

**CITY OF EDGEWATER
GENERAL EMPLOYEES' RETIREMENT PLAN**

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



June 25, 2025

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

Re: City of Edgewater General Employees' Retirement Plan
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: Bonni Jensen, Board Attorney

When reviewing the following schedules, please note the following:

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

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

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Discount Rate:	6.25%	4.25%	8.25%
<u>Total Pension Liability</u>			
Service Cost	25,726	40,546	16,732
Interest	1,112,053	921,998	1,234,515
Changes of Benefit Terms	-	-	-
Experience Gains/Losses	198,832	248,741	164,626
Changes of Assumptions	-	-	-
Benefit Payments	(1,532,598)	(1,532,598)	(1,532,598)
Net Change in Total Pension Liability	(195,987)	(321,313)	(116,725)
Total Pension Liability - Beginning	18,533,416	22,419,815	15,713,388
Total Pension Liability - Ending (a)	<u>\$ 18,337,429</u>	<u>\$ 22,098,502</u>	<u>\$ 15,596,663</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	777,332	777,332	777,332
Contributions - Employee	3,218	3,218	3,218
Net Investment Income	2,151,673	2,151,673	2,151,673
Benefit Payments	(1,532,598)	(1,532,598)	(1,532,598)
Administrative Expense	(54,003)	(54,003)	(54,003)
Net Change in Plan Fiduciary Net Position	1,345,622	1,345,622	1,345,622
Plan Fiduciary Net Position - Beginning	11,148,918	11,148,918	11,148,918
Plan Fiduciary Net Position - Ending (b)	<u>\$ 12,494,540</u>	<u>\$ 12,494,540</u>	<u>\$ 12,494,540</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 5,842,889</u>	<u>\$ 9,603,962</u>	<u>\$ 3,102,123</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Investment Rate of Return = 6.25%

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	12,494,540	-	1,559,118	-	732,186	11,667,608
2025	11,667,608	-	1,574,053	-	680,036	10,773,591
2026	10,773,591	-	1,558,413	-	624,649	9,839,827
2027	9,839,827	-	1,540,857	-	566,837	8,865,807
2028	8,865,807	-	1,547,402	-	505,757	7,824,162
2029	7,824,162	-	1,525,277	-	441,345	6,740,230
2030	6,740,230	-	1,499,513	-	374,405	5,615,122
2031	5,615,122	-	1,472,653	-	304,925	4,447,394
2032	4,447,394	-	1,444,013	-	232,837	3,236,218
2033	3,236,218	-	1,413,238	-	158,100	1,981,080
2034	1,981,080	-	1,379,367	-	80,712	682,425
2035	682,425	-	1,343,464	-	-	-

Number of Years Expected Benefit Payments Sustained: 11.51

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 6.25% 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 = 4.25%

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	12,494,540	-	1,559,118	-	497,887	11,433,309
2025	11,433,309	-	1,574,053	-	452,467	10,311,723
2026	10,311,723	-	1,558,413	-	405,132	9,158,442
2027	9,158,442	-	1,540,857	-	356,491	7,974,076
2028	7,974,076	-	1,547,402	-	306,016	6,732,690
2029	6,732,690	-	1,525,277	-	253,727	5,461,140
2030	5,461,140	-	1,499,513	-	200,234	4,161,861
2031	4,161,861	-	1,472,653	-	145,585	2,834,793
2032	2,834,793	-	1,444,013	-	89,793	1,480,573
2033	1,480,573	-	1,413,238	-	32,893	100,228
2034	100,228	-	1,379,367	-	-	-

Number of Years Expected Benefit Payments Sustained: 10.07

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 4.25% interest.

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

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Investment Rate of Return = 8.25%

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	12,494,540	-	1,559,118	-	966,486	11,901,908
2025	11,901,908	-	1,574,053	-	916,978	11,244,833
2026	11,244,833	-	1,558,413	-	863,414	10,549,834
2027	10,549,834	-	1,540,857	-	806,801	9,815,778
2028	9,815,778	-	1,547,402	-	745,971	9,014,347
2029	9,014,347	-	1,525,277	-	680,766	8,169,836
2030	8,169,836	-	1,499,513	-	612,157	7,282,480
2031	7,282,480	-	1,472,653	-	540,058	6,349,885
2032	6,349,885	-	1,444,013	-	464,300	5,370,172
2033	5,370,172	-	1,413,238	-	384,743	4,341,677
2034	4,341,677	-	1,379,367	-	301,289	3,263,599
2035	3,263,599	-	1,343,464	-	213,829	2,133,964
2036	2,133,964	-	1,304,964	-	122,222	951,222
2037	951,222	-	1,263,765	-	-	-

Number of Years Expected Benefit Payments Sustained: 13.75

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 8.25% 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

	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
Investment Rate of Return:	6.25%	4.25%	8.25%
Minimum Required Contribution (Fixed \$)	\$1,012,007	\$1,186,317	\$825,218
Minimum Required Contribution (% of Payroll)	726.9%	852.1%	592.7%
Expected Member Contribution	3,589	3,555	3,624
Expected Sponsor Contribution (Fixed \$)	\$1,008,418	\$1,182,762	\$821,594
Expected Sponsor Contribution (% of Payroll)	724.4%	849.6%	590.2%

ASSETS

Actuarial Value	12,140,531	12,140,531	12,140,531
Market Value	12,494,540	12,494,540	12,494,540

LIABILITIES

Present Value of Benefits			
Actives			
Retirement Benefits	769,497	1,014,414	604,936
Disability Benefits	26,414	32,386	22,064
Death Benefits	1,124	1,423	916
Vested Benefits	0	0	0
Refund of Contributions	0	0	0
Service Retirees	16,260,763	19,571,287	13,844,527
Beneficiaries	1,060,282	1,261,303	910,428
Disability Retirees	0	0	0
Terminated Vested	377,596	457,706	319,546
Total:	18,495,676	22,338,519	15,702,417
Present Value of Future Salaries	384,651	393,032	376,748
Present Value of Future			
Total Normal Cost	27,251	42,962	17,717
Present Value of Future			
Normal Costs (Entry Age Normal)	78,301	126,133	49,861
Total Actuarial Accrued Liability (EAN)	18,417,375	22,212,386	15,652,556
Unfunded Actuarial Accrued	6,276,844	10,071,855	3,512,025
Liability (UAAL)			

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

	Valuation Date: 10/1/2024		
	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
Investment Rate of Return:	6.25%	4.25%	8.25%
<u>PENSION COST</u>			
Normal Cost ¹	29,227	45,630	19,186
Administrative Expenses ¹	51,598	51,098	52,098
Payment Required To Amortize UAAL ¹	931,182	1,089,589	753,934
Minimum Required Contribution	\$1,012,007	\$1,186,317	\$825,218

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

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