

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

**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 (Police Officers)
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	2,433,603	4,165,003	1,499,357
Interest	11,757,741	11,357,733	11,792,609
Share Plan Allocation	480,806	480,806	480,806
Changes of Benefit Terms	954,440	1,154,125	797,485
Experience Gains/Losses	4,805,375	6,987,206	3,424,943
Changes of Assumptions	2,090,633	3,245,673	1,414,009
Benefit Payments	(7,720,488)	(7,720,488)	(7,720,488)
Net Change in Total Pension Liability	14,802,110	19,670,058	11,688,721
Total Pension Liability - Beginning	158,196,519	206,199,482	126,493,611
Total Pension Liability - Ending (a)	\$ 172,998,629	\$ 225,869,540	\$ 138,182,332
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	2,839,651	2,839,651	2,839,651
Contributions - State	1,482,346	1,482,346	1,482,346
Contributions - Employee	990,647	990,647	990,647
Net Investment Income	21,872,194	21,872,194	21,872,194
Benefit Payments	(7,720,488)	(7,720,488)	(7,720,488)
Administrative Expense	(361,621)	(361,621)	(361,621)
Net Change in Plan Fiduciary Net Position	19,102,729	19,102,729	19,102,729
Plan Fiduciary Net Position - Beginning	118,421,083	118,421,083	118,421,083
Plan Fiduciary Net Position - Ending (b)	\$ 137,523,812	\$ 137,523,812	\$ 137,523,812
Net Pension Liability - Ending (a) - (b)	\$ 35,474,817	\$ 88,345,728	\$ 658,520

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	137,292,648	-	13,838,611	-	9,647,627	133,101,664
2025	133,101,664	-	8,518,746	-	9,534,330	134,117,248
2026	134,117,248	-	9,149,014	-	9,586,163	134,554,397
2027	134,554,397	-	9,809,725	-	9,594,066	134,338,738
2028	134,338,738	-	10,250,193	-	9,561,809	133,650,354
2029	133,650,354	-	10,619,571	-	9,497,202	132,527,985
2030	132,527,985	-	10,902,424	-	9,403,681	131,029,242
2031	131,029,242	-	11,134,592	-	9,284,184	129,178,834
2032	129,178,834	-	11,435,042	-	9,136,137	126,879,929
2033	126,879,929	-	11,680,931	-	8,956,920	124,155,918
2034	124,155,918	-	11,910,657	-	8,746,844	120,992,105
2035	120,992,105	-	12,146,016	-	8,504,013	117,350,102
2036	117,350,102	-	12,309,216	-	8,228,467	113,269,353
2037	113,269,353	-	12,503,075	-	7,919,318	108,685,596
2038	108,685,596	-	12,682,176	-	7,573,494	103,576,914
2039	103,576,914	-	12,901,331	-	7,187,342	97,862,925
2040	97,862,925	-	13,103,824	-	6,757,015	91,516,116
2041	91,516,116	-	13,247,192	-	6,282,046	84,550,970
2042	84,550,970	-	13,373,287	-	5,761,960	76,939,643
2043	76,939,643	-	13,488,791	-	5,194,448	68,645,300
2044	68,645,300	-	13,560,454	-	4,578,015	59,662,861
2045	59,662,861	-	13,615,557	-	3,911,276	49,958,580
2046	49,958,580	-	13,613,478	-	3,193,236	39,538,338
2047	39,538,338	-	13,547,546	-	2,424,578	28,415,370
2048	28,415,370	-	13,456,786	-	1,604,836	16,563,420
2049	16,563,420	-	13,332,247	-	732,400	3,963,573
2050	3,963,573	-	13,133,367	-	-	-

*All DROP and Share Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 26.30

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	137,292,648	-	13,838,611	-	7,040,160	130,494,197
2025	130,494,197	-	8,518,746	-	6,816,680	128,792,131
2026	128,792,131	-	9,149,014	-	6,707,752	126,350,869
2027	126,350,869	-	9,809,725	-	6,558,084	123,099,228
2028	123,099,228	-	10,250,193	-	6,370,603	119,219,638
2029	119,219,638	-	10,619,571	-	6,151,132	114,751,199
2030	114,751,199	-	10,902,424	-	5,902,199	109,750,974
2031	109,750,974	-	11,134,592	-	5,625,919	104,242,301
2032	104,242,301	-	11,435,042	-	5,320,338	98,127,597
2033	98,127,597	-	11,680,931	-	4,983,505	91,430,171
2034	91,430,171	-	11,910,657	-	4,615,641	84,135,155
2035	84,135,155	-	12,146,016	-	4,215,356	76,204,495
2036	76,204,495	-	12,309,216	-	3,782,694	67,677,973
2037	67,677,973	-	12,503,075	-	3,317,028	58,491,926
2038	58,491,926	-	12,682,176	-	2,816,145	48,625,895
2039	48,625,895	-	12,901,331	-	2,277,462	38,002,026
2040	38,002,026	-	13,103,824	-	1,698,306	26,596,508
2041	26,596,508	-	13,247,192	-	1,078,537	14,427,853
2042	14,427,853	-	13,373,287	-	418,025	1,472,591
2043	1,472,591	-	13,488,791	-	-	-

*All DROP and Share Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 19.11

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	137,292,648	-	13,838,611	-	12,255,094	135,709,131
2025	135,709,131	-	8,518,746	-	12,356,277	139,546,662
2026	139,546,662	-	9,149,014	-	12,687,383	143,085,031
2027	143,085,031	-	9,809,725	-	12,988,936	146,264,242
2028	146,264,242	-	10,250,193	-	13,267,080	149,281,129
2029	149,281,129	-	10,619,571	-	13,533,306	152,194,864
2030	152,194,864	-	10,902,424	-	13,793,903	155,086,343
2031	155,086,343	-	11,134,592	-	14,054,790	158,006,541
2032	158,006,541	-	11,435,042	-	14,315,168	160,886,667
2033	160,886,667	-	11,680,931	-	14,574,343	163,780,079
2034	163,780,079	-	11,910,657	-	14,835,527	166,704,949
2035	166,704,949	-	12,146,016	-	15,099,402	169,658,335
2036	169,658,335	-	12,309,216	-	15,369,350	172,718,469
2037	172,718,469	-	12,503,075	-	15,647,892	175,863,286
2038	175,863,286	-	12,682,176	-	15,935,087	179,116,197
2039	179,116,197	-	12,901,331	-	16,230,560	182,445,426
2040	182,445,426	-	13,103,824	-	16,533,990	185,875,592
2041	185,875,592	-	13,247,192	-	16,849,688	189,478,088
2042	189,478,088	-	13,373,287	-	17,182,396	193,287,197
2043	193,287,197	-	13,488,791	-	17,535,023	197,333,429
2044	197,333,429	-	13,560,454	-	17,912,001	201,684,976
2045	201,684,976	-	13,615,557	-	18,318,457	206,387,876
2046	206,387,876	-	13,613,478	-	18,760,627	211,535,025
2047	211,535,025	-	13,547,546	-	19,247,558	217,235,037
2048	217,235,037	-	13,456,786	-	19,787,625	223,565,876
2049	223,565,876	-	13,332,247	-	20,388,577	230,622,206
2050	230,622,206	-	13,133,367	-	21,061,219	238,550,058
2051	238,550,058	-	12,875,068	-	21,818,577	247,493,567
2052	247,493,567	-	12,595,481	-	22,672,408	257,570,494
2053	257,570,494	-	12,260,202	-	23,635,397	268,945,689
2054	268,945,689	-	11,894,035	-	24,721,875	281,773,529
2055	281,773,529	-	11,492,024	-	25,946,587	296,228,092
2056	296,228,092	-	11,059,271	-	27,325,655	312,494,476
2057	312,494,476	-	10,608,064	-	28,875,902	330,762,314
2058	330,762,314	-	10,137,637	-	30,615,189	351,239,866
2059	351,239,866	-	9,636,018	-	32,563,655	374,167,503
2060	374,167,503	-	9,147,113	-	34,741,831	399,762,221
2061	399,762,221	-	8,651,622	-	37,171,023	428,281,622
2062	428,281,622	-	8,141,486	-	39,875,823	460,015,959
2063	460,015,959	-	7,644,616	-	42,882,203	495,253,546
2064	495,253,546	-	7,150,356	-	46,217,767	534,320,957
2065	534,320,957	-	6,669,419	-	49,912,707	577,564,245
2066	577,564,245	-	6,201,183	-	53,999,583	625,362,645
2067	625,362,645	-	5,748,279	-	58,513,920	678,128,286
2068	678,128,286	-	5,312,952	-	63,494,350	736,309,684
2069	736,309,684	-	4,896,666	-	68,982,967	800,395,985
2070	800,395,985	-	4,501,097	-	75,025,671	870,920,559
2071	870,920,559	-	4,127,288	-	81,672,550	948,465,821
2072	948,465,821	-	3,775,606	-	88,978,334	1,033,668,549
2073	1,033,668,549	-	3,445,932	-	97,002,885	1,127,225,502
2074	1,127,225,502	-	3,137,898	-	105,811,716	1,229,899,320

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	1,229,899,320	-	2,851,018	-	115,476,538	1,342,524,840
2076	1,342,524,840	-	2,584,692	-	126,075,854	1,466,016,002
2077	1,466,016,002	-	2,337,980	-	137,695,619	1,601,373,641
2078	1,601,373,641	-	2,109,534	-	150,429,974	1,749,694,081
2079	1,749,694,081	-	1,898,235	-	164,382,027	1,912,177,873
2080	1,912,177,873	-	1,703,076	-	179,664,675	2,090,139,472
2081	2,090,139,472	-	1,523,190	-	196,401,520	2,285,017,802
2082	2,285,017,802	-	1,357,704	-	214,727,861	2,498,387,959
2083	2,498,387,959	-	1,205,564	-	234,791,807	2,731,974,202
2084	2,731,974,202	-	1,065,808	-	256,755,482	2,987,663,876
2085	2,987,663,876	-	937,734	-	280,796,331	3,267,522,473
2086	3,267,522,473	-	820,698	-	307,108,540	3,573,810,315
2087	3,573,810,315	-	714,032	-	335,904,610	3,909,000,893
2088	3,909,000,893	-	617,119	-	367,417,079	4,275,800,853
2089	4,275,800,853	-	529,474	-	401,900,395	4,677,171,774
2090	4,677,171,774	-	450,640	-	439,632,967	5,116,354,101
2091	5,116,354,101	-	380,197	-	480,919,416	5,596,893,320
2092	5,596,893,320	-	317,711	-	526,093,040	6,122,668,649
2093	6,122,668,649	-	262,723	-	575,518,505	6,697,924,431
2094	6,697,924,431	-	214,806	-	629,594,801	7,327,304,426
2095	7,327,304,426	-	173,466	-	688,758,463	8,015,889,423
2096	8,015,889,423	-	138,216	-	753,487,110	8,769,238,317
2097	8,769,238,317	-	108,552	-	824,303,300	9,593,433,065
2098	9,593,433,065	-	83,948	-	901,778,763	10,495,127,880
2099	10,495,127,880	-	63,853	-	986,539,020	11,481,603,047
2100	11,481,603,047	-	47,712	-	1,079,268,444	12,560,823,779
2101	12,560,823,779	-	34,979	-	1,180,715,791	13,741,504,591
2102	13,741,504,591	-	25,131	-	1,291,700,250	15,033,179,710
2103	15,033,179,710	-	17,675	-	1,413,118,062	16,446,280,097
2104	16,446,280,097	-	12,154	-	1,545,949,758	17,992,217,701
2105	17,992,217,701	-	8,161	-	1,691,268,080	19,683,477,620
2106	19,683,477,620	-	5,342	-	1,850,246,645	21,533,718,923
2107	21,533,718,923	-	3,405	-	2,024,169,419	23,557,884,937
2108	23,557,884,937	-	2,116	-	2,214,441,085	25,772,323,906
2109	25,772,323,906	-	1,283	-	2,422,598,387	28,194,921,010
2110	28,194,921,010	-	757	-	2,650,322,539	30,845,242,792
2111	30,845,242,792	-	435	-	2,899,452,802	33,744,695,159
2112	33,744,695,159	-	244	-	3,172,001,333	36,916,696,248
2113	36,916,696,248	-	132	-	3,470,169,441	40,386,865,557
2114	40,386,865,557	-	70	-	3,796,365,359	44,183,230,846
2115	44,183,230,846	-	37	-	4,153,223,698	48,336,454,507
2116	48,336,454,507	-	18	-	4,543,626,723	52,880,081,212
2117	52,880,081,212	-	7	-	4,970,727,634	57,850,808,839
2118	57,850,808,839	-	3	-	5,437,976,031	63,288,784,867

*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 \$)	\$7,656,446	\$12,964,316	\$3,466,402
Minimum Required Contribution (% of Payroll)	63.4%	107.3%	28.8%
Expected Member Contribution	1,096,518	1,085,944	1,107,092
Expected State Money	1,001,540	1,001,540	1,001,540
Expected Sponsor Contribution (Fixed \$)	\$5,558,388	\$10,876,832	\$1,357,770
Expected Sponsor Contribution (% of Payroll)	45.9%	89.8%	11.3%

ASSETS

Actuarial Value ¹	137,096,801	137,096,801	137,096,801
Market Value ¹	137,292,648	137,292,648	137,292,648

LIABILITIES

Present Value of Benefits

Actives

Retirement Benefits	64,635,803	100,497,498	44,442,850
Disability Benefits	3,602,010	5,207,063	2,625,555
Death Benefits	268,781	461,848	169,785
Vested Benefits	4,556,780	8,548,085	2,581,718
Refund of Contributions	147,209	151,236	143,427
Service Retirees	98,783,155	124,941,922	80,821,929
DROP Retirees ¹	7,832,705	9,318,015	6,924,982
Beneficiaries	2,570,457	3,038,349	2,215,990
Disability Retirees	6,378,690	8,136,940	5,204,584
Terminated Vested	3,124,810	4,300,576	2,397,920
Share Plan Balances ¹	1,840,170	1,840,170	1,840,170
Total:	193,740,570	266,441,702	149,368,910

Present Value of Future Salaries	85,242,426	95,504,592	76,984,855
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Present Value of Future Member Contributions	7,467,237	8,366,202	6,743,873
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Total Normal Cost	2,532,683	4,397,358	1,534,458
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Present Value of Future Normal Costs (Entry Age Normal)	18,390,741	36,168,243	9,943,314
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Total Actuarial Accrued Liability (EAN) ¹	175,349,829	230,273,459	139,425,596
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Unfunded Actuarial Accrued Liability (UAAL)	38,253,028	93,176,658	2,328,795
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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	2,753,510	4,734,665	1,684,336
Administrative Expenses ²	395,257	391,445	399,068
Payment Required To Amortize UAAL ²	<u>4,507,679</u>	<u>7,838,206</u>	<u>1,382,998</u>
Minimum Required Contribution	\$7,656,446	\$12,964,316	\$3,466,402

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.