



**CITY OF  
INDIAN HARBOUR BEACH  
Florida**

2055 SOUTH PATRICK DRIVE  
INDIAN HARBOUR BEACH, FLORIDA 32937  
PHONE (321) 773-3181  
FAX (321) 773-5080

**AGENDA**

**POLICE OFFICER SUPPLEMENTAL PENSION PLAN MEETING**

April 24, 2025

LISE SCHROEDER CONFERENCE ROOM – 11:00 A.M.

1. Call to Order
2. Approval of Minutes – October 9, 2023
3. Accept the October 1, 2023 Actuarial Valuation Report
  - a. Contribution rate adjusted from 2.92% to 2.51%
  - b. If approved, the report will be posted by FMPTF
4. Accept the GASB 68 Supplemental Report as of 9/30/2023 reporting period
5. Accept the GASB 75 Report as of 9/30/2023
6. Ratify invoice payment for the Actuarial Valuation Report to Southern Actuarial for FY2023/2024
7. Accept the October 1, 2024 Actuarial Valuation Report
  - a. Contribution rate adjusted from 2.51% to 1.76%
  - b. If approved, the report will be posted by FMPTF
8. Accept the GASB 68 Supplemental Report as of 9/30/2024 reporting period
9. Approve invoice for the Actuarial Valuation Report to Southern Actuarial for FY2024/2025
10. Public Comments
11. Adjourn

ALL PERSONS WISHING TO BE HEARD SHOULD APPEAR IN PERSON AT THESE HEARINGS OR SEND WRITTEN COMMENTS TO THE CITY CLERK. ALL PERSONS AND PARTIES ARE HEREBY ADVISED THAT IF THEY SHOULD DECIDE TO APPEAL ANY DECISION MADE BY THE CITY COUNCIL WITH RESPECT TO ANY MATTER CONSIDERED AT THE PUBLIC MEETING, HE OR SHE WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE, HE OR SHE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. FSS 286.0105. IN COMPLIANCE WITH THE AMERICAN WITH DISABILITIES ACT (ADA), ANYONE WHO NEEDS A SPECIAL ACCOMMODATION FOR THIS MEETING SHOULD CONTACT THE CITY CLERK AT 321-773-3181 AT LEAST 48 HOURS IN ADVANCE OF THIS MEETING.



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**Police Officer Supplemental Pension Plan Meeting**

October 9, 2023

**Call to Order**

City Manager John W. Coffey, ICMA-CM called the meeting to order at 10:30 a.m. In attendance were:

City Manager John W. Coffey, ICMA-CM  
City Comptroller Julie Bradford  
City Clerk Sue Frank, MMC

**Approval of Minutes – April 26, 2023**

Motion to approve the April 26, 2023 minutes as presented was made by Comptroller Bradford, seconded by City Clerk Frank – motion carried 3-0.

**Ratify the Budget Amendments for FY 2022/2023**

Motion made by City Clerk Frank to ratify the Budget Amendments for Fiscal Year 2022-2023 as presented, seconded by Comptroller Bradford – motion carried 3-0.

**Ratify the Budget for FY 2023/2024**

Motion made by City Clerk Frank to ratify the budget for Fiscal Year 2023-2024 as presented, seconded by Comptroller Bradford – motion carried 3-0.

**Public Comments**

There were no comments from the public.

**Adjourn**

Motion made by Comptroller Bradford to adjourn the meeting at 10:32 a.m., seconded by City Clerk Frank – motion carried 3-0.

X

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John W. Coffey, ICMA-CM  
City Manager

**City of Indian Harbour Beach  
Police Officers' Supplemental Pension Plan**

**Actuarial Valuation  
As of October 1, 2023**

**Determines the Contribution  
For the 2023/24 Fiscal Year**



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March 22, 2024

### Introduction

This report presents the results of the October 1, 2023 actuarial valuation for the City of Indian Harbour Beach Police Officers' Supplemental Pension Plan. The report is based on the participant data and asset information provided by the pension plan administrator and, except for a cursory review for reasonableness including a comparison to the data provided for the previous valuation, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of October 1, 2023 and to determine the minimum required contribution under Chapter 112, Florida Statutes, for the 2023/24 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an estimate of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the normal cost rate.

### Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2023/24 plan year. The minimum required contribution rate is 2.51% of covered payroll, which represents a decrease of 0.41% of payroll from the prior valuation.

The normal cost rate is 2.51%, which is 0.41% of payroll lower than the normal cost rate that was developed in the prior valuation. Table I-C provides a breakdown of the sources of change in the normal cost rate. Significantly, the rate decreased by 0.14% of payroll due to investment gains, decreased by another 0.56% of payroll due to demographic experience, and increased by 0.29% of payroll due to the plan amendment that is described below. The market value of assets earned 8.63% during the 2022/23 plan year and the actuarial value of assets earned 11.19% during this period, whereas a 7.00% annual investment return was required to maintain a stable contribution rate.



Chapter 112, Florida Statutes, sets forth the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the City must contribute an amount equal to the annual normal cost of the plan plus an adjustment as necessary to reflect interest on any delayed payment of the contribution beyond the valuation date. On this basis, the City's 2023/24 minimum required contribution will be equal to 2.51% multiplied by the total pensionable earnings for the 2023/24 fiscal year for the active employees who are covered by the plan.

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$601,165. As illustrated in Table I-A, current assets are sufficient to cover \$328,462 of this amount and the employer's 2023/24 expected contribution will cover \$26,840 of this amount, leaving \$245,863 to be covered by future employer funding beyond the 2023/24 fiscal year. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

#### Advance Employer Contribution

The City has made contributions to the plan in excess of the minimum amount that was required to be contributed pursuant to Chapter 112. In this report, the excess contributions are referred to as an "advance employer contribution." As of October 1, 2023, the advance employer contribution is \$86,174, which is equal to the advance employer contribution as of October 1, 2022 less \$1,331 to cover the shortfall between the actual employer contributions and the minimum required contribution for the 2022/23 plan year as shown in Table II-F.

The City may apply all or any portion of the advance employer contribution towards the minimum required contribution for the 2023/24 plan year or for any later plan year. The minimum required contribution for that plan year will be reduced dollar-for-dollar by the amount of the advance employer contribution that is applied in this manner.

Alternatively, at any time, the City may apply all or any portion of the advance employer contribution as an extra contribution in excess of the minimum required contribution. In this case, the immediate application of the entire balance of the advance employer contribution as of October 1, 2023 would reduce the minimum required contribution for the 2023/24 plan year to 1.72% of payroll.

#### Plan Amendment

Since the completion of the previous valuation, Ordinance No. 2023-05 was adopted to be effective August 22, 2023. This ordinance changed the normal retirement age to the earlier of any age with at least 25 years of service or age 52 with at least 10 years of service.

#### Identification and Assessment of Risk

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current



participants. Anyone referring to this report should remember that the cost developed herein is only an estimate of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, there is always a risk that, should these assumptions not be realized, the liabilities of the plan, the contributions required to fund the plan, and the funded status of the plan may be significantly different than the amounts shown in this report.

Although a thorough analysis of the risk of not meeting the assumptions is beyond the scope of this report, this discussion is intended to identify the significant risks faced by the plan. In some cases, a more detailed review of the risks, including numerical analysis, may be appropriate to help the plan sponsor and other interested parties assess the specific impact of not realizing certain assumptions. For example, Table I-B illustrates the impact that alternative long-term investment returns would have on the contribution rate. Note that this report is not intended to provide advice on the management or reduction of the identified risks nor is this report intended to provide investment advice.

The most significant risk faced by most defined benefit pension plans is investment risk, i.e. the risk that long-term investment returns will be less than assumed. Other related risks include a risk that, if the investments of the plan decline dramatically over a short period of time (such as occurred with many pension plans in 2008), the plan's assets may not have sufficient time to recover before benefits become due. Even if the assets of the plan grow in accordance with the assumed investment return over time, if benefit payments are expected to be large in the short-term (for example, if the plan provides an actuarial equivalent lump sum payment option and a large number of participants are expected to become entitled to such a lump sum in the near future), the plan's assets may not be sufficient to support such a high level of benefit payments. We have provided a 10-year projection of the expected benefit payments in Table III-G to help the Trustees in formulating an investment policy that is expected to provide an investment return that meets both the short- and long-term cash flow needs of the pension plan.

Another source of risk is demographic experience. This is the risk that participants will receive salary increases that are different than the amount assumed, that participants will retire, become disabled, or terminate their employment at a rate that is different than assumed, and that participants will live longer than assumed, just to cite a few examples of the demographic risk faced by the plan. Although for most pension plans, the demographic risk is not as significant as the investment risk, particularly in light of the fact that the mortality assumption includes a component for future life expectancy increases, the demographic risk can nevertheless be a significant contributing factor to liabilities and contribution rates that become higher than anticipated.

A third source of risk is the risk that the plan sponsor (or other contributing entities) will not make, or will not have the ability to make, the contributions that are required to keep the plan funded at a sufficient level. Material changes in the number of covered employees, covered payroll, and, in some cases, hours worked by active participants can also significantly impact the plan's liabilities and the level of contributions received by the plan.

Finally, an actuarial funding method has been used to allocate the gap between projected liabilities and assets to each year in the future. The contribution rate under some funding methods is higher during the early years of the plan and then is lower during the later years of the plan. Other funding methods provide for lower contribution rates initially, with increasing contribution rates over time.



The Trustees have adopted the aggregate funding method for this plan, which is expected to result in a contribution rate that is level as a percentage of payroll over the working life of the plan's active participants. A brief description of the actuarial funding method is provided in Table IV-A.

#### Contents of the Report

Tables I-D through I-G provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of October 1, 2023, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

#### Certification

This actuarial valuation was prepared 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 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 change in plan costs or required contribution rates have been taken into account in the valuation.

For the firm,

*Charles J. Carr, FSA*

Charles T. Carr  
Consulting Actuary  
Southern Actuarial Services Company, Inc.

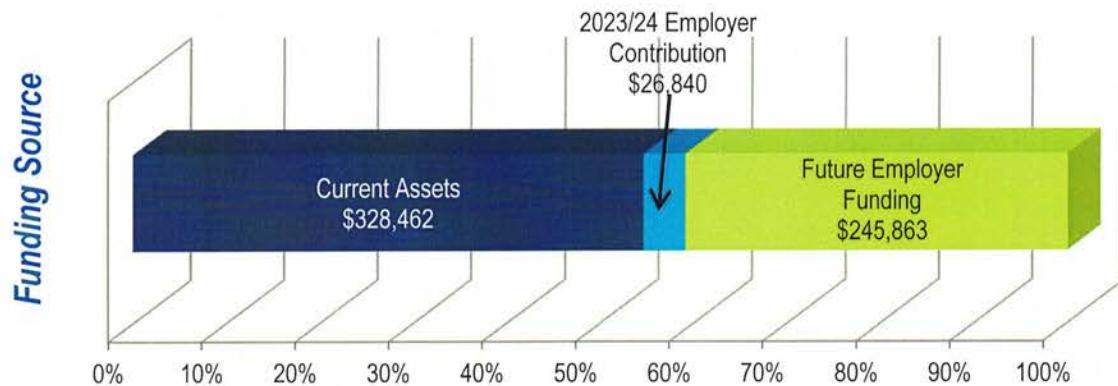
Enrolled Actuary No. 23-04927

*The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.*



## Minimum Required Contribution

## Table I-A

For the 2023/24 Plan Year

Present Value of Future Benefits	\$500,971
Present Value of Future Administrative Expenses	\$100,194
Actuarial Value of Assets	(\$328,462)
Present Value of Future Employee Contributions	\$0
Present Value of Future Normal Costs	\$272,703

Present Value of Future Payroll	÷ \$10,867,633
Normal Cost Rate	= 2.5093%
Expected Payroll	x \$1,069,616

Normal Cost	\$26,840
Adjustment to Reflect Quarterly Employer Contributions	\$0
Preliminary Employer Contribution for the 2023/24 Plan Year	\$26,840

Expected Payroll for the 2023/24 Plan Year	÷ \$1,069,616
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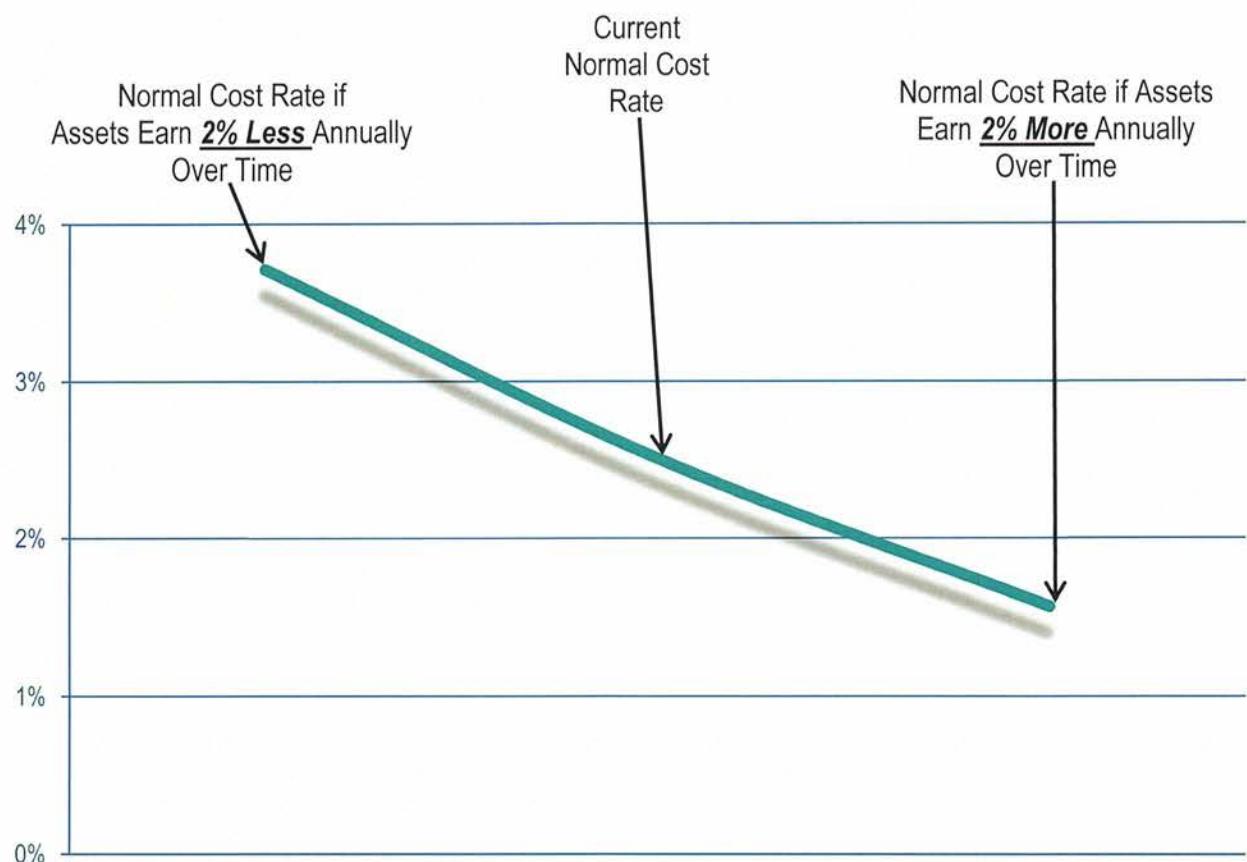
<b>Minimum Required Contribution Rate</b>	<b>2.51%</b>
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*(The actual contribution should be based on the minimum required contribution rate multiplied by the actual payroll for the year.)*



## Sensitivity Analysis

## Table I-B



*The line above illustrates the sensitivity of the normal cost rate to changes in the long-term investment return.*



## Gain and Loss Analysis

## Table I-C

Previous normal cost rate	2.92%
Increase (decrease) due to investment gains and losses	-0.14%
Increase (decrease) due to demographic experience	-0.56%
Increase (decrease) due to plan amendments	0.29%
Increase (decrease) due to actuarial assumption changes	0.00%
Increase (decrease) due to actuarial method changes	0.00%
Current normal cost rate	<u><u>2.51%</u></u>



## Present Value of Future Benefits

## Table I-D

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$206,129	\$224,553	\$224,553
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$206,129</b>	<b>\$224,553</b>	<b>\$224,553</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$9,363	\$9,363	\$9,363
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$9,363</b>	<b>\$9,363</b>	<b>\$9,363</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Retired Participants</u></i>			
Service retirements	\$267,055	\$267,055	\$267,055
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving DROP participants	\$0	\$0	\$0
Sub-total	<b>\$267,055</b>	<b>\$267,055</b>	<b>\$267,055</b>
<i><u>Grand Total</u></i>	<b><u>\$482,547</u></b>	<b><u>\$500,971</u></b>	<b><u>\$500,971</u></b>
Present Value of Future Payroll	\$11,312,671	\$10,867,633	\$10,867,633
Present Value of Future Employee Contribs.	\$0	\$0	\$0
Present Value of Future Employer Contribs.	\$250,594	\$272,703	\$272,703



## Present Value of Accrued Benefits

## Table I-E

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$120,409	\$123,659	\$123,659
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$120,409</b>	<b>\$123,659</b>	<b>\$123,659</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$9,363	\$9,363	\$9,363
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$9,363</b>	<b>\$9,363</b>	<b>\$9,363</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Retired Participants</u></i>			
Service retirements	\$267,055	\$267,055	\$267,055
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving DROP participants	\$0	\$0	\$0
Sub-total	<b>\$267,055</b>	<b>\$267,055</b>	<b>\$267,055</b>
<i><u>Grand Total</u></i>	<b><u>\$396,827</u></b>	<b><u>\$400,077</u></b>	<b><u>\$400,077</u></b>
<i><u>Funded Percentage</u></i>	104.49%	103.64%	103.64%

(Note: Funded percentage is equal to the ratio of the usable portion of the market value of assets divided by the present value of accrued benefits.)



## Present Value of Vested Benefits

## Table I-F

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<b><i>Actively Employed Participants</i></b>			
Retirement benefits	\$120,409	\$123,659	\$123,659
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$120,409</b>	<b>\$123,659</b>	<b>\$123,659</b>
<b><i>Deferred Vested Participants</i></b>			
Retirement benefits	\$9,363	\$9,363	\$9,363
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$9,363</b>	<b>\$9,363</b>	<b>\$9,363</b>
<i>Due a Refund of Contributions</i>	\$0	\$0	\$0
<i>Deferred Beneficiaries</i>	\$0	\$0	\$0
<b><i>Retired Participants</i></b>			
Service retirements	\$267,055	\$267,055	\$267,055
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	<b>\$267,055</b>	<b>\$267,055</b>	<b>\$267,055</b>
<i>Grand Total</i>	<b>\$396,827</b>	<b>\$400,077</b>	<b>\$400,077</b>



## Entry Age Normal Accrued Liability

## Table I-G

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i>Actively Employed Participants</i>			
Retirement benefits	\$123,154	\$129,376	\$129,376
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$123,154</b>	<b>\$129,376</b>	<b>\$129,376</b>
<i>Deferred Vested Participants</i>			
Retirement benefits	\$9,363	\$9,363	\$9,363
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$9,363</b>	<b>\$9,363</b>	<b>\$9,363</b>
<i>Due a Refund of Contributions</i>	\$0	\$0	\$0
<i>Deferred Beneficiaries</i>	\$0	\$0	\$0
<i>Retired Participants</i>			
Service retirements	\$267,055	\$267,055	\$267,055
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving DROP participants	\$0	\$0	\$0
Sub-total	<b>\$267,055</b>	<b>\$267,055</b>	<b>\$267,055</b>
<i>Grand Total</i>	<b><u>\$399,572</u></b>	<b><u>\$405,794</u></b>	<b><u>\$405,794</u></b>



## Actuarial Value of Assets

## Table II-A

Market Value of Assets as of October 1, 2023	\$414,636
Minus advance employer contributions	(\$86,174)
<b>Actuarial Value of Assets as of October 1, 2023</b>	<b><u>\$328,462</u></b>

<u>Historical Actuarial Value of Assets</u>	
October 1, 2014	\$115,439
October 1, 2015	\$125,496
October 1, 2016	\$147,043
October 1, 2017	\$182,508
October 1, 2018	\$197,427
October 1, 2019	\$233,013
October 1, 2020	\$274,882
October 1, 2021	\$352,890
October 1, 2022	\$289,842
October 1, 2023	\$328,462

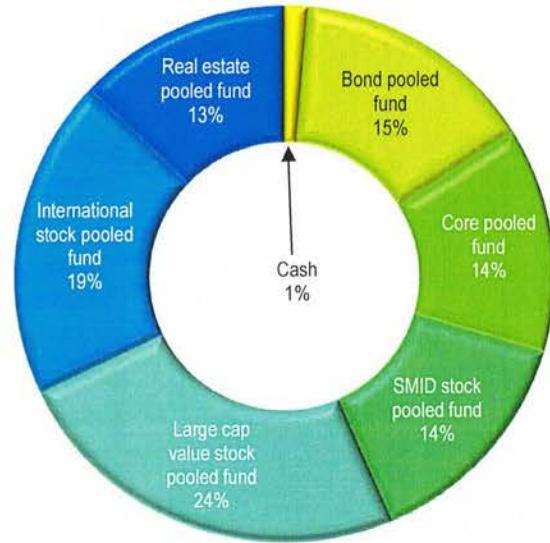


## Market Value of Assets

## Table II-B

As of October 1, 2023

Market Value of Assets	<u>\$414,636</u>
Cash	\$5,805
Bond pooled fund	\$60,537
Core pooled fund	\$56,391
SMID stock pooled fund	\$57,634
Large cap value stock pooled fund	\$101,171
International stock pooled fund	\$80,025
Real estate pooled fund	\$53,073

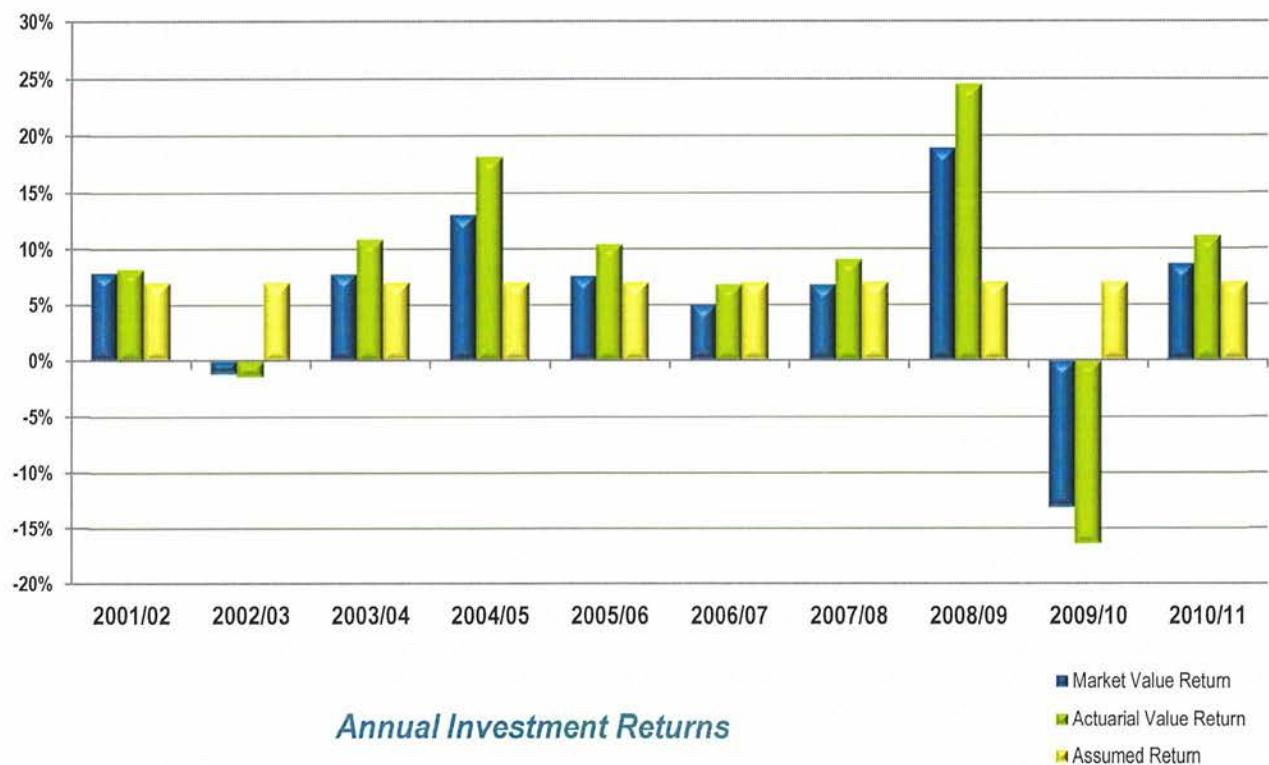
Historical Market Value of Assets

October 1, 2014	\$120,128
October 1, 2015	\$173,381
October 1, 2016	\$202,859
October 1, 2017	\$243,683
October 1, 2018	\$272,803
October 1, 2019	\$313,387
October 1, 2020	\$356,480
October 1, 2021	\$437,936
October 1, 2022	\$377,347
October 1, 2023	\$414,636



## Investment Return

## Table II-C



Plan	Market		Actuarial	
	Value	Return	Value	Assumed
Year	Return	Return	Return	Return
2013/14	7.88%	8.23%	7.00%	
2014/15	-1.17%	-1.43%	7.00%	
2015/16	7.78%	10.90%	7.00%	
2016/17	13.08%	18.15%	7.00%	
2017/18	7.58%	10.45%	7.00%	
2018/19	4.98%	6.85%	7.00%	
2019/20	6.79%	9.06%	7.00%	
2020/21	18.90%	24.53%	7.00%	
2021/22	-13.11%	-16.35%	7.00%	
2022/23	8.63%	11.19%	7.00%	
10yr. Avg.	5.81%	7.62%	7.00%	



## Asset Reconciliation

## Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of October 1, 2022	\$377,347	\$289,842
<i>Increases Due To:</i>		
Employer Contributions	\$36,115	\$36,115
Employee Contributions	\$0	\$0
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$36,115</u>	<u>\$36,115</u>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	<u>\$32,754</u>	
Total Investment Income	<u>\$32,754</u>	\$32,754
Other Income	\$0	
<b>Total Income</b>	<b><u>\$68,869</u></b>	<b><u>\$68,869</u></b>
<i>Decreases Due To:</i>		
Annual Benefit Payments	(\$23,780)	(\$23,780)
Refund of Employee Contributions	\$0	\$0
Total Benefit Payments	<u>(\$23,780)</u>	<u>(\$23,780)</u>
Investment Expenses	\$0	
Administrative Expenses	(\$7,800)	(\$7,800)
Advance Employer Contribution		\$1,331
<b>Total Expenses</b>	<b><u>(\$31,580)</u></b>	<b><u>(\$30,249)</u></b>
<b>As of October 1, 2023</b>	<b><u>\$414,636</u></b>	<b><u>\$328,462</u></b>



## Historical Trust Fund Detail

## Table II-E

Income

Plan	Employer	Chapter	Employee	Service		Realized	Unrealized	Other
				Contribs.	Contribs.			
2013/14	\$26,298	\$0	\$0	\$0	\$0	\$0	\$8,356	\$0
2014/15	\$68,454	\$0	\$0	\$0	\$0	\$0	-\$1,731	\$0
2015/16	\$35,117	\$0	\$0	\$0	\$0	\$0	\$14,089	\$0
2016/17	\$30,984	\$0	\$0	\$0	\$0	\$0	\$27,414	\$0
2017/18	\$35,955	\$0	\$0	\$0	\$0	\$0	\$18,869	\$0
2018/19	\$48,839	\$0	\$0	\$0	\$0	\$0	\$14,245	\$0
2019/20	\$46,358	\$0	\$0	\$0	\$0	\$0	\$21,999	\$0
2020/21	\$42,114	\$0	\$0	\$0	\$0	\$0	\$68,583	\$0
2021/22	\$29,561	\$0	\$0	\$0	\$0	\$0	-\$57,212	\$0
2022/23	\$36,115	\$0	\$0	\$0	\$0	\$0	\$32,754	\$0

Expenses

Plan	Benefit	Annual			Invest.	Other Actuarial Adjustments	
		Contrib.	Admin.	Invest.		DROP	Advance
Year	Payments	Refunds	Expenses	Expenses	Credits	Employer	Contribs.
2013/14	\$8,460	\$0	\$6,264	\$0		\$0	\$556
2014/15	\$12,230	\$0	\$1,240	\$0		\$0	\$43,196
2015/16	\$12,180	\$0	\$7,548	\$0		\$0	\$7,931
2016/17	\$13,005	\$0	\$4,569	\$0		\$0	\$5,359
2017/18	\$15,800	\$0	\$9,904	\$0		\$0	\$14,201
2018/19	\$16,760	\$0	\$5,740	\$0		\$0	\$4,998
2019/20	\$19,450	\$0	\$5,814	\$0		\$0	\$1,224
2020/21	\$23,240	\$0	\$6,001	\$0		\$0	\$3,448
2021/22	\$25,080	\$0	\$7,858	\$0		\$0	\$2,459
2022/23	\$23,780	\$0	\$7,800	\$0		\$0	-\$1,331

Note: Information was not available to separate the investment expenses from the investment income nor was information available to separate the investment income by source.



## Other Reconciliations

## Table II-F

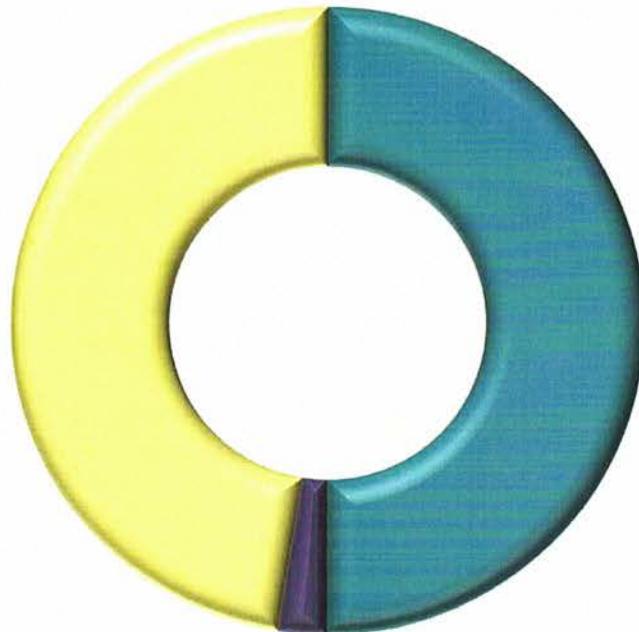
Advance Employer Contribution

Advance Employer Contribution as of October 1, 2022	\$87,505
Additional Employer Contribution	\$36,115
Minimum Required Contribution	(\$37,446)
Net Increase in Advance Employer Contribution	(\$1,331)
Advance Employer Contribution as of October 1, 2023	<u><u>\$86,174</u></u>



## Summary of Participant Data

## Table III-A

*Participant Distribution by Status*As of October 1, 2023Actively Employed Participants

Active Participants	20
DROP Participants	0

Inactive Participants

Deferred Vested Participants	1
Due a Refund of Contributions	0
Deferred Beneficiaries	0

Participants Receiving a Benefit

Service Retirements	19
Disability Retirements	0
Beneficiaries Receiving	0

**Total Participants****40**Number of Participants Included in Prior Valuations

	Active	DROP	Inactive	Retired	Total
October 1, 2014	N/A	N/A	N/A	N/A	N/A
October 1, 2015	19	0	2	10	31
October 1, 2016	19	0	2	10	31
October 1, 2017	20	0	1	11	32
October 1, 2018	20	0	2	13	35
October 1, 2019	21	0	2	14	37
October 1, 2020	20	0	1	17	38
October 1, 2021	20	0	1	18	39
October 1, 2022	19	0	1	20	40
October 1, 2023	20	0	1	19	40



## Data Reconciliation

## Table III-B

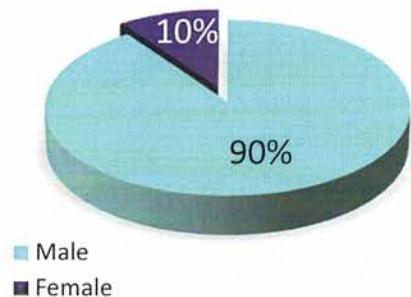
	Active	DROP	Deferred Vested	Due a Refund	Def. Benef.	Service Retiree	Disabled Retiree	Benef. Rec'v.	Total
<u>October 1, 2022</u>	19	0	1	0	0	20	0	0	40
<u>Change in Status</u>									
Re-employed									
Terminated			(1)						(1)
Retired									
<u>Participation Ended</u>									
Transferred Out									
Cashed Out									
Died							(1)		(1)
<u>Participation Began</u>									
Newly Hired			2						2
Transferred In									
New Beneficiary									
<u>Other Adjustment</u>									
<u>October 1, 2023</u>	20	0	1	0	0	19	0	0	40



## Active Participant Data

## Table III-C

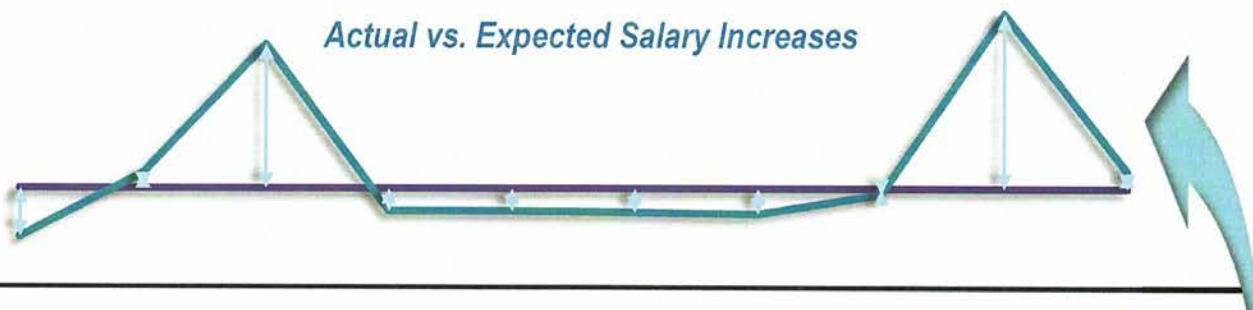
## Gender Mix



As of October 1, 2023

Average Age	38.8 years
Average Service	6.6 years
Total Annualized Compensation for the Prior Year	\$1,290,075
Total Expected Compensation for the Current Year	\$1,069,616
Average Increase in Compensation for the Prior Year	5.07%
Expected Increase in Compensation for the Current Year	4.00%

## Actual vs. Expected Salary Increases



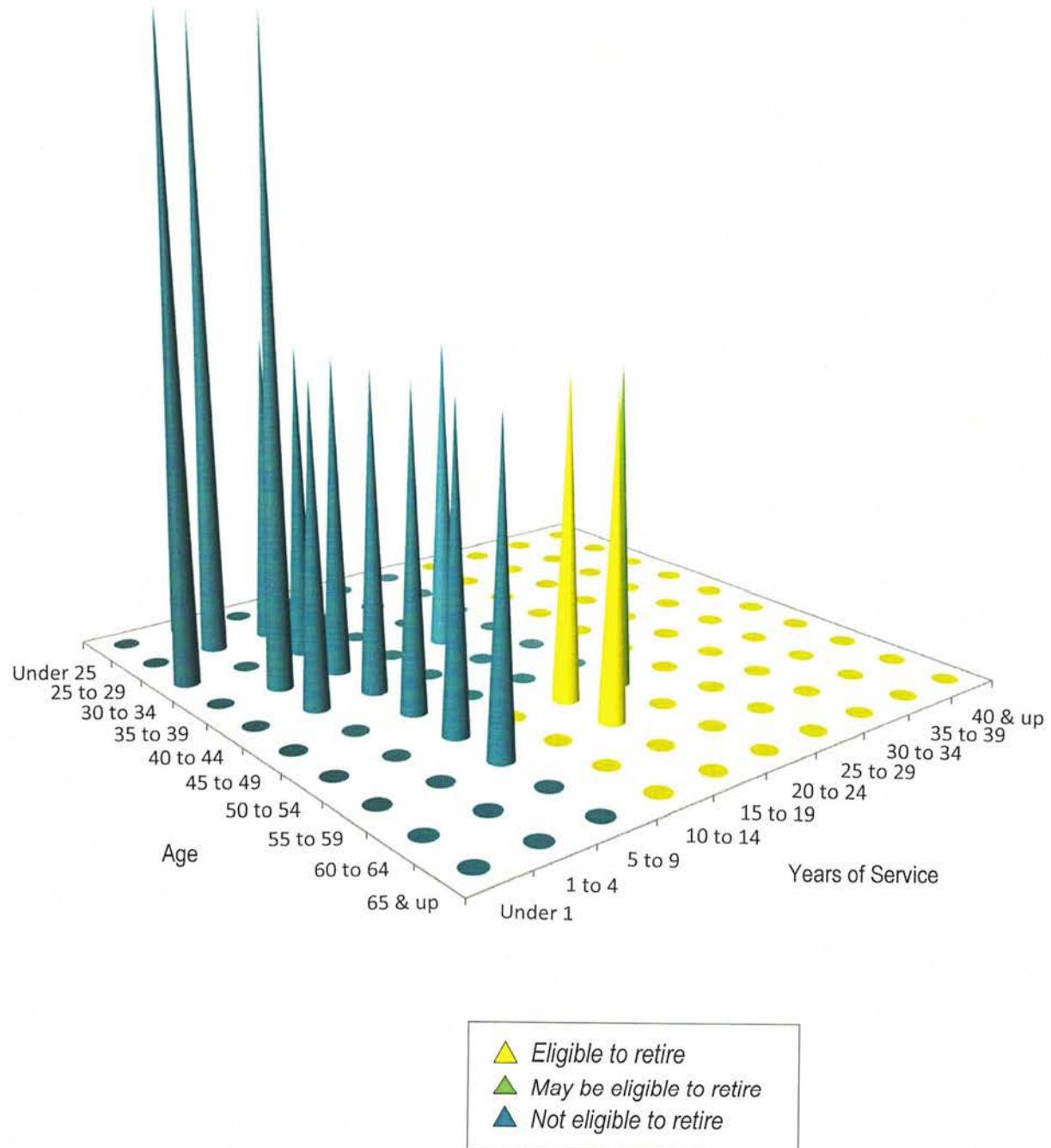
## Active Participant Statistics From Prior Valuations

	Average Age	Average Service	Average Salary	Average Expected Increase	Average Actual Increase
October 1, 2014	N/A	N/A	N/A	4.00%	1.06%
October 1, 2015	40.9	7.6	\$51,012	4.00%	4.90%
October 1, 2016	41.9	8.6	\$57,595	4.00%	12.77%
October 1, 2017	43.1	9.2	\$58,505	4.00%	2.64%
October 1, 2018	40.2	8.0	\$56,853	4.00%	2.65%
October 1, 2019	40.3	7.5	\$55,845	4.00%	2.58%
October 1, 2020	39.1	7.0	\$56,921	4.00%	2.48%
October 1, 2021	38.8	7.2	\$57,747	4.00%	3.67%
October 1, 2022	38.1	6.0	\$59,695	4.00%	14.66%
October 1, 2023	38.8	6.6	\$64,504	4.00%	5.07%



## Active Age-Service Distribution

Table III-D



## Active Age-Service-Salary Table

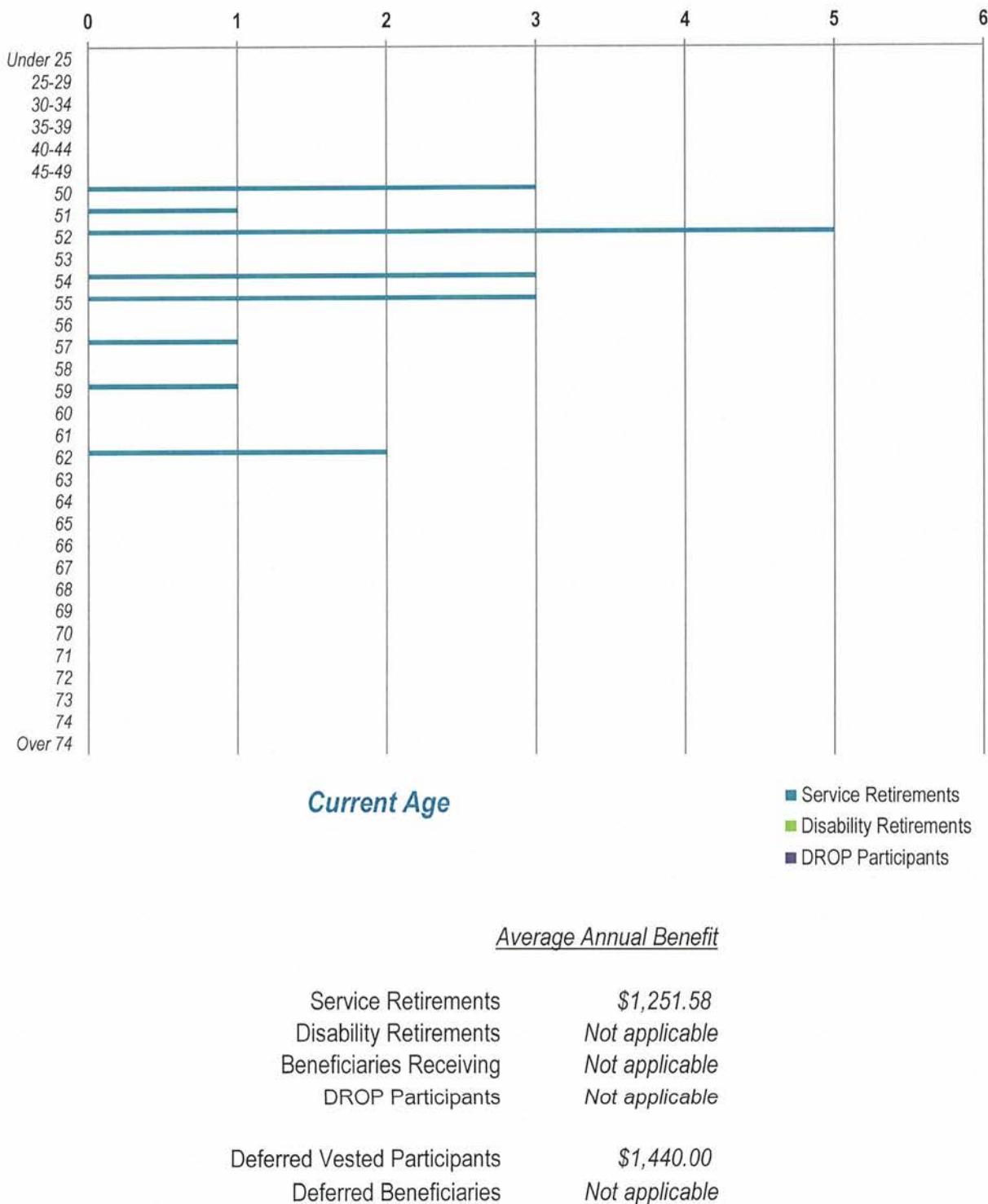
## Table III-E

Attained Age	Completed Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	0	2	0	0	0	0	0	0	0	0	2
Avg.Pay	0	50,126	0	0	0	0	0	0	0	0	50,126
25 to 29	0	2	1	0	0	0	0	0	0	0	3
Avg.Pay	0	52,128	54,505	0	0	0	0	0	0	0	52,920
30 to 34	2	0	1	0	0	0	0	0	0	0	3
Avg.Pay	48,444	0	68,856	0	0	0	0	0	0	0	55,248
35 to 39	0	2	1	0	1	0	0	0	0	0	4
Avg.Pay	0	50,705	68,507	0	78,785	0	0	0	0	0	62,175
40 to 44	0	1	1	0	0	0	0	0	0	0	2
Avg.Pay	0	51,201	54,302	0	0	0	0	0	0	0	52,752
45 to 49	0	0	1	0	0	0	0	0	0	0	1
Avg.Pay	0	0	69,215	0	0	0	0	0	0	0	69,215
50 to 54	0	0	1	0	1	1	0	0	0	0	3
Avg.Pay	0	0	54,138	0	89,633	77,848	0	0	0	0	73,873
55 to 59	0	0	1	0	1	0	0	0	0	0	2
Avg.Pay	0	0	126,165	0	94,116	0	0	0	0	0	110,141
60 to 64	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
65 & up	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20</b>
Avg.Pay	48,444	51,017	70,813	0	87,511	77,848	0	0	0	0	64,504



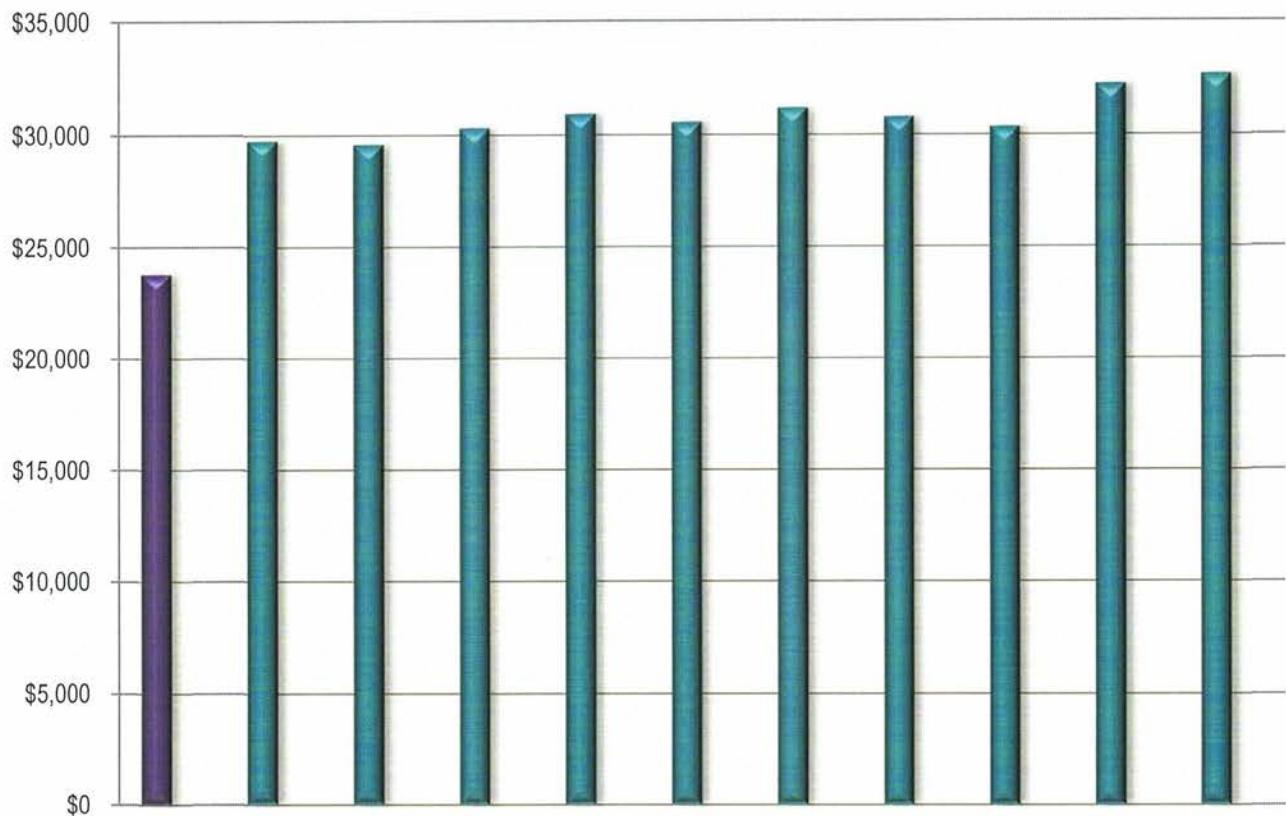
## Inactive Participant Data

## Table III-F



## Projected Benefit Payments

## Table III-G



For the period October 1, 2022 through September 30, 2023 \$23,780

*Projected*

For the period October 1, 2023 through September 30, 2024	\$29,747
For the period October 1, 2024 through September 30, 2025	\$29,580
For the period October 1, 2025 through September 30, 2026	\$30,295
For the period October 1, 2026 through September 30, 2027	\$30,908
For the period October 1, 2027 through September 30, 2028	\$30,550
For the period October 1, 2028 through September 30, 2029	\$31,177
For the period October 1, 2029 through September 30, 2030	\$30,767
For the period October 1, 2030 through September 30, 2031	\$30,333
For the period October 1, 2031 through September 30, 2032	\$32,228
For the period October 1, 2032 through September 30, 2033	\$32,655



## Summary of Actuarial Methods and Assumptions

## Table IV-A

*NOTE: The following assumptions and methods have been selected and approved by the Board of Trustees based in part on the advice of the plan's enrolled actuary in accordance with the authority granted to the Board under the pension ordinances and State law.*

### 1. Actuarial Cost Method

Aggregate cost method. Under this actuarial cost method, a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the expected future payroll for current active participants. The normal cost is equal to the level funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

### 2. Asset Method

The actuarial value of assets is equal to the market value of assets.

### 3. Interest (or Discount) Rate

7.00% per annum

### 4. Salary Increases

Compensation is assumed to increase at the rate of 4.00% per annum, unless actual plan compensation is known for a prior plan year.

### 5. Decrements

- Pre-retirement mortality: None is assumed.
- Post-retirement mortality: For non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018
- Disability: None is assumed.



## Summary of Actuarial Methods and Assumptions

## Table IV-A

(continued)

- Termination: None is assumed.
- Retirement: Retirement is assumed to occur at normal retirement age.

6. Expenses

The present value of future benefits has been loaded by 20.00% to account for administrative expenses. The interest rate set forth in item 3. above is assumed to be net of investment expenses and commissions.



## Changes in Actuarial Methods and Assumptions

## Table IV-B

No assumptions or methods were changed since the completion of the previous valuation.

*The following additional assumption and method changes were made during the past 10 years:*

- (1) *Effective October 1, 2020, the mortality basis was changed from the RP-2000 Blue Collar Mortality Table with generational improvements in mortality using Scale BB to selected PUB-2010 Mortality Tables with generational improvements in mortality using Scale MP-2018.*
- (2) *Effective October 1, 2018, an administrative expense assumption was added equal to a 20% loading of the present value of future benefits.*
- (3) *Effective October 1, 2016, the mortality basis was changed from a 2015 projection of the RP-2000 Mortality Table for annuitants to a full generational projection using Scale BB of the RP-2000 Blue Collar Mortality Table as required by State law.*
- (4) *Effective October 1, 2013, the assumed interest (or discount) rate was decreased from 7.50% per annum to 7.00% per annum.*
- (5) *Effective October 1, 2013, the mortality basis was changed from the RP-2000 Mortality Table for annuitants, projected to 2007 by Scale AA, to the RP-2000 Mortality Table for annuitants, projected to 2015 by Scale AA, both as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430.*



## Summary of Plan Provisions

## Table V-A

1. **Accrued Benefit**

\$84.00 multiplied by the first 10 years of Credited Service plus \$120.00 multiplied by Credited Service in excess of 10 years, to a maximum benefit of \$2,400.00 per year

*(Note: The deferred vested participant is entitled to receive an additional \$500.00 annual benefit.)*

2. **Normal Retirement Age and Benefit**

- **Age**  
Age 52 with at least 10 years of service, or  
Any age with at least 25 years of service
- **Amount**  
Accrued Benefit payable annually as of each January 1
- **Form of Payment**  
10-year certain and life annuity

3. **Early Retirement Age and Benefit**

- \* **Age**  
Age 50 with at least 10 years of service
- \* **Amount**  
Accrued Benefit payable annually as of each January 1
- \* **Form of Payment**  
10-year certain and life annuity

4. **Participation Requirement**

All police officers of the City of Indian Harbour Beach, Florida automatically become a participant in the plan on their date of hire.



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## Summary of Plan Amendments

## Table V-B

Since the completion of the previous valuation, Ordinance No. 2023-05 was adopted to be effective August 22, 2023. This ordinance changed the normal retirement age to the earlier of any age with at least 25 years of service or age 52 with at least 10 years of service.

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*The following additional plan amendments were adopted during the past 10 years and were reflected in prior valuation reports:*

- (1) *The plan was amended with respect to those individuals who retire after October 1, 2016 to increase the benefit formula from \$60.00 for each year of service to \$84.00 for each of the first 10 years of service plus \$120.00 for each year of service in excess of 10 years, to a maximum benefit of \$2,400.00 per year.*



**City of Indian Harbour Beach  
Police Officers' Supplemental Pension Plan**

**Actuarial Valuation  
As of October 1, 2022**

**GASB 67/68 Supplement  
As of September 30, 2023**



## DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN

This report was issued on March 22, 2024 as a supplement to the October 1, 2022 actuarial valuation report, which report provides important information related to the assumptions, participant data, and assets used to prepare the following disclosures under Governmental Accounting Standards Board Statements Nos. 67 and 68 (GASB 67/68).

### NET PENSION LIABILITY AS OF SEPTEMBER 30, 2023

Total pension liability	\$408,476 *
Less fiduciary net position	(414,636)
<b>Net pension liability</b>	<b><u>\$(6,160) **</u></b>

\* This amount has been rolled forward from October 1, 2022.

\*\* This amount is recognized on the employer's balance sheet.

### PENSION EXPENSE FOR THE 2022/23 FISCAL YEAR

Service cost	\$7,395
Other recognized changes in net pension liability:	
Expected interest growth	2,318
Investment gain/loss	8,962
Demographic gain/loss	(190)
Employee contributions	0
Administrative expenses	7,800
Changes in benefit terms	0
Assumption changes	3,312
<b>Pension expense</b>	<b><u>\$29,597 *</u></b>

\* This amount is recognized on the employer's income statement, along with the employer contribution for the 2022/23 fiscal year.

### DEFERRED INFLOW AND OUTFLOW OF RESOURCES

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2022	\$103,166	\$44,724
Change due to:		
Amortization payments	\$(29,397)	\$(17,313)
Investment gain/loss	\$0	\$6,184
Demographic gain/loss	\$0	\$24,877
Assumption changes	\$0	\$0
Total change	<u>\$(29,397)</u>	<u>\$13,748</u>
Balance as of September 30, 2023	<b>\$73,769 *</b>	<b>\$58,472 *</b>

\* These amounts are recognized on the employer's balance sheet.

### BALANCE EQUATION

Net pension liability as of September 30, 2022	\$43,503
Plus pension expense for the 2022/23 fiscal year	\$29,597
Minus employer contribution for the 2022/23 fiscal year	\$(36,115)
Plus change in balance of deferred outflows of resources	\$(29,397)
Minus change in balance of deferred inflows of resources	\$(13,748)
Net pension liability as of September 30, 2023	<b>\$(6,160)</b>

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**DEFERRED INFLOW AND OUTFLOW OF RESOURCES (continued)**

Amortization schedule for deferred outflows and inflows of resources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2023	\$73,769	\$58,472
Amount recognized in the 2023/24 pension expense:		
<i>Investment gain/loss</i>	\$17,682	\$9,874
<i>Demographic gain/loss</i>	\$5,081	\$5,816
<i>Assumption changes</i>	<u>\$4,040</u>	<u>\$1,451</u>
<i>Total</i>	\$26,803	\$17,141
Balance as of September 30, 2024	\$46,966	\$41,331
Amount recognized in the 2024/25 pension expense:		
<i>Investment gain/loss</i>	\$17,550	\$9,875
<i>Demographic gain/loss</i>	\$4,658	\$5,816
<i>Assumption changes</i>	<u>\$3,593</u>	<u>\$1,451</u>
<i>Total</i>	\$25,801	\$17,142
Balance as of September 30, 2025	\$21,165	\$24,189
Amount recognized in the 2025/26 pension expense:		
<i>Investment gain/loss</i>	\$17,551	\$1,237
<i>Demographic gain/loss</i>	\$1,984	\$5,805
<i>Assumption changes</i>	<u>\$0</u>	<u>\$1,451</u>
<i>Total</i>	\$19,535	\$8,493
Balance as of September 30, 2026	\$1,630	\$15,696
Amount recognized in the 2026/27 pension expense:		
<i>Investment gain/loss</i>	\$0	\$1,236
<i>Demographic gain/loss</i>	\$1,630	\$5,370
<i>Assumption changes</i>	<u>\$0</u>	<u>\$1,188</u>
<i>Total</i>	\$1,630	\$7,794
Balance as of September 30, 2027	\$0	\$7,902
Amount recognized in the 2027/28 pension expense:		
<i>Investment gain/loss</i>	\$0	\$0
<i>Demographic gain/loss</i>	\$0	\$5,039
<i>Assumption changes</i>	<u>\$0</u>	<u>\$0</u>
<i>Total</i>	\$0	\$5,039
Balance as of September 30, 2028	\$0	\$2,863

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**CHANGES IN THE NET PENSION LIABILITY**

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balance as of September 30, 2022	\$420,850	\$(377,347)	\$43,503
Change due to:			
<i>Service cost</i>	\$7,395	\$0	\$7,395
<i>Expected interest growth</i>	\$28,888	\$(26,570)	\$2,318
<i>Unexpected investment income</i>	\$0	\$(6,184)	\$(6,184)
<i>Demographic experience</i>	\$(24,877)	\$0	\$(24,877)
<i>Employer contributions</i>	\$0	\$(36,115)	\$(36,115)
<i>Employee contributions</i>	\$0	\$0	\$0
<i>Benefit payments &amp; refunds</i>	\$(23,780)	\$23,780	\$0
<i>Administrative expenses</i>	\$0	\$7,800	\$7,800
<i>Changes in benefit terms</i>	\$0	\$0	\$0
<i>Assumption changes</i>	\$0	\$0	\$0
Balance as of September 30, 2023	\$408,476	\$(414,636)	\$(6,160)

**COMPARISON OF NET PENSION LIABILITY USING ALTERNATIVE DISCOUNT RATES**

	Discount Rate Minus 1.00%	7.00% Discount Rate	Discount Rate Plus 1.00%
Total pension liability	\$450,122	\$408,476	\$373,455
Less fiduciary net position	<u>(414,636)</u>	<u>(414,636)</u>	<u>(414,636)</u>
Net pension liability	\$35,486	\$6,160	\$41,181

**HISTORICAL TREND INFORMATION**

Measurement Date	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Funded Percentage	Covered Payroll	Net Pension Liability as a % of Covered Payroll
September 30, 2023	\$408,476	\$414,636	\$(6,160)	101.51%	\$782,047	Not applicable
September 30, 2022	\$420,850	\$377,347	\$43,503	89.66%	\$957,158	4.55%
September 30, 2021	\$418,519	\$437,936	\$(19,417)	104.64%	\$947,794	Not applicable
September 30, 2020	\$400,993	\$356,480	\$44,513	88.90%	\$1,068,248	4.17%
September 30, 2019	\$381,715	\$313,387	\$68,328	82.10%	\$983,938	6.94%
September 30, 2018	\$284,958	\$272,803	\$12,155	95.73%	\$889,552	1.37%
September 30, 2017	\$272,779	\$243,683	\$29,096	89.33%	\$875,892	3.32%
September 30, 2016	\$256,798	\$202,859	\$53,939	79.00%	\$830,401	6.50%
September 30, 2015	\$251,963	\$173,381	\$78,582	68.81%	\$929,086	8.46%
September 30, 2014	\$198,315	\$120,128	\$78,187	60.57%	\$958,607	8.16%

DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)

HISTORICAL TREND INFORMATION (continued)

Changes in the net pension liability by source

Fiscal Year	Service Cost	Expected Interest Growth	Unexpected Investment Income	Demographic Experience	Employer Contributions	Employee Contributions	Benefit Payments & Refunds	Administrative Expenses	Changes in Benefit Terms	Assumption Changes
2022/23	\$7,395	\$2,318	\$6,184	\$24,877)	\$36,115)	\$0	\$0	\$7,800	\$0	\$0
2021/22	\$8,895	\$1,539)	\$87,751	\$10,484)	\$29,561)	\$0	\$0	\$7,858	\$0	\$0
2020/21	\$9,252	\$2,477	\$43,186)	\$13,534	\$42,114)	\$0	\$0	\$6,001	\$0	\$(9,894)
2019/20	\$12,168	\$4,222	\$664	\$325)	\$46,358)	\$0	\$0	\$5,814	\$0	\$0
2018/19	\$10,023	\$34)	\$5,757	\$19,725	\$48,839)	\$0	\$0	\$5,740	\$63,801	\$0
2017/18	\$6,112	\$1,517	\$1,458)	\$2,939	\$35,955)	\$0	\$0	\$9,904	\$0	\$0
2016/17	\$5,998	\$3,169	\$12,752)	\$2,662)	\$30,984)	\$0	\$0	\$4,569	\$0	\$7,819
2015/16	\$6,018	\$4,893	\$11,423)	\$6,562)	\$35,117)	\$0	\$0	\$7,548	\$0	\$0
2014/15	\$5,668	\$3,497	\$12,032	\$2,419	\$68,454)	\$0	\$0	\$1,240	\$0	\$43,993
2013/14	\$3,685	\$7,088	\$1,256	\$2,566	\$26,298)	\$0	\$0	\$6,264	\$0	\$2,147

NOTE: The amortization period for demographic experience and assumption changes was 10.00 years for the 2013/14 fiscal year, 10.89 years for the 2014/15 fiscal year, 11.32 years for the 2015/16 fiscal year, 6.42 years for the 2016/17 fiscal year, 5.94 years for the 2017/18 fiscal year, 6.86 years for the 2018/19 fiscal year, 6.78 years for the 2019/20 fiscal year, 6.82 years for the 2020/21 fiscal year, 6.90 years for the 2021/22 fiscal year, and 6.78 years for the 2022/23 fiscal year.

## DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)

### HISTORICAL TREND INFORMATION (continued)

Fiscal Year End	(1) Actuarially Determined Contribution	(2) Contributions Recognized By the Plan	(3) Difference Between (1) and (2)	Covered Payroll	Column (2) as a % of Covered Payroll
September 30, 2023	\$37,446	\$36,115	\$(1,331)	\$782,047	4.62%
September 30, 2022	\$27,102	\$29,561	\$2,459	\$957,158	3.09%
September 30, 2021	\$38,666	\$42,114	\$3,448	\$947,794	4.44%
September 30, 2020	\$45,134	\$46,358	\$1,224	\$1,068,248	4.34%
September 30, 2019	\$43,841	\$48,839	\$4,998	\$983,938	4.96%
September 30, 2018	\$21,754	\$35,955	\$14,201	\$889,552	4.04%
September 30, 2017	\$25,625	\$30,984	\$5,359	\$875,892	3.54%
September 30, 2016	\$27,186	\$35,117	\$7,931	\$830,401	4.23%
September 30, 2015	\$25,258	\$68,454	\$43,196	\$929,086	7.37%
September 30, 2014	\$25,742	\$26,298	\$556	\$958,607	2.74%

### INFORMATION USED TO DETERMINE THE NET PENSION LIABILITY

Employer's reporting date: *September 30, 2023*

Measurement date: *September 30, 2023*

Actuarial valuation date: *October 1, 2022*

#### Actuarial assumptions

Discount rate: *7.00% per annum (2.62% per annum is attributable to long-term inflation); this rate was used to discount all future benefit payments.*

Salary increases: *4.00% per annum*

Cost-of-living increases: *None assumed*

Mortality basis: *For non-retired participants, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year (pre-retirement mortality); for non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018*

Retirement: *Age 52*

Future contributions: *Contributions from the employer are assumed to be made as legally required.*

Changes: *No assumptions were changed since the prior measurement date.*

### DETERMINATION OF THE LONG-TERM EXPECTED RATE OF RETURN ON PLAN ASSETS

Investment Category	Target Allocation	Expected Long-Term Real Return
Core bonds	15.00%	1.60% per annum
Core plus	15.00%	2.10% per annum
U.S. large cap equity	25.00%	4.60% per annum
U.S. small cap equity	14.00%	5.50% per annum
Non-U.S. equity	21.00%	6.70% per annum
Core real estate	10.00%	5.00% per annum
Total or weighted arithmetic average	100.00%	4.38% per annum

## DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)

### PENSION PLAN DESCRIPTION

Name of the pension plan: *City of Indian Harbour Beach Police Officers' Supplemental Pension Plan*  
Legal plan administrator: *Board of Trustees of the City of Indian Harbour Beach Police Officers' Supplemental Pension Plan*  
Plan type: *Single-employer defined benefit pension plan*  
Number of covered individuals: *40 (20 inactive employees and beneficiaries currently receiving benefits; one inactive employee entitled to but not yet receiving benefits; 19 active employees)*  
Contribution requirement: *Employer contributions are actuarially determined and are subject to State minimums.*  
Pension plan reporting: *The plan issues a stand-alone financial report each year, which contains information about the plan's fiduciary net position. The plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of assets calculated under the accrual basis of accounting. This report is available to the public at the plan's administrative office: Retirement Department, Florida League of Cities, Inc., P. O. Box 1757, Tallahassee, FL 32302, (800) 342-8112.*

### Description of the benefit terms

Employees covered: *Police officers employed by the City of Indian Harbour Beach*  
Types of benefits offered: *Retirement benefits*  
Basic pension formula: *\$60.00 x service*  
Normal retirement age: *Age 52 with 10 years of service*  
Early retirement age: *Age 50 with 10 years of service*  
Form of payment: *Single life annuity payable annually as of each January 1*  
Cost-of-living adjustment: *No automatic cost-of-living adjustments are provided.*  
Legal authority: *The plan was established pursuant to City ordinance and has been amended several times since that date.*  
Changes: *No significant plan changes were adopted since the prior measurement date.*

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**PROJECTION OF THE FIDUCIARY NET POSITION**

Date	BOY Balance	Contributions	Benefit Payments	Administrative Expenses	Investment Earnings	EOY Balance
October 1, 2022	\$377,347	\$36,115	\$23,780	\$7,800	\$32,754	\$414,636
October 1, 2023	\$414,636	\$23,739	\$32,091	\$10,526	\$28,375	\$424,133
October 1, 2024	\$424,133	\$24,689	\$31,864	\$10,452	\$29,083	\$435,589
October 1, 2025	\$435,589	\$25,677	\$31,630	\$10,375	\$29,929	\$449,190
October 1, 2026	\$449,190	\$26,704	\$31,365	\$10,288	\$30,929	\$465,170
October 1, 2027	\$465,170	\$27,772	\$30,949	\$10,151	\$32,103	\$483,945
October 1, 2028	\$483,945	\$28,883	\$31,540	\$10,345	\$33,429	\$504,372
October 1, 2029	\$504,372	\$30,038	\$31,083	\$10,195	\$34,919	\$528,051
October 1, 2030	\$528,051	\$31,240	\$30,604	\$10,038	\$36,640	\$555,289
October 1, 2031	\$555,289	\$32,490	\$30,869	\$10,125	\$38,578	\$585,363
October 1, 2032	\$585,363	\$33,790	\$29,882	\$9,801	\$40,773	\$620,243
October 1, 2033	\$620,243	\$17,187	\$32,565	\$10,682	\$42,520	\$636,703
October 1, 2034	\$636,703	\$0	\$31,975	\$10,488	\$43,108	\$637,348
October 1, 2035	\$637,348	\$0	\$31,361	\$10,287	\$43,181	\$638,881
October 1, 2036	\$638,881	\$0	\$32,274	\$10,586	\$43,247	\$639,268
October 1, 2037	\$639,268	\$0	\$34,000	\$11,152	\$43,195	\$637,311
October 1, 2038	\$637,311	\$0	\$34,805	\$11,416	\$43,021	\$634,111
October 1, 2039	\$634,111	\$0	\$34,069	\$11,175	\$42,831	\$631,698
October 1, 2040	\$631,698	\$0	\$35,703	\$11,711	\$42,587	\$626,871
October 1, 2041	\$626,871	\$0	\$34,865	\$11,436	\$42,288	\$622,858
October 1, 2042	\$622,858	\$0	\$34,046	\$11,167	\$42,044	\$619,689
October 1, 2043	\$619,689	\$0	\$33,024	\$10,832	\$41,869	\$617,702
October 1, 2044	\$617,702	\$0	\$34,546	\$11,331	\$41,661	\$613,486
October 1, 2045	\$613,486	\$0	\$36,050	\$11,825	\$41,297	\$606,908
October 1, 2046	\$606,908	\$0	\$35,046	\$11,495	\$40,882	\$601,249
October 1, 2047	\$601,249	\$0	\$38,773	\$12,718	\$40,316	\$590,074
October 1, 2048	\$590,074	\$0	\$37,721	\$12,373	\$39,582	\$579,562
October 1, 2049	\$579,562	\$0	\$39,142	\$12,839	\$38,781	\$566,362
October 1, 2050	\$566,362	\$0	\$38,019	\$12,470	\$37,908	\$553,781
October 1, 2051	\$553,781	\$0	\$39,411	\$12,927	\$36,964	\$538,407
October 1, 2052	\$538,407	\$0	\$40,804	\$13,384	\$35,824	\$520,043
October 1, 2053	\$520,043	\$0	\$39,794	\$13,053	\$34,585	\$501,781
October 1, 2054	\$501,781	\$0	\$38,639	\$12,674	\$33,359	\$483,827
October 1, 2055	\$483,827	\$0	\$37,471	\$12,291	\$32,156	\$466,221
October 1, 2056	\$466,221	\$0	\$36,430	\$11,949	\$30,971	\$448,813
October 1, 2057	\$448,813	\$0	\$35,180	\$11,539	\$29,809	\$431,903
October 1, 2058	\$431,903	\$0	\$34,141	\$11,198	\$28,673	\$415,237
October 1, 2059	\$415,237	\$0	\$32,979	\$10,817	\$27,560	\$399,001
October 1, 2060	\$399,001	\$0	\$31,954	\$10,481	\$26,470	\$383,036
October 1, 2061	\$383,036	\$0	\$30,818	\$10,109	\$25,404	\$367,513
October 1, 2062	\$367,513	\$0	\$29,698	\$9,741	\$24,369	\$352,443
October 1, 2063	\$352,443	\$0	\$28,724	\$9,422	\$23,358	\$337,655
October 1, 2064	\$337,655	\$0	\$27,785	\$9,114	\$22,366	\$323,122
October 1, 2065	\$323,122	\$0	\$26,874	\$8,815	\$21,391	\$308,824
October 1, 2066	\$308,824	\$0	\$25,996	\$8,527	\$20,430	\$294,731
October 1, 2067	\$294,731	\$0	\$25,146	\$8,248	\$19,482	\$280,819
October 1, 2068	\$280,819	\$0	\$24,323	\$7,978	\$18,546	\$267,064
October 1, 2069	\$267,064	\$0	\$23,523	\$7,716	\$17,620	\$253,445
October 1, 2070	\$253,445	\$0	\$22,728	\$7,455	\$16,703	\$239,965
October 1, 2071	\$239,965	\$0	\$21,940	\$7,196	\$15,795	\$226,624
October 1, 2072	\$226,624	\$0	\$21,162	\$6,941	\$14,897	\$213,418
October 1, 2073	\$213,418	\$0	\$20,379	\$6,684	\$14,008	\$200,363
October 1, 2074	\$200,363	\$0	\$19,590	\$6,426	\$13,130	\$187,477

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**PROJECTION OF THE FIDUCIARY NET POSITION (continued)**

Date	BOY Balance	Contributions	Benefit Payments	Administrative Expenses	Investment Earnings	EOY Balance
October 1, 2075	\$187,477	\$0	\$18,794	\$6,165	\$12,265	\$174,783
October 1, 2076	\$174,783	\$0	\$17,983	\$5,899	\$11,413	\$162,314
October 1, 2077	\$162,314	\$0	\$17,156	\$5,627	\$10,578	\$150,109
October 1, 2078	\$150,109	\$0	\$16,315	\$5,351	\$9,762	\$138,205
October 1, 2079	\$138,205	\$0	\$15,458	\$5,070	\$8,968	\$126,645
October 1, 2080	\$126,645	\$0	\$14,586	\$4,784	\$8,199	\$115,474
October 1, 2081	\$115,474	\$0	\$13,716	\$4,499	\$7,456	\$104,715
October 1, 2082	\$104,715	\$0	\$12,844	\$4,213	\$6,743	\$94,401
October 1, 2083	\$94,401	\$0	\$11,970	\$3,926	\$6,061	\$84,566
October 1, 2084	\$84,566	\$0	\$11,096	\$3,640	\$5,413	\$75,243
October 1, 2085	\$75,243	\$0	\$10,231	\$3,356	\$4,800	\$66,456
October 1, 2086	\$66,456	\$0	\$9,376	\$3,075	\$4,224	\$58,229
October 1, 2087	\$58,229	\$0	\$8,538	\$2,801	\$3,686	\$50,576
October 1, 2088	\$50,576	\$0	\$7,712	\$2,530	\$3,188	\$43,522
October 1, 2089	\$43,522	\$0	\$6,914	\$2,268	\$2,731	\$37,071
October 1, 2090	\$37,071	\$0	\$6,144	\$2,015	\$2,314	\$31,226
October 1, 2091	\$31,226	\$0	\$5,392	\$1,769	\$1,939	\$26,004
October 1, 2092	\$26,004	\$0	\$4,693	\$1,539	\$1,606	\$21,378
October 1, 2093	\$21,378	\$0	\$4,035	\$1,324	\$1,312	\$17,331
October 1, 2094	\$17,331	\$0	\$3,421	\$1,122	\$1,057	\$13,845
October 1, 2095	\$13,845	\$0	\$2,855	\$936	\$839	\$10,893
October 1, 2096	\$10,893	\$0	\$2,349	\$770	\$655	\$8,429
October 1, 2097	\$8,429	\$0	\$1,907	\$626	\$503	\$6,399
October 1, 2098	\$6,399	\$0	\$1,515	\$497	\$379	\$4,766
October 1, 2099	\$4,766	\$0	\$1,187	\$389	\$279	\$3,469
October 1, 2100	\$3,469	\$0	\$912	\$299	\$201	\$2,459
October 1, 2101	\$2,459	\$0	\$684	\$224	\$141	\$1,692
October 1, 2102	\$1,692	\$0	\$496	\$163	\$96	\$1,129
October 1, 2103	\$1,129	\$0	\$350	\$115	\$63	\$727
October 1, 2104	\$727	\$0	\$247	\$81	\$40	\$439
October 1, 2105	\$439	\$0	\$147	\$48	\$24	\$268
October 1, 2106	\$268	\$0	\$100	\$33	\$14	\$149
October 1, 2107	\$149	\$0	\$58	\$19	\$8	\$80
October 1, 2108	\$80	\$0	\$36	\$12	\$4	\$36
October 1, 2109	\$36	\$0	\$14	\$5	\$2	\$19
October 1, 2110	\$19	\$0	\$0	\$0	\$1	\$20

**NOTES:**

The fiduciary net position is projected to be sufficient to cover all future benefit payments when due. The plan requires only a 7% average investment return per year to avoid a crossover date. The projection shown above does not reflect future new entrants into the pension plan.

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**AMORTIZATION BASES ATTRIBUTABLE TO UNEXPECTED INVESTMENT INCOME**

	YEAR DURING WHICH THE GAIN OR LOSS AROSE						2021/22	2022/23	TOTAL
	2018/19	2019/20	2020/21	2021/22	2022/23				
<u>Payment Year</u>									
2022/23		\$1,153	\$133	-\$8,637	\$17,550	-\$1,237	\$8,962		
2023/24			\$132	-\$8,637	\$17,550	-\$1,237	\$7,808		
2024/25				-\$8,638	\$17,550	-\$1,237	\$7,675		
2025/26					\$17,551	-\$1,237	\$16,314		
2026/27						-\$1,236	-\$1,236		
Remaining Balance		\$1,153	\$265	-\$25,912	\$70,201	-\$6,184	\$39,523		

**AMORTIZATION BASES ATTRIBUTABLE TO DEMOGRAPHIC EXPERIENCE**

	YEAR DURING WHICH THE GAIN OR LOSS AROSE										2021/22	2022/23	TOTAL
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23			
<u>Payment Year</u>													
2022/23	\$253	\$222	-\$580	-\$172	\$464	\$2,875	-\$48	\$1,984	-\$1,519	-\$3,669	-\$190		
2023/24		\$222	-\$580			\$2,875	-\$48	\$1,984	-\$1,519	-\$3,669	-\$735		
2024/25		\$199	-\$580			\$2,475	-\$48	\$1,984	-\$1,519	-\$3,669	-\$1,158		
2025/26			-\$580				-\$37	\$1,984	-\$1,519	-\$3,669	-\$3,821		
2026/27			-\$182					\$1,630	-\$1,519	-\$3,669	-\$3,740		
2027/28									-\$1,370	-\$3,669	-\$5,039		
2028/29										-\$2,863	-\$2,863		
Remaining Balance	\$253	\$643	-\$2,502	-\$172	\$464	\$8,225	-\$181	\$9,566	-\$8,965	-\$24,877	-\$17,546		

**AMORTIZATION BASES ATTRIBUTABLE TO ASSUMPTION CHANGES**

	YEAR DURING WHICH THE GAIN OR LOSS AROSE										2020/21	TOTAL	
	2013/14	2014/15	2016/17		2020/21								
<u>Payment Year</u>													
2022/23	\$212	\$4,040		\$511						-\$1,451		\$3,312	
2023/24		\$4,040								-\$1,451		\$2,589	
2024/25		\$3,593								-\$1,451		\$2,142	
2025/26										-\$1,451		-\$1,451	
2026/27										-\$1,188		-\$1,188	
Remaining Balance	\$212	\$11,673		\$511						-\$6,992		\$5,404	

**SUMMARY OF DEFERRED OUTFLOWS AND INFLOWS AS OF SEPTEMBER 30, 2023**

	Deferred Outflows	Deferred Inflows
Unexpected investment income	\$52,783	\$22,222
Demographic experience	\$13,353	\$30,709
Assumption changes	\$7,633	\$5,541
Total	\$73,769	\$58,472

City of Indian Harbour Beach  
GASB 75 Report

Actuarial Valuation  
As of October 1, 2022

Measurement Date  
As of September 30, 2023



March 11, 2024

## Introduction

This report presents the results of the October 1, 2022 actuarial valuation of the post-employment benefits (other than pensions) provided by the City of Indian Harbour Beach. In this report, these benefits are referred to as "Other Post-Employment Benefits" or "OPEB". The valuation is based upon the participant data provided as of October 1, 2022 by the City. Except for a cursory review for reasonableness, we have not attempted to verify the accuracy of this information. The primary purpose of this report is to provide accounting disclosures as of September 30, 2023 (the "measurement date") pursuant to Governmental Accounting Standards Board Statement No. 75 (GASB 75) in connection with the City's financial statements as of September 30, 2024 (the "reporting date").

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an estimate of the true cost of providing OPEB. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the described assumptions. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the OPEB. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, GASB 75 requires disclosure of the impact of a 1% decrease or increase in the discount rate and a 1% decrease or increase in the healthcare cost trend rates.

## Certification

This actuarial valuation was prepared 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 GASB 75 and the relevant Actuarial Standards of Practice issued by the Actuarial Standards Board. There is no post-employment benefit or expense to be provided by the City and/or paid from the trust'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 change in plan costs or required contribution rates have been taken into account in the valuation.

For the firm,



Charles T. Carr  
Consulting Actuary  
Southern Actuarial Services Company, Inc.

*The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.*

## DISCLOSURES RELATED TO POST-EMPLOYMENT BENEFITS

### NET OPEB LIABILITY AS OF SEPTEMBER 30, 2023

Total OPEB liability	\$190,103 *
Less fiduciary net position	(0)
<b>Net OPEB liability</b>	<b>\$190,103 **</b>

\* This amount has been rolled forward from October 1, 2022.

\*\* This amount is recognized on the employer's balance sheet.

### OPEB EXPENSE FOR THE 2022/23 FISCAL YEAR

Service cost	\$13,479
Other recognized changes in net pension liability:	
Expected interest growth	11,115
Investment gain/loss	0
Demographic gain/loss	(2,246)
Employee contributions	0
Benefit payments & refunds	(18,029)
Administrative expenses	0
Changes in benefit terms	0
Assumption changes	(35,996)
<b>OPEB expense</b>	<b><u>\$(31,677) *</u></b>

\* This amount is recognized on the employer's income statement.

### DEFERRED INFLOW AND OUTFLOW OF RESOURCES

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2022	\$92,132	\$353,646
Change due to:		
Amortization payments	<u>\$16,406)</u>	<u>\$(54,648)</u>
Investment gain/loss	\$0	\$0
Demographic gain/loss	\$0	\$34,284
Assumption changes	<u>\$0</u>	<u>\$3,987</u>
Total change	<u><u>\$16,406)</u></u>	<u><u>\$(16,377)</u></u>
Balance as of September 30, 2023	<b>\$75,726 * </b>	<b>\$337,269 * </b>

\* These amounts are recognized on the employer's balance sheet.

### BALANCE EQUATION

Net OPEB liability as of September 30, 2022	\$221,809
Plus OPEB expense for the 2022/23 fiscal year	<u>\$(31,677)</u>
Minus employer contribution for the 2022/23 fiscal year	\$0
Plus change in balance of deferred outflows of resources	<u>\$(16,406)</u>
Minus change in balance of deferred inflows of resources	<u>\$16,377</u>
Net OPEB liability as of September 30, 2023	<b>\$190,103</b>

**DISCLOSURES RELATED TO POST-EMPLOYMENT BENEFITS (continued)**

**DEFERRED INFLOW AND OUTFLOW OF RESOURCES (continued)**

Amortization schedule for deferred outflows and inflows of resources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2023	\$75,726	\$337,269
Amount recognized in the 2023/24 OPEB expense:		
<i>Investment gain/loss</i>	\$0	\$0
<i>Demographic gain/loss</i>	\$11,309	\$13,555
<i>Assumption changes</i>	<u>\$5,097</u>	<u>\$41,093</u>
<i>Total</i>	\$16,406	\$54,648
Balance as of September 30, 2024	\$59,320	\$282,621
Amount recognized in the 2024/25 OPEB expense:		
<i>Investment gain/loss</i>	\$0	\$0
<i>Demographic gain/loss</i>	\$11,309	\$13,555
<i>Assumption changes</i>	<u>\$5,097</u>	<u>\$41,093</u>
<i>Total</i>	\$16,406	\$54,648
Balance as of September 30, 2025	\$42,914	\$227,973
Amount recognized in the 2025/26 OPEB expense:		
<i>Investment gain/loss</i>	\$0	\$0
<i>Demographic gain/loss</i>	\$11,309	\$13,555
<i>Assumption changes</i>	<u>\$5,097</u>	<u>\$41,093</u>
<i>Total</i>	\$16,406	\$54,648
Balance as of September 30, 2026	\$26,508	\$173,325
Amount recognized in the 2026/27 OPEB expense:		
<i>Investment gain/loss</i>	\$0	\$0
<i>Demographic gain/loss</i>	\$11,309	\$13,555
<i>Assumption changes</i>	<u>\$5,097</u>	<u>\$41,093</u>
<i>Total</i>	\$16,406	\$54,648
Balance as of September 30, 2027	\$10,102	\$118,677
Amount recognized in the 2027/28 OPEB expense:		
<i>Investment gain/loss</i>	\$0	\$0
<i>Demographic gain/loss</i>	\$2,147	\$13,555
<i>Assumption changes</i>	<u>\$5,097</u>	<u>\$30,759</u>
<i>Total</i>	\$7,244	\$44,314
Balance as of September 30, 2028	\$2,858	\$74,363

**DISCLOSURES RELATED TO POST-EMPLOYMENT BENEFITS (continued)**

**CHANGES IN THE NET OPEB LIABILITY**

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance as of September 30, 2022	\$221,809	\$0	\$221,809
Change due to:			
<i>Service cost</i>	\$13,479	\$0	\$13,479
<i>Expected interest growth</i>	\$11,115	\$0	\$11,115
<i>Unexpected investment income</i>	\$0	\$0	\$0
<i>Demographic experience</i>	\$(34,284)	\$0	\$(34,284)
<i>Employer contributions</i>	\$0	\$0	\$0
<i>Employee contributions</i>	\$0	\$0	\$0
<i>Benefit payments &amp; refunds</i>	\$(18,029)	\$0	\$(18,029)
<i>Administrative expenses</i>	\$0	\$0	\$0
<i>Changes in benefit terms</i>	\$0	\$0	\$0
<i>Assumption changes</i>	\$(3,987)	\$0	\$(3,987)
Balance as of September 30, 2023	\$190,103	\$0	\$190,103

**COMPARISON OF NET OPEB LIABILITY USING ALTERNATIVE DISCOUNT RATES**

	Discount Rate Minus 1.00%	4.91% Discount Rate	Discount Rate Plus 1.00%
Total OPEB liability	\$205,637	\$190,103	\$176,454
Less fiduciary net position	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>
Net OPEB liability	\$205,637	\$190,103	\$176,454

**COMPARISON OF NET OPEB LIABILITY USING ALTERNATIVE HEALTHCARE COST TREND RATES**

	Trend Rates Minus 1.00%	7.50% graded down to 5.00%	Trend Rates Plus 1.00%
Total OPEB liability	\$170,781	\$190,103	\$213,051
Less fiduciary net position	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>
Net OPEB liability	\$170,781	\$190,103	\$213,051

**HISTORICAL TREND INFORMATION**

Measurement Date	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability	Funded Percentage	Covered Payroll	Net OPEB Liability as a % of Covered Payroll
September 30, 2023	\$190,103	\$0	\$190,103	0.00%	\$3,156,409	6.02%
September 30, 2022	\$221,809	\$0	\$221,809	0.00%	\$2,853,130	7.77%
September 30, 2021	\$348,548	\$0	\$348,548	0.00%	\$2,881,076	12.10%
September 30, 2020	\$408,814	\$0	\$408,814	0.00%	\$2,823,656	14.48%
September 30, 2019	\$346,244	\$0	\$346,244	0.00%	\$2,794,421	12.39%
September 30, 2018	\$439,506	\$0	\$439,506	0.00%	\$2,913,812	15.08%
September 30, 2017	\$428,827	\$0	\$428,827	0.00%	\$2,835,791	15.12%
September 30, 2016	\$394,335	\$0	\$394,335	0.00%	\$2,835,791	13.91%

DISCLOSURES RELATED TO POST-EMPLOYMENT BENEFITS (continued)

HISTORICAL TREND INFORMATION (continued)

Changes in the net OPEB liability by source

Fiscal Year	Service Cost	Expected Interest Growth	Unexpected Investment Income	Demographic Experience	Employer Contributions	Employee Contributions	Benefit Payments & Refunds	Administrative Expenses	Changes in Benefit Terms	Assumption Changes
2022/23	\$13,479	\$11,115	\$0	\$34,284)	\$0	\$0	\$18,029)	\$0	\$0	\$3,987)
2021/22	\$13,676	\$16,952	\$0	\$27,636)	\$0	\$0	\$13,821)	\$0	\$0	\$115,910)
2020/21	\$27,560	\$10,423	\$0	\$12,034)	\$0	\$0	\$15,003)	\$0	\$0	\$71,212)
2019/20	\$44,385	\$8,211	\$0	\$24,845)	\$0	\$0	\$13,912)	\$0	\$0	\$48,731
2018/19	\$23,626	\$16,384	\$0	\$33,676)	\$0	\$0	\$11,055)	\$0	\$0	\$88,541)
2017/18	\$27,900	\$16,288	\$0	\$115,237	\$0	\$0	\$18,676)	\$0	\$0	\$130,070)
2016/17	\$32,320	\$11,812	\$0	\$0	\$0	\$0	\$9,640)	\$0	\$0	\$0

NOTE: The amortization period for demographic experience and assumption changes was 10.19 years for the 2017/18 fiscal year, 10.46 years for the 2018/19 fiscal year, 9.56 years for the 2019/20 fiscal year, 9.99 years for the 2020/21 fiscal year, 9.41 years for the 2021/22 fiscal year, and 9.54 years for the 2022/23 fiscal year.

## DISCLOSURES RELATED TO POST-EMPLOYMENT BENEFITS (continued)

### INFORMATION USED TO DETERMINE THE NET OPEB LIABILITY

Employer's reporting date:	September 30, 2024
Measurement date:	September 30, 2023
Actuarial valuation date:	October 1, 2022
<u>Actuarial assumptions</u>	
Discount rate:	4.91% per annum; this rate was used to discount all future benefit payments and is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.
Salary increases:	3.00% per annum
Cost-of-living increases:	Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates.
Healthcare cost trend rates:	Increases in healthcare costs are assumed to be 7.50% for the 2022/23 fiscal year graded down by 0.50% per year to 5.00% for the 2027/28 and later fiscal years.
Age-related morbidity:	Healthcare costs are assumed to increase at the rate of 3.50% for each year of age.
Implied subsidy:	Because the insurance carrier charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy of \$400.00 for the retiree and \$350.00 for the retiree's spouse has been assumed at age 62 for the 2022/23 fiscal year; at other ages, the implied subsidy was developed based on the age-related morbidity assumption and, for other fiscal years, the implied subsidy was increased in accordance with the healthcare cost trend rates.
Mortality basis:	Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general and public safety employees, with full generational improvements in mortality using Scale MP-2020
Retirement:	Retirement is assumed to occur at age 52 (for police officers), age 62 (for general employees hired prior to July 1, 2011), or age 65 (for general employees hired after June 30, 2011).
Other decrements:	Assumed employment termination is based on the Scale 155 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 1 rates were used for general employees and Class 4 rates were used for police officers).
Coverage election:	20% of eligible employees are assumed to elect medical coverage under the "buy-up option 2" plan for themselves upon retirement or disability; of those electing coverage for themselves, 80% of males and 60% of females are also assumed to elect coverage for their spouses; coverage is assumed to end upon the attainment of age 65.
Spouses and dependents:	Husbands are assumed to be three years older than wives; retirees are not assumed to have any dependent children.
Life insurance:	No implied subsidy is assumed with respect to life insurance for retirees.
COBRA:	Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation; because the COBRA premium is determined periodically based on plan experience, the COBRA premium to be paid by the participant is assumed to fully cover the cost of providing healthcare coverage during the relevant period.
Changes:	Since the prior measurement date, the discount rate was increased from 4.77% per annum to 4.91% per annum; the implied monthly subsidy for the retiree at age 62 for the 2022/23 fiscal year was decreased from \$405.00 to \$400.00; and the implied monthly subsidy for the retiree's spouse at age 62 for the 2022/23 fiscal year was decreased from \$351.00 to \$350.00.

### OPEB PLAN DESCRIPTION

Plan sponsor and administrator:	City of Indian Harbour Beach
Plan type:	Single-employer OPEB plan (unfunded)
Number of covered individuals:	52 (one inactive employee or beneficiary currently receiving benefits; no inactive employees entitled to but not yet receiving benefits; 51 active employees)
Contribution requirement:	Retirees must contribute an amount determined periodically by the insurance carrier equal to 100% of the applicable health insurance premium; there are no minimum required employer contributions.

**DISCLOSURES RELATED TO POST-EMPLOYMENT BENEFITS (continued)**

**OPEB PLAN DESCRIPTION (continued)**

**Description of the benefit terms**

Employees covered:	<i>Regular, full-time employees of the City of Indian Harbour Beach</i>
Types of benefits offered:	<i>Post-retirement medical and life insurance benefits</i>
Medical coverage:	<i>Post-retirement medical coverage is provided to eligible individuals under the same fully-insured plan that covers active employees; no explicit subsidy is provided to retirees.</i>
Medical premiums:	<i>For the 2022/23 fiscal year, the monthly premiums charged by the insurance carrier under the "buy-up option 2" plan are \$727.46 (single coverage) or \$1,369.79 (single plus spouse coverage).</i>
Legal authority:	<i>Under Florida State law, the City is required to offer retirees health insurance on the same basis as employees provided that the retiree pays the full premium for the relevant coverage.</i>
Changes:	<i>The benefit terms did not change from the prior measurement date.</i>



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**Retirement Services**

Florida Municipal Pension Trust  
P.O. Box 1757  
301 S. Bronough St. Suite 300  
Tallahassee, FL 32302-1757

Invoice Number: I-2024-04-00154  
Invoice Date: 04/04/2024  
Print Date: 04/18/2025  
Acct. Cust ID: INDHARBCHPOLIC  
E

Bill to:

Ms. Julie Bradford  
Comptroller  
2055 S. Patrick Drive  
Indian Harbour Beach, FL 32937

Description	Amount
Invoice No 605-0324	6,000.00
Actuarial valuation as of October 1, 2023	

\*If paying by check, please make the check payable to Florida Municipal Pension Trust Fund and return 1 copy of the invoice with the payment. Thank you.

**City of Indian Harbour Beach  
Police Officers' Supplemental Pension Plan**

**Actuarial Valuation  
As of October 1, 2024**

**Determines the Contribution  
For the 2024/25 Fiscal Year**



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March 1, 2025

### Introduction

This report presents the results of the October 1, 2024 actuarial valuation for the City of Indian Harbour Beach Police Officers' Supplemental Pension Plan. The report is based on the participant data and asset information provided by the pension plan administrator and, except for a cursory review for reasonableness including a comparison to the data provided for the previous valuation, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of October 1, 2024 and to determine the minimum required contribution under Chapter 112, Florida Statutes, for the 2024/25 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an estimate of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the normal cost rate.

### Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2024/25 plan year. The minimum required contribution rate is 1.76% of covered payroll, which represents a decrease of 0.75% of payroll from the prior valuation.

The normal cost rate is 1.76%, which is 0.75% of payroll lower than the normal cost rate that was developed in the prior valuation. Table I-C provides a breakdown of the sources of change in the normal cost rate. Significantly, the rate decreased by 0.51% of payroll due to investment gains and decreased by another 0.24% of payroll due to demographic experience. The market value of assets earned 19.88% during the 2023/24 plan year and the actuarial value of assets earned 25.12% during this period, whereas a 7.00% annual investment return was required to maintain a stable contribution rate.



Chapter 112, Florida Statutes, sets forth the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the City must contribute an amount equal to the annual normal cost of the plan plus an adjustment as necessary to reflect interest on any delayed payment of the contribution beyond the valuation date. On this basis, the City's 2024/25 minimum required contribution will be equal to 1.76% multiplied by the total pensionable earnings for the 2024/25 fiscal year for the active employees who are covered by the plan.

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$599,512. As illustrated in Table I-A, current assets are sufficient to cover \$415,615 of this amount and the employer's 2024/25 expected contribution will cover \$20,577 of this amount, leaving \$163,320 to be covered by future employer funding beyond the 2024/25 fiscal year. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

#### Advance Employer Contribution

The City has made contributions to the plan in excess of the minimum amount that was required to be contributed pursuant to Chapter 112. In this report, the excess contributions are referred to as an "advance employer contribution." As of October 1, 2024, the advance employer contribution is \$88,035, which is equal to the advance employer contribution as of October 1, 2023 plus \$1,861 of actual employer contributions in excess of the minimum required contribution for the 2023/24 plan year as shown in Table II-F.

The City may apply all or any portion of the advance employer contribution towards the minimum required contribution for the 2024/25 plan year or for any later plan year. The minimum required contribution for that plan year will be reduced dollar-for-dollar by the amount of the advance employer contribution that is applied in this manner.

Alternatively, at any time, the City may apply all or any portion of the advance employer contribution as an *extra* contribution in excess of the minimum required contribution. In this case, the immediate application of the entire balance of the advance employer contribution as of October 1, 2024 would reduce the minimum required contribution for the 2024/25 plan year to 0.92% of payroll.

#### Identification and Assessment of Risk

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, there is always a risk that, should these assumptions not be realized, the liabilities of the plan, the contributions required to fund the plan, and the funded status of the plan may be significantly different than the amounts shown in this report.



Although a thorough analysis of the risk of not meeting the assumptions is beyond the scope of this report, this discussion is intended to identify the significant risks faced by the plan. In some cases, a more detailed review of the risks, including numerical analysis, may be appropriate to help the plan sponsor and other interested parties assess the specific impact of not realizing certain assumptions. For example, Table I-B illustrates the impact that alternative long-term investment returns would have on the contribution rate. Note that this report is not intended to provide advice on the management or reduction of the identified risks nor is this report intended to provide investment advice.

The most significant risk faced by most defined benefit pension plans is investment risk, i.e. the risk that long-term investment returns will be less than assumed. Other related risks include a risk that, if the investments of the plan decline dramatically over a short period of time (such as occurred with many pension plans in 2008), the plan's assets may not have sufficient time to recover before benefits become due. Even if the assets of the plan grow in accordance with the assumed investment return over time, if benefit payments are expected to be large in the short-term (for example, if the plan provides an actuarial equivalent lump sum payment option and a large number of participants are expected to become entitled to such a lump sum in the near future), the plan's assets may not be sufficient to support such a high level of benefit payments. We have provided a 10-year projection of the expected benefit payments in Table III-G to help the Trustees in formulating an investment policy that is expected to provide an investment return that meets both the short- and long-term cash flow needs of the pension plan.

Another source of risk is demographic experience. This is the risk that participants will receive salary increases that are different than the amount assumed, that participants will retire, become disabled, or terminate their employment at a rate that is different than assumed, and that participants will live longer than assumed, just to cite a few examples of the demographic risk faced by the plan. Although for most pension plans, the demographic risk is not as significant as the investment risk, particularly in light of the fact that the mortality assumption includes a component for future life expectancy increases, the demographic risk can nevertheless be a significant contributing factor to liabilities and contribution rates that become higher than anticipated.

A third source of risk is the risk that the plan sponsor (or other contributing entities) will not make, or will not have the ability to make, the contributions that are required to keep the plan funded at a sufficient level. Material changes in the number of covered employees, covered payroll, and, in some cases, hours worked by active participants can also significantly impact the plan's liabilities and the level of contributions received by the plan.

Finally, an actuarial funding method has been used to allocate the gap between projected liabilities and assets to each year in the future. The contribution rate under some funding methods is higher during the early years of the plan and then is lower during the later years of the plan. Other funding methods provide for lower contribution rates initially, with increasing contribution rates over time.

The Trustees have adopted the aggregate funding method for this plan, which is expected to result in a contribution rate that is level as a percentage of payroll over the working life of the plan's active participants. A brief description of the actuarial funding method is provided in Table IV-A.



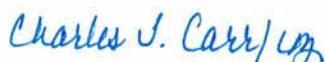
Contents of the Report

Tables I-D through I-G provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of October 1, 2024, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

Certification

This actuarial valuation was prepared 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 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 change in plan costs or required contribution rates have been taken into account in the valuation.

For the firm,



Charles T. Carr  
Consulting Actuary  
Southern Actuarial Services Company, Inc.

Enrolled Actuary No. 23-04927

*The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.*



## Minimum Required Contribution

## Table I-A

For the 2024/25 Plan Year

Present Value of Future Benefits	\$499,593
Present Value of Future Administrative Expenses	\$99,919
Actuarial Value of Assets	(\$415,615)
Present Value of Future Employee Contributions	\$0
Present Value of Future Normal Costs	\$183,897

Present Value of Future Payroll	÷ \$10,424,047
Normal Cost Rate	= 1.7642%
Expected Payroll	x \$1,166,397

Normal Cost	\$20,577
Adjustment to Reflect Quarterly Employer Contributions	\$0
Preliminary Employer Contribution for the 2024/25 Plan Year	\$20,577

Expected Payroll for the 2024/25 Plan Year	÷ \$1,166,397
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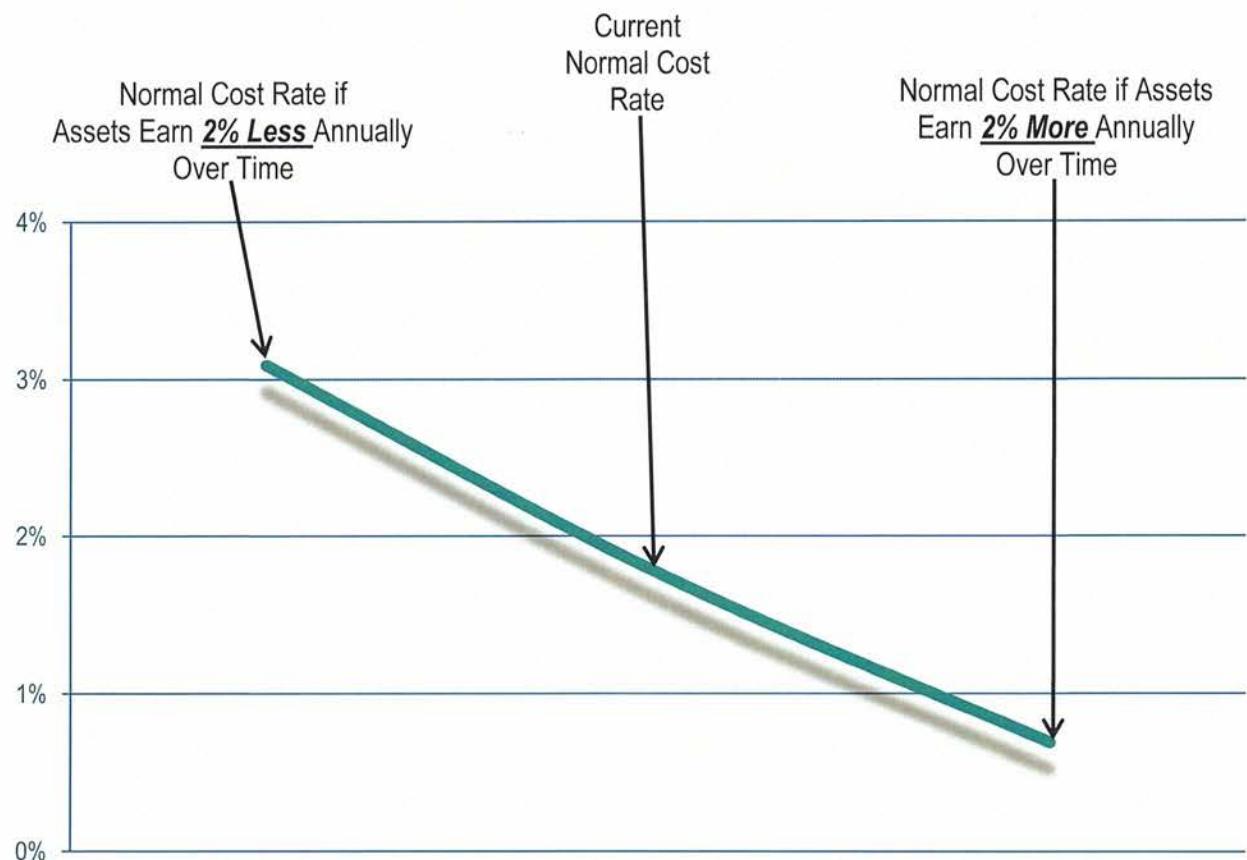
<b>Minimum Required Contribution Rate</b>	<b>1.76%</b>
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*(The actual contribution should be based on the minimum required contribution rate multiplied by the actual payroll for the year.)*



## Sensitivity Analysis

## Table I-B



*The line above illustrates the sensitivity of the normal cost rate to changes in the long-term investment return.*



## Gain and Loss Analysis

## Table I-C

Previous normal cost rate	2.51%
Increase (decrease) due to investment gains and losses	-0.51%
Increase (decrease) due to demographic experience	-0.24%
Increase (decrease) due to plan amendments	0.00%
Increase (decrease) due to actuarial assumption changes	0.00%
Increase (decrease) due to actuarial method changes	0.00%
Current normal cost rate	<u><u>1.76%</u></u>



## Present Value of Future Benefits

## Table I-D

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$226,601	\$226,601	\$226,601
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$226,601</b>	<b>\$226,601</b>	<b>\$226,601</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$10,025	\$10,025	\$10,025
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$10,025</b>	<b>\$10,025</b>	<b>\$10,025</b>
<i><u>Due a Refund of Contributions</u></i>	\$0	\$0	\$0
<i><u>Deferred Beneficiaries</u></i>	\$0	\$0	\$0
<i><u>Retired Participants</u></i>			
Service retirements	\$262,967	\$262,967	\$262,967
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	<b>\$262,967</b>	<b>\$262,967</b>	<b>\$262,967</b>
<i><u>Grand Total</u></i>	<b><u>\$499,593</u></b>	<b><u>\$499,593</u></b>	<b><u>\$499,593</u></b>
Present Value of Future Payroll	\$10,424,047	\$10,424,047	\$10,424,047
Present Value of Future Employee Contribs.	\$0	\$0	\$0
Present Value of Future Employer Contribs.	\$183,897	\$183,897	\$183,897



## Present Value of Accrued Benefits

## Table I-E

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<b><i>Actively Employed Participants</i></b>			
Retirement benefits	\$134,411	\$134,411	\$134,411
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$134,411</b>	<b>\$134,411</b>	<b>\$134,411</b>
<b><i>Deferred Vested Participants</i></b>			
Retirement benefits	\$10,025	\$10,025	\$10,025
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$10,025</b>	<b>\$10,025</b>	<b>\$10,025</b>
<b><i>Due a Refund of Contributions</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><i>Deferred Beneficiaries</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><i>Retired Participants</i></b>			
Service retirements	\$262,967	\$262,967	\$262,967
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	<b>\$262,967</b>	<b>\$262,967</b>	<b>\$262,967</b>
<b><i>Grand Total</i></b>	<b><u>\$407,403</u></b>	<b><u>\$407,403</u></b>	<b><u>\$407,403</u></b>
<b><i>Funded Percentage</i></b>	123.62%	123.62%	123.62%

(Note: Funded percentage is equal to the ratio of the usable portion of the market value of assets divided by the present value of accrued benefits.)



## Present Value of Vested Benefits

## Table I-F

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<b><i>Actively Employed Participants</i></b>			
Retirement benefits	\$134,411	\$134,411	\$134,411
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$134,411</b>	<b>\$134,411</b>	<b>\$134,411</b>
<b><i>Deferred Vested Participants</i></b>			
Retirement benefits	\$10,025	\$10,025	\$10,025
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$10,025</b>	<b>\$10,025</b>	<b>\$10,025</b>
<b><i>Due a Refund of Contributions</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><i>Deferred Beneficiaries</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><i>Retired Participants</i></b>			
Service retirements	\$262,967	\$262,967	\$262,967
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving DROP participants	\$0	\$0	\$0
Sub-total	<b>\$262,967</b>	<b>\$262,967</b>	<b>\$262,967</b>
<b><i>Grand Total</i></b>	<b><u>\$407,403</u></b>	<b><u>\$407,403</u></b>	<b><u>\$407,403</u></b>



## Entry Age Normal Accrued Liability

## Table I-G

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$137,699	\$137,699	\$137,699
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$137,699</b>	<b>\$137,699</b>	<b>\$137,699</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$10,025	\$10,025	\$10,025
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$10,025</b>	<b>\$10,025</b>	<b>\$10,025</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Retired Participants</u></i>			
Service retirements	\$262,967	\$262,967	\$262,967
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving DROP participants	\$0	\$0	\$0
Sub-total	<b>\$262,967</b>	<b>\$262,967</b>	<b>\$262,967</b>
<i><u>Grand Total</u></i>	<b><u>\$410,691</u></b>	<b><u>\$410,691</u></b>	<b><u>\$410,691</u></b>



## Actuarial Value of Assets

## Table II-A

Market Value of Assets as of October 1, 2024	\$503,650
Minus advance employer contributions	(\$88,035)

**Actuarial Value of Assets as of October 1, 2024** **\$415,615**

<b>Historical Actuarial Value of Assets</b>	
October 1, 2015	\$125,496
October 1, 2016	\$147,043
October 1, 2017	\$182,508
October 1, 2018	\$197,427
October 1, 2019	\$233,013
October 1, 2020	\$274,882
October 1, 2021	\$352,890
October 1, 2022	\$289,842
October 1, 2023	\$328,462
October 1, 2024	\$415,615

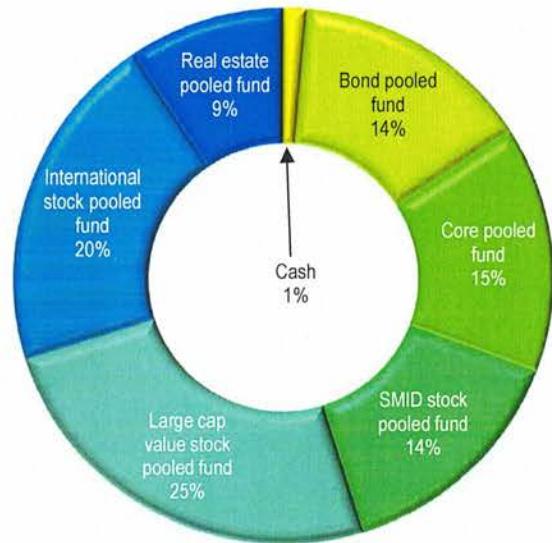


## Market Value of Assets

## Table II-B

As of October 1, 2024

Market Value of Assets	\$503,650
Cash	\$7,051
Bond pooled fund	\$72,526
Core pooled fund	\$75,044
SMID stock pooled fund	\$73,029
Large cap value stock pooled fund	\$125,409
International stock pooled fund	\$103,248
Real estate pooled fund	\$47,343



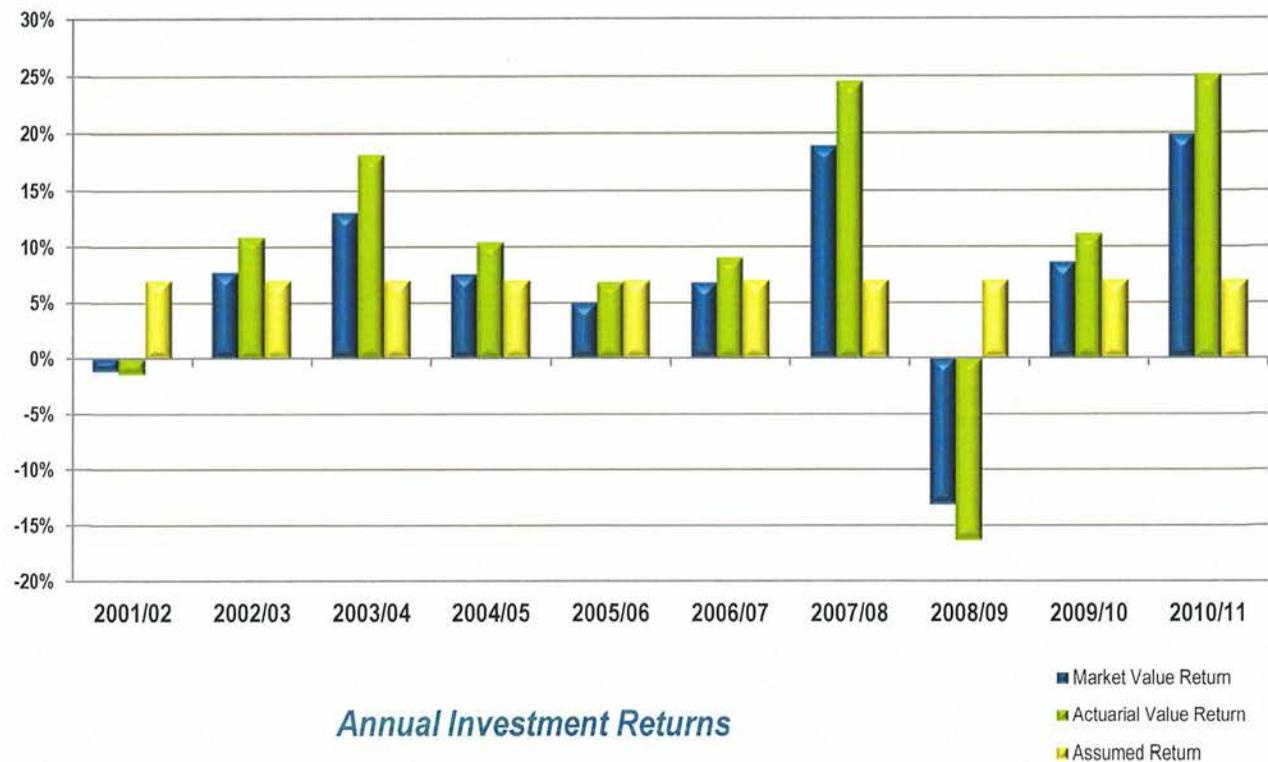
## Historical Market Value of Assets

October 1, 2015	\$173,381
October 1, 2016	\$202,859
October 1, 2017	\$243,683
October 1, 2018	\$272,803
October 1, 2019	\$313,387
October 1, 2020	\$356,480
October 1, 2021	\$437,936
October 1, 2022	\$377,347
October 1, 2023	\$414,636
October 1, 2024	\$503,650



## Investment Return

## Table II-C



Plan	Market		Actuarial	
	Value	Return	Value	Assumed
Year	Return	Return	Return	Return
2014/15	-1.17%	-1.43%	7.00%	
2015/16	7.78%	10.90%	7.00%	
2016/17	13.08%	18.15%	7.00%	
2017/18	7.58%	10.45%	7.00%	
2018/19	4.98%	6.85%	7.00%	
2019/20	6.79%	9.06%	7.00%	
2020/21	18.90%	24.53%	7.00%	
2021/22	-13.11%	-16.35%	7.00%	
2022/23	8.63%	11.19%	7.00%	
2023/24	19.88%	25.12%	7.00%	
10yr. Avg.	6.93%	9.19%	7.00%	



## Asset Reconciliation

## Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
<b>As of October 1, 2023</b>	<b>\$414,636</b>	<b>\$328,462</b>
<i><b>Increases Due To:</b></i>		
Employer Contributions	\$37,666	\$37,666
Employee Contributions	\$0	\$0
Service Purchase Contributions	\$0	\$0
<b>Total Contributions</b>	<b>\$37,666</b>	<b>\$37,666</b>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	\$83,034	
<b>Total Investment Income</b>	<b>\$83,034</b>	<b>\$83,034</b>
Other Income	\$0	
<b>Total Income</b>	<b>\$120,700</b>	<b>\$120,700</b>
<i><b>Decreases Due To:</b></i>		
Annual Benefit Payments	(\$23,780)	(\$23,780)
Refund of Employee Contributions	\$0	\$0
<b>Total Benefit Payments</b>	<b>(\$23,780)</b>	<b>(\$23,780)</b>
Investment Expenses	\$0	
Administrative Expenses	(\$7,906)	(\$7,906)
Advance Employer Contribution		(\$1,861)
<b>Total Expenses</b>	<b>(\$31,686)</b>	<b>(\$33,547)</b>
<b>As of October 1, 2024</b>	<b><u>\$503,650</u></b>	<b><u>\$415,615</u></b>



## Historical Trust Fund Detail

## Table II-E

Income

Plan <u>Year</u>	Employer <u>Contribs.</u>	Chapter <u>Contribs.</u>	Employee <u>Contribs.</u>	Service		Realized <u>Gains / Losses</u>	Unrealized <u>Gains / Losses</u>	Other <u>Income</u>
				Purchase <u>Contribs.</u>	Interest / <u>Dividends</u>			
2014/15	\$68,454	\$0	\$0	\$0	\$0	\$0	-\$1,731	\$0
2015/16	\$35,117	\$0	\$0	\$0	\$0	\$0	\$14,089	\$0
2016/17	\$30,984	\$0	\$0	\$0	\$0	\$0	\$27,414	\$0
2017/18	\$35,955	\$0	\$0	\$0	\$0	\$0	\$18,869	\$0
2018/19	\$48,839	\$0	\$0	\$0	\$0	\$0	\$14,245	\$0
2019/20	\$46,358	\$0	\$0	\$0	\$0	\$0	\$21,999	\$0
2020/21	\$42,114	\$0	\$0	\$0	\$0	\$0	\$68,583	\$0
2021/22	\$29,561	\$0	\$0	\$0	\$0	\$0	-\$57,212	\$0
2022/23	\$36,115	\$0	\$0	\$0	\$0	\$0	\$32,754	\$0
2023/24	\$37,666	\$0	\$0	\$0	\$0	\$0	\$83,034	\$0

Expenses

Plan <u>Year</u>	Annual				Other Actuarial Adjustments		
	Benefit <u>Payments</u>	Contrib. <u>Refunds</u>	Admin. <u>Expenses</u>	Invest. <u>Expenses</u>	DROP <u>Credits</u>	Advance <u>Employer Contribs.</u>	
2014/15	\$12,230	\$0	\$1,240	\$0	\$0	\$0	\$43,196
2015/16	\$12,180	\$0	\$7,548	\$0	\$0	\$0	\$7,931
2016/17	\$13,005	\$0	\$4,569	\$0	\$0	\$0	\$5,359
2017/18	\$15,800	\$0	\$9,904	\$0	\$0	\$0	\$14,201
2018/19	\$16,760	\$0	\$5,740	\$0	\$0	\$0	\$4,998
2019/20	\$19,450	\$0	\$5,814	\$0	\$0	\$0	\$1,224
2020/21	\$23,240	\$0	\$6,001	\$0	\$0	\$0	\$3,448
2021/22	\$25,080	\$0	\$7,858	\$0	\$0	\$0	\$2,459
2022/23	\$23,780	\$0	\$7,800	\$0	\$0	\$0	-\$1,331
2023/24	\$23,780	\$0	\$7,906	\$0	\$0	\$0	\$1,861

Note: Information was not available to separate the investment expenses from the investment income nor was information available to separate the investment income by source.



## Other Reconciliations

## Table II-F

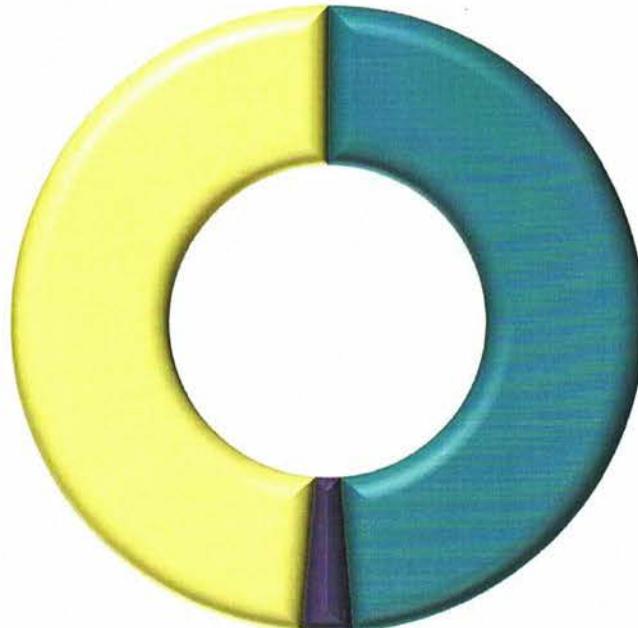
Advance Employer Contribution

Advance Employer Contribution as of October 1, 2023	\$86,174
Additional Employer Contribution	\$37,666
Minimum Required Contribution	(\$35,805)
Net Increase in Advance Employer Contribution	\$1,861
Advance Employer Contribution as of October 1, 2024	<u><u>\$88,035</u></u>



## Summary of Participant Data

## Table III-A



Participant Distribution by Status

As of October 1, 2024

Actively Employed Participants

◆ Active Participants	19
◆ DROP Participants	0

Inactive Participants

◆ Deferred Vested Participants	1
◆ Due a Refund of Contributions	0
◆ Deferred Beneficiaries	0

Participants Receiving a Benefit

◆ Service Retirements	19
◆ Disability Retirements	0
◆ Beneficiaries Receiving	0

Total Participants 39

Number of Participants Included in Prior Valuations

	Active	DROP	Inactive	Retired	Total
October 1, 2015	19	0	2	10	31
October 1, 2016	19	0	2	10	31
October 1, 2017	20	0	1	11	32
October 1, 2018	20	0	2	13	35
October 1, 2019	21	0	2	14	37
October 1, 2020	20	0	1	17	38
October 1, 2021	20	0	1	18	39
October 1, 2022	19	0	1	20	40
October 1, 2023	20	0	1	19	40
October 1, 2024	19	0	1	19	39



## Data Reconciliation

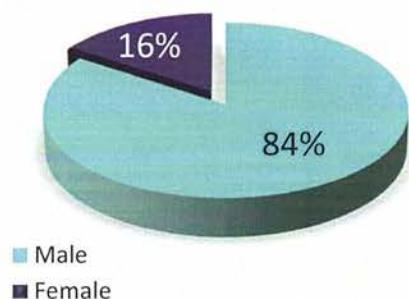
## Table III-B

	Active	Deferred Vested	Due a Refund	Def. Benef.	Service Retiree	Disabled Retiree	Benef. Rec'v.	Total
<u>October 1, 2023</u>	20	0	1	0	0	19	0	40
<u>Change in Status</u>								
Re-employed								
Terminated		(4)						(4)
Retired								
<u>Participation Ended</u>								
Transferred Out								
Cashed Out								
Died								
<u>Participation Began</u>								
Newly Hired	3							3
Transferred In								
New Beneficiary								
<u>Other Adjustment</u>								
<u>October 1, 2024</u>	19	0	1	0	0	19	0	39



## Active Participant Data

Table III-C

*Gender Mix*As of October 1, 2024

Average Age	40.7 years
Average Service	7.2 years
Total Annualized Compensation for the Prior Year	\$1,441,455
Total Expected Compensation for the Current Year	\$1,166,397
Average Increase in Compensation for the Prior Year	22.31%
Expected Increase in Compensation for the Current Year	4.00%

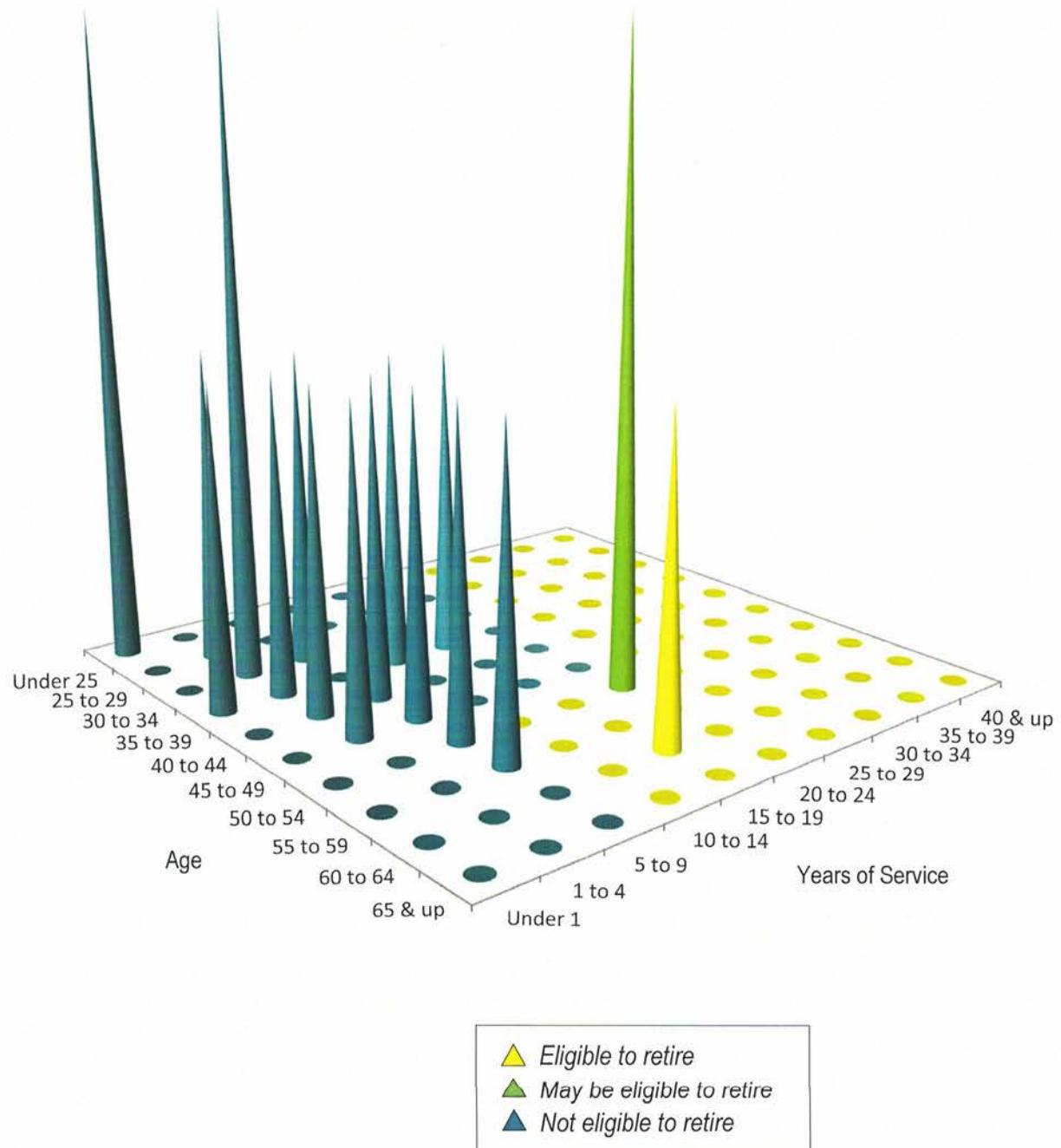
*Actual vs. Expected Salary Increases*Active Participant Statistics From Prior Valuations

	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
October 1, 2015	40.9	7.6	\$51,012	4.00%	4.90%
October 1, 2016	41.9	8.6	\$57,595	4.00%	12.77%
October 1, 2017	43.1	9.2	\$58,505	4.00%	2.64%
October 1, 2018	40.2	8.0	\$56,853	4.00%	2.65%
October 1, 2019	40.3	7.5	\$55,845	4.00%	2.58%
October 1, 2020	39.1	7.0	\$56,921	4.00%	2.48%
October 1, 2021	38.8	7.2	\$57,747	4.00%	3.67%
October 1, 2022	38.1	6.0	\$59,695	4.00%	14.66%
October 1, 2023	38.8	6.6	\$64,504	4.00%	5.07%
October 1, 2024	40.7	7.2	\$75,866	4.00%	22.31%



## Active Age-Service Distribution

## Table III-D



Active Age-Service-Salary Table

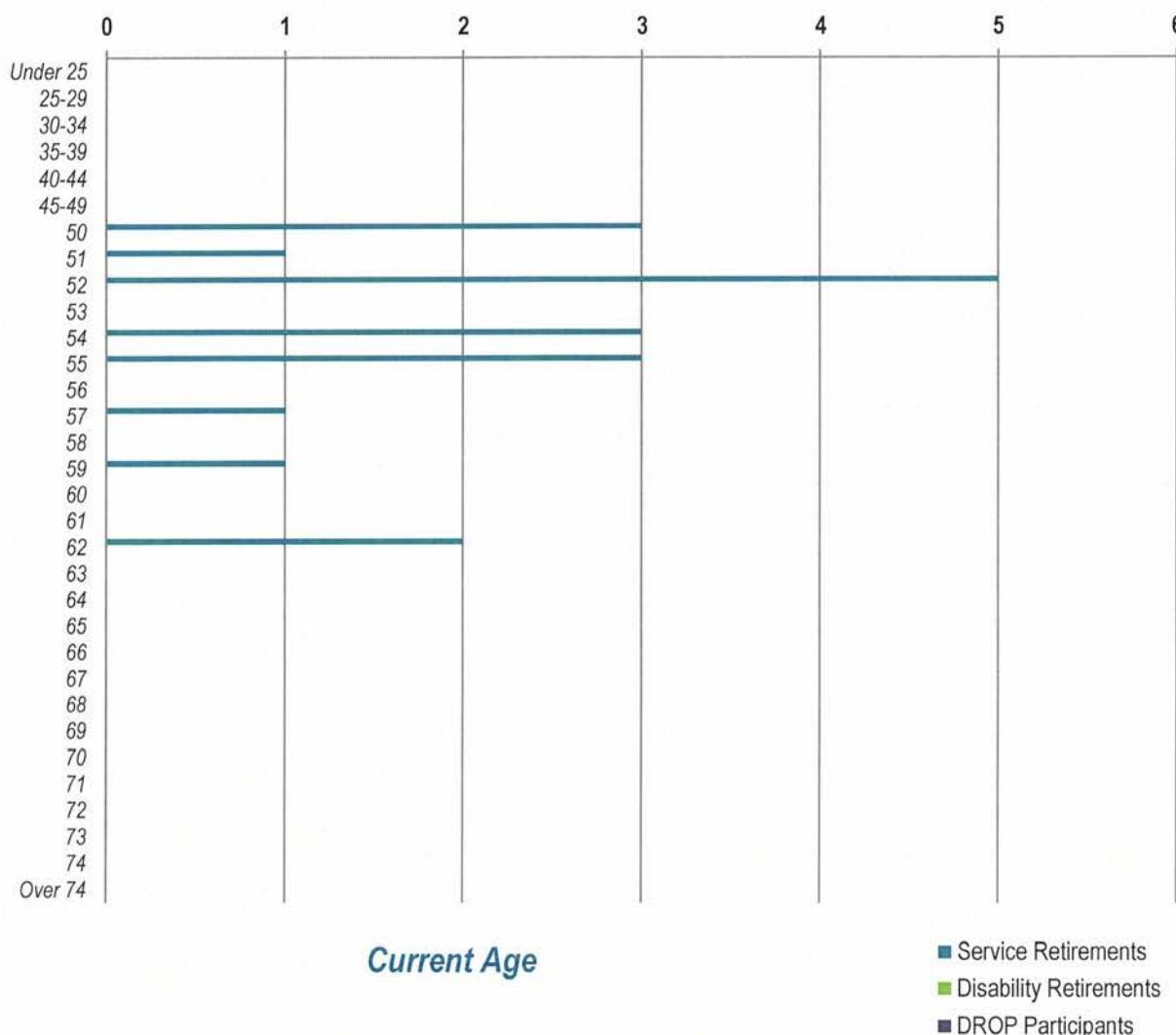
Table III-E

Attained Age	<u>Completed Years of Service</u>										
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	2	0	0	0	0	0	0	0	0	0	2
Avg.Pay	35,254	0	0	0	0	0	0	0	0	0	35,254
25 to 29	0	1	0	0	0	0	0	0	0	0	1
Avg.Pay	0	62,901	0	0	0	0	0	0	0	0	62,901
30 to 34	0	2	1	0	0	0	0	0	0	0	3
Avg.Pay	0	61,699	81,907	0	0	0	0	0	0	0	68,435
35 to 39	1	1	0	1	1	0	0	0	0	0	4
Avg.Pay	50,980	64,690	0	78,496	97,899	0	0	0	0	0	73,016
40 to 44	0	1	1	0	0	0	0	0	0	0	2
Avg.Pay	0	66,601	64,832	0	0	0	0	0	0	0	65,717
45 to 49	0	1	1	0	0	0	0	0	0	0	2
Avg.Pay	0	69,850	77,891	0	0	0	0	0	0	0	73,871
50 to 54	0	0	1	0	0	2	0	0	0	0	3
Avg.Pay	0	0	66,670	0	0	104,085	0	0	0	0	91,613
55 to 59	0	0	1	0	0	0	0	0	0	0	1
Avg.Pay	0	0	144,914	0	0	0	0	0	0	0	144,914
60 to 64	0	0	0	0	1	0	0	0	0	0	1
Avg.Pay	0	0	0	0	111,751	0	0	0	0	0	111,751
65 & up	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>6</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>
Avg.Pay	40,496	64,573	87,243	78,496	104,825	104,085	0	0	0	0	75,866



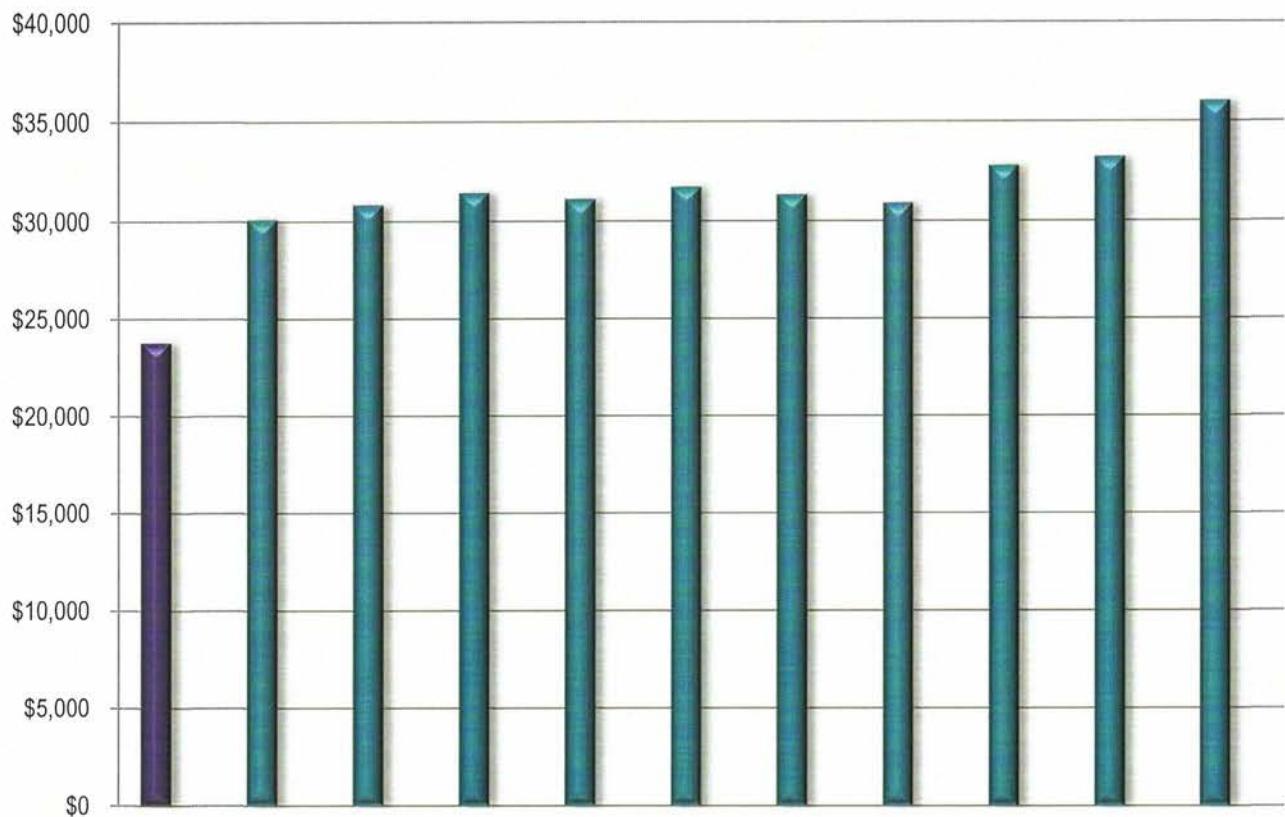
## Inactive Participant Data

## Table III-F



## Projected Benefit Payments

## Table III-G



For the period October 1, 2023 through September 30, 2024 \$23,780

Projected

For the period October 1, 2024 through September 30, 2025	\$30,091
For the period October 1, 2025 through September 30, 2026	\$30,814
For the period October 1, 2026 through September 30, 2027	\$31,432
For the period October 1, 2027 through September 30, 2028	\$31,095
For the period October 1, 2028 through September 30, 2029	\$31,724
For the period October 1, 2029 through September 30, 2030	\$31,324
For the period October 1, 2030 through September 30, 2031	\$30,894
For the period October 1, 2031 through September 30, 2032	\$32,790
For the period October 1, 2032 through September 30, 2033	\$33,214
For the period October 1, 2033 through September 30, 2034	\$36,030



## Summary of Actuarial Methods and Assumptions

## Table IV-A

*NOTE: The following assumptions and methods have been selected and approved by the Board of Trustees based in part on the advice of the plan's enrolled actuary in accordance with the authority granted to the Board under the pension ordinances and State law.*

### 1. Actuarial Cost Method

Aggregate cost method. Under this actuarial cost method, a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the expected future payroll for current active participants. The normal cost is equal to the level funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

### 2. Asset Method

The actuarial value of assets is equal to the market value of assets.

### 3. Interest (or Discount) Rate

7.00% per annum

### 4. Salary Increases

Compensation is assumed to increase at the rate of 4.00% per annum, unless actual plan compensation is known for a prior plan year.

### 5. Decrements

- Pre-retirement mortality: None is assumed.
- Post-retirement mortality: For non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018
- Disability: None is assumed.



## Summary of Actuarial Methods and Assumptions

## Table IV-A

(continued)

- Termination: None is assumed.
- Retirement: Retirement is assumed to occur at normal retirement age.

### 6. Expenses

The present value of future benefits has been loaded by 20.00% to account for administrative expenses. The interest rate set forth in item 3. above is assumed to be net of investment expenses and commissions.



## Changes in Actuarial Methods and Assumptions

## Table IV-B

No assumptions or methods were changed since the completion of the previous valuation.

---

*The following additional assumption and method changes were made during the past 10 years:*

- (1) *Effective October 1, 2020, the mortality basis was changed from the RP-2000 Blue Collar Mortality Table with generational improvements in mortality using Scale BB to selected PUB-2010 Mortality Tables with generational improvements in mortality using Scale MP-2018.*
- (2) *Effective October 1, 2018, an administrative expense assumption was added equal to a 20% loading of the present value of future benefits.*
- (3) *Effective October 1, 2016, the mortality basis was changed from a 2015 projection of the RP-2000 Mortality Table for annuitants to a full generational projection using Scale BB of the RP-2000 Blue Collar Mortality Table as required by State law.*



## Summary of Plan Provisions

## Table V-A

1. **Accrued Benefit**

\$84.00 multiplied by the first 10 years of Credited Service plus \$120.00 multiplied by Credited Service in excess of 10 years, to a maximum benefit of \$2,400.00 per year

*(Note: The deferred vested participant is entitled to receive an additional \$500.00 annual benefit.)*

2. **Normal Retirement Age and Benefit**

- **Age**  
Age 52 with at least 10 years of service, or  
Any age with at least 25 years of service
- **Amount**  
Accrued Benefit payable annually as of each January 1
- **Form of Payment**  
10-year certain and life annuity

3. **Early Retirement Age and Benefit**

- \* **Age**  
Age 50 with at least 10 years of service
- \* **Amount**  
Accrued Benefit payable annually as of each January 1
- \* **Form of Payment**  
10-year certain and life annuity

4. **Participation Requirement**

All police officers of the City of Indian Harbour Beach, Florida automatically become a participant in the plan on their date of hire.



## Summary of Plan Amendments

## Table V-B

There were no plan amendments since the completion of the previous valuation.

---

*The following additional plan amendments were adopted during the past 10 years and were reflected in prior valuation reports:*

- (1) *Effective August 22, 2023, the plan was amended to add normal retirement at any age with at least 25 years of service. (Ordinance 2023-05)*
- (2) *The plan was amended with respect to those individuals who retire after October 1, 2016 to increase the benefit formula from \$60.00 for each year of service to \$84.00 for each of the first 10 years of service plus \$120.00 for each year of service in excess of 10 years, to a maximum benefit of \$2,400.00 per year.*



**City of Indian Harbour Beach  
Police Officers' Supplemental Pension Plan**

**Actuarial Valuation  
As of October 1, 2023**

**GASB 67/68 Supplement  
As of September 30, 2024**



## DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN

This report was issued on March 1, 2025 as a supplement to the October 1, 2023 actuarial valuation report, which report provides important information related to the assumptions, participant data, and assets used to prepare the following disclosures under Governmental Accounting Standards Board Statements Nos. 67 and 68 (GASB 67/68).

### NET PENSION LIABILITY AS OF SEPTEMBER 30, 2024

Total pension liability	\$414,157 *
Less fiduciary net position	(503,650)
<b>Net pension liability</b>	<b><u>\$(89,493) **</u></b>

\* This amount has been rolled forward from October 1, 2023.

\*\* This amount is recognized on the employer's balance sheet.

### PENSION EXPENSE FOR THE 2023/24 FISCAL YEAR

Service cost	\$10,026
Other recognized changes in net pension liability:	
Expected interest growth	(958)
Investment gain/loss	(2,953)
Demographic gain/loss	(3,866)
Employee contributions	0
Administrative expenses	7,906
Changes in benefit terms	10,948
Assumption changes	2,589
<b>Pension expense</b>	<b><u>\$23,692 *</u></b>

\* This amount is recognized on the employer's income statement, along with the employer contribution for the 2023/24 fiscal year.

### DEFERRED INFLOW AND OUTFLOW OF RESOURCES

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2023	\$73,769	\$58,472
Change due to:		
Amortization payments	\$(26,803)	\$(31,033)
Investment gain/loss	\$0	\$53,804
Demographic gain/loss	\$0	\$19,785
Assumption changes	\$0	\$0
Total change	<u>\$(26,803)</u>	<u>\$42,556</u>
Balance as of September 30, 2024	<b>\$46,966 *</b>	<b>\$101,028 *</b>

\* These amounts are recognized on the employer's balance sheet.

### BALANCE EQUATION

Net pension liability as of September 30, 2023	\$ (6,160)
Plus pension expense for the 2023/24 fiscal year	\$23,692
Minus employer contribution for the 2023/24 fiscal year	\$(37,666)
Plus change in balance of deferred outflows of resources	\$(26,803)
Minus change in balance of deferred inflows of resources	\$ (42,556)
Net pension liability as of September 30, 2024	<b>\$(89,493)</b>

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**DEFERRED INFLOW AND OUTFLOW OF RESOURCES (continued)**

Amortization schedule for deferred outflows and inflows of resources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Balance as of September 30, 2024	\$46,966	\$101,028
Amount recognized in the 2024/25 pension expense:		
<i>Investment gain/loss</i>	\$17,550	\$20,636
<i>Demographic gain/loss</i>	\$4,658	\$8,947
<i>Assumption changes</i>	\$3,593	\$1,451
<i>Total</i>	\$25,801	\$31,034
Balance as of September 30, 2025	\$21,165	\$69,994
Amount recognized in the 2025/26 pension expense:		
<i>Investment gain/loss</i>	\$17,551	\$11,998
<i>Demographic gain/loss</i>	\$1,984	\$8,936
<i>Assumption changes</i>	\$0	\$1,451
<i>Total</i>	\$19,535	\$22,385
Balance as of September 30, 2026	\$1,630	\$47,609
Amount recognized in the 2026/27 pension expense:		
<i>Investment gain/loss</i>	\$0	\$11,997
<i>Demographic gain/loss</i>	\$1,630	\$8,501
<i>Assumption changes</i>	\$0	\$1,188
<i>Total</i>	\$1,630	\$21,686
Balance as of September 30, 2027	\$0	\$25,923
Amount recognized in the 2027/28 pension expense:		
<i>Investment gain/loss</i>	\$0	\$10,760
<i>Demographic gain/loss</i>	\$0	\$8,170
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$18,930
Balance as of September 30, 2028	\$0	\$6,993
Amount recognized in the 2028/29 pension expense:		
<i>Investment gain/loss</i>	\$0	\$0
<i>Demographic gain/loss</i>	\$0	\$5,994
<i>Assumption changes</i>	\$0	\$0
<i>Total</i>	\$0	\$5,994
Balance as of September 30, 2029	\$0	\$999

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**CHANGES IN THE NET PENSION LIABILITY**

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balance as of September 30, 2023	\$408,476	\$(414,636)	\$(6,160)
Change due to:			
<i>Service cost</i>	\$10,026	\$0	\$10,026
<i>Expected interest growth</i>	\$28,272	\$(29,230)	\$(958)
<i>Unexpected investment income</i>	\$0	\$(53,804)	\$(53,804)
<i>Demographic experience</i>	\$(19,785)	\$0	\$(19,785)
<i>Employer contributions</i>	\$0	\$(37,666)	\$(37,666)
<i>Employee contributions</i>	\$0	\$0	\$0
<i>Benefit payments &amp; refunds</i>	\$(23,780)	\$23,780	\$0
<i>Administrative expenses</i>	\$0	\$7,906	\$7,906
<i>Changes in benefit terms</i>	\$10,948	\$0	\$10,948
<i>Assumption changes</i>	\$0	\$0	\$0
Balance as of September 30, 2024	\$414,157	\$(503,650)	\$(89,493)

**COMPARISON OF NET PENSION LIABILITY USING ALTERNATIVE DISCOUNT RATES**

	Discount Rate Minus 1.00%	7.00% Discount Rate	Discount Rate Plus 1.00%
Total pension liability	\$457,532	\$414,157	\$377,734
Less fiduciary net position	<u>(503,650)</u>	<u>(503,650)</u>	<u>(503,650)</u>
Net pension liability	<u><u>\$(46,118)</u></u>	<u><u>\$(89,493)</u></u>	<u><u>\$(125,916)</u></u>

**HISTORICAL TREND INFORMATION**

Measurement Date	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Funded Percentage	Covered Payroll	Net Pension Liability as a % of Covered Payroll
September 30, 2024	\$414,157	\$503,650	\$(89,493)	121.61%	\$1,069,616	Not applicable
September 30, 2023	\$408,476	\$414,636	\$(6,160)	101.51%	\$782,047	Not applicable
September 30, 2022	\$420,850	\$377,347	\$43,503	89.66%	\$957,158	4.55%
September 30, 2021	\$418,519	\$437,936	\$(19,417)	104.64%	\$947,794	Not applicable
September 30, 2020	\$400,993	\$356,480	\$44,513	88.90%	\$1,068,248	4.17%
September 30, 2019	\$381,715	\$313,387	\$68,328	82.10%	\$983,938	6.94%
September 30, 2018	\$284,958	\$272,803	\$12,155	95.73%	\$889,552	1.37%
September 30, 2017	\$272,779	\$243,683	\$29,096	89.33%	\$875,892	3.32%
September 30, 2016	\$256,798	\$202,859	\$53,939	79.00%	\$830,401	6.50%
September 30, 2015	\$251,963	\$173,381	\$78,582	68.81%	\$929,086	8.46%

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**HISTORICAL TREND INFORMATION (continued)**

**Changes in the net pension liability by source**

Fiscal Year	Service Cost	Expected Interest Growth	Unexpected Investment Income	Demographic Experience	Employer Contributions	Employee Contributions	Benefit Payments & Refunds	Administrative Expenses	Changes In Benefit Terms	Assumption Changes
2023/24	\$10,026	\$958	\$53,804	\$19,785	\$37,666	\$0	\$0	\$7,906	\$10,948	\$0
2022/23	\$7,395	\$2,318	\$6,184	\$24,877	36,115	\$0	\$0	\$7,800	\$0	\$0
2021/22	\$8,895	\$1,539	\$87,751	10,484	29,561	\$0	\$0	\$7,858	\$0	\$0
2020/21	\$9,252	\$2,477	\$43,186	13,534	42,114	\$0	\$0	\$6,001	\$0	\$(9,894)
2019/20	\$12,168	\$4,222	\$664	325	46,358	\$0	\$0	\$5,814	\$0	\$0
2018/19	\$10,023	\$34	\$5,757	19,725	48,839	\$0	\$0	\$5,740	\$63,801	\$0
2017/18	\$6,112	\$1,517	\$1,458	2,939	35,955	\$0	\$0	\$9,904	\$0	\$0
2016/17	\$5,998	\$3,169	\$12,752	2,662	30,984	\$0	\$0	\$4,569	\$0	\$7,819
2015/16	\$6,018	\$4,893	\$1,423	6,562	35,117	\$0	\$0	\$7,548	\$0	\$0
2014/15	\$5,668	\$3,497	\$12,032	419	68,454	\$0	\$0	\$1,240	\$0	\$43,993

NOTE: The amortization period for demographic experience and assumption changes was 10.00 years for the 2013/14 fiscal year, 10.89 years for the 2014/15 fiscal year, 11.32 years for the 2015/16 fiscal year, 6.42 years for the 2016/17 fiscal year, 5.94 years for the 2017/18 fiscal year, 6.86 years for the 2018/19 fiscal year, 6.78 years for the 2019/20 fiscal year, 6.82 years for the 2020/21 fiscal year, 6.90 years for the 2021/22 fiscal year, 6.78 years for the 2022/23 fiscal year, and 6.32 years for the 2023/24 fiscal year.

## DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)

### HISTORICAL TREND INFORMATION (continued)

Fiscal Year End	(1) Actuarially Determined Contribution	(2) Contributions Recognized By the Plan	(3) Difference Between (1) and (2)	Covered Payroll	Column (2) as a % of Covered Payroll
September 30, 2024	\$35,805	\$37,666	\$1,861	\$1,069,616	3.52%
September 30, 2023	\$37,446	\$36,115	(\$1,331)	\$782,047	4.62%
September 30, 2022	\$27,102	\$29,561	\$2,459	\$957,158	3.09%
September 30, 2021	\$38,666	\$42,114	\$3,448	\$947,794	4.44%
September 30, 2020	\$45,134	\$46,358	\$1,224	\$1,068,248	4.34%
September 30, 2019	\$43,841	\$48,839	\$4,998	\$983,938	4.96%
September 30, 2018	\$21,754	\$35,955	\$14,201	\$889,552	4.04%
September 30, 2017	\$25,625	\$30,984	\$5,359	\$875,892	3.54%
September 30, 2016	\$27,186	\$35,117	\$7,931	\$830,401	4.23%
September 30, 2015	\$25,258	\$68,454	\$43,196	\$929,086	7.37%

### INFORMATION USED TO DETERMINE THE NET PENSION LIABILITY

Employer's reporting date: *September 30, 2024*

Measurement date: *September 30, 2024*

Actuarial valuation date: *October 1, 2023*

#### Actuarial assumptions

Discount rate: *7.00% per annum (2.62% per annum is attributable to long-term inflation); this rate was used to discount all future benefit payments.*

Salary increases: *4.00% per annum*

Cost-of-living increases: *None assumed*

Mortality basis: *For non-retired participants, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year (pre-retirement mortality); for non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018*

Retirement: *Age 52*

Future contributions: *Contributions from the employer are assumed to be made as legally required.*

Changes: *No assumptions were changed since the prior measurement date.*

### DETERMINATION OF THE LONG-TERM EXPECTED RATE OF RETURN ON PLAN ASSETS

Investment Category	Target Allocation	Expected Long-Term Real Return
Core bonds	15.00%	1.60% per annum
Core plus	15.00%	2.10% per annum
U.S. large cap equity	25.00%	4.60% per annum
U.S. small cap equity	14.00%	5.50% per annum
Non-U.S. equity	21.00%	6.70% per annum
Core real estate	10.00%	5.00% per annum
Total or weighted arithmetic average	100.00%	4.38% per annum

## DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)

### PENSION PLAN DESCRIPTION

Name of the pension plan: *City of Indian Harbour Beach Police Officers' Supplemental Pension Plan*  
Legal plan administrator: *Board of Trustees of the City of Indian Harbour Beach Police Officers' Supplemental Pension Plan*  
Plan type: *Single-employer defined benefit pension plan*  
Number of covered individuals: *40 (20 inactive employees and beneficiaries currently receiving benefits; one inactive employee entitled to but not yet receiving benefits; 19 active employees)*  
Contribution requirement: *Employer contributions are actuarially determined and are subject to State minimums.*  
Pension plan reporting: *The plan issues a stand-alone financial report each year, which contains information about the plan's fiduciary net position. The plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of assets calculated under the accrual basis of accounting. This report is available to the public at the plan's administrative office: Retirement Department, Florida League of Cities, Inc., P. O. Box 1757, Tallahassee, FL 32302, (800) 342-8112.*

### Description of the benefit terms

Employees covered: *Police officers employed by the City of Indian Harbour Beach*  
Types of benefits offered: *Retirement benefits*  
Basic pension formula: *\$60.00 x service*  
Normal retirement age: *Any age with 25 years of service or age 52 with 10 years of service*  
Early retirement age: *Age 50 with 10 years of service*  
Form of payment: *Single life annuity payable annually as of each January 1*  
Cost-of-living adjustment: *No automatic cost-of-living adjustments are provided.*  
Legal authority: *The plan was established pursuant to City ordinance and has been amended several times since that date. Since the prior measurement date, the plan was amended by Ordinance 2023-05 to make the normal retirement benefit available at any age with at least 25 years of service.*  
Changes:

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**PROJECTION OF THE FIDUCIARY NET POSITION**

Date	BOY Balance	Contributions	Benefit Payments	Administrative Expenses	Investment Earnings	EOY Balance
October 1, 2023	\$414,636	\$37,666	\$23,780	\$7,906	\$83,034	\$503,650
October 1, 2024	\$503,650	\$27,914	\$29,580	\$9,834	\$34,860	\$527,010
October 1, 2025	\$527,010	\$29,031	\$30,295	\$10,072	\$36,501	\$552,175
October 1, 2026	\$552,175	\$30,192	\$30,908	\$10,276	\$38,274	\$579,457
October 1, 2027	\$579,457	\$31,400	\$30,550	\$10,157	\$40,242	\$610,392
October 1, 2028	\$610,392	\$32,656	\$31,177	\$10,365	\$42,422	\$643,928
October 1, 2029	\$643,928	\$33,962	\$30,767	\$10,229	\$44,833	\$681,727
October 1, 2030	\$681,727	\$3,282	\$30,333	\$10,085	\$46,443	\$691,034
October 1, 2031	\$691,034	\$0	\$32,228	\$10,715	\$46,895	\$694,986
October 1, 2032	\$694,986	\$0	\$32,655	\$10,857	\$47,152	\$698,626
October 1, 2033	\$698,626	\$0	\$35,031	\$11,647	\$47,298	\$699,246
October 1, 2034	\$699,246	\$0	\$34,497	\$11,469	\$47,366	\$700,646
October 1, 2035	\$700,646	\$0	\$33,867	\$11,260	\$47,492	\$703,011
October 1, 2036	\$703,011	\$0	\$34,766	\$11,558	\$47,617	\$704,304
October 1, 2037	\$704,304	\$0	\$34,145	\$11,352	\$47,736	\$706,543
October 1, 2038	\$706,543	\$0	\$35,001	\$11,637	\$47,853	\$707,758
October 1, 2039	\$707,758	\$0	\$36,717	\$12,207	\$47,860	\$706,694
October 1, 2040	\$706,694	\$0	\$36,009	\$11,972	\$47,818	\$706,531
October 1, 2041	\$706,531	\$0	\$35,195	\$11,701	\$47,844	\$707,479
October 1, 2042	\$707,479	\$0	\$36,310	\$12,072	\$47,859	\$706,956
October 1, 2043	\$706,956	\$0	\$42,242	\$14,044	\$47,550	\$698,220
October 1, 2044	\$698,220	\$0	\$43,795	\$14,560	\$46,868	\$686,733
October 1, 2045	\$686,733	\$0	\$42,922	\$14,270	\$46,103	\$675,644
October 1, 2046	\$675,644	\$0	\$41,933	\$13,941	\$45,373	\$665,143
October 1, 2047	\$665,143	\$0	\$48,216	\$16,030	\$44,349	\$645,246
October 1, 2048	\$645,246	\$0	\$47,186	\$15,688	\$43,004	\$625,376
October 1, 2049	\$625,376	\$0	\$46,093	\$15,324	\$41,663	\$605,622
October 1, 2050	\$605,622	\$0	\$45,099	\$14,994	\$40,326	\$585,855
October 1, 2051	\$585,855	\$0	\$44,092	\$14,659	\$38,988	\$566,092
October 1, 2052	\$566,092	\$0	\$42,962	\$14,283	\$37,657	\$546,504
October 1, 2053	\$546,504	\$0	\$41,580	\$13,824	\$36,349	\$527,449
October 1, 2054	\$527,449	\$0	\$40,400	\$13,432	\$35,069	\$508,686
October 1, 2055	\$508,686	\$0	\$39,293	\$13,064	\$33,807	\$490,136
October 1, 2056	\$490,136	\$0	\$38,174	\$12,691	\$32,559	\$471,830
October 1, 2057	\$471,830	\$0	\$36,824	\$12,243	\$31,340	\$454,103
October 1, 2058	\$454,103	\$0	\$35,686	\$11,864	\$30,151	\$436,704
October 1, 2059	\$436,704	\$0	\$34,559	\$11,490	\$28,985	\$419,640
October 1, 2060	\$419,640	\$0	\$33,450	\$11,121	\$27,841	\$402,910
October 1, 2061	\$402,910	\$0	\$32,363	\$10,760	\$26,720	\$386,507
October 1, 2062	\$386,507	\$0	\$31,306	\$10,408	\$25,620	\$370,413
October 1, 2063	\$370,413	\$0	\$30,280	\$10,067	\$24,541	\$354,607
October 1, 2064	\$354,607	\$0	\$29,286	\$9,737	\$23,480	\$339,064
October 1, 2065	\$339,064	\$0	\$28,321	\$9,416	\$22,436	\$323,763
October 1, 2066	\$323,763	\$0	\$27,390	\$9,106	\$21,408	\$308,675
October 1, 2067	\$308,675	\$0	\$26,488	\$8,806	\$20,393	\$293,774
October 1, 2068	\$293,774	\$0	\$25,610	\$8,514	\$19,390	\$279,040
October 1, 2069	\$279,040	\$0	\$24,759	\$8,231	\$18,398	\$264,448
October 1, 2070	\$264,448	\$0	\$23,910	\$7,949	\$17,415	\$250,004
October 1, 2071	\$250,004	\$0	\$23,069	\$7,670	\$16,443	\$235,708
October 1, 2072	\$235,708	\$0	\$22,233	\$7,392	\$15,480	\$221,563
October 1, 2073	\$221,563	\$0	\$21,389	\$7,111	\$14,529	\$207,592
October 1, 2074	\$207,592	\$0	\$20,538	\$6,828	\$13,590	\$193,816
October 1, 2075	\$193,816	\$0	\$19,677	\$6,542	\$12,665	\$180,262

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**PROJECTION OF THE FIDUCIARY NET POSITION (continued)**

Date	BOY Balance	Contributions	Benefit Payments	Administrative Expenses	Investment Earnings	EOY Balance
October 1, 2076	\$180,262	\$0	\$18,797	\$6,249	\$11,757	\$166,973
October 1, 2077	\$166,973	\$0	\$17,897	\$5,950	\$10,868	\$153,994
October 1, 2078	\$153,994	\$0	\$16,984	\$5,647	\$10,001	\$141,364
October 1, 2079	\$141,364	\$0	\$16,051	\$5,336	\$9,160	\$129,137
October 1, 2080	\$129,137	\$0	\$15,101	\$5,021	\$8,347	\$117,362
October 1, 2081	\$117,362	\$0	\$14,153	\$4,705	\$7,566	\$106,070
October 1, 2082	\$106,070	\$0	\$13,206	\$4,391	\$6,819	\$95,292
October 1, 2083	\$95,292	\$0	\$12,257	\$4,075	\$6,108	\$85,068
October 1, 2084	\$85,068	\$0	\$11,314	\$3,762	\$5,436	\$75,428
October 1, 2085	\$75,428	\$0	\$10,387	\$3,453	\$4,804	\$66,392
October 1, 2086	\$66,392	\$0	\$9,473	\$3,149	\$4,213	\$57,983
October 1, 2087	\$57,983	\$0	\$8,583	\$2,854	\$3,665	\$50,211
October 1, 2088	\$50,211	\$0	\$7,718	\$2,566	\$3,161	\$43,088
October 1, 2089	\$43,088	\$0	\$6,889	\$2,290	\$2,700	\$36,609
October 1, 2090	\$36,609	\$0	\$6,096	\$2,027	\$2,283	\$30,769
October 1, 2091	\$30,769	\$0	\$5,332	\$1,773	\$1,909	\$25,573
October 1, 2092	\$25,573	\$0	\$4,622	\$1,537	\$1,578	\$20,992
October 1, 2093	\$20,992	\$0	\$3,962	\$1,317	\$1,288	\$17,001
October 1, 2094	\$17,001	\$0	\$3,351	\$1,114	\$1,036	\$13,572
October 1, 2095	\$13,572	\$0	\$2,792	\$928	\$822	\$10,674
October 1, 2096	\$10,674	\$0	\$2,295	\$763	\$642	\$8,258
October 1, 2097	\$8,258	\$0	\$1,861	\$619	\$493	\$6,271
October 1, 2098	\$6,271	\$0	\$1,479	\$492	\$371	\$4,671
October 1, 2099	\$4,671	\$0	\$1,158	\$385	\$274	\$3,402
October 1, 2100	\$3,402	\$0	\$885	\$294	\$198	\$2,421
October 1, 2101	\$2,421	\$0	\$661	\$220	\$139	\$1,679
October 1, 2102	\$1,679	\$0	\$482	\$160	\$95	\$1,132
October 1, 2103	\$1,132	\$0	\$348	\$116	\$63	\$731
October 1, 2104	\$731	\$0	\$243	\$81	\$40	\$447
October 1, 2105	\$447	\$0	\$146	\$49	\$25	\$277
October 1, 2106	\$277	\$0	\$98	\$33	\$15	\$161
October 1, 2107	\$161	\$0	\$56	\$19	\$9	\$95
October 1, 2108	\$95	\$0	\$36	\$12	\$5	\$52
October 1, 2109	\$52	\$0	\$14	\$5	\$3	\$36
October 1, 2110	\$36	\$0	\$0	\$0	\$3	\$39

**NOTES:**

*The fiduciary net position is projected to be sufficient to cover all future benefit payments when due.*

*The plan requires only a 7% average investment return per year to avoid a crossover date.*

*The projection shown above does not reflect future new entrants into the pension plan.*

**DISCLOSURES RELATED TO THE SUPPLEMENTAL POLICE PENSION PLAN (continued)**

**AMORTIZATION BASES ATTRIBUTABLE TO UNEXPECTED INVESTMENT INCOME**

	YEAR DURING WHICH THE GAIN OR LOSS AROSE						TOTAL
	2019/20	2020/21	2021/22	2022/23	2023/24		
Payment Year							
2023/24	\$132	-\$8,637	\$17,550	-\$1,237	-\$10,761	-\$2,953	
2024/25		-\$8,638	\$17,550	-\$1,237	-\$10,761	-\$3,086	
2025/26			\$17,551	-\$1,237	-\$10,761	\$5,553	
2026/27				-\$1,236	-\$10,761	-\$11,997	
2027/28					-\$10,760	-\$10,760	
Remaining Balance	\$132	-\$17,275	\$52,651		-\$4,947	-\$53,804	-\$23,243

**AMORTIZATION BASES ATTRIBUTABLE TO DEMOGRAPHIC EXPERIENCE**

	YEAR DURING WHICH THE GAIN OR LOSS AROSE								TOTAL
	2014/15	2015/16	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Payment Year									
2023/24	\$222	-\$580	\$2,875	-\$48	\$1,984	-\$1,519	-\$3,669	-\$3,131	-\$3,866
2024/25	\$199	-\$580	\$2,475	-\$48	\$1,984	-\$1,519	-\$3,669	-\$3,131	-\$4,289
2025/26		-\$580		-\$37	\$1,984	-\$1,519	-\$3,669	-\$3,131	-\$6,952
2026/27		-\$182			\$1,630	-\$1,519	-\$3,669	-\$3,131	-\$6,871
2027/28						-\$1,370	-\$3,669	-\$3,131	-\$8,170
2028/29							-\$2,863	-\$3,131	-\$5,994
2029/30								-\$999	-\$999
Remaining Balance	\$421	-\$1,922	\$5,350	-\$133	\$7,582	-\$7,446	-\$21,208	-\$19,785	-\$37,141

**AMORTIZATION BASES ATTRIBUTABLE TO ASSUMPTION CHANGES**

	YEAR DURING WHICH THE GAIN OR LOSS AROSE		TOTAL
	2014/15	2020/21	
Payment Year			
2023/24	\$4,040	-\$1,451	\$2,589
2024/25	\$3,593	-\$1,451	\$2,142
2025/26		-\$1,451	-\$1,451
2026/27		-\$1,188	-\$1,188
Remaining Balance	\$7,633	-\$5,541	\$2,092

**SUMMARY OF DEFERRED OUTFLOWS AND INFLOWS AS OF SEPTEMBER 30, 2024**

Deferred Outflows ferred Inflows

Unexpected investment income	\$35,101	\$55,391
Demographic experience	\$8,272	\$41,547
Assumption changes	\$3,593	\$4,090
Total	\$46,966	\$101,028



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**Retirement Services**

Florida Municipal Pension Trust  
P.O. Box 1757  
301 S. Bronough St. Suite 300  
Tallahassee, FL 32302-1757

Invoice Number: I-2025-03-00140  
Invoice Date: 03/07/2025  
Print Date: 04/18/2025  
Acct. Cust ID: INDHARBCHPOLIC  
E

Bill to:

Ms. Julie Bradford  
Comptroller  
2055 S. Patrick Drive  
Indian Harbour Beach, FL 32937

Description	Amount
Invoice Number 605-0325 Actuarial valuation as of Octover 1, 2024.	6,000.00

\*If paying by check, please make the check payable to Florida Municipal Pension Trust Fund and return 1 copy of the invoice with the payment. Thank you.