



# **City of Cocoa Beach Firefighters' Retirement System**

**GASB Disclosure Information**  
Statements 67/68

*Measurement Date: September 30, 2025*  
*GASB 68 Expense*  
*Reporting Date: September 30, 2025*

**FOSTER & FOSTER**  
ACTUARIES AND CONSULTANTS

January 5, 2026

Board of Trustees  
City of Cocoa Beach  
Firefighters' Retirement System

Re: GASB 67/68 Disclosures – City of Cocoa Beach Firefighters' Retirement System

Dear Board,

We are pleased to present this report of the disclosure information required by GASB Statements 67/68 measured as of September 30, 2025. GASB 68 Expense is determined for the reporting period ending September 30, 2025.

The calculation of the liability associated with the benefits referenced in this report was performed to satisfy the requirements of GASB 67/68 and is not applicable for other purposes, such as determining the plan's funding requirements. Use of the results for other purposes may not be applicable and may produce significantly different results.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of October 1, 2024. The total pension liability was rolled forward from the valuation date to the plan's fiscal year ending September 30, 2025 using generally accepted actuarial principles. It is our opinion that the assumptions used for this purpose are internally consistent, reasonable, and comply with the requirements under GASB 67/68.

#### **DATA AND ASSUMPTIONS**

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

#### **DISCLOSURES AND LIMITATIONS**

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of this report, we did not provide an analysis of these potential differences.

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

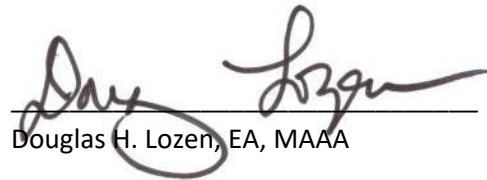
#### **ACTUARIAL CERTIFICATION**

The valuation has been conducted in accordance with all applicable laws and regulations, as well as generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board.

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

To our knowledge, no associate of Foster & Foster, Inc. working on this report has any direct financial interest or indirect material interest in City of Cocoa Beach Firefighters' Retirement System, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the City of Cocoa Beach Firefighters' Retirement System. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

Respectfully submitted,  
Foster & Foster, Inc.



Douglas H. Lozen, EA, MAAA

# TABLE OF CONTENTS

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<b>SUMMARY</b> .....	<b>5</b>
<b>FIDUCIARY NET POSITION</b> .....	<b>6</b>
Statement of Fiduciary Net Position .....	6
Statement of Changes in Fiduciary Net Position .....	7
<b>GASB EXHIBITS</b> .....	<b>8</b>
Schedule of Changes in Net Pension Liability.....	8
Sensitivity to Changes in Discount Rate .....	9
Pension Expense Year-End September 30, 2025.....	10
Pension Deferred Outflows/Inflows - Year-End September 30, 2025.....	11
<b>SUPPLEMENTARY GASB 68 EXPENSE DETAIL</b> .....	<b>12</b>
<b>ADDITIONAL EXHIBITS</b> .....	<b>15</b>
Schedule of Contributions .....	15
Investment Disclosures.....	16
<b>ASSUMPTIONS</b> .....	<b>17</b>
<b>SUMMARY OF CURRENT PLAN</b> .....	<b>19</b>

## SUMMARY

Valuation Date	10/01/2024	10/01/2023
GASB 67/68 Measurement Date	09/30/2025	09/30/2024
GASB 68 Reporting Date	09/30/2025	09/30/2024

### PLAN MEMBERSHIP

Inactives Currently Receiving Benefits	34	31
Inactives Not Yet Receiving Benefits	2	3
Active Plan Members	<u>35</u>	<u>36</u>

Total	71	70
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Covered Payroll	\$ 2,910,439	\$ 2,600,581
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### NET PENSION LIABILITY/(ASSET)

Total Pension Liability	\$ 23,941,085	\$ 22,717,716
Plan Fiduciary Net Position	<u>21,003,560</u>	<u>18,915,102</u>
Net Pension Liability/(Asset)	\$ 2,937,525	\$ 3,802,614

Plan Fiduciary Net Position As a % of Total Pension Liability	87.73%	83.26%
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Net Pension Liability/(Asset) As a % of Covered Payroll	100.93%	146.22%
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Total Pension Expense/(Income)	\$ 1,247,418	\$ 1,437,046
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### DEVELOPMENT OF SINGLE DISCOUNT RATE

Single Discount Rate	7.00%	7.20%
Long-Term Expected Rate of Return	7.00%	7.20%
High-quality Municipal Bond Rate	4.50%	4.06%
Number of Years Future Benefit Payments Are Expected to be Paid	All Years	All Years

## FIDUCIARY NET POSITION

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### STATEMENT OF FIDUCIARY NET POSITION

	Market Value SEPTEMBER 30, 2025
<b>ASSETS</b>	
Cash and Cash Equivalents:	
Short Term Investments	351,333
Total Cash and Equivalents	351,333
<b>RECEIVABLES:</b>	
Additional City Contributions	53,660
State Contributions	42,996
Total Receivables	96,656
<b>INVESTMENTS:</b>	
Mutual Funds:	
Fixed Income	4,124,983
Equity	14,421,400
Pooled/Common/Commingled Funds:	
Real Estate	2,015,813
Total Investments	20,562,196
<b>TOTAL ASSETS</b>	<b>21,010,185</b>
<b>LIABILITIES</b>	
Payables:	
Investment Expenses	6,625
Total Liabilities	6,625
<b>NET ASSETS:</b>	<b>21,003,560</b>

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

		Year Ended SEPTEMBER 30, 2025
<b>ADDITIONS</b>		
Contributions:		
Member	145,522	
Buy-Back	33,829	
City	859,660	
State	307,514	
Total Contributions		1,346,525
Investment Income:		
Net Increase in Fair Value of Investments	1,153,571	
Interest & Dividends	1,138,140	
Less Investment Expense <sup>1</sup>	(64,689)	
Net Investment Income		2,227,022
Total Additions		3,573,547
<b>DEDUCTIONS</b>		
Distributions to Members:		
Benefit Payments	1,247,721	
Lump Sum PLOP Distributions	194,664	
Total Distributions		1,442,385
Administrative Expense		42,704
Total Deductions		1,485,089
Net Increase in Net Position		2,088,458
<b>NET POSITION RESTRICTED FOR PENSIONS</b>		
Beginning of the Year		18,915,102
End of the Year		21,003,560

<sup>1</sup> Investment related expenses include investment advisory, custodial and performance monitoring fees.

## GASB EXHIBITS

### SCHEDULE OF CHANGES IN NET PENSION LIABILITY

GASB 67/68 Measurement Date	09/30/2025	09/30/2024
GASB 68 Reporting Period Ending	09/30/2025	09/30/2024

#### TOTAL PENSION LIABILITY

Service Cost	486,778	468,515
Interest	1,618,798	1,488,951
Changes in Benefit Terms	0	0
Experience (Gains)/Losses	(201,672)	1,231,117
Changes of Assumptions	728,021	464,903
Contributions – Buy Back	33,829	0
Benefit Payments	(1,442,385)	(1,176,429)
Net Change in Total Pension Liability	1,223,369	2,477,057
Total Pension Liability – Beginning	22,717,716	20,240,659
Total Pension Liability – Ending (a)	\$ 23,941,085	\$ 22,717,716

#### PLAN FIDUCIARY NET POSITION

Contributions – Employer	859,660	638,210
Contributions – State	307,514	291,258
Contributions – Employee	145,522	130,029
Contributions – Buy Back	33,829	0
Net Investment Income	2,227,022	2,751,305
Benefit Payments	(1,442,385)	(1,176,429)
Administrative Expense	(42,704)	(38,923)
Other	0	0
Net Change in Plan Fiduciary Net Position	2,088,458	2,595,450
Plan Fiduciary Net Position – Beginning	18,915,102	16,319,652
Adjustment to beginning of year	0	0
Plan Fiduciary Net Position – Ending (b)	\$ 21,003,560	\$ 18,915,102

Net Pension Liability – Ending (a) – (b) \$ 2,937,525 \$ 3,802,614

#### Plan Fiduciary Net Position

As % of Total Pension Liability 87.73% 83.26%

Covered Payroll \$ 2,910,439 \$ 2,600,581

#### Net Pension Liability

As % of Covered Payroll 100.93% 146.22%

## SENSITIVITY TO CHANGES IN DISCOUNT RATE

GASB 67/68 Measurement Date	09/30/2025	09/30/2024
GASB 68 Reporting Date	09/30/2025	09/30/2024
Discount Rate	7.00%	7.20%
+ 1% Discount Rate	8.00%	8.20%
- 1% Discount Rate	6.00%	6.20%
<b>Net Pension Liability</b>		
Current Discount Rate	\$ 2,937,525	\$ 3,802,614
1% Increase in Discount Rate	606,612	1,634,513
1% Decrease in Discount Rate	5,739,524	6,402,306

## PENSION EXPENSE YEAR-END SEPTEMBER 30, 2025

For the year ended September 30, 2025, the Sponsor will recognize a Pension Expense/(Income) of \$1,247,418. Below is a summary of the components of the Pension Expense.

Fiscal Year End	09/30/2025
Beginning of Measurement Period	10/01/2024
End of Measurement Period	09/30/2025
Service Cost	\$ 486,778
Interest on Total Pension Liability	1,618,798
Changes in Benefit Terms	0
Contributions – Employee	(145,522)
Projected Earnings on Investments	(1,356,899)
Administrative Expenses	42,704
Recognition of Deferred Outflows/(Inflows)	
Experience (Gains)/Losses	277,263
Assumption Changes	238,586
Investment Returns	85,710
Total Pension Expense	\$ 1,247,418

## PENSION DEFERRED OUTFLOWS/INFLOWS - YEAR-END SEPTEMBER 30, 2025

On September 30, 2025, the Sponsor will report deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Actual and Expected Experience	738,669	177,647
Changes of Assumptions	861,359	0
Net Difference Between Projected and Actual Earnings on pension Plan Investments	0	611,361
Total	\$ 1,600,028	\$ 789,008

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year-Ended September 30:	
2026	\$ 952,559
2027	(33,350)
2028	(39,434)
2029	(68,755)
2030	0
Thereafter	0

### *Payable to the Pension Plan*

On September 30, 2025, the Sponsor reported a payable of \$53,660 for the outstanding amount of contributions of the Pension Plan required for the year ended September 30, 2025.

## SUPPLEMENTARY GASB 68 EXPENSE DETAIL

### AMORTIZATION SCHEDULE – EXPERIENCE

Year	Initial Base	Recognition Period	2025	2026	2027	2028	2029	Thereafter
2025	\$ (201,672)	5	\$ (40,336)	\$ (40,334)	\$ (40,334)	\$ (40,334)	\$ (40,334)	0
2024	1,231,117	5	246,223	246,223	246,223	246,223	0	0
2023	(65,244)	4	(16,311)	(16,311)	0	0	0	0
2022	350,747	4	87,687	0	0	0	0	0
Net Increase/(Decrease) in Pension Expense			\$ 277,263	\$ 189,578	\$ 205,889	\$ 205,889	\$ (40,334)	0

**AMORTIZATION SCHEDULE – CHANGES OF ASSUMPTIONS**

Year	Initial Base	Recognition Period	2025	2026	2027	2028	2029	Thereafter
2025	\$ 728,021	5	\$ 145,605	\$ 145,604	\$ 145,604	\$ 145,604	\$ 145,604	0
2024	464,903	5	92,981	92,981	92,981	92,981	0	0
Net Increase/(Decrease) in Pension Expense			\$ 238,586	\$ 238,585	\$ 238,585	\$ 238,585	\$ 145,604	0

**AMORTIZATION SCHEDULE – INVESTMENTS**

Year	Initial Base	Recognition Period	2025	2026	2027	2028	2029	Thereafter
2025	\$ (870,123)	5	\$ (174,023)	\$ (174,025)	\$ (174,025)	\$ (174,025)	\$ (174,025)	0
2024	(1,549,417)	5	(309,883)	(309,883)	(309,883)	(309,883)	0	0
2023	30,422	5	6,084	6,084	6,084	0	0	0
2022	5,011,100	5	1,002,220	1,002,220	0	0	0	0
2021	(2,193,441)	5	(438,688)	0	0	0	0	0
Net Increase/(Decrease) in Pension Expense			\$ 85,710	\$ 524,396	\$ (477,824)	\$ (483,908)	\$ (174,025)	0

## ADDITIONAL EXHIBITS

### SCHEDULE OF CONTRIBUTIONS

Plan Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contrib. as % of Covered Payroll
09/30/2025	\$ 1,012,833	\$ 1,012,833	\$ 0	\$ 2,910,439	34.80%
09/30/2024	\$ 852,210	\$ 791,383	\$ 60,827	\$ 2,600,581	30.43%

The following assumptions were used to determine the Actuarially Determined Contribution for the plan year ended September 30, 2025:

Calculation Timing	The Actuarially Determined Contribution is calculated using a October 1, 2023 valuation date.
Interest Rate	7.40%
Assumptions	All other assumptions and methods used for determining the Actuarially Determined Contribution can be found in the October 1, 2023 Actuarial Valuation Report for the City of Cocoa Beach Firefighters' Retirement System prepared by Foster & Foster Actuaries and Consultants.

## INVESTMENT DISCLOSURES

### SCHEDULE OF INVESTMENT RETURNS

For the year ended September 30, 2025, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 11.77 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
09/30/2025	11.77%
09/30/2024	16.91%

### SUPPORT FOR LONG-TERM EXPECTED RATE OF RETURN

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation adopted as of September 30, 2025, as provided by Mariner, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	50%	7.50%
International Equity	15%	8.50%
Broad Market Fixed Income	15%	2.50%
Global Fixed Income	5%	3.50%
Real Estate	15%	4.50%
Total	100%	

Inflation rate of investment advisor 2.50%

### CONCENTRATIONS

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

## ASSUMPTIONS

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Valuation Date	October 1, 2024
GASB 67/68 Measurement Date	September 30, 2025
GASB 68 Reporting Date	September 30, 2025
Discount Rate	7.00%
Long-Term Rate of Return	7.00%
Cost Method	Entry Age Normal
Latest Experience Study Date	July 29, 2021
Mortality	
<i>Healthy Active Lives:</i>	Female: PubS-2010 for Employees Male: PubS-2010 for Employees, set forward 1 year
<i>Healthy Retiree Lives:</i>	Female: PubS-2010 for Healthy Retirees Male: PubS-2010 for Healthy Retirees, set forward 1 year
<i>Beneficiary Lives:</i>	Female: PubG.H-2010 for Healthy Retirees Male: PubG.H-2010 for Healthy Retirees, set back 1 year
<i>Disabled Lives:</i>	Female: PubG.H-2010 for Disabled Retirees, set forward 1 year Male: PubG.H-2010 for Disabled Retirees
	All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2021.
	The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2024 FRS valuation report for special risk employees.
Salary Scale	Service based
Inflation	2.50%

A summary of other assumptions reflected in the valuation can be found in the October 1, 2024 Actuarial Valuation Report for the City of Cocoa Beach Firefighters' Retirement System prepared by Foster & Foster Actuaries and Consultants.

## **CHANGES IN ASSUMPTIONS**

Total Pension Liability as of the September 30, 2025 measurement date reflects the following assumption changes:

- The discount rate was updated from 7.20% to 7.00%.
- As mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2024, FRS valuation report for special risk employees.

## **DEVELOPMENT OF THE DISCOUNT RATE**

The projection of cash flows used to determine the Discount Rate assumed that current Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate.

Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments (7.00 percent) was applied to all periods of projected benefit payments to determine the Total Pension Liability.

No projected benefit payments were discounted using a high-quality municipal bond rate of 4.50 percent. The high-quality municipal bond rate was based on the daily rate closest to, but not later than the measurement date of the S&P Municipal Bond 20-Year High Grade Rate Index.

The single equivalent Discount Rate was 7.00 percent.

## SUMMARY OF CURRENT PLAN

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### PLAN DESCRIPTION

Each person employed by the City Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of his employment. All Firefighters are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a. Two City Commission appointees who are City residents,
- b. Two elected Members of the Fire Department, and
- c. Fifth Member elected by other four and appointed by Commission (as a ministerial duty).

### BENEFITS PROVIDED

The Plan provides retirement, termination, disability and death benefits.

A summary of the benefit provisions can be found in the Actuarial Valuation as of October 1, 2024 for the City of Cocoa Beach Firefighters' Retirement System prepared by Foster & Foster Actuaries and Consultants.

### BENEFIT CHANGES

No benefit changes have been reflected since the prior year.

### DEFERRED RETIREMENT OPTION PROGRAM

Eligibility:	Satisfaction of Normal Retirement requirements.
Participation:	Not more than 60 months.
Rate of return:	Actual net rate of investment return (total return net of brokerage commissions, transaction costs, and management fees).
DROP balance:	The DROP balance as of September 30, 2025 is \$370,168.