  
Actuaries & Consultants

Actuarial Valuation of Other Postemployment Benefits  
In accordance with GASB Statement No. 75  
For the Fiscal Year Ending September 30, 2022

**City of Cooper City**  
**Postretirement Health Plan**

February 24, 2023

Menard Consulting, Inc.  
211 E. Lake Street, Suite 11  
Addison, IL 60101

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## Executive Summary

This report details the data, assumptions, and underlying methodology used in the GASB 75 actuarial valuation for Fiscal Year 2022.

The following exhibit illustrates the Net OPEB Liability and OPEB Expense.

<b><u>Total OPEB Liability</u></b>	
Active Employees	\$1,475,738
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Inactive Employees Currently Receiving Benefits	<u>5,092,582</u>
<b>TOTAL</b>	<b>\$6,568,320</b>
<b>Plan Fiduciary Net Position</b>	<b><u>\$0</u></b>
<b>Net OPEB Liability</b>	<b>\$6,568,320</b>
<b>OPEB Expense</b>	<b>\$331,657</b>

Refer to the "Glossary" section of this report for definitions of GASB 75 terms.

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## Statement of Actuarial Opinion

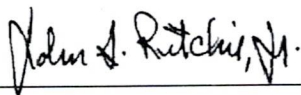
This report documents the results of an actuarial valuation for the City of Cooper City of their Postretirement Health Plan. The primary purpose of the valuation is to determine the obligations and costs for Fiscal Year 2022 in accordance with Government Accounting Standard No. 75 ("GASB 75"). Determinations for purposes other than meeting the Employer's financial accounting requirements may be significantly different from the results herein.

In performing the valuation, I relied on information and data regarding plan provisions, plan participants, and benefit payments provided by City personnel. An audit of the information was not performed, but the information was reviewed for reasonableness as appropriate based on the purpose of this valuation. The accuracy of the results is dependent upon the accuracy and completeness of the underlying information. All of the information was relied upon in drawing conclusions.

The valuation results in this report involve actuarial calculations that require assumptions about future events. The City of Cooper City is responsible for the selection of assumptions. I believe that the assumptions used in this valuation are reasonable and appropriate for the purposes for which they have been used.

To the best of my knowledge, all calculations are in accordance with requirements of applicable financial accounting standards, including GASB 75, and the procedures followed and presentation of results conform to generally accepted actuarial principles and practices. I meet the Qualification Standards of the American Academy of Actuaries to render this Actuarial Opinion. There is no relationship between the City of Cooper City and Menard Consulting, Inc. that impairs objectivity.

The information contained in this report was prepared for use by the City and its auditors. It is not intended or necessarily suitable for other purposes. It is intended to be used in its entirety to avoid misrepresentations.



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John S. Ritchie, ASA, MAAA  
Member, American Academy of Actuaries  
Membership Number: 30294  
John.Ritchie@MenardConsult.com

## Notes to Financial Statements

### Changes in the Net OPEB Liability

	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
Balances as of 9/30/2021	\$6,900,858	\$0	\$6,900,858
Changes for the year:			
Service Cost	\$197,961	0	\$197,961
Interest on Total OPEB Liability	161,735	0	161,735
Changes of Benefit Terms	0	0	0
Difference Between Expected & Actual Experience	614,043	0	614,043
Changes of Assumptions and Other Inputs	(816,054)	0	(816,054)
Contributions – Employer	0	0	0
Contributions - Active & Inactive Employees	0	0	0
Net Investment Income	0	0	0
Benefit Payments <sup>(1)</sup>	(490,222)	0	(490,222)
Other Changes	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes	(\$332,537)	0	(\$332,537)
Balances as of 9/30/2022	\$6,568,320	\$0	\$6,568,320

(1) Includes the Implicit Rate Subsidy.

### OPEB Expense

Service Cost	\$193,265
Interest on Service Cost	<u>4,696</u>
Total	\$197,961
Interest Cost	161,735
Difference Between Expected & Actual Experience	25,975
Changes of Assumptions and Other Inputs	<u>(54,014)</u>
<b>Total</b>	<b>\$331,657</b>

## Notes to Financial Statements

(Continued)

### Deferred Outflows/Inflows of Resources

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference Between Expected & Actual Experience	\$529,876	\$191,401
Changes of Assumptions	1,069,509	1,515,007
Net Difference Between Projected & Actual Earnings on OPEB Plan Investments	<u>0</u>	<u>0</u>
<b>Total</b>	<b>\$1,599,385</b>	<b>\$1,706,408</b>

### Significant Assumptions

<b>Health Care Trend Rates</b>	
Initial Health Care Cost Trend Rate	
- Medical, Pre-Medicare	7.00%
- Medical, Medicare Eligible	4.50%
- Dental	2.00%
- Vision	3.50%
Ultimate Health Care Cost Trend Rate	
- Medical, Pre-Medicare & Medicare Eligible	4.50%
- Dental & Vision	Constant for all years
Fiscal Year the Ultimate Rate is Reached	Fiscal Year 2037
<b>Additional Information</b>	
Valuation Date	October 1, 2021
Measurement Date	September 30, 2022
Actuarial Cost Method	Entry Age Normal
Discount Rate	4.77%
Inflation Rate	3.00%
Salary Rate Increase	4.00%
Funded Ratio (Fiduciary Net Position as a percentage of Total OPEB Liability)	0.00%
Covered Payroll	\$6,491,629
Net OPEB Liability as a Percentage of Covered Payroll	101.18%

---

## Notes to Financial Statements

(Continued)

### Discount Rate

The City does not have a dedicated Trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

A rate of 4.77% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of September 30, 2022.



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## Deferred Outflows/Inflows of Resources – Development

### Difference Between Expected & Actual Experience (Economic & Demographic)

Difference	\$614,043
Average Expected Remaining Service Lives	7.30 years
<u>Amortization Schedule</u>	
Fiscal Years 2022 - 2028:	\$84,167
Fiscal Year 2029:	\$24,874

### Changes of Assumptions

<u>Change in Discount Rate</u>	
Difference	(\$1,363,981)
Average Expected Remaining Service Lives	7.30 years
<u>Amortization Schedule</u>	
Fiscal Years 2022 - 2028:	(\$186,961)
Fiscal Year 2029:	(\$55,253)

<u>Change in Health Care Trend Rates</u>	
Difference	\$178,398
Average Expected Remaining Service Lives	7.30 years
<u>Amortization Schedule</u>	
Fiscal Years 2022 - 2028:	\$24,453
Fiscal Year 2029:	\$7,227

<u>Change in Mortality Assumption</u>	
Difference	\$369,529
Average Expected Remaining Service Lives	7.30 years
<u>Amortization Schedule</u>	
Fiscal Years 2022 - 2028:	\$50,651
Fiscal Year 2029:	\$14,969

---

**Deferred Outflows/Inflows of Resources – Development**  
(Continued)

**Net Difference Between Projected & Actual Earnings on OPEB Plan Investments**

Not applicable.

**Future Deferred Outflows/Inflows of Resources**

Fiscal Year Ending:	Outflows	Inflows
September 30, 2023	\$327,013	\$355,052
September 30, 2024	316,504	323,603
September 30, 2025	301,242	291,532
September 30, 2026	289,013	285,972
September 30, 2027	159,271	208,035
September 30, 2028	159,271	186,961
September 30, 2029	47,070	55,253

---

**Sensitivity Testing of the Net OPEB Liability**

<b>Discount Rate</b>			
	<u>1% Increase</u>	<u>Valuation Rate</u>	<u>1% Decrease</u>
Net OPEB Liability	\$6,035,465	\$6,568,320	\$7,202,841
Change	(8.11%)		9.66%

<b>Health Care Trend</b>			
	<u>1% Increase</u>	<u>Valuation Rate</u>	<u>1% Decrease</u>
Net OPEB Liability	\$7,213,523	\$6,568,320	\$6,019,648
Change	9.82%		(8.35%)

---

## Participant Data

### Counts and Statistics

Census Date	September 2022
<b>Participants</b>	
Active Employees	99
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Inactive Employees Currently Receiving Benefits	<u>30</u>
<b>TOTAL</b>	<b>129</b>
<b>Average Ages</b>	
Active Employees	48.2
Inactive Employees Entitled to But Not Yet Receiving Benefits	-----
Inactive Employees Currently Receiving Benefits	66.9
<b>Average Service</b>	
Active Employees	9.5

---

## Actuarial Methods and Assumptions

### Actuarial Methods

<b>Valuation Date</b>	October 1, 2021
<b>Measurement Date</b>	September 30, 2022
<b>Participant Data</b>	Employee and retiree data were supplied by the plan sponsor.
<b>Fiscal Year</b>	October 1 – September 30
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Changes Since Last Actuarial Valuation</b>	The discount rate was changed per GASB 75 rules. Starting per capita costs were updated. Health care trend rates were reset. The mortality assumption was changed.
<b>Nature of Actuarial Calculations</b>	<p>The results are estimates based on assumptions about future events. Assumptions may be made about participant data or other factors. All approximations and assumptions are noted. Reasonable efforts were made in this valuation to ensure that significant items in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.</p> <p>Actual future experience will differ from the assumptions used. As these differences arise, the expense for accounting purposes will be adjusted in future valuations to reflect such actual experience.</p> <p>The numbers are not rounded, but this is for convenience only and should not imply precision which is not inherent in actuarial calculations.</p>

## Actuarial Methods and Assumptions

(Continued)

### Actuarial Assumptions

<b>Discount Rate</b>	4.77%				
<b>Salary Rate Increase</b>	4.00%				
<b>Expected Rate of Return on Assets</b>	Not Applicable				
<b>Health Care Trend</b>	<u>Period</u>	<u>Medical, Pre-Med.</u>	<u>Medical, Med. Elig.</u>	<u>Dental</u>	<u>Vision</u>
	FY22 – FY23	7.00%	4.50%	2.00%	3.50%
	FY23 – FY24	6.82%	4.50%	2.00%	3.50%
	FY24 – FY25	6.64%	4.50%	2.00%	3.50%
	FY25 – FY26	6.46%	4.50%	2.00%	3.50%
	FY26 – FY27	6.29%	4.50%	2.00%	3.50%
	FY27 – FY28	6.11%	4.50%	2.00%	3.50%
	FY28 – FY29	5.93%	4.50%	2.00%	3.50%
	FY29 – FY30	5.75%	4.50%	2.00%	3.50%
	FY30 – FY31	5.57%	4.50%	2.00%	3.50%
	FY31 – FY32	5.39%	4.50%	2.00%	3.50%
	FY32 – FY33	5.21%	4.50%	2.00%	3.50%
	FY33 – FY34	5.04%	4.50%	2.00%	3.50%
	FY34 – FY35	4.86%	4.50%	2.00%	3.50%
	FY35 – FY36	4.68%	4.50%	2.00%	3.50%
	FY36 – FY37	4.50%	4.50%	2.00%	3.50%
	Subsequent	4.50%	4.50%	2.00%	3.50%
<b>Retiree Contribution Trend</b>	Same as Health Care Trend				
<b>Mortality</b>	PubG.H-2010 Mortality Table – General with Mortality Improvement using Scale MP-2020				
<b>Disability Rates</b>	None				

## Actuarial Methods and Assumptions

(Continued)

<b>Retirement Rates</b>	<u>General Employees</u> 70% are assumed to retire beginning at age 55 and at least 6 years of service, and 40% for the next 4 years with 100% by age 60 and 11 years of service.																																				
	<u>City Managers &amp; Dept. Heads</u> 50% are assumed to retire beginning at age 55 and at least 6 years of service, and 10% for the next 6 years with 100% by age 62 and 13 years of service.																																				
	<u>Elected Officials</u> 70% are assumed to retire once they attain 8 years of service, and then 100% at 12 years of service.																																				
<b>Withdrawal Rates</b>	<table border="1"> <thead> <tr> <th><u>Age</u></th> <th><u>General Employees</u></th> <th><u>City Mgrs. &amp; Dept. Heads</u></th> </tr> </thead> <tbody> <tr> <td>20</td> <td>12.4%</td> <td>6.0%</td> </tr> <tr> <td>30</td> <td>10.5%</td> <td>5.0%</td> </tr> <tr> <td>40</td> <td>5.7%</td> <td>2.6%</td> </tr> <tr> <td>50</td> <td>1.5%</td> <td>0.8%</td> </tr> <tr> <td>60</td> <td>0.5%</td> <td>0.2%</td> </tr> </tbody> </table>		<u>Age</u>	<u>General Employees</u>	<u>City Mgrs. &amp; Dept. Heads</u>	20	12.4%	6.0%	30	10.5%	5.0%	40	5.7%	2.6%	50	1.5%	0.8%	60	0.5%	0.2%																	
<u>Age</u>	<u>General Employees</u>	<u>City Mgrs. &amp; Dept. Heads</u>																																			
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50	1.5%	0.8%																																			
60	0.5%	0.2%																																			
<b>Coverage Status</b>	Employees are assumed to continue into retirement at their current coverage level.																																				
<b>Starting Per Capita Costs</b>	<table border="1"> <thead> <tr> <th rowspan="2"><u>Age</u></th> <th colspan="2"><u>Medical</u></th> </tr> <tr> <th><u>Retiree</u></th> <th><u>Spouse</u></th> </tr> </thead> <tbody> <tr> <td>50</td> <td>\$14,453</td> <td>\$15,398</td> </tr> <tr> <td>55</td> <td>17,584</td> <td>18,734</td> </tr> <tr> <td>60</td> <td>21,394</td> <td>22,793</td> </tr> <tr> <td>62</td> <td>23,140</td> <td>24,653</td> </tr> <tr> <td>64</td> <td>25,028</td> <td>26,665</td> </tr> <tr> <td>65</td> <td>4,009</td> <td>4,009</td> </tr> <tr> <td>70</td> <td>4,625</td> <td>4,625</td> </tr> <tr> <td>75</td> <td>5,207</td> <td>5,207</td> </tr> <tr> <td>80</td> <td>5,749</td> <td>5,749</td> </tr> <tr> <td>85+</td> <td>6,348</td> <td>6,348</td> </tr> </tbody> </table>		<u>Age</u>	<u>Medical</u>		<u>Retiree</u>	<u>Spouse</u>	50	\$14,453	\$15,398	55	17,584	18,734	60	21,394	22,793	62	23,140	24,653	64	25,028	26,665	65	4,009	4,009	70	4,625	4,625	75	5,207	5,207	80	5,749	5,749	85+	6,348	6,348
<u>Age</u>	<u>Medical</u>																																				
	<u>Retiree</u>	<u>Spouse</u>																																			
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85+	6,348	6,348																																			

## Actuarial Methods and Assumptions

(Continued)

<b>Starting Per Capita Costs</b> (cont'd)	Dental	<u>Retiree</u> \$361	<u>Spouse</u> \$757
	Vision	84	129
<b>Retiree Contributions</b>	Pre-Medicare Pay-All Amounts:		
	Medical	<u>Retiree</u> \$13,363	<u>Spouse</u> \$14,236
<b>Morbidity</b>	<u>Age</u>	<u>Rate Per Age</u>	
	Under 65	4.00%	
	65 – 69	3.00%	
	70 – 74	2.50%	
	75 – 85	2.00%	
	86 and older	0.00%	
<b>Election at Retirement</b>	General Employees - 20% of employees will elect coverage at retirement.		
	City Managers, Dept. Heads, & Elected Officials Hired / Elected Prior to January 1, 2012 - 100% of employees will elect coverage at retirement.		
	City Managers, Dept. Heads, & Elected Officials Hired / Elected on or After January 1, 2012 - 20% of employees will elect coverage at retirement.		
<b>Marital Status</b>	40% of General Employees, 40% of Dept. Heads & Elected Officials without a subsidy, and 100% of Dept. Heads & Elected Officials with a subsidy electing retiree coverage are assumed to be married and to elect spousal coverage with males three years older than females. Actual spouse data was used for current retirees.		



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## Actuarial Methods and Assumptions

(Continued)

### Starting Per Capita Costs Development

Starting costs are based on premium rates. The same rates are charged for actives and pre-Medicare retirees. When an employer provides benefits to both active employees and retirees through the same plan, the benefits to retirees should be segregated and measured independently for actuarial measurement purposes. The projection of future retiree benefits should be based on claims costs, or age-adjusted premiums approximating claims costs, for retirees, in accordance with actuarial standards issued by the Actuarial Standards Board. The results were then disaggregated into age-specific starting costs based on average ages and assumptions on the relationship between costs and increasing age (i.e., Morbidity). Costs for Medicare eligible ages were developed using a 0.30 Medicare Adjustment Factor.

Starting per capita costs for the dental and vision plans are also based on premium rates. Unlike medical costs, dental and vision costs do not exhibit the relationship between costs and increasing age as for medical, and, therefore, have flatter claim cost curves. In particular, the mix and type of services vary by age but costs generally do not. As such, starting dental and vision costs do not vary by age and are not adjusted. This follows generally accepted actuarial practice.

In all cases, retiree contributions are based on the unadjusted premiums.

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## Summary of Eligibility & Coverage

### Eligibility Provisions

#### General Employees

*Hired prior to January 1, 2012*

Members of the General Employees Pension Plan may retire on the first day of the month coincident with or next following the attainment of age 55 and the completion of 6 years of credited service.

*Hired on or after February 1, 2012*

Employees must satisfy eligibility requirements of the Florida Retirement System for those enrolled on or after July 1, 2011: At least 65 years old.

#### Department Heads

*Hired prior to January 1, 2012*

*Normal Retirement:* Members of the Managerial Employees Pension Plan may retire on the first day of the month coincident with or next following the attainment of age 55 and the completion of 6 years of credited service.

*Early Retirement:* Members of the Managerial Employees Pension Plan may retire on the first day of the month coincident with or next following the attainment of age 50 and the completion of 6 years of credited service.

*Hired on or after February 1, 2012*

Employees must satisfy eligibility requirements of the Florida Retirement System for those enrolled on or after July 1, 2011: At least 65 years old.

#### City Manager

The City Manager is required to enroll in the Florida Retirement System and has a separate contract with the City. However, the City Manager has however foregone enrollment in the Florida Retirement System. (Resolution 20-7-2 approved by the City Commission).

### Medical, Dental, & Vision Coverage

For all employee groups, the City provides medical, dental, and vision benefits for retirees and their eligible spouses. Coverage continues for the lifetime of the retiree given that required contributions are made. Spouse coverage continues according to COBRA regulations after the death of the retiree.

#### General Employees

*All Hires*

Retirees and their eligible spouses can continue on the City's health care plans on a pay-all basis. The City does not pay any portion of the cost of coverage.

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## Summary of Eligibility & Coverage (Continued)

### Department Heads

*Hired prior to January 1, 2012*

Department Heads are eligible to receive health care benefits upon retirement given that they satisfy one of the following:

- Normal Retirement – The City pays 100% of the active premium rate to age 65 for employee and spouse, and then 100% of the Medicare Supplement premium rate provided the Department Head has served 15 continuous years as a department head and attained age 50.
- Early Retirement – The City pays 50% of the active premium rate up to age 50 for employee and spouse, 100% of the active premium rate to age 65, and then 100% of the Medicare Supplement premium rate provided the Department Head has served 15 continuous years as a department head.
- Other Retirement – Retirees who do not meet the 15 continuous years as a department head and their eligible spouses can continue on the City's health care plans on a pay-all basis. The City does not pay any portion of the cost of coverage.

*Hired on or after January 1, 2012*

Retirees and their eligible spouses can continue on the City's health care plans on a pay-all basis. The City does not pay any portion of the cost of coverage.

### City Manager

The City Manager has a separate contract with the City which includes continued paid medical coverage for twenty (20) weeks following the date of termination, in the same manner, amount, and basis as he/she is receiving at the time of termination. The current City Manager contract expires on February 16, 2023.

### Elected Officials

*Elected prior to January 1, 2012*

Employees are eligible to receive health care benefits upon retirement given that they satisfy one of the following:

- Normal Retirement – The City pays 100% of the active premium rate to age 65, and then 100% of the Medicare Supplement premium rate provided the Elected Official serves 3 terms in office and reaches age 50.
- Early Retirement – The City pays 50% of the active premium rate to age 50, 100% of the active premium rate to age 65, and then 100% of the Medicare Supplement premium rate provided the Elected Official serves 3 terms in office and before reaching age 50.

*Elected on or after January 1, 2012*

Retirees and their eligible spouses can continue on the City's health care plans on a pay-all basis. The City does not pay any portion of the cost of coverage.

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## Comments

The discount rate was changed to comply with the GASB 75 Standard.

Mortality improvement is now included in the mortality assumption.

There are no longer any active Department Head employees who are eligible for subsidized coverage at retirement.

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## Glossary

### **Total OPEB liability**

The Total OPEB liability the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. It is the liability of employers and non-employer contributing entities to employees for benefits provided through a defined benefit OPEB plan. This item was referred to as the Actuarial Accrued Liability in the GASB 45 Statement.

*Active Employees* – Individuals employed at the end of the reporting or measurement period.

*Inactive Employees Entitled to But Not Yet Receiving Benefits* – Individuals no longer employed by an employer in the OPEB plan or the beneficiaries of those individuals who have accumulated benefits under the terms of an OPEB plan but are not yet receiving benefit payments.

*Inactive Employees Currently Receiving Benefits* – Individuals no longer employed by an employer in the OPEB plan or the beneficiaries of those individuals who have accumulated benefits under the terms of an OPEB plan and are currently receiving benefits.

### **Fiduciary Net Position**

OPEB plan assets held in a GASB-compliant Trust.

### **Net OPEB Liability**

Total OPEB Liability minus Fiduciary Net Position. This item was referred to as the Unfunded Actuarial Accrued Liability in the GASB 45 Statement.

### **Deferred Outflows/Inflows of Resources**

Changes in the Net OPEB Liability that have not been included in OPEB Expense are required to be reported as Deferred Outflows of Resources or Deferred Inflows of Resources related to OPEB.

### **Entry Age Actuarial Cost Method**

A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s).

### **Other Postemployment Benefits (OPEB)**

Benefits (such as death benefits, life insurance, disability, and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment, regardless of the manner in which they are provided. OPEB does not include termination benefits or termination payments for sick leave.

### **Service Cost**

The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.