CITY OF GULFPORT
FIREFIGHTERS' RETIREMENT PENSION FUND

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2024

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

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

January 14, 2025

Board of Trustees
City of Gulfport
Firefighters' Pension Board

Re: City of Gulfport Firefighters' Retirement Pension Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Gulfport Firefighters' Retirement Pension Fund. 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 175, 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 Gulfport, 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 Gulfport, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Firefighters' Retirement Pension Fund. 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: ______________________________
Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #23-6595

By: ______________________________
Sara E. Carlson, ASA, EA, MAAA
Enrolled Actuary #23-8546

SEC/mw

Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Gulfport Firefighters' Retirement Pension Fund, 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 April 11, 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		
% of Projected Annual Payroll	40.7%	37.9%
Member Contributions (Est.)		
% of Projected Annual Payroll	5.0%	5.0%
City And State Required Contribution		
% of Projected Annual Payroll	**35.7%**	**32.9%**
State Contribution (Est.) [1]	$164,524	$164,524
% of Projected Annual Payroll (Est.)	12.3%	12.3%
City Required Contribution (Est.) [2]		
% of Projected Annual Payroll (Est.)	23.4%	20.6%

[1] Represents 90% of the amount received in calendar 2024. 10% of State Monies each year are allocated to current retirees. As per a Mutual Consent Agreement between the Membership and the City, the remaining 90% of State Monies received each year will be available to offset the City's required contribution.

[2] The required contribution from the combination of City and State sources for the year ending September 30, 2026, is 35.7% of the actual payroll realized in that year. As a budgeting tool, the City may contribute 23.4% of each Member's Salary and then make a one-time adjustment to account for the actual State Monies received. Please note that a shortfall contribution of $11,270.64 is due in addition to 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 April 11, 2024 actuarial impact statement. The increase is attributable to net unfavorable actuarial experience as outlined in the following paragraph.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an average salary increase of 9.35% which exceeded the 4.65% assumption, unfavorable turnover experience, and an investment return of 6.33% (Actuarial Asset Basis) which fell short of the 7.10% assumption. There were no significant sources of actuarial gain.

CHANGES SINCE PRIOR VALUATION

Plan Changes

Ordinance No. 2024-05 was adopted on May 21, 2024 and provided that effective October 1, 2023, the monthly benefit being received by all retirees and their joint pensioners or beneficiaries who were receiving a benefit on October 1, 2022, and who are not eligible for the automatic COLA, is increased by 3.0%. This is a one-time increase in these benefits.

The impact of this change on the funding requirements can be found in our Actuarial Impact Statement dated April 11, 2024.

Actuarial Assumption/Method Changes

There have been no assumption or method changes since the prior valuation.

CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1)	Contribution Determined as of October 1, 2023 *(As set forth in the April 11, 2024 Actuarial Impact Statement)*	21.5%
(2)	Summary of Contribution Impact by component:	
	Change in State Contribution Percentage	-0.9%
	Change in Normal Cost Rate	0.0%
	Change in Administrative Expense Percentage	0.3%
	Payroll Change Effect on UAAL Amortization	0.9%
	Investment Return (Actuarial Asset Basis)	0.3%
	Salary Increases	0.7%
	Active Decrements	0.6%
	Inactive Mortality	0.1%
	Interest Crediting on Share Plan Balances	0.1%
	UAAL Amortization Impact from Contribution Policy	-0.3%
	Assumption Change	0.0%
	Other	0.1%
	Total Change in Contribution	1.9%
(3)	Contribution Determined as of October 1, 2024	23.4%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	10/1/2024	10/1/2023
A. Participant Data		
Actives	19	19
Service Retirees	21	21
Beneficiaries	3	3
Disability Retirees	0	0
Terminated Vested	9	10
Total	52	53
Projected Annual Payroll	1,336,210	1,387,454
Annual Rate of Payments to:		
Service Retirees	179,815	178,175
Beneficiaries	16,231	16,231
Disability Retirees	0	0
Terminated Vested	107,937	107,937
B. Assets		
Actuarial Value (AVA) [1]	7,838,973	7,106,979
Market Value (MVA) [1]	8,138,337	6,418,354
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	8,160,049	7,171,981
Disability Benefits	98,956	93,501
Death Benefits	27,302	25,930
Vested Benefits	590,335	544,277
Refund of Contributions	50,813	47,946
Service Retirees	2,033,694	2,055,547
Beneficiaries	150,280	154,055
Disability Retirees	0	0
Terminated Vested	1,108,637	1,043,557
Share Plan Balances [1]	108,319	102,832
Total	12,328,385	11,239,626

C. Liabilities - (Continued)	10/1/2024	10/1/2023
Present Value of Future Salaries	10,667,708	10,139,393
Present Value of Future Member Contributions	533,385	506,970
Normal Cost (Retirement)	212,845	225,640
Normal Cost (Disability)	7,561	7,897
Normal Cost (Death)	1,186	1,236
Normal Cost (Vesting)	33,480	30,467
Normal Cost (Refunds)	8,425	7,698
Total Normal Cost	263,497	272,938
Present Value of Future Normal Costs	2,031,526	1,943,711
Accrued Liability (Retirement)	6,455,704	5,543,696
Accrued Liability (Disability)	44,060	38,946
Accrued Liability (Death)	18,093	17,062
Accrued Liability (Vesting)	362,469	328,359
Accrued Liability (Refunds)	15,603	11,861
Accrued Liability (Inactives)	3,292,611	3,253,159
Share Plan Balances [1]	108,319	102,832
Total Actuarial Accrued Liability (EAN AL)	10,296,859	9,295,915
Unfunded Actuarial Accrued Liability (UAAL)	2,457,886	2,188,936
Funded Ratio (AVA / EAN AL)	76.1%	76.5%

D. Actuarial Present Value of Accrued Benefits

	10/1/2024	10/1/2023
Vested Accrued Benefits		
Inactives + Share Plan Balances [1]	3,400,930	3,355,991
Actives	3,931,995	3,397,210
Member Contributions	666,178	589,075
Total	7,999,103	7,342,276
Non-vested Accrued Benefits	365,037	249,647
Total Present Value Accrued Benefits (PVAB)	8,364,140	7,591,923
Funded Ratio (MVA / PVAB)	97.3%	84.5%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	477,671	
Benefits Paid	(236,099)	
Interest	530,645	
Other	0	
Total	772,217	

Valuation Date	10/1/2024	10/1/2023
Applicable to Fiscal Year Ending	9/30/2026	9/30/2025
E. Pension Cost		
Normal Cost (with interest)		
% of Projected Annual Payroll [2]	20.4	20.4
Administrative Expenses (with interest)		
% of Projected Annual Payroll [2]	4.8	4.5
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 22 years (as of 10/1/2024, with interest)		
% of Projected Annual Payroll [2]	15.5	13.0
Minimum Required Contribution		
% of Projected Annual Payroll [2]	40.7	37.9
Expected Member Contributions		
% of Projected Annual Payroll [2]	5.0	5.0
Expected City and State Contribution		
% of Projected Annual Payroll [2]	35.7	32.9

F. Past Contributions

Plan Years Ending:	9/30/2024
City and State Requirement	471,868
Actual Contributions Made:	
Members (excluding buyback)	77,103
City	307,344
State	164,524
Total	548,971

G. Net Actuarial (Gain)/Loss	348,733

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

[2] Contributions developed as of 10/1/2024 are expressed as a percentage of Projected Annual Payroll at 10/1/2024 of $1,336,210.

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

Year	Projected Unfunded Actuarial Accrued Liability
2024	2,457,886
2025	2,418,858
2026	2,370,656
2031	1,974,205
2036	1,191,805
2041	187,666
2046	0

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

		Actual	Assumed
Year Ended	9/30/2024	9.35%	4.65%
Year Ended	9/30/2023	6.39%	5.33%
Year Ended	9/30/2022	7.52%	5.28%
Year Ended	9/30/2021	-1.39%	5.56%
Year Ended	9/30/2020	4.00%	5.29%

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

		Market Value	Actuarial Value	Assumed
Year Ended	9/30/2024	22.59%	6.33%	7.10%
Year Ended	9/30/2023	11.55%	2.97%	7.10%
Year Ended	9/30/2022	-20.04%	3.98%	7.30%
Year Ended	9/30/2021	18.70%	9.69%	7.50%
Year Ended	9/30/2020	10.23%	8.30%	7.50%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2024	$1,336,210
	10/1/2014	987,744
(b) Total Increase		35.28%
(c) Number of Years		10.00
(d) Average Annual Rate		3.07%

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.

Sara Carlson

Sara E. Carlson, ASA, EA, MAAA
Enrolled Actuary #23-8546

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	$2,158,874
(2)	Sponsor Normal Cost developed as of October 1, 2023	203,565
(3)	Expected administrative expenses for the year ended September 30, 2024	60,209
(4)	Expected interest on (1), (2) and (3)	169,871
(5)	Sponsor contributions to the System during the year ended September 30, 2024	471,868
(6)	Expected interest on (5)	11,498
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2024 (1)+(2)+(3)+(4)-(5)-(6)	2,109,153
(8)	Change to UAAL due to Assumption Change	0
(9)	Change to UAAL due to Actuarial (Gain)/Loss	348,733
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2024	2,457,886

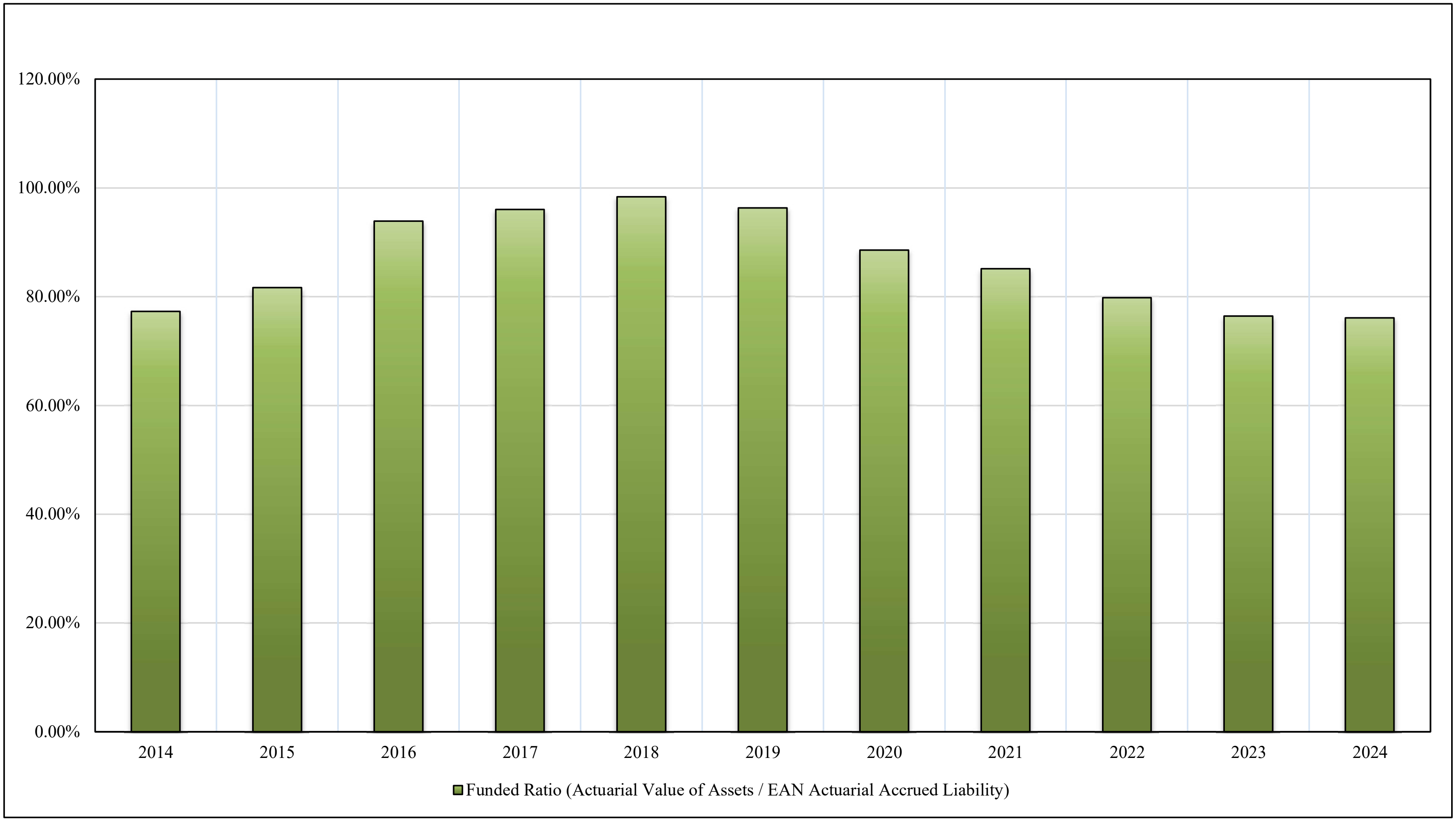
Type of Base	Date Established	Years Remaining	10/1/2024 Amount	Amortization Amount
"A"	10/1/1996	2	3,310	1,687
"B"	10/1/2000	6	(13,376)	(2,452)
"C"	10/1/2004	10	37,902	4,490
"D"	10/1/2005	11	16,014	1,756
Method Change	10/1/2008	4	2,579	683
Benefit Change	10/1/2008	14	187,544	17,053
Benefit Changes	10/1/2009	15	(180,739)	(15,612)
Assum Changes	10/1/2010	6	12,395	2,273
Benefit Change	10/1/2010	16	(50,504)	(4,162)
Benefit Change	10/1/2011	17	60,894	4,807
Benefit Changes	10/1/2012	18	10,917	828
Software Change	10/1/2013	9	(115,009)	(14,863)
Benefit Changes	10/1/2013	19	20,748	1,517
Assumption Change	10/1/2014	10	126,566	14,993
Benefit Changes	10/1/2014	20	(35,696)	(2,522)
Benefit Changes	10/1/2015	21	(56,829)	(3,889)
Assumption Change	10/1/2016	12	61,104	6,254
Benefit Changes	10/1/2016	22	(178,878)	(11,882)
Cost Method Change	10/1/2017	13	77,140	7,420

Type of Base	Date Established	Years Remaining	10/1/2024 Amount	Amortization Amount
Assum. Change	10/1/2017	13	35,574	3,422
Benefit Change	10/1/2017	13	17,939	1,726
Actuarial Gain	10/1/2018	14	(9,468)	(861)
Benefits Change	10/1/2018	14	(396)	(36)
Benefits Change	10/1/2018	14	(37,022)	(3,366)
Actuarial Gain	10/1/2019	15	(6,160)	(532)
Benefits Change	10/1/2019	15	148,911	12,863
Actuarial Loss	10/1/2020	16	68,312	5,630
Asmp/Mthd Change	10/1/2020	16	(56,292)	(4,639)
Benefits Change	10/1/2020	16	579,515	47,762
Actuarial Gain	10/1/2021	17	(124,592)	(9,834)
Assump Change	10/1/2021	17	173,187	13,670
Death Benefit Chg	10/1/2021	17	14,256	1,125
Benefits Change	10/1/2021	17	238,622	18,835
Actuarial Loss	10/1/2022	18	50,223	3,809
Asmp/Mthd Change	10/1/2022	18	285,271	21,638
Benefits Change	10/1/2022	18	246,284	18,681
Actuarial Loss	10/1/2023	19	469,668	34,334
Benefits Change	10/1/2023	19	29,239	2,137
Actuarial Loss	10/1/2024	20	348,733	24,636
			2,457,886	199,379

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1)	Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2023	$2,158,874
(2)	Expected UAAL as of October 1, 2024	2,109,153
(3)	Summary of Actuarial (Gain)/Loss, by component:	
	Investment Return (Actuarial Asset Basis)	55,712
	Salary Increases	128,467
	Active Decrements	113,233
	Inactive Mortality	23,455
	Interest Crediting on Share Plan Balances	13,687
	Other	14,179
	Increase in UAAL due to (Gain)/Loss	348,733
	Assumption Changes	0
(4)	Actual UAAL as of October 1, 2024	$2,457,886

HISTORY OF FUNDING PROGRESS



ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate	*Healthy Active Lives:* **Female:** PubS.H-2010 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 (Below Median) for Healthy Retirees, set forward one year. **Male:** PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year. *Beneficiary Lives:* **Female:** PubG.H-2010 (Below Median) for Healthy Retirees. **Male:** PubG.H-2010 (Below 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, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics. 90% of active deaths are assumed to be service-incurred.
Interest Rate	7.10% 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.
Administrative Expenses	$61,428 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Salary Increases

Assumed individual increases are shown in the table below. This assumption was covered and changed in our April 15, 2022 Actuarial Experience Study.

Service	Rate
0	7.00%
1-4	4.25%

Payroll Growth

3.00% 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.

Amortization Method

New UAAL amortization bases are amortized over 20 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 7.10% assumption.

Salary - None.

Asset Valuation Method

All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.

Retirement Age

The earlier of attainment of age 55 with 10 years of credited service, or age 52 with 25 years of credited service, or the completion of 30 years of Credited Service, regardless of age. This assumption was covered in our April 15, 2022 Actuarial Experience Study. We feel this assumption is reasonable based upon the plan provisions but do not have sufficient data to develop retirement rates.

Early Retirement

Commencing with attainment of Early Retirement Status (age 50 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year. This assumption was covered in our April 15, 2022 Actuarial Experience Study. We feel this assumption is reasonable based upon the plan provisions but do not have sufficient data to develop retirement rates.

Termination Rates

See sample rates below. This assumption was covered in our April 15, 2022 Actuarial Experience Study and continues to be our best estimate of future experience.

% Terminating During the Year	
Age	Rate
20	12.0%
30	10.0%
40	5.2%
50	1.6%
60	0.4%
70	0.4%

Disability Rates

See sample rates below. It is assumed that 90% of disablements are service related. This assumption was developed from those used by other plans containing Florida Municipal Firefighters.

% Becoming Disabled During the Year	
Age	Rate
20	0.03%
30	0.04%
40	0.07%
50	0.18%
60	0.90%
65+	2.22%

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.

- Payroll Growth: The plan's payroll growth assumption, if one is used, causes a predictable annual increase in the plan's amortization payment in order to produce an amortization payment that remains constant as a percentage of payroll if all assumptions are realized. If payroll increases less than the plan's payroll growth assumption, the plan's amortization payment can increase significantly as a percentage of payroll even if all assumptions other than the payroll growth assumption are realized.

- 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 increased from 50.0% on October 1, 2014 to 67.9% on October 1, 2024, indicating that the plan has experienced a significant growth in active population.

- 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 32.0%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in lower volatility in contribution requirements when compared to a more 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 77.3% on October 1, 2014 to 76.1% 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, decreased from 4.3% on October 1, 2014 to 3.4% on October 1, 2024. The current Net Cash Flow Ratio of 3.4% indicates that contributions are generally in excess of 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 11 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 $15,824,696. 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	19	19	13	13
Total Inactives [1]	28	28	27	26
Actives / Inactives [1]	67.9%	67.9%	48.1%	50.0%
Asset Volatility Ratio				
Market Value of Assets (MVA)	8,138,337	6,418,354	4,967,681	3,317,643
Total Annual Payroll	1,614,268	1,475,827	990,879	987,744
MVA / Total Annual Payroll	504.2%	434.9%	501.3%	335.9%
Accrued Liability (AL) Ratio				
Inactive Accrued Liability	3,292,611	3,253,159	1,894,864	1,299,199
Total Accrued Liability (EAN)	10,296,859	9,295,915	5,272,465	4,038,036
Inactive AL / Total AL	32.0%	35.0%	35.9%	32.2%
Funded Ratio				
Actuarial Value of Assets (AVA)	7,838,973	7,106,979	5,079,965	3,120,711
Total Accrued Liability (EAN)	10,296,859	9,295,915	5,272,465	4,038,036
AVA / Total Accrued Liability (EAN)	76.1%	76.5%	96.3%	77.3%
Net Cash Flow Ratio				
Net Cash Flow [2]	273,792	152,448	72,892	142,085
Market Value of Assets (MVA)	8,138,337	6,418,354	4,967,681	3,317,643
Ratio	3.4%	2.4%	1.5%	4.3%

[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
1999	29,194.00	_____%
2000	33,721.00	15.5%
2001	27,879.57	-17.3%
2002	37,293.89	33.8%
2003	32,424.19	-13.1%
2004	40,129.98	23.8%
2005	45,835.29	14.2%
2006	62,137.44	35.6%
2007	92,251.50	48.5%
2008	124,428.61	34.9%
2009	115,375.21	-7.3%
2010	94,350.06	-18.2%
2011	89,718.58	-4.9%
2012	92,982.98	3.6%
2013	98,846.41	6.3%
2014	123,763.80	25.2%
2015	95,531.06	-22.8%
2016	92,921.44	-2.7%
2017	74,413.38	-19.9%
2018	76,263.07	2.5%
2019	72,666.45	-4.7%
2020	79,199.10	9.0%
2021	97,167.01	22.7%
2022	103,310.69	6.3%
2023	175,302.52	69.7%
2024	182,804.17	4.3%

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

ASSETS	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	83,554.68	83,554.68
Total Cash and Equivalents	83,554.68	83,554.68
Receivables:		
Member Contributions in Transit	2,610.80	2,610.80
City Contributions in Transit	79,286.03	79,286.03
Additional City Contributions	11,270.64	11,270.64
State Contributions	41,437.92	41,437.92
Total Receivable	134,605.39	134,605.39
Investments:		
Mutual Funds:		
Fixed Income	2,571,565.69	2,459,735.54
Equity	3,356,878.58	5,032,461.53
Pooled/Common/Commingled Funds:		
Real Estate	520,291.38	432,549.10
Total Investments	6,448,735.65	7,924,746.17
Total Assets	6,666,895.72	8,142,906.24
LIABILITIES		
Payables:		
Investment Expenses	4,569.01	4,569.01
Total Liabilities	4,569.01	4,569.01
NET POSITION RESTRICTED FOR PENSIONS	6,662,326.71	8,138,337.23

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

ADDITIONS			
Contributions:			
Member		77,102.65	
City		307,344.47	
State		182,804.16	
Total Contributions			567,251.28
Investment Income:			
Net Realized Gain (Loss)	544,376.01		
Unrealized Gain (Loss)	719,468.63		
Net Increase in Fair Value of Investments		1,263,844.64	
Interest & Dividends		216,641.73	
Less Investment Expense[1]		(34,294.82)	
Net Investment Income			1,446,191.55
Total Additions			2,013,442.83
DEDUCTIONS			
Distributions to Members:			
Benefit Payments		211,936.08	
Lump Sum Share Distributions		14,608.09	
Lump Sum PLOP Distributions		0.00	
Refunds of Member Contributions		9,555.25	
Total Distributions			236,099.42
Administrative Expense			57,360.18
Total Deductions			293,459.60
Net Increase in Net Position			1,719,983.23
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			6,418,354.00
End of the Year			8,138,337.23

[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 five year period. In the first year, 20% of the gain or loss is recognized. In the second year 40%, in the third year 60%, in the fourth year 80%, and in the fifth 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	2028
09/30/2021	619,129	123,825	0	0	0	0
09/30/2022	(1,856,198)	(742,478)	(371,238)	0	0	0
09/30/2023	221,802	133,082	88,722	44,362	0	0
09/30/2024	981,169	784,935	588,701	392,467	196,233	0
Total		299,364	306,185	436,829	196,233	0

Development of Investment Gain/Loss

Market Value of Assets, 09/30/2023	6,418,354
Contributions Less Benefit Payments & Admin Expenses	262,521
Expected Investment Earnings*	465,023
Actual Net Investment Earnings	1,446,192
2024 Actuarial Investment Gain/(Loss)	981,169

*Expected Investment Earnings = 0.071 * (6,418,354 + 0.5 * 262,521)

Development of Actuarial Value of Assets

(1) Market Value of Assets, 09/30/2024	8,138,337
(2) Gains/(Losses) Not Yet Recognized	299,364
(3) Actuarial Value of Assets, 09/30/2024, (1) - (2)	7,838,973
(4) Limited Actuarial Value of Assets, 09/30/2024	7,838,973
(A) 09/30/2023 Actuarial Assets:	7,106,979
(I) Net Investment Income:	
1. Interest and Dividends	216,642
2. Realized Gain (Loss)	544,376
3. Unrealized Gain (Loss)	719,469
4. Change in Actuarial Value	(987,989)
5. Investment Expenses	(34,295)
Total	458,203
(B) 09/30/2024 Actuarial Assets, excluding Shortfall Contribution:	7,827,703
Actuarial Assets Rate of Return = 2I/(A+B-I):	6.33%
Market Value of Assets Rate of Return:	22.59%
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(55,712)

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

REVENUES		
Contributions:		
Member	77,102.65	
City	307,344.47	
State	182,804.16	
Total Contributions		567,251.28
Earnings from Investments:		
Interest & Dividends	216,641.73	
Net Realized Gain (Loss)	544,376.01	
Unrealized Gain (Loss)	719,468.63	
Change in Actuarial Value	(987,989.00)	
Total Earnings and Investment Gains		492,497.37
EXPENDITURES		
Distributions to Members:		
Benefit Payments	211,936.08	
Lump Sum Share Distributions	14,608.09	
Lump Sum PLOP Distributions	0.00	
Refunds of Member Contributions	9,555.25	
Total Distributions		236,099.42
Expenses:		
Investment related[1]	34,294.82	
Administrative	57,360.18	
Total Expenses		91,655.00
Change in Net Assets for the Year		731,994.23
Net Assets Beginning of the Year		7,106,979.00
Net Assets End of the Year[2]		7,838,973.23

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

SUPPLEMENTAL CHAPTER 175 SHARE PLAN ACTIVITY

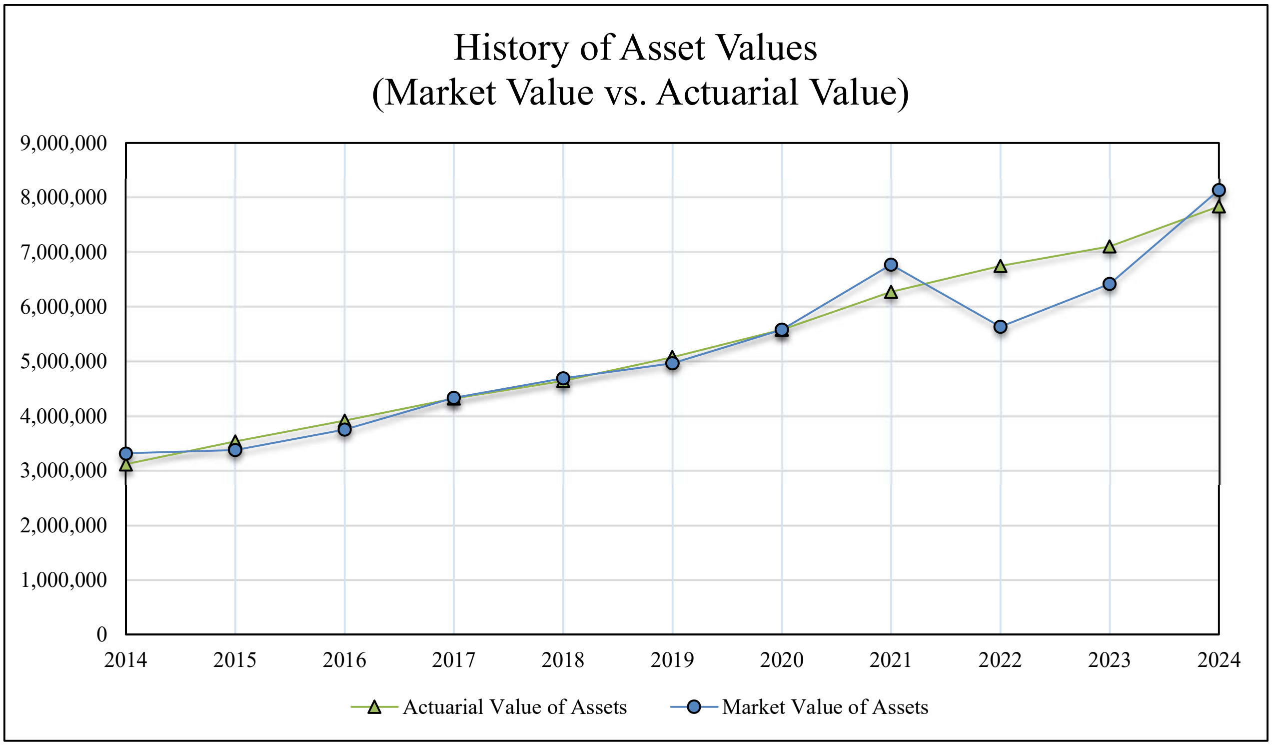
October 1, 2023 through September 30, 2024

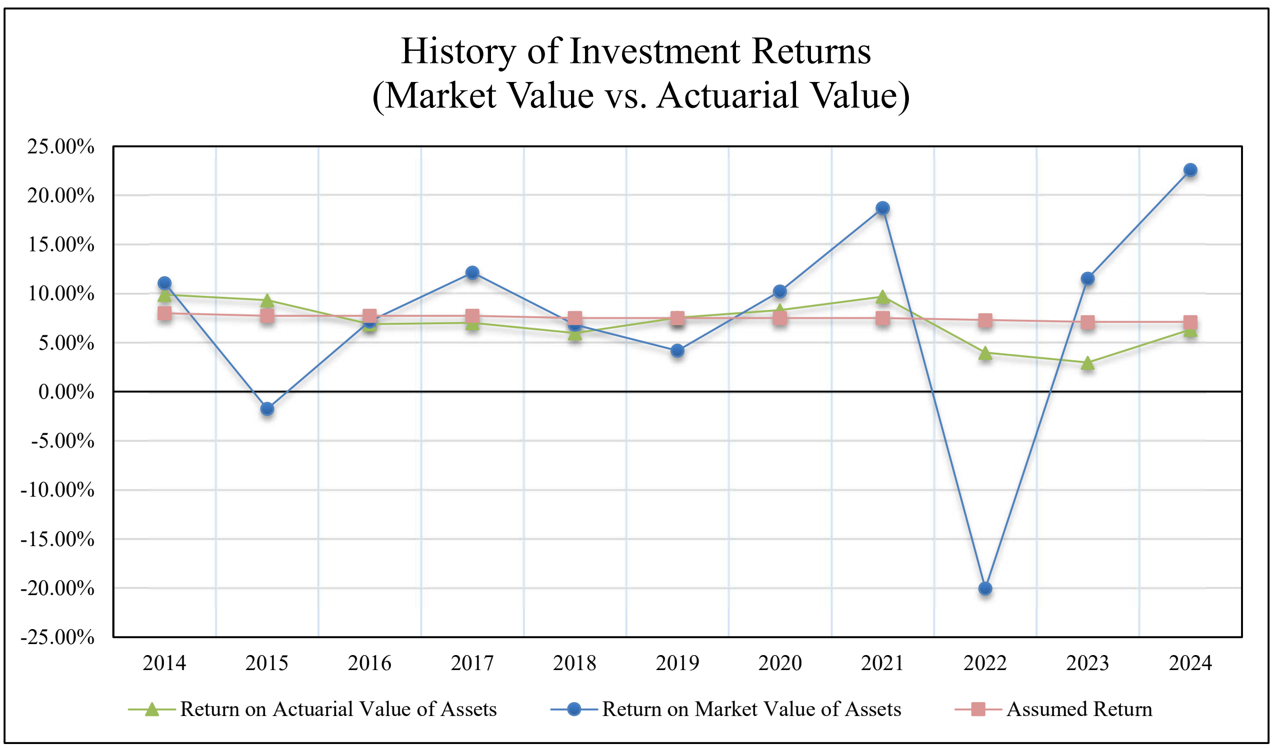
9/30/2023 Balance	102,832.32
Prior Year Adjustment	134.30
Plus Additions	0.00
Investment Return Earned (Est.)	19,960.00
Less Distributions	(14,608.09)
9/30/2024 Balance (Est.)	108,318.53

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

(1)	City and State Required Contribution Rate	30.6%
(2)	Pensionable Payroll Derived from Member Contributions	$1,542,053.00
(3)	City and State Required Contribution (1) x (2)	471,868.22
(4)	Less Allowable State Contribution	(164,523.75)
(5)	Equals Required City Contribution for Fiscal 2024	307,344.47
(6)	Plus 2023 Shortfall Contribution	8,539.83
(7)	Less Actual City Contributions	(304,613.66)
(8)	Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2024	$11,270.64

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS





STATISTICAL DATA

	10/1/2024	10/1/2023	10/1/2022	10/1/2021
Actives				
Number	19	19	18	18
Average Current Age	41.3	40.3	41.6	40.6
Average Age at Employment	30.3	30.3	30.5	30.3
Average Past Service	11.0	10.0	11.1	10.3
Average Annual Salary	$84,961	$77,675	$78,823	$74,748
Service Retirees				
Number	21	21	20	21
Average Current Age	71.3	70.3	70.0	69.5
Average Annual Benefit	$8,563	$8,485	$4,682	$4,892
Beneficiaries				
Number	3	3	3	2
Average Current Age	74.4	73.4	72.4	74.2
Average Annual Benefit	$5,410	$5,410	$5,253	$3,267
Disability Retirees				
Number	0	0	0	0
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
Terminated Vested				
Number	9	10	8	8
Average Current Age [1]	52.8	51.8	50.8	49.8
Average Annual Benefit [1]	$26,984	$26,984	$26,984	$25,620

[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										1
25 - 29		2										2
30 - 34						1						1
35 - 39				1	2	1						4
40 - 44		1				1	1	1				4
45 - 49							1		1			2
50 - 54								1		1		2
55 - 59					1			2				3
60 - 64												0
65+												0
Total	0	4	0	1	3	3	2	4	1	1	0	19

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2023	19
b. Terminations	
i. Vested (partial or full) with deferred annuity	0
ii. Vested in refund of member contributions only	0
iii. Refund of member contributions or full lump sum distribution	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	0
f. Continuing participants	19
g. New entrants / Rehires	0
h. Total active life participants in valuation	19

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

	Service Retirees, Vested Receiving Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
a. Number prior valuation	21	3	0	4	6	34
Retired						0
Vested (Deferred Annuity)						0
Vested (Due Refund)						0
Hired/Terminated in Same Year						0
Death, With Survivor						0
Death, No Survivor						0
Disabled						0
Refund of Contributions					(1)	(1)
Rehires						0
Expired Annuities						0
Data Corrections						0
b. Number current valuation	21	3	0	4	5	33

SUMMARY OF CURRENT PLAN
(Through Ordinance No. 2024-05)

Eligibility	Employees who are classified as full-time Firefighters shall participate in the System as a condition of employment. The Fire Chief may opt out.
Credited Service	Total years and fractional parts of years of employment with the City as a Firefighter (or Paramedic in some cases).
Salary	Total cash compensation, excluding clothing, car, or meal allowances and lump sum payments of accrued sick leave or vacation time, plus tax deferred, tax sheltered, and tax exempt income.
Average Final Compensation	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination.
Member Contributions	5.0% of Salary.
City and State Contributions	Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Part VII of Florida Statutes, Chapter 112. In no event will City contributions be less than 5% of the total Salary of the Members.
Normal Retirement	
Eligibility	Earlier of: 1) Age 55 and completion of 10 years of Credited Service, 2) Age 52 and the completion of 25 years of Credited Service, or 3) the completion of 30 years of Credited Service, regardless of age.
Benefit	3.37% of Average Final Compensation times Years of Credited Service.
Form of Benefit	10 Year Certain and Life Annuity (options available).
Early Retirement	
Eligibility	Age 50 and the completion of 10 years of Credited Service.
Benefit	Accrued benefit, reduced 3% per year.

Vesting

Schedule	100% after 10 years of Credited Service.
Benefit Amount	Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability

Eligibility	Service Incurred: Covered from Date of Employment. Non-Service Incurred: 10 years of Credited Service.
Benefit	
Service Incurred	Greater of: 1) $250 per month, 2) Accrued Benefit, or 3) 50% of Average Final Compensation
Non-service Incurred	Accrued Benefit
Duration	Payable for life and 10 years certain or until recovery (as determined by the Board). Options available.

Death Benefits

Pre-Retirement	
Prior to Vesting	Refund of Accumulated Member Contributions
Vested	Accrued Benefit payable for 10 years at the otherwise Early (reduced) or Normal Retirement Date.
Post-Retirement	Benefits payable to beneficiary in accordance with option selected at retirement.

Board of Trustees	a. Two Council appointees, b. Two Members of the Department elected by the membership, and c. Fifth Member elected by other 4 and appointed by Council.
Annual Supplemental Pmt	Each March 1, each current retiree receives a benefit increase in the amount of 3.0% of the State contribution received in the prior year, subject to a maximum increase for all retirees equal to 10.0% of the State contribution.

Cost-Of-Living Adjustments	Members who retire or terminate employment after April 21, 2009 receive 2.00% increases each year from Age 55 to Age 65.
Chapter 175 Share Accounts	Ordinance 2016-02 established a Share Plan and was funded by the allowable state monies determined under an annual "default" actuarial calculation. Effective October 1, 2023, all future state monies will be utilized by the City and there will be no further allocations to the Share Plan.