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

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2024

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2026

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

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April 1, 2025

Board of Trustees
City of Palm Bay Police & Firefighters' Pension Fund
Conlan Professional Center
1501 Robert J. Conlan Blvd. NE Suite 260
Palm Bay, FL 32905-3567

Re: City of Palm Bay Police and Firefighters' Pension Fund (Police Officers)

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Palm Bay Police and Firefighters' Pension Fund (Police Officers). The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapters 112 and 185, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

The funding percentages and unfunded accrued liability as measured based on the actuarial value of assets will differ from similar measures based on the market value of assets. These measures, as provided, are appropriate for determining the adequacy of future contributions, but may not be appropriate for the purpose of settling a portion or all of its liabilities. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the City of Palm Bay, financial reports prepared by the custodian bank, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

Additionally, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models that apply the funding rules to generate the results. All internally developed models are reviewed as part of the valuation process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

In our opinion, the Minimum Required Contribution set forth in this report constitutes a reasonable actuarially determined contribution under Actuarial Standard of Practice No. 4.

The undersigned are familiar with the immediate and long-term aspects of pension valuations, and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Palm Bay, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Police and Firefighters' Pension Fund (Police Officers). Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By: ______________________
Bradley R. Heinrichs, FSA, EA, MAAA
Enrolled Actuary #23-6901

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

PTD/lke

Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Palm Bay Police and Firefighters' Pension Fund (Police Officers), performed as of October 1, 2024, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ending September 30, 2026.

The contribution requirements, compared with those set forth in the July 25, 2024 actuarial impact statement, are as follows:

Valuation Date	10/1/2024	10/1/2023
Applicable to Fiscal Year Ending	9/30/2026	9/30/2025
Minimum Required Contribution	$7,656,446	$6,413,435
Member Contributions (Est.)	1,096,518	1,037,849
City And State Required Contribution	**6,559,928**	**5,375,586**
State Contribution (Est.) [1]	1,001,540	1,001,540
City Required Contribution (Est.) [2]	$5,558,388	$4,374,046

[1] Based on mutual consent, the City can use $520,734.08 plus 50% of the State Monies received in excess of that amount to offset their required contribution. The amount shown above is based upon the State Monies received during calendar 2024.

[2] Please note that the City has access to a prepaid contribution of $231,163.28 that is available to offset a portion of the above stated requirements for the fiscal year ending September 30, 2025.

As you can see, the Minimum Required Contribution shows an increase when compared to the results set forth in the July 25, 2024 actuarial impact statement. The increase is attributable to unfavorable actuarial experience as described in the next paragraph, an increase in the projected annual payroll and a reduction in the investment return assumption.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an investment return of 4.59% (Actuarial Asset Basis) which fell short of the 7.50% assumption and an average salary increase of 9.85% which exceeded the 4.77% assumption. These losses were offset in part by gains associated with inactive mortality experience and favorable turnover experience.

CHANGES SINCE PRIOR VALUATION

Plan Changes

Ordinance No. 2024- 47 was adopted on September 19, 2024. This ordinance provided an increase in current $35 per month per year of service supplemental benefit to $45 per month per year of service and it is payable until the member is age eligible to receive Medicare coverage under the Federal Guidelines, effective for members who terminate employment or enter DROP on or after October 1, 2024. For the eligible members, the $45 per month per year of service will apply to all years of service not just service after October 1, 2024. The impact of this change on funding requirements is outlined in our Actuarial Impact Statement dated July 25, 2024.

Actuarial Assumption/Method Changes

As approved by its October 4, 2024 Board meeting, the investment rate of return assumption was reduced from 7.5% to 7.4% in conjunction with 10/1/2024 valuation.

There have been no method changes since the prior valuation.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Assump 10/1/2024	Old Assump 10/1/2024	10/1/2023
A. Participant Data			
Actives	161	161	162
Service Retirees	99	99	92
DROP Retirees	3	3	6
Beneficiaries	5	5	7
Disability Retirees	15	15	14
Terminated Vested	33	33	27
Total	316	316	308
Projected Annual Payroll	11,513,461	11,513,461	10,894,262
Annual Rate of Payments to:			
Service Retirees	6,703,787	6,703,787	6,195,575
DROP Retirees	219,496	219,496	448,700
Beneficiaries	233,053	233,053	337,125
Disability Retirees	444,453	444,453	397,142
Terminated Vested	308,919	308,919	168,687
B. Assets			
Actuarial Value (AVA) [1]	137,096,801	137,096,801	133,859,183
Market Value (MVA) [1]	137,292,648	137,292,648	118,267,799
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	64,635,803	63,343,550	60,209,041
Disability Benefits	3,602,010	3,541,422	3,496,119
Death Benefits	268,781	262,195	271,544
Vested Benefits	4,556,780	4,423,103	4,021,671
Refund of Contributions	147,209	147,014	150,518
Service Retirees	98,783,155	97,723,040	90,252,668
DROP Retirees [1]	7,832,705	7,776,538	11,006,605
Beneficiaries	2,570,457	2,550,377	2,969,394
Disability Retirees	6,378,690	6,308,697	5,702,947
Terminated Vested	3,124,810	3,080,035	1,725,305
Share Plan Balances [1]	1,840,170	1,840,170	1,307,621
Total	193,740,570	190,996,141	181,113,433

C. Liabilities - (Continued)	New Assump 10/1/2024	Old Assump 10/1/2024	10/1/2023
Present Value of Future Salaries	85,242,426	84,786,658	80,247,448
Present Value of Future Member Contributions	7,467,237	7,427,311	7,029,676
Normal Cost (Retirement)	1,917,720	1,865,905	1,793,741
Normal Cost (Disability)	271,399	267,071	260,217
Normal Cost (Death)	12,692	12,337	12,185
Normal Cost (Vesting)	292,880	283,894	266,168
Normal Cost (Refunds)	37,992	37,962	40,358
Total Normal Cost	2,532,683	2,467,169	2,372,669
Present Value of Future Normal Costs	18,390,741	17,809,058	16,975,071
Accrued Liability (Retirement)	50,262,472	49,440,779	46,960,122
Accrued Liability (Disability)	1,684,077	1,664,379	1,669,574
Accrued Liability (Death)	184,926	181,223	193,613
Accrued Liability (Vesting)	2,648,930	2,582,402	2,318,749
Accrued Liability (Refunds)	39,437	39,443	31,764
Accrued Liability (Inactives) [1]	118,689,817	117,438,687	111,656,919
Share Plan Balances [1]	1,840,170	1,840,170	1,307,621
Total Actuarial Accrued Liability (EAN AL)	175,349,829	173,187,083	164,138,362
Unfunded Actuarial Accrued Liability (UAAL)	38,253,028	36,090,282	30,279,179
Funded Ratio (AVA / EAN AL)	78.2%	79.2%	81.6%

D. Actuarial Present Value of Accrued Benefits	New Assump 10/1/2024	Old Assump 10/1/2024	10/1/2023
Vested Accrued Benefits			
Inactives + Share Plan Balances [1]	120,529,987	119,278,857	112,964,540
Actives	24,305,318	23,813,898	21,320,310
Member Contributions	6,508,467	6,508,467	6,376,446
Total	151,343,772	149,601,222	140,661,296
Non-vested Accrued Benefits	3,417,184	3,364,128	3,713,927
Total Present Value Accrued Benefits (PVAB)	154,760,956	152,965,350	144,375,223
Funded Ratio (MVA / PVAB)	88.7%	89.8%	81.9%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	1,795,606	0	
Plan Experience	0	5,771,992	
Benefits Paid	0	(7,720,488)	
Interest	0	10,538,623	
Other	0	0	
Total	1,795,606	8,590,127	

	New Assump	Old Assump	
Valuation Date	10/1/2024	10/1/2024	10/1/2023
Applicable to Fiscal Year Ending	9/30/2026	9/30/2026	9/30/2025
E. Pension Cost			
Normal Cost [2]	$2,753,510	$2,683,577	$2,580,295
Administrative Expenses [2]	395,257	395,447	355,773
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 25 years (as of 10/1/2024) [2]	4,507,679	4,284,725	3,477,367
Minimum Required Contribution	7,656,446	7,363,749	6,413,435
Expected Member Contributions [2]	1,096,518	1,097,047	1,037,849
Expected City and State Contribution	6,559,928	6,266,702	5,375,586
F. Past Contributions			
Plan Years Ending:	9/30/2024		
City and State Requirement	3,763,311		
Actual Contributions Made:			
City	2,761,771		
State	1,001,540		
Total	3,763,311		
G. Net Actuarial (Gain)/Loss	5,555,854		

[1] The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2024 and 9/30/2023.

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

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

Year	Projected Unfunded Actuarial Accrued Liability
2024	38,253,028
2025	36,630,765
2026	34,888,453
2032	21,367,276
2038	2,140,261
2043	354,955
2049	0

I. (i) 5 Year Comparison of Actual and Assumed Salary Increases

		Actual	Assumed
Year Ended	9/30/2024	9.85%	4.77%
Year Ended	9/30/2023	9.26%	4.70%
Year Ended	9/30/2022	13.03%	4.71%
Year Ended	9/30/2021	8.93%	4.66%
Year Ended	9/30/2020	3.57%	5.45%

(ii) 5 Year Comparison of Investment Return on Market Value and Actuarial Value

		Market Value	Actuarial Value	Assumed
Year Ended	9/30/2024	18.69%	4.59%	7.50%
Year Ended	9/30/2023	8.02%	2.76%	7.50%
Year Ended	9/30/2022	-19.98%	4.02%	7.65%
Year Ended	9/30/2021	20.09%	11.65%	7.65%
Year Ended	9/30/2020	12.29%	9.13%	7.75%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2024	$11,513,461
	10/1/2014	6,991,512
(b) Total Increase		64.68%
(c) Number of Years		10.00
(d) Average Annual Rate		5.11%

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation was 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, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

Patrick T. Donlan

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

Please let us know when the report is approved by the Board and unless otherwise directed we will provide copies of the report to the following offices to comply with Chapter 112, Florida Statutes:

Mr. Keith Brinkman
Bureau of Local
Retirement Systems
Post Office Box 9000
Tallahassee, FL 32315-9000

Mr. Steve Bardin
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
Post Office Box 3010
Tallahassee, FL 32315-3010

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2023	$30,279,179
(2)	Sponsor Normal Cost developed as of October 1, 2023	1,418,332
(3)	Expected administrative expenses for the year ended September 30, 2024	327,145
(4)	Expected interest on (1), (2) and (3)	2,389,581
(5)	Sponsor contributions to the System during the year ended September 30, 2024	3,763,311
(6)	Expected interest on (5)	116,498
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2024 (1)+(2)+(3)+(4)-(5)-(6)	30,534,428
(8)	Change to UAAL due to Assumption Change	2,162,746
(9)	Change to UAAL due to Actuarial (Gain)/Loss	5,555,854
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2024	38,253,028

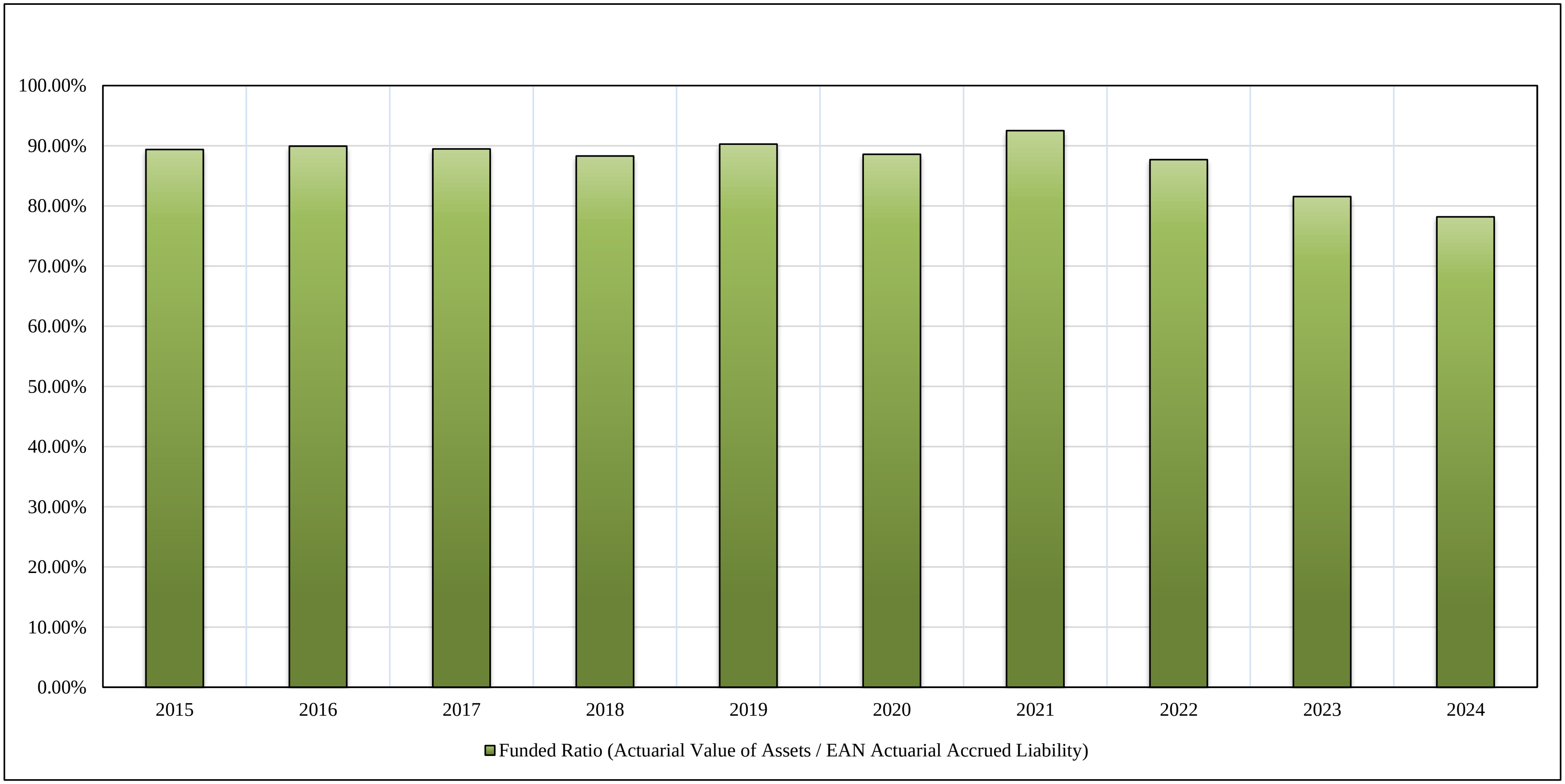
Type of Base	Date Established	Years Remaining	10/1/2024 Amount	Amortization Amount
Improvement	10/1/2003	9	24,940	3,625
Improvement	10/1/2005	11	332,581	42,123
Improvement	10/1/2006	12	41,693	4,992
Gain	10/1/2007	13	(749,019)	(85,348)
Loss	10/1/2008	14	3,986,334	434,648
Loss	10/1/2009	15	5,419,715	568,135
Loss	10/1/2010	16	1,553,092	157,161
Method	10/1/2010	16	(3,641,596)	(368,500)
Benefit	10/1/2010	16	3,503	354
Loss	10/1/2011	17	1,453,526	142,484
Assump	10/1/2011	17	4,962,060	486,414
Gain	10/1/2012	18	(633,934)	(60,384)
Gain	10/1/2013	19	(703,434)	(65,283)
Gain	10/1/2014	20	(3,644,102)	(330,302)
Gain	10/1/2015	21	(2,746,636)	(243,658)
Assump	10/1/2015	21	3,810,797	338,062
Loss	10/1/2016	22	68,094	5,923
Loss	10/1/2017	23	1,207,948	103,211
Loss	10/1/2018	24	2,334,637	196,232
Gain	10/1/2019	25	(1,769,098)	(146,478)
Benefits Change	10/1/2020	11	683,723	86,596
Actuarial Gain	10/1/2020	11	(612,354)	(77,557)
Asmp/Mthd Change	10/1/2020	11	3,394,190	429,887
Actuarial Gain	10/1/2021	12	(4,529,542)	(542,361)
Actuarial Loss	10/1/2022	13	6,303,334	718,239

Type of Base	Date Established	Years Remaining	10/1/2024 Amount	Amortization Amount
Assump Change	10/1/2022	13	2,870,669	327,101
Actuarial Loss	10/1/2023	14	10,246,551	1,117,228
Benefits Change	10/1/2023	14	866,756	94,506
Actuarial Loss	10/1/2024	15	5,555,854	582,406
Assump Change	10/1/2024	15	2,162,746	226,715
			38,253,028	4,146,171

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1)	Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2023	$30,279,179
(2)	Expected UAAL as of October 1, 2024	30,534,428
(3)	Summary of Actuarial (Gain)/Loss, by component:	
	Investment Return (Actuarial Asset Basis)	3,862,117
	Salary Increases	1,874,559
	Active Decrements	(550,584)
	Inactive Mortality	(858,549)
	Interest Crediting on Share Plan Balances	126,371
	New entrants / rehires with prior military or law enforcement service	752,728
	Vested Terminated Member who was granted a disablity retirement	270,004
	Other	79,208
	Increase in UAAL due to (Gain)/Loss	5,555,854
	Assumption Changes	2,162,746
(4)	Actual UAAL as of October 1, 2024	$38,253,028

HISTORY OF FUNDING PROGRESS



ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate	*Healthy Active Lives:* **Female:** PubS.H-2010 (Below Median) for Employees, set forward one year. **Male:** PubS.H-2010 (Below Median) for Employees, set forward one year. *Healthy Retiree Lives:* **Female:** PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year. **Male:** PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year. *Beneficiary Lives:* **Female:** PubG.H-2010 (Above Median) for Healthy Retirees. **Male:** PubG.H-2010 (Above Median) for Healthy Retirees, set back one year. *Disabled Lives:* 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees. All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements. The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2023 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.
Interest Rate	7.40% (prior year 7.50%) per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.
Salary Increase – Individual	See table later in this section. This assumption was adopted based on the July 7, 2020 experience study.

Payroll Growth	0.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.
Administrative Expenses	$363,558 annually, based on the average of actual expenses incurred in the prior two fiscal years.
Amortization Method	New UAAL amortization bases are amortized over 15 years. The amortization payment is subject to a minimum based on a 30-year amortization of the UAAL, if the UAAL is positive, in order to comply with Actuarial Standard of Practice No. 4. Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.
Funding Method	Entry Age Normal Actuarial Cost Method. The following loads are applied for determining the minimum required contribution: Interest - A half year, based on current 7.40% assumption. Salary - A full year, based on current 4.84% assumption.
Actuarial Value of Assets:	The market value of assets is adjusted to recognize, over a four-year period, investment earnings greater than (or less than) the assumed investment return. The Actuarial Value of Assets shall not be more than 120% nor less than 80% of the market value of assets. Details are shown in the Asset Information Section of the report.
Termination	See table later in this section. This assumption was adopted based on July 7, 2020 experience study.
Disability:	See sample rates in the table later in this section. These rates are consistent with rates used in other Police plans. 75% of disabilities are assumed to be service connected.
Service Retirement	See table later in this section. This assumption was adopted based on the July 7, 2020 experience study.
Form of Payment:	10-Year Certain and Continuous annuity.

Percentage Married At Retirement — 100% of active members are assumed married at retirement.

Spouse Ages: — For active members reaching retirement, wives are assumed to be three years younger than husbands. Where spousal information was included for retirees, that information was used. If the age of the spouse was not provided, we have assumed that all spouses are still alive, and that female spouses are three years younger than their husbands.

Assumption Tables

% Terminating During the Year	
Service	Rate
0	20.0%
1-4	10.0%
5-9	7.0%
10-14	5.0%
15+	3.5%

% Becoming Disabled During the Year	
Age	Rate
20	0.14%
25	0.15%
30	0.18%
35	0.23%
40	0.30%
45	0.51%
50	1.00%
55	1.55%
60	2.09%
65	2.09%

Salary Scale	
Age	Rate
<25	7.00%
25 -29	5.50%
30 - 34	5.25%
35 - 44	4.50%
45+	4.00%

% Retiring During the Year		
Service	Age	Rate
<10	55-59	20.0%
	60+	100.0%
10-19	50-54	5.0%
	55	75.0%
	56-57	50.0%
	58+	100.0%
20-24	45-54	5.0%
	55	75.0%
	56-57	50.0%
	58+	100.0%
25	45-55	75.0%
	56-57	50.0%
	58+	100.0%
26-27	45-57	50.0%
	58+	100.0%
28+	Any	100.0%

Low-Default-Risk Obligation Measure

Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.06% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2024. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

GLOSSARY

Actuarial Value of Assets is the asset value used in the valuation to determine contribution requirements. It represents the plan's Market Value of Assets (see below), with adjustments according to the plan's Actuarial Asset Method. These adjustments produce a "smoothed" value that is likely to be less volatile from year to year than the Market Value of Assets.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals:

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

Market Value of Assets is the fair market value of plan assets as of the valuation date. This amount may be adjusted to produce an Actuarial Value of Assets for plan funding purposes.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded. Under the Entry Age Normal cost method, it is determined for each participant as the present value of future benefits, determined as of the Member's entry age, amortized as a level percentage of compensation over the anticipated number of years of participation, determined as of the entry age.

Payroll Under Assumed Ret. Age is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members, excluding any Members who are assumed to retire with 100% probability on the valuation date.

Projected Annual Payroll is the projected annual rate of pay for the fiscal year following the fiscal year beginning on the valuation date of all covered Members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current plan participants.

Total Annual Payroll is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

Unfunded Actuarial Accrued Liability (UAAL) is the difference between the actuarial accrued liability (described above) and the Actuarial Value of Assets. Under the Entry Age Normal Actuarial Cost Method, an actuarial gain or loss, based on actual versus expected UAAL, is determined in conjunction with each valuation of the plan.

DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined using various actuarial assumptions. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.

- Salary Increases: When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.

- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, closed plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature closed plans with a substantial inactive liability. Similarly, mature closed plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled “Plan Maturity Measures and Other Risk Metrics”. Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has decreased from 150.0% on October 1, 2014 to 117.5% on October 1, 2024, indicating that the plan has been maturing during the period.

- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 67.7%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan. Please note Chapter 112, Florida Statutes, requires that the plan sponsor contributes the minimum required contribution; thus, there is minimal solvency risk to the plan.

- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has decreased from 89.4% on October 1, 2014 to 78.2% on October 1, 2024.

- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, stayed approximately the same from October 1, 2014 to October 1, 2024. The current Net Cash Flow Ratio of -2.1% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

Low Default-Risk Obligation Measure

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a “low-default-risk obligation measure” (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 10 in terms of member data, plan provisions, and assumptions/methods, under the Entry Age Normal Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.06%, resulting in an LDROM of $285,392,954. The LDROM should not be considered the “correct” liability measurement; it simply shows a possible outcome if the Board elected to hold a very low risk asset portfolio. The Board actually invests the pension plan’s contributions in a diversified portfolio of stocks and bonds and other investments with the objective of maximizing investment returns at a reasonable level of risk. Consequently, the difference between the plan’s Actuarial Accrued Liability disclosed earlier in this section and the LDROM can be thought of as representing the expected taxpayer savings from investing in the plan’s diversified portfolio compared to investing only in high quality bonds.

The actuarial valuation reports the funded status and develops contributions based on the expected return of the plan’s investment portfolio. If instead, the plan switched to investing exclusively in high quality bonds, the LDROM illustrates that reported funded status would be lower (which also implies that the Actuarially Determined Contributions would be higher), perhaps significantly. Unnecessarily high contribution requirements in the near term may not be affordable and could imperil plan sustainability and benefit security.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

PLAN MATURITY MEASURES AND OTHER RISK METRICS

	10/1/2024	10/1/2023	10/1/2019	10/1/2014
Support Ratio				
Total Actives	161	162	147	141
Total Inactives [1]	137	130	117	94
Actives / Inactives [1]	117.5%	124.6%	125.6%	150.0%
Asset Volatility Ratio				
Market Value of Assets (MVA)	137,292,648	118,267,799	113,037,996	93,476,436
Total Annual Payroll	11,587,120	10,964,971	8,177,927	7,184,543
MVA / Total Annual Payroll	1,184.9%	1,078.6%	1,382.2%	1,301.1%
Accrued Liability (AL) Ratio				
Inactive Accrued Liability	118,689,817	111,656,919	92,716,999	67,410,086
Total Accrued Liability (EAN)	175,349,829	164,138,362	126,327,441	98,097,153
Inactive AL / Total AL	67.7%	68.0%	73.4%	68.7%
Funded Ratio				
Actuarial Value of Assets (AVA)	137,096,801	133,859,183	114,043,091	87,739,514
Total Accrued Liability (EAN)	175,349,829	164,138,362	126,327,441	98,097,153
AVA / Total Accrued Liability (EAN)	78.2%	81.6%	90.3%	89.4%
Net Cash Flow Ratio				
Net Cash Flow [2]	(2,847,345)	(3,906,727)	(2,923,534)	(1,778,178)
Market Value of Assets (MVA)	137,292,648	118,267,799	113,037,996	93,476,436
Ratio	-2.1%	-3.3%	-2.6%	-1.9%

[1] Excludes terminated participants awaiting a refund of member contributions.

[2] Determined as total contributions minus benefit payments and administrative expenses.

PARTIAL HISTORY OF PREMIUM TAX REFUNDS

Received During Fiscal Year	Amount	Increase from Previous Year
1998	201,770.08	_____%
1999	216,721.64	7.4%
2000	197,309.75	-9.0%
2001	218,500.53	10.7%
2002	267,958.39	22.6%
2003	302,467.77	12.9%
2004	403,411.62	33.4%
2005	449,805.87	11.5%
2006	479,034.44	6.5%
2007	521,156.85	8.8%
2008	521,017.73	0.0%
2009	552,316.07	6.0%
2010	544,192.27	-1.5%
2011	534,261.71	-1.8%
2012	552,801.49	3.5%
2013	572,953.76	3.6%
2014	604,885.90	5.6%
2015	618,682.53	2.3%
2016	684,839.94	10.7%
2017	716,530.07	4.6%
2018	793,725.50	10.8%
2019	842,305.03	6.1%
2020	895,137.18	6.3%
2021	921,041.97	2.9%
2022	1,020,019.19	10.7%
2023	1,227,608.53	20.4%
2024	1,482,346.39	20.8%

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

ASSETS	MARKET VALUE
Cash and Cash Equivalents:	
Short Term Investments	4,423,727.15
Deposits	1,046.41
Prepaid Expenses	23,215.24
Cash	38,516.60
Total Cash and Equivalents	4,486,505.40
Receivables:	
Accounts Receivable	149.31
From General Trust Fund	708.46
From Broker for Investments Sold	82,572.25
Investment Income	367,573.52
Total Receivable	451,003.54
Investments:	
Federal Agency Guaranteed Securities	17,243,692.71
Corporate Bonds	31,008,751.46
Stocks	36,811,926.62
Mutual Funds:	
Equity	35,305,490.18
Pooled/Common/Commingled Funds:	
Real Estate	12,473,542.94
Total Investments	132,843,403.91
Total Assets	137,780,912.85
LIABILITIES	
Payables:	
Accounts Payable	183,230.85
To Broker for Investments Purchased	73,870.36
Prepaid City Contribution	231,163.28
Total Liabilities	488,264.49
Net Assets:	
Active and Retired Members' Equity	137,292,648.36
NET POSITION RESTRICTED FOR PENSIONS	137,292,648.36

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2024
Market Value Basis

ADDITIONS			
Contributions:			
Member		990,646.47	
City		2,761,770.76	
State		1,482,346.39	
Total Contributions			5,234,763.62
Investment Income:			
Miscellaneous Income	5,124.31		
Realized & Unrealized Gain (Loss)	18,857,568.97		
Net Increase in Fair Value of Investments		18,862,693.28	
Interest & Dividends		3,561,626.77	
Less Investment Expense[1]		(552,125.54)	
Net Investment Income			21,872,194.51
Total Additions			27,106,958.13
DEDUCTIONS			
Distributions to Members:			
Benefit Payments		7,122,279.65	
Lump Sum DROP Distributions		321,888.10	
Lump Sum Share Distributions		158,790.72	
Refunds of Member Contributions		117,529.60	
Total Distributions			7,720,488.07
Administrative Expense			361,621.10
Total Deductions			8,082,109.17
Net Increase in Net Position			19,024,848.96
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			118,267,799.40
End of the Year			137,292,648.36

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION
September 30, 2024

Actuarial Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year over a four year period. In the first year, 25% of the gain or loss is recognized. In the second year 50%, in the third year 75%, and in the fourth year 100% of the gain or loss is recognized. The actuarial investment gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Gains/(Losses) Not Yet Recognized

Plan Year Ending	Gain/Loss	Amounts Not Yet Recognized by Valuation Year 2024	2025	2026	2027
09/30/2021	15,213,647	0	0	0	0
09/30/2022	(39,658,313)	(9,914,579)	0	0	0
09/30/2023	579,150	289,574	144,786	0	0
09/30/2024	13,094,469	9,820,852	6,547,235	3,273,618	0
Total		195,847	6,692,021	3,273,618	0

Development of Investment Gain/(Loss)

Market Value of Assets, including Prepaid Contributions, 09/30/2023	118,421,083
Contributions Less Benefit Payments & Admin Expenses	(2,769,466)
Expected Investment Earnings*	8,777,726
Actual Net Investment Earnings	21,872,195
2024 Actuarial Investment Gain/(Loss)	13,094,469

*Expected Investment Earnings = 0.075 * [118,421,083 + 0.5 * (2,769,466)]

Development of Actuarial Value of Assets

(1) Market Value of Assets, 09/30/2024	137,292,648
(2) Gains/(Losses) Not Yet Recognized	195,847
(3) Actuarial Value of Assets, 09/30/2024, (1) - (2)	137,096,801
(4) Limited Actuarial Value of Assets, 09/30/2024	137,096,801
(A) 09/30/2023 Actuarial Assets, including Prepaid Contributions:	134,012,467
(I) Net Investment Income:	
1. Interest and Dividends	3,566,751
2. Realized & Unrealized Gain (Loss)	18,857,569
3. Change in Actuarial Value	(15,787,231)
4. Investment Expenses	(552,126)
Total	6,084,964
(B) 09/30/2024 Actuarial Assets, including Prepaid Contributions:	137,327,965
Actuarial Asset Rate of Return = 2I/(A+B-I):	4.59%
Market Value of Assets Rate of Return:	18.69%
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(3,862,117)

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2024
Actuarial Asset Basis

REVENUES		
Contributions:		
Member	990,646.47	
City	2,761,770.76	
State	1,482,346.39	
Total Contributions		5,234,763.62
Earnings from Investments:		
Interest & Dividends	3,561,626.77	
Miscellaneous Income	5,124.31	
Realized & Unrealized Gain (Loss)	18,857,568.97	
Change in Actuarial Value	(15,787,231.00)	
Total Earnings and Investment Gains		6,637,089.05
EXPENDITURES		
Distributions to Members:		
Benefit Payments	7,122,279.65	
Lump Sum DROP Distributions	321,888.10	
Lump Sum Share Distributions	158,790.72	
Refunds of Member Contributions	117,529.60	
Total Distributions		7,720,488.07
Expenses:		
Investment related[1]	552,125.54	
Administrative	361,621.10	
Total Expenses		913,746.64
Change in Net Assets for the Year		3,237,617.96
Net Assets Beginning of the Year		133,859,183.40
Net Assets End of the Year[2]		137,096,801.36

[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.
[2]Net Assets may be limited for actuarial consideration.

DEFERRED RETIREMENT OPTION PLAN ACTIVITY
October 1, 2023 to September 30, 2024

Beginning of the Year Balance	3,251,164.42
Plus Additions	320,763.35
Investment Return Earned	589,817.83
Less Distributions	(321,888.10)
End of the Year Balance	3,839,857.50

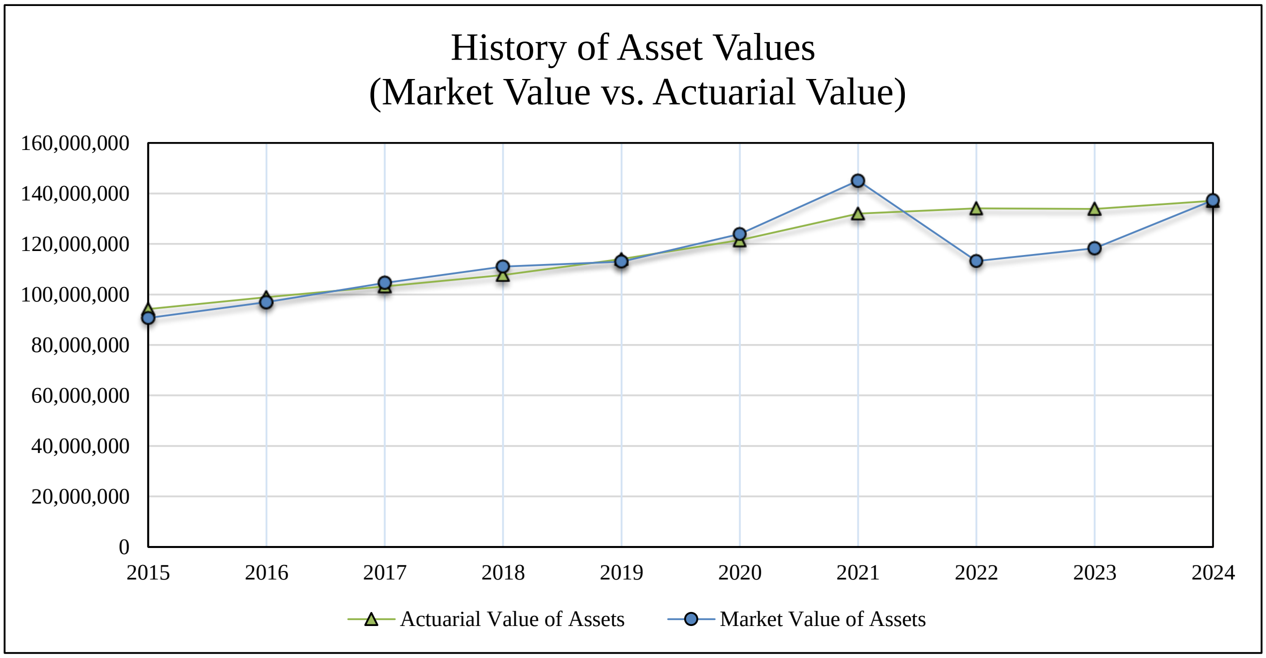
SUPPLEMENTAL CHAPTER 185 SHARE PLAN ACTIVITY
October 1, 2023 through September 30, 2024

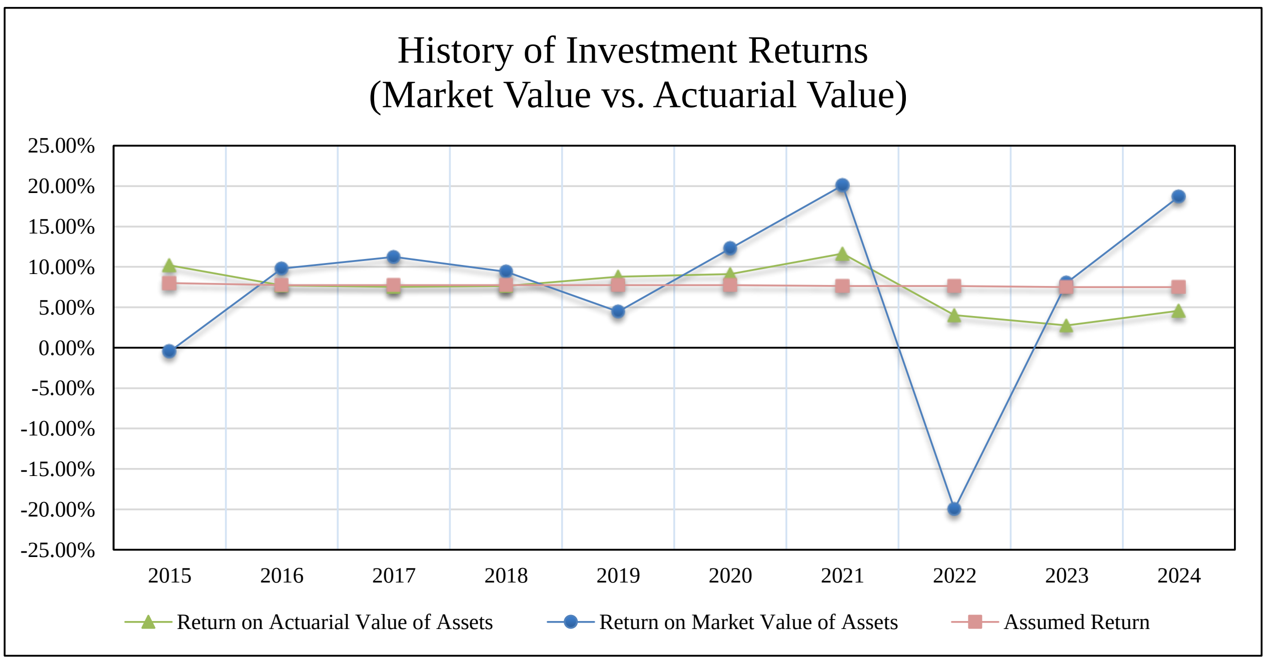
9/30/2023 Balance	1,307,621.34
Prior Year Adjustment	0.00
Plus Additions	480,806.15
Investment Return Earned	212,533.60
Administrative Fees	(2,000.00)
Less Distributions	(158,790.72)
9/30/2024 Balance	1,840,170.37

RECONCILIATION OF CITY SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2024

(1)	Required City and State Contributions	$3,763,311.00
(2)	Less Allowable State Contribution	(1,001,540.24)
(3)	Required City Contribution for Fiscal 2024	2,761,770.76
(4)	Less 2023 Prepaid Contribution	(153,283.31)
(5)	Less Actual City Contributions	(2,839,650.73)
(6)	Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2024	($231,163.28)

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS





STATISTICAL DATA

	10/1/2024	10/1/2023	10/1/2022	10/1/2021
Actives				
Number	161	162	149	139
Average Current Age	37.6	37.5	37.7	38.6
Average Age at Employment	27.7	27.6	28.0	28.0
Average Past Service	9.9	9.9	9.7	10.6
Average Annual Salary	$71,970	$67,685	$64,069	$59,900
Service Retirees				
Number	99	92	87	84
Average Current Age	63.0	62.8	62.2	61.5
Average Annual Benefit	$67,715	$67,343	$66,953	$66,576
DROP Retirees				
Number	3	6	8	6
Average Current Age	50.0	51.0	53.5	55.6
Average Annual Benefit	$73,165	$74,783	$67,234	$62,103
Beneficiaries				
Number	5	7	7	6
Average Current Age	74.6	70.1	69.1	70.8
Average Annual Benefit	$46,611	$48,161	$46,779	$38,450
Disability Retirees				
Number	15	14	13	13
Average Current Age	59.2	58.5	59.3	58.3
Average Annual Benefit	$29,630	$28,367	$27,229	$26,622
Terminated Vested				
Number	33	27	28	26
Average Current Age [1]	43.7	44.9	43.7	42.7
Average Annual Benefit [1]	$20,595	$15,335	$15,297	$14,918

[1] The Average Current Age and Average Annual Benefit exclude participants awaiting a refund of contributions.

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19												0
20 - 24	1	3		1								5
25 - 29	7	7	7	4	1	3						29
30 - 34	8	7	3	2	1	18	3					42
35 - 39	3	2	2	1		5	12	1				26
40 - 44	1	2	2	2		3	3	2	1			16
45 - 49		1	1	1		2	3	4	2	1		15
50 - 54							3	13	5	1		22
55 - 59					1			2	2			5
60 - 64												0
65+								1				1
Total	20	22	15	11	3	31	24	23	10	2	0	161

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2023	162
b. Terminations	
i. Vested (partial or full) with deferred annuity	(6)
ii. Vested in refund of member contributions only	(4)
iii. Refund of member contributions or full lump sum distribution	(7)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(4)
f. DROP	0
g. Continuing participants	141
h. New entrants / Rehires	20
i. Total active life participants in valuation	161

2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving Benefits	DROP Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
a. Number prior valuation	92	6	7	14	11	16	146
Retired	8	(3)			(1)		4
DROP							0
Vested (Deferred Annuity)					6		6
Vested (Due Refund)						4	4
Hired/Terminated in Same Year							0
Death, With Survivor							0
Death, No Survivor	(1)		(1)				(2)
Disabled				1	(1)		0
Refund of Contributions						(2)	(2)
Rehires							0
Expired Annuities			(1)				(1)
Data Corrections							0
b. Number current valuation	99	3	5	15	15	18	155

SUMMARY OF CURRENT PLAN
(Through Ordinance 2024-47)

The following summary is intended to state the plan of benefits valued in this report. It is not intended as a restatement or summary of benefits for any other purposes.

Membership	Effective May 2, 1974, any full-time police officer having permanent status becomes a Plan Member immediately upon hire.
Collective Bargaining Agreements	Certain employees covered by the Plan are members of the Fraternal Order of Police (FOP), Pollak-Grogan-Johnson Memorial Lodge 111.
Average Final Compensation (AFC)	1/12 of the average annual compensation of the best five years of the last ten years of credited service prior to retirement, DROP, termination or death.
Compensation	Base pay, excluding overtime, bonuses, and any other non-regular compensation received by a Member.
Prior to 10/1/2007	Compensation shall include Administrative Pay, Clothing Allowance, Expenses Pay, Longevity, Subsistence Pay, and Vacation Buy-Back in addition to Base Pay.
After 10/1/2007	Compensation shall mean total cash remuneration paid by the City for services rendered by the member including up to 129 hours of overtime per fiscal year, excluding any payments for extra duty, special duty or special detail work performed on behalf of a second party employer.
Credited Service	Years and complete months of uninterrupted service. Service is not considered to be interrupted by authorized leave of absence, vacation, or service (voluntary or involuntary) in the Armed Forces of the United States, with certain stipulations. Service is not considered to be interrupted for purposes of vesting or eligibility where leave is granted pursuant to the Family and Medical Leave Act. The Member may receive Credited Service for purposes of benefit accrual if the Member contributes the employee contributions (with interest) that would have been contributed during the period of absence within 90 days after the member's return from leave. Members may voluntarily leave accumulated contributions in the fund for a period of five years after leaving the employ of the police or fire department pending the possibility of being re-employed without losing credit for that time. Re-employed Members do not receive credit for time where accumulated contributions were withdrawn. Members may purchase up to 4 years of service for prior military or sworn law enforcement experience (for which no benefit is payable).

The member will pay the contribution rate at hire multiplied by the salary at hire multiplied by the years of service to be purchased. The remainder full actuarial cost must be paid by the City.

NORMAL RETIREMENT

Normal Retirement Date

The earlier of (1) age 55 or (2) upon completion of 25 years of Credited Service (with no age requirement).

Members are 100% vested upon Normal Retirement Benefit eligibility.

Retirement Benefit

For police officers with less than 20 years service:
2.00% x AFC x Credited Service prior to 1/1/1992, plus
2.50% x AFC x Credited Service on and after 1/1/1992.

For police officers with 20 or more years of service:
3.00% x AFC x Credited Service (limited to 20), plus
5.00% x AFC x Credited Service over 20 years.

In addition, Police Officers who retire on or after October 1, 2024 receive a Supplemental Benefit equal to $45 per month times complete years of Credited Service, payable for the life of the retiree, but ceasing at member age eligible to receive Medicare coverage under Federal Guidelines (Does not include Disability retirees).

Maximum Benefit

100% of Average Final Compensation, exclusive of the Supplemental Benefit. 85% of Average Final Compensation applies for Members hired on or after October 1, 2016.

Normal Form of Benefit

10-year Certain and Continuous annuity.

COLA

Police officers that retire on or after September 30, 2000 are eligible to receive a 3.00% annual increase each September 30th after having been retired for three years.

EARLY RETIREMENT

Eligibility

Members may retire and receive the Early Retirement Benefit on the first day of any month prior to their Normal Retirement Date after attaining the earlier of (1) age 45 and completion of 20 years of Credited Service, or (2) age 50 and completion of 10 years of Credited Service.

Benefit

The monthly Early Retirement Benefit payable is reduced by 3.00% each year the Early Retirement Benefit commences prior to the Normal Retirement Date.

The Supplemental Benefit payable to Police Officers is not reduced for early commencement.

Normal Form of Benefit

10-year Certain and Continuous annuity.

COLA	Police Officers that retire on or after September 30, 2000 are eligible to receive a 3.00% annual increase each September 30th after having been retired for three years.

DEFERRED RETIREMENT OPTION PLAN (DROP)

Eligibility	The earlier of (1) age 55 or (2) upon completion of 25 years of Credited Service (with no age requirement).
Benefit	Once the DROP is entered into, monthly benefits are frozen and no further Participant Contributions are made. The benefit payable under the DROP is calculated as described upon the Normal Retirement Benefit. Upon DROP participation, monthly benefits that would have been payable had the Member terminated employment and elected to receive monthly pension payments are paid into the DROP account.
Maximum DROP Period	Members are limited to 60 months of DROP participation.
Interest Rate Credited To DROP Account	DROP account interest crediting is posted quarterly based on the actual pension fund returns, net of money manager fees and other expenses.
Normal Form of DROP Account	At the end of a Member's participation in the DROP, the distribution of the accumulated DROP account is payable in the following forms of distribution: (1) Annual installments payable each December (no less than 10% or $10,000, whichever is greater), (2) Rollover to another qualified retirement plan, or (3) Lump sum balance paid directly to the Member.
Normal Form of Monthly Benefit	10-year Certain and Continuous annuity.
COLA	Cost of Living Adjustments, if any, are applicable to the benefit of the Member while in the DROP. Police officers that retire on or after September 30, 2000 are eligible to receive a 3.00% annual increase each September 30th after having been retired for three years.

DISABILITY RETIREMENT

Eligibility	In Line of Duty: Immediate Not In Line of Duty: 10 years DROP Participants are not eligible for this benefit.
Disabled Definition	Unable, by reason of medically determinable physical or mental impairment, to render useful and efficient service as a police officer.

Benefit	In Line of Duty Disability: 75% of Average Final Compensation, but not less than the accrued Normal Retirement Benefit. Not In Line of Duty Disability: 25% of Average Final Compensation, but not less than the accrued Normal Retirement Benefit.
Normal Form of Benefit	10-year Certain and Continuous annuity, ceasing upon recovery prior to Normal Retirement Eligibility.
COLA	Police officers that retire on or after September 30, 2000 are eligible to receive a 3.00% annual increase each September 30th after having been retired for three years.

DEATH WHILE IN SERVICE WITH AT LEAST 10 YEARS CREDITED SERVICE

Benefit	For Members who die after becoming eligible for Early Retirement Benefits or Normal Retirement Benefits, but prior to benefit commencement, the benefit otherwise payable to the Participant is then payable to the designated beneficiary. The designated beneficiary of a Member who dies prior to becoming eligible for Early Retirement Benefits or Normal Retirement Benefits receives a monthly benefit when the Member would have met Early or Normal Retirement Benefit eligibility conditions.
Normal Form of Benefit	10-year Certain and Continuous annuity to the designated beneficiary.
COLA	Police officers that retire on or after September 30, 2000 are eligible to receive a 3.00% annual increase each September 30th after having been retired for three years.

DEATH WHILE IN SERVICE WITH LESS THAN 10 YEARS CREDITED SERVICE

Benefit	Participants who die while in active service with less than 10 years of Credited Service are due a return of accumulated contributions without interest.
Normal Form of Benefit	Lump Sum.

WITHDRAWAL – LESS THAN 5 YEARS OF CREDITED SERVICE

Eligibility	First day of work, up to 5 years of Credited Service.
Benefit	Accumulated contributions with 0% interest.
Form of Benefit	Lump Sum.

WITHDRAWAL – AFTER EARNING AT LEAST 5 YEARS OF CREDITED SERVICE

Eligibility At least 5 years of Credited Service.

Benefit Participants who terminate employment prior to their Normal Retirement Date are entitled to their Normal Retirement Benefit calculated based on Credited Service and Average Final Compensation at their date of termination, multiplied by the Vesting Percentage, with deferred commencement at their Normal Retirement Date. This benefit is payable on a reduced basis as described under Early Retirement.

Vesting Percentage

Completed Years of Credited Service	Vesting Percentage
<5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10 +	100%

Form of Benefit 10-year Certain and Continuous annuity.

COLA Police officers that retire on or after September 30, 2000 are eligible to receive a 3.00% annual increase each September 30th after having been retired for three years.

MEMBER CONTRIBUTIONS

Contributions 8.76% of Compensation effective September 30, 2000.

Interest Crediting Rate 3.00% per year.

SHARE PLAN

Initial Allocation as of October 1, 2015 $6,474.59

Future Allocations ½ of Annual State Monies received above $520,734.08.

Earnings Annually equal to the net of fees return for the overall Trust Fund.

Expenses Members share in actual expenses specific to the Share Plan administration.