

August 9, 2017

Mr. Dave Williams, Administrator
Sunrise Police Officers Pension Board
13790 N. W. 4th Street, Suite 105
Sunrise, Florida 33325

Re: City of Sunrise Police Officers' Retirement System

Dear Dave:

Please find enclosed the tables that may be used to estimate the full actuarial cost of purchasing one through four years of prior service military or law enforcement service under the City of Sunrise Police Officers' Retirement System. We have prepared two tables: one table to be used for Tier 1 members (hired before October 1, 2015); and a second table to be used for Tier 2 members (hired after September 30, 2015, with the exception of three members).

The service purchase tables are meant to provide a reasonable estimate of the actual cost of the service purchase. The actual cost will be determined based on an individual service purchase calculation performed for the member and can vary from the amounts shown in the tables.

The tables show the cost of purchasing service based on annual pensionable earnings of \$10,000. For a member whose pensionable earnings are, for example, \$60,000, the amount shown on the tables should be multiplied by six. For Tier 1 members with less than 20 years of service, after determining this initial figure, you will need to add an additional amount from the table on the bottom of the page to account for the supplemental benefit.

Please be aware that the tables may not be very accurate in certain cases when the member's current age and service does not exactly match those shown on the tables or when the number of years being purchased is not a whole number. For example, if a member is currently age 43 with 17 years of service or wants to buy 2 years and 6 months, a proration of the buyback amounts may not produce a figure that is very close to the final calculation that we perform.

The figures shown on the enclosed tables were calculated based on the same Plan provisions and actuarial assumptions used for the October 1, 2016 Actuarial Valuation Report, except as follows:

- The investment return assumption is 7.70% (this is the investment return assumption effective October 1, 2017 as approved by the Board).
- The member has a 100% probability of retirement when first eligible for Normal Retirement.

If the Plan provisions or valuation assumptions change, then the enclosed tables will need to be updated.

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We welcome your questions and comments.

Sincerely yours,



Jeffrey Amrose, EA
Senior Consultant & Actuary

Enclosures

The above communication shall not be construed to provide tax advice, legal advice or investment advice.