

CITY OF PALM BAY
POLICE AND FIREFIGHTERS' PENSION FUND (FIREFIGHTERS)

SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2024 VALUATION DATE



June 24, 2025

Ms. Katie Taglia-Polak, Executive Director
City of Palm Bay Police & Fire Pension Fund
1501 Robert J. Conlan Blvd., NE, Suite 240
Palm Bay, FL 32905-3567

Re: City of Palm Bay Police and Firefighters' Pension Fund (Firefighters)
Section 112.664, Florida Statutes Compliance

Dear Katie:

Please find enclosed the annual disclosures that satisfy the October 1, 2024 financial reporting requirements made under Section 112.664.

Our office will submit this information electronically to the Department of Management Services. However, it is important for you to be aware that this report must also be made available on the Plan or Plan Sponsor's website, if such website exists. A deadline for this website publication is not made clear in the law.

In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should contact its Investment Consultant for this information.

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1), Florida Statutes, the actuarial disclosures required under this section were prepared and completed by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, meet the requirements of Section 112.664(1), Florida Statutes, and Rule 60T-1.0035, Florida Administrative Code.

Respectfully submitted,

Foster & Foster, Inc.



Patrick T. Donlan, ASA, EA, MAAA
Enrolled Actuary #23-6595

Enclosures

cc via email: Robert Klausner, Board Attorney

When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2024 Actuarial Valuation Report, as adopted by the Board of Trustees, are reasonable individually and in the aggregate, and represent our best estimate of future Plan experience.
- 5) The “Number of Years Expected Benefit Payments Sustained” calculated in Section II: Asset Sustainability should not be interpreted as the number of years the Plan has left until it is insolvent. This calculation is required by 112.664, Florida Statutes, but the numeric result is irrelevant, since in its calculation we are to assume there will be no further contributions to the Fund. As long as the Actuarially Determined Contribution is made each year the Plan will never become insolvent.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
FISCAL YEAR SEPTEMBER 30, 2024

	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
	7.40%	5.40%	9.40%
Discount Rate:			
<u>Total Pension Liability</u>			
Service Cost	2,159,184	3,556,167	1,372,810
Interest	9,621,503	9,198,255	9,725,217
Share Plan Allocation	146,728	146,728	146,728
Changes of Benefit Terms	1,095,625	1,333,785	905,586
Experience Gains/Losses	768,519	1,170,141	451,726
Changes of Assumptions	1,598,800	2,434,112	1,098,508
Benefit Payments	(7,666,155)	(7,666,155)	(7,666,155)
Net Change in Total Pension Liability	7,724,204	10,173,033	6,034,420
Total Pension Liability - Beginning	129,960,606	167,517,908	104,830,976
Total Pension Liability - Ending (a)	<u>\$ 137,684,810</u>	<u>\$ 177,690,941</u>	<u>\$ 110,865,396</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	3,196,536	3,196,536	3,196,536
Contributions - State	1,118,779	1,118,779	1,118,779
Contributions - Employee	759,696	759,696	759,696
Net Investment Income	15,742,958	15,742,958	15,742,958
Benefit Payments	(7,666,155)	(7,666,155)	(7,666,155)
Administrative Expense	(285,448)	(285,448)	(285,448)
Net Change in Plan Fiduciary Net Position	12,866,366	12,866,366	12,866,366
Plan Fiduciary Net Position - Beginning	91,780,694	91,780,694	91,780,694
Plan Fiduciary Net Position - Ending (b)	<u>\$ 104,647,060</u>	<u>\$ 104,647,060</u>	<u>\$ 104,647,060</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 33,037,750</u>	<u>\$ 73,043,881</u>	<u>\$ 6,218,336</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Investment Rate of Return = 7.40%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2024	104,351,091	-	10,502,602	-	7,333,384	101,181,873
2025	101,181,873	-	7,737,821	-	7,201,159	100,645,211
2026	100,645,211	-	8,115,288	-	7,147,480	99,677,403
2027	99,677,403	-	8,289,654	-	7,069,411	98,457,160
2028	98,457,160	-	8,439,661	-	6,973,562	96,991,061
2029	96,991,061	-	8,628,662	-	6,858,078	95,220,477
2030	95,220,477	-	8,985,577	-	6,713,849	92,948,749
2031	92,948,749	-	9,196,752	-	6,537,928	90,289,925
2032	90,289,925	-	9,469,451	-	6,331,085	87,151,559
2033	87,151,559	-	9,710,927	-	6,089,911	83,530,543
2034	83,530,543	-	9,894,347	-	5,815,169	79,451,365
2035	79,451,365	-	10,065,159	-	5,506,990	74,893,196
2036	74,893,196	-	10,368,601	-	5,158,458	69,683,053
2037	69,683,053	-	10,551,420	-	4,766,143	63,897,776
2038	63,897,776	-	10,723,900	-	4,331,651	57,505,527
2039	57,505,527	-	10,925,543	-	3,851,164	50,431,148
2040	50,431,148	-	11,051,994	-	3,322,981	42,702,135
2041	42,702,135	-	11,139,190	-	2,747,808	34,310,753
2042	34,310,753	-	11,230,961	-	2,123,450	25,203,242
2043	25,203,242	-	11,280,777	-	1,447,651	15,370,116
2044	15,370,116	-	11,316,773	-	718,668	4,772,011
2045	4,772,011	-	11,276,061	-	-	-

*All DROP and Share Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 21.42

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.40% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 2
Hypothetical Assumptions: Investment Rate of Return = 5.40%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2024	104,351,091	-	10,502,602	-	5,351,389	99,199,878
2025	99,199,878	-	7,737,821	-	5,147,872	96,609,929
2026	96,609,929	-	8,115,288	-	4,997,823	93,492,464
2027	93,492,464	-	8,289,654	-	4,824,772	90,027,582
2028	90,027,582	-	8,439,661	-	4,633,619	86,221,540
2029	86,221,540	-	8,628,662	-	4,422,989	82,015,867
2030	82,015,867	-	8,985,577	-	4,186,246	77,216,536
2031	77,216,536	-	9,196,752	-	3,921,381	71,941,165
2032	71,941,165	-	9,469,451	-	3,629,148	66,100,862
2033	66,100,862	-	9,710,927	-	3,307,252	59,697,187
2034	59,697,187	-	9,894,347	-	2,956,501	52,759,341
2035	52,759,341	-	10,065,159	-	2,577,245	45,271,427
2036	45,271,427	-	10,368,601	-	2,164,705	37,067,531
2037	37,067,531	-	10,551,420	-	1,716,758	28,232,869
2038	28,232,869	-	10,723,900	-	1,235,030	18,743,999
2039	18,743,999	-	10,925,543	-	717,186	8,535,642
2040	8,535,642	-	11,051,994	-	-	-

*All DROP and Share Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 16.77

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.40% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Investment Rate of Return = 9.40%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2024	104,351,091	-	10,502,602	-	9,315,380	103,163,869
2025	103,163,869	-	7,737,821	-	9,333,726	104,759,774
2026	104,759,774	-	8,115,288	-	9,466,000	106,110,486
2027	106,110,486	-	8,289,654	-	9,584,772	107,405,604
2028	107,405,604	-	8,439,661	-	9,699,463	108,665,406
2029	108,665,406	-	8,628,662	-	9,809,001	109,845,745
2030	109,845,745	-	8,985,577	-	9,903,178	110,763,346
2031	110,763,346	-	9,196,752	-	9,979,507	111,546,101
2032	111,546,101	-	9,469,451	-	10,040,269	112,116,919
2033	112,116,919	-	9,710,927	-	10,082,577	112,488,569
2034	112,488,569	-	9,894,347	-	10,108,891	112,703,113
2035	112,703,113	-	10,065,159	-	10,121,030	112,758,984
2036	112,758,984	-	10,368,601	-	10,112,020	112,502,403
2037	112,502,403	-	10,551,420	-	10,079,309	112,030,292
2038	112,030,292	-	10,723,900	-	10,026,824	111,333,216
2039	111,333,216	-	10,925,543	-	9,951,822	110,359,495
2040	110,359,495	-	11,051,994	-	9,854,349	109,161,850
2041	109,161,850	-	11,139,190	-	9,737,672	107,760,332
2042	107,760,332	-	11,230,961	-	9,601,616	106,130,987
2043	106,130,987	-	11,280,777	-	9,446,116	104,296,326
2044	104,296,326	-	11,316,773	-	9,271,966	102,251,519
2045	102,251,519	-	11,276,061	-	9,081,668	100,057,126
2046	100,057,126	-	11,266,632	-	8,875,838	97,666,332
2047	97,666,332	-	11,192,671	-	8,654,580	95,128,241
2048	95,128,241	-	11,104,210	-	8,420,157	92,444,188
2049	92,444,188	-	10,945,036	-	8,175,337	89,674,489
2050	89,674,489	-	10,760,364	-	7,923,665	86,837,790
2051	86,837,790	-	10,533,659	-	7,667,670	83,971,801
2052	83,971,801	-	10,276,092	-	7,410,373	81,106,082
2053	81,106,082	-	9,971,124	-	7,155,329	78,290,287
2054	78,290,287	-	9,647,406	-	6,905,859	75,548,740
2055	75,548,740	-	9,301,694	-	6,664,402	72,911,448
2056	72,911,448	-	8,912,926	-	6,434,769	70,433,291
2057	70,433,291	-	8,514,681	-	6,220,539	68,139,149
2058	68,139,149	-	8,095,586	-	6,024,587	66,068,150
2059	66,068,150	-	7,670,771	-	5,849,880	64,247,259
2060	64,247,259	-	7,236,784	-	5,699,113	62,709,588
2061	62,709,588	-	6,802,812	-	5,574,969	61,481,745
2062	61,481,745	-	6,376,357	-	5,479,595	60,584,983
2063	60,584,983	-	5,960,091	-	5,414,864	60,039,756
2064	60,039,756	-	5,555,470	-	5,382,630	59,866,916
2065	59,866,916	-	5,168,778	-	5,384,558	60,082,696
2066	60,082,696	-	4,799,061	-	5,422,218	60,705,853
2067	60,705,853	-	4,445,820	-	5,497,397	61,757,430
2068	61,757,430	-	4,108,520	-	5,612,098	63,261,008
2069	63,261,008	-	3,787,224	-	5,768,535	65,242,319
2070	65,242,319	-	3,480,403	-	5,969,199	67,731,115
2071	67,731,115	-	3,187,255	-	6,216,924	70,760,784
2072	70,760,784	-	2,907,337	-	6,514,869	74,368,316
2073	74,368,316	-	2,640,615	-	6,866,513	78,594,214
2074	78,594,214	-	2,387,379	-	7,275,649	83,482,484

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Investment Rate of Return = 9.40%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2075	83,482,484	-	2,148,158	-	7,746,390	89,080,716
2076	89,080,716	-	1,923,646	-	8,283,176	95,440,246
2077	95,440,246	-	1,714,468	-	8,890,803	102,616,581
2078	102,616,581	-	1,521,111	-	9,574,466	110,669,936
2079	110,669,936	-	1,343,790	-	10,339,816	119,665,962
2080	119,665,962	-	1,182,323	-	11,193,031	129,676,670
2081	129,676,670	-	1,036,150	-	12,140,908	140,781,428
2082	140,781,428	-	904,506	-	13,190,942	153,067,864
2083	153,067,864	-	786,495	-	14,351,414	166,632,783
2084	166,632,783	-	681,163	-	15,631,467	181,583,087
2085	181,583,087	-	587,455	-	17,041,200	198,036,832
2086	198,036,832	-	504,348	-	18,591,758	216,124,242
2087	216,124,242	-	430,839	-	20,295,429	235,988,832
2088	235,988,832	-	366,105	-	22,165,743	257,788,470
2089	257,788,470	-	309,350	-	24,217,577	281,696,697
2090	281,696,697	-	259,799	-	26,467,279	307,904,177
2091	307,904,177	-	216,779	-	28,932,804	336,620,202
2092	336,620,202	-	179,685	-	31,633,854	368,074,371
2093	368,074,371	-	147,922	-	34,592,039	402,518,488
2094	402,518,488	-	120,917	-	37,831,055	440,228,626
2095	440,228,626	-	98,133	-	41,376,879	481,507,372
2096	481,507,372	-	79,068	-	45,257,977	526,686,281
2097	526,686,281	-	63,234	-	49,505,538	576,128,585
2098	576,128,585	-	50,182	-	54,153,728	630,232,131
2099	630,232,131	-	39,510	-	59,239,963	689,432,584
2100	689,432,584	-	30,847	-	64,805,213	754,206,950
2101	754,206,950	-	23,866	-	70,894,332	825,077,416
2102	825,077,416	-	18,283	-	77,556,418	902,615,551
2103	902,615,551	-	13,859	-	84,845,210	987,446,902
2104	987,446,902	-	10,383	-	92,819,521	1,080,256,040
2105	1,080,256,040	-	7,679	-	101,543,707	1,181,792,068
2106	1,181,792,068	-	5,600	-	111,088,191	1,292,874,659
2107	1,292,874,659	-	4,021	-	121,530,029	1,414,400,667
2108	1,414,400,667	-	2,839	-	132,953,529	1,547,351,357
2109	1,547,351,357	-	1,970	-	145,450,935	1,692,800,322
2110	1,692,800,322	-	1,340	-	159,123,167	1,851,922,149
2111	1,851,922,149	-	892	-	174,080,640	2,026,001,897
2112	2,026,001,897	-	580	-	190,444,151	2,216,445,468
2113	2,216,445,468	-	368	-	208,345,857	2,424,790,957
2114	2,424,790,957	-	228	-	227,930,339	2,652,721,068
2115	2,652,721,068	-	137	-	249,355,774	2,902,076,705
2116	2,902,076,705	-	80	-	272,795,207	3,174,871,832
2117	3,174,871,832	-	45	-	298,437,950	3,473,309,737
2118	3,473,309,737	-	25	-	326,491,114	3,799,800,826

*All DROP and Share Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 9.40% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

**ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2026**

Valuation Date: 10/1/2024

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.40%	5.40%	9.40%
Minimum Required Contribution (Fixed \$)	\$7,252,911	\$11,373,761	\$3,962,090
Minimum Required Contribution (% of Payroll)	78.9%	123.6%	43.1%
Expected Member Contribution	835,790	827,730	843,850
Expected State Money	972,052	972,052	972,052
Expected Sponsor Contribution (Fixed \$)	\$5,445,069	\$9,573,979	\$2,146,188
Expected Sponsor Contribution (% of Payroll)	59.0%	103.7%	23.2%

ASSETS

Actuarial Value ¹	105,085,199	105,085,199	105,085,199
Market Value ¹	104,351,091	104,351,091	104,351,091

LIABILITIES

Present Value of Benefits

Actives

Retirement Benefits	63,190,785	97,221,108	43,822,790
Disability Benefits	3,415,738	4,897,915	2,497,409
Death Benefits	928,381	1,443,207	642,984
Vested Benefits	1,769,573	3,228,536	1,027,814
Refund of Contributions	229,561	243,172	217,392

Service Retirees	80,421,041	100,714,026	66,303,861
DROP Retirees ¹	5,532,535	6,350,893	5,002,458
Beneficiaries	2,982,200	3,755,015	2,455,923
Disability Retirees	4,372,167	5,393,009	3,657,664
Terminated Vested	80,654	94,872	71,477
Share Plan Balances ¹	265,543	265,543	265,543

Total:	163,188,178	223,607,296	125,965,315
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Present Value of Future Salaries	78,470,392	89,165,568	69,968,051
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Present Value of Future Member Contributions	6,874,006	7,810,904	6,129,201
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Total Normal Cost	2,469,528	4,071,822	1,564,996
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Present Value of Future Normal Costs (Entry Age Normal)	21,294,502	40,014,772	11,977,719
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Total Actuarial Accrued Liability (EAN) ¹	141,893,676	183,592,524	113,987,596
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Unfunded Actuarial Accrued Liability (UAAL)	36,808,477	78,507,325	8,902,397
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ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2026

	Valuation Date: 10/1/2024		
	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.40%	5.40%	9.40%
<u>PENSION COST</u>			
Normal Cost ²	2,685,104	4,384,577	1,718,021
Administrative Expenses ²	310,461	307,467	313,454
Payment Required To Amortize UAAL ²	<u>4,257,346</u>	<u>6,681,717</u>	<u>1,930,615</u>
Minimum Required Contribution	\$7,252,911	\$11,373,761	\$3,962,090

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2024.

² Contributions developed as of 10/1/2024 displayed above have been adjusted to account for assumed salary increase and interest components.