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Ron DeSantis, Governor

July 27, 2021

Mr. Michael West, Chairman
Sunrise Police Officers' Pension Fund
13790 N.W. 4th St., Suite 105
Sunrise, FL 33325

**RE: City of Sunrise Police Officers' Retirement System
Actuarial Valuations through October 1, 2019**

Dear Mr. West,

This is to notify you that the above referenced plan has been reviewed by a contract Enrolled Actuary for compliance with Part VII of Chapter 112, F.S. and Chapter 60T, F.A.C. Based upon the results of that review, we have determined the plan to be **state accepted**. By this letter, **all prior reports and actuarial impact statements** may likewise be considered to be **state accepted**.

Although the plan has been approved, there were items of interest noted during the review that should be addressed by your plan actuary for future reports. These items include the additional required information and clarifications listed on the attached page.

Please do not hesitate to contact our office if you have any questions.

Sincerely,

Keith Brinkman, Chief
Bureau of Local Retirement Systems
Florida Division of Retirement

Cc: Jeff Amrose, Actuary
David Williams, Administrator
Minal Shah, Finance Director

Attachment

Attachment A

**City of Sunrise Police Officers' Retirement System
Items to Address in Future Reports**

We recommend that you improve reports subsequent to the October 1, 2019 valuation as described below. You do not need to respond to us regarding the following items.

1. The investment return assumption used in the October 1, 2019 valuation was **7.35%**.

Based on the plan's balance sheet asset allocation (30.8% domestic fixed income; 51% domestic equities; 8.8% non-US equities; 8.1% real estate; 1.3% short-term investments) and consensus capital market outlook expectations for future inflation and real returns as of the valuation date, we would consider an investment return assumption in the range of **6.00% to 6.75%** to be a more reasonable 50th percentile expectation of future long-term geometric average annual return. We recommend consideration be given to lowering the investment return assumption for future valuations. {Florida Administrative Code 60T-1.003(6)}

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