

**CITY OF OVIEDO
POLICE OFFICERS' RETIREMENT FUND**

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



April 3, 2025

Mr. Troy Jenne, Plan Administrator
Foster & Foster, Inc.
2503 Del Prado Blvd. S., Suite 502
Cape Coral, FL 33904

Re: City of Oviedo Police Officers' Retirement Fund
Section 112.664, Florida Statutes Compliance

Dear Troy:

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

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

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

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

Respectfully submitted,

Foster & Foster, Inc.



Douglas H. Lozen, EA, MAAA
Enrolled Actuary #23-7778

Enclosures

cc via email: Adam Levnison, Board Attorney
cc via email: Denise Zwicker, Board Secretary

When reviewing the following schedules, please note the following:

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

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

	ACTUAL	HYPOTHETICAL
Discount Rate:	7.00%	5.00%
<u>Total Pension Liability</u>		
Service Cost	955,591	1,516,217
Interest	2,565,226	2,336,730
Share Plan Allocation	283,579	283,579
Changes of Benefit Terms	-	-
Experience Gains/Losses	366,324	453,368
Changes of Assumptions	-	-
Benefit Payments	(1,342,208)	(1,342,208)
Net Change in Total Pension Liability	2,828,512	3,247,686
Total Pension Liability - Beginning	36,361,594	45,889,484
Total Pension Liability - Ending (a)	<u>\$ 39,190,106</u>	<u>\$ 49,137,170</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	699,877	699,877
Contributions - State	499,536	499,536
Contributions - Employee	283,994	283,994
Net Investment Income	7,171,618	7,171,618
Benefit Payments	(1,342,208)	(1,342,208)
Administrative Expense	(73,909)	(73,909)
Net Change in Plan Fiduciary Net Position	7,238,908	7,238,908
Plan Fiduciary Net Position - Beginning	32,193,445	32,193,445
Plan Fiduciary Net Position - Ending (b)	<u>\$ 39,432,353</u>	<u>\$ 39,432,353</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (242,247)</u>	<u>\$ 9,704,817</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Investment Rate of Return = 7.00%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2024	39,432,353	-	4,660,291	-	2,597,155	37,369,217
2025	37,369,217	-	2,042,954	-	2,544,342	37,870,605
2026	37,870,605	-	2,085,436	-	2,577,952	38,363,121
2027	38,363,121	-	2,150,754	-	2,610,142	38,822,509
2028	38,822,509	-	2,253,279	-	2,638,711	39,207,941
2029	39,207,941	-	2,330,902	-	2,662,974	39,540,013
2030	39,540,013	-	2,390,819	-	2,684,122	39,833,316
2031	39,833,316	-	2,513,279	-	2,700,367	40,020,404
2032	40,020,404	-	2,622,477	-	2,709,642	40,107,569
2033	40,107,569	-	2,664,823	-	2,714,261	40,157,007
2034	40,157,007	-	2,696,225	-	2,716,623	40,177,405
2035	40,177,405	-	2,737,051	-	2,716,622	40,156,976
2036	40,156,976	-	2,729,510	-	2,715,455	40,142,921
2037	40,142,921	-	2,729,608	-	2,714,468	40,127,781
2038	40,127,781	-	2,733,450	-	2,713,274	40,107,605
2039	40,107,605	-	2,698,969	-	2,713,068	40,121,704
2040	40,121,704	-	2,686,680	-	2,714,485	40,149,509
2041	40,149,509	-	2,641,647	-	2,718,008	40,225,870
2042	40,225,870	-	2,600,837	-	2,724,782	40,349,815
2043	40,349,815	-	2,567,647	-	2,734,619	40,516,787
2044	40,516,787	-	2,511,879	-	2,748,259	40,753,167
2045	40,753,167	-	2,458,261	-	2,766,683	41,061,589
2046	41,061,589	-	2,396,042	-	2,790,450	41,455,997
2047	41,455,997	-	2,329,090	-	2,820,402	41,947,309
2048	41,947,309	-	2,257,192	-	2,857,310	42,547,427
2049	42,547,427	-	2,182,133	-	2,901,945	43,267,239
2050	43,267,239	-	2,102,859	-	2,955,107	44,119,487
2051	44,119,487	-	2,022,379	-	3,017,581	45,114,689
2052	45,114,689	-	1,939,424	-	3,090,148	46,265,413
2053	46,265,413	-	1,854,474	-	3,173,672	47,584,611
2054	47,584,611	-	1,769,102	-	3,269,004	49,084,513
2055	49,084,513	-	1,682,490	-	3,377,029	50,779,052
2056	50,779,052	-	1,595,427	-	3,498,694	52,682,319
2057	52,682,319	-	1,508,430	-	3,634,967	54,808,856
2058	54,808,856	-	1,421,861	-	3,786,855	57,173,850
2059	57,173,850	-	1,336,267	-	3,955,400	59,792,983
2060	59,792,983	-	1,252,016	-	4,141,688	62,682,655
2061	62,682,655	-	1,169,467	-	4,346,855	65,860,043
2062	65,860,043	-	1,089,023	-	4,572,087	69,343,107
2063	69,343,107	-	1,011,085	-	4,818,630	73,150,652
2064	73,150,652	-	935,956	-	5,087,787	77,302,483
2065	77,302,483	-	863,882	-	5,380,938	81,819,539
2066	81,819,539	-	795,066	-	5,699,540	86,724,013
2067	86,724,013	-	729,635	-	6,045,144	92,039,522
2068	92,039,522	-	667,631	-	6,419,399	97,791,290
2069	97,791,290	-	609,054	-	6,824,073	104,006,309
2070	104,006,309	-	553,853	-	7,261,057	110,713,513
2071	110,713,513	-	501,932	-	7,732,378	117,943,959
2072	117,943,959	-	453,218	-	8,240,215	125,730,956
2073	125,730,956	-	407,633	-	8,786,900	134,110,223

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Investment Rate of Return = 7.00%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2074	134,110,223	-	365,104	-	9,374,937	143,120,056
2075	143,120,056	-	325,566	-	10,007,009	152,801,499
2076	152,801,499	-	288,976	-	10,685,991	163,198,514
2077	163,198,514	-	255,289	-	11,414,961	174,358,186
2078	174,358,186	-	224,429	-	12,197,218	186,330,975
2079	186,330,975	-	196,300	-	13,036,298	199,170,973
2080	199,170,973	-	170,764	-	13,935,991	212,936,200
2081	212,936,200	-	147,676	-	14,900,365	227,688,889
2082	227,688,889	-	126,890	-	15,933,781	243,495,780
2083	243,495,780	-	108,265	-	17,040,915	260,428,430
2084	260,428,430	-	91,672	-	18,226,782	278,563,540
2085	278,563,540	-	77,002	-	19,496,753	297,983,291
2086	297,983,291	-	64,159	-	20,856,585	318,775,717
2087	318,775,717	-	53,036	-	22,312,444	341,035,125
2088	341,035,125	-	43,511	-	23,870,936	364,862,550
2089	364,862,550	-	35,437	-	25,539,138	390,366,251
2090	390,366,251	-	28,670	-	27,324,634	417,662,215
2091	417,662,215	-	23,055	-	29,235,548	446,874,708
2092	446,874,708	-	18,435	-	31,280,584	478,136,857
2093	478,136,857	-	14,660	-	33,469,067	511,591,264
2094	511,591,264	-	11,590	-	35,810,983	547,390,657
2095	547,390,657	-	9,103	-	38,317,027	585,698,581
2096	585,698,581	-	7,097	-	40,998,652	626,690,136
2097	626,690,136	-	5,485	-	43,868,118	670,552,769
2098	670,552,769	-	4,196	-	46,938,547	717,487,120
2099	717,487,120	-	3,172	-	50,223,987	767,707,935
2100	767,707,935	-	2,363	-	53,739,473	821,445,045
2101	821,445,045	-	1,732	-	57,501,093	878,944,406
2102	878,944,406	-	1,246	-	61,526,065	940,469,225
2103	940,469,225	-	878	-	65,832,815	1,006,301,162
2104	1,006,301,162	-	604	-	70,441,060	1,076,741,618
2105	1,076,741,618	-	406	-	75,371,899	1,152,113,111
2106	1,152,113,111	-	265	-	80,647,908	1,232,760,754
2107	1,232,760,754	-	168	-	86,293,247	1,319,053,833
2108	1,319,053,833	-	104	-	92,333,765	1,411,387,494
2109	1,411,387,494	-	62	-	98,797,122	1,510,184,554
2110	1,510,184,554	-	36	-	105,712,918	1,615,897,436
2111	1,615,897,436	-	21	-	113,112,820	1,729,010,235
2112	1,729,010,235	-	11	-	121,030,716	1,850,040,940
2113	1,850,040,940	-	6	-	129,502,866	1,979,543,800
2114	1,979,543,800	-	3	-	138,568,066	2,118,111,863
2115	2,118,111,863	-	2	-	148,267,830	2,266,379,691
2116	2,266,379,691	-	1	-	158,646,578	2,425,026,268
2117	2,425,026,268	-	-	-	169,751,839	2,594,778,107

*All DROP and Share Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.00% interest.

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

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 2
Hypothetical Assumptions: Investment Rate of Return = 5.00%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2024	39,432,353	-	4,660,291	-	1,855,110	36,627,172
2025	36,627,172	-	2,042,954	-	1,780,285	36,364,503
2026	36,364,503	-	2,085,436	-	1,766,089	36,045,156
2027	36,045,156	-	2,150,754	-	1,748,489	35,642,891
2028	35,642,891	-	2,253,279	-	1,725,813	35,115,425
2029	35,115,425	-	2,330,902	-	1,697,499	34,482,022
2030	34,482,022	-	2,390,819	-	1,664,331	33,755,534
2031	33,755,534	-	2,513,279	-	1,624,945	32,867,200
2032	32,867,200	-	2,622,477	-	1,577,798	31,822,521
2033	31,822,521	-	2,664,823	-	1,524,505	30,682,203
2034	30,682,203	-	2,696,225	-	1,466,705	29,452,683
2035	29,452,683	-	2,737,051	-	1,404,208	28,119,840
2036	28,119,840	-	2,729,510	-	1,337,754	26,728,084
2037	26,728,084	-	2,729,608	-	1,268,164	25,266,640
2038	25,266,640	-	2,733,450	-	1,194,996	23,728,186
2039	23,728,186	-	2,698,969	-	1,118,935	22,148,152
2040	22,148,152	-	2,686,680	-	1,040,241	20,501,713
2041	20,501,713	-	2,641,647	-	959,044	18,819,110
2042	18,819,110	-	2,600,837	-	875,935	17,094,208
2043	17,094,208	-	2,567,647	-	790,519	15,317,080
2044	15,317,080	-	2,511,879	-	703,057	13,508,258
2045	13,508,258	-	2,458,261	-	613,956	11,663,953
2046	11,663,953	-	2,396,042	-	523,297	9,791,208
2047	9,791,208	-	2,329,090	-	431,333	7,893,451
2048	7,893,451	-	2,257,192	-	338,243	5,974,502
2049	5,974,502	-	2,182,133	-	244,172	4,036,541
2050	4,036,541	-	2,102,859	-	149,256	2,082,938
2051	2,082,938	-	2,022,379	-	53,587	114,146
2052	114,146	-	1,939,424	-	-	-

*All DROP and Share Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 28.06

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.00% interest.

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

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

Valuation Date: 10/1/2024

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.00%	5.00%
Minimum Required Contribution (Fixed \$)	\$1,384,882	\$2,628,495
Minimum Required Contribution (% of Payroll)	28.05%	53.24%
Expected Member Contribution	296,226	296,226
Expected State Money	215,957	215,957
Expected Sponsor Contribution (Fixed \$)	\$872,699	\$2,116,312
Expected Sponsor Contribution (% of Payroll)	17.68%	42.87%

ASSETS

Actuarial Value ¹	38,006,732	38,006,732
Market Value ¹	39,432,353	39,432,353

LIABILITIES

Present Value of Benefits

Actives

Retirement Benefits	25,025,389	37,754,114
Disability Benefits	780,979	1,118,313
Death Benefits	117,965	153,749
Vested Benefits	548,051	863,571
Refund of Contributions	156,528	166,178

Service Retirees	11,673,065	14,049,844
DROP Retirees ¹	5,483,465	6,546,763
Beneficiaries	1,365,879	1,617,726
Disability Retirees	1,080,898	1,300,456
Terminated Vested	1,209,854	1,666,469
Share Plan Balances ¹	1,796,537	1,796,537

Total:	49,238,610	67,033,720
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Present Value of Future Salaries	45,458,813	51,669,909
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Present Value of Future

Member Contributions	2,727,529	3,100,195
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Total Normal Cost	1,048,497	1,660,747
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Present Value of Future

Normal Costs (Entry Age Normal)	9,380,414	16,949,452
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Total Actuarial Accrued Liability (EAN) ¹	39,858,196	50,084,268
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Unfunded Actuarial Accrued Liability (UAAL)	1,851,464	12,077,536
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ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2026

	Valuation Date: 10/1/2024	
	ACTUAL	HYPOTHETICAL
Investment Rate of Return:	7.00%	5.00%
<u>PENSION COST</u>		
Normal Cost (with interest)	1,085,194	1,702,266
Administrative Expenses (with interest)	88,382	87,528
Payment Required To Amortize UAAL (with interest)	211,306	838,701
Minimum Required Contribution	\$1,384,882	\$2,628,495

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