



November 3, 2023

Board of Trustees  
Palm Bay Police & Firefighters' Pension Board  
Conlan Professional Center  
1501 Robert J. Conlan Blvd. NE Suite 240  
Palm Bay, FL 32905-3567

Re: Palm Bay Police & Firefighters' Pension Fund

Dear Board of Trustees:

Based on the long term returns of various asset classes provided by PSN and the asset allocation strategy of the pension plan, BCA believes it is reasonable to expect a 7.50% return next year, the next several years and over the long run.

Performance										
Index	Quarter	1 Year	2 Years	3 Years	5 Years	10 Years	20 Years	30 Years or Since Inception	Expected Real Rate (%)	Std. Dev. (30 Yr or Inception)
Russell 3000	-3.3	20.5	-0.4	9.4	9.1	11.3	9.7	9.7	7.2	16.9
ML All US Convert Index	-2.5	7.5	-7.3	3.1	8.4	8.8	8.1	8.4	5.8	14.4
MSCI ACWI ex US	-3.7	21.0	-4.6	4.2	3.1	3.8	6.5	5.4	2.9	18.3
FTSE Core Infrastructure 50/50 Index*	-7.8	1.4	-2.1	3.8	4.1	6.0	7.6	7.6	5.1	12.1
NCREIF ODCE	-2.0	-12.2	3.5	7.1	5.6	8.1	7.6	8.5	5.9	6.0
Barclays Agg	-3.2	0.6	-7.3	-5.2	0.1	1.1	2.9	4.2	1.7	4.2
Consumer Price Index (CPI)	0.8	3.7	5.9	5.7	4.0	2.7	2.5	2.5	2.5	1.8
Target Portfolio Allocation	-3.3	10.1	-3.1	3.8	5.3	6.8	7.0	7.3	4.8	12.3

Note: Target Portfolio Allocation: 35% Russell 3000, 10% ML All US Convert, 15% MSCI ACWI ex US, 5% FTSE Core Infrastructure 50/50 Index, 10% NCREIF ODCE, 25% Barclays Agg.

\*Inception date for indices less than 30 years old: FTSE Core Infrastructure 50/50 Index - 1/2010.

If you have any questions, please do not hesitate to contact me at 407.644.0111.

Sincerely,

Larry Cole  
Senior Consultant

Institutional Investment Advisor

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