



City of Cocoa Beach General Employees' Pension Trust Fund

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 20, 2026

Board of Trustees
City of Cocoa Beach
General Employees' Pension Trust Fund

Re: GASB 67/68 Disclosures – City of Cocoa Beach General Employees' Pension Trust Fund

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 General Employees' Pension Trust Fund, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the City of Cocoa Beach General Employees' Pension Trust Fund. 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

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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	129	122
Inactives Not Yet Receiving Benefits	70	45
Active Plan Members	<u>131</u>	<u>134</u>

Total	330	301
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Covered Payroll	\$ 8,022,856	\$ 8,019,318
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NET PENSION LIABILITY/(ASSET)

Total Pension Liability	\$ 37,954,385	\$ 35,845,732
Plan Fiduciary Net Position	<u>36,573,093</u>	<u>34,097,858</u>
Net Pension Liability/(Asset)	\$ 1,381,292	\$ 1,747,874

Plan Fiduciary Net Position As a % of Total Pension Liability	96.36%	95.12%
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Net Pension Liability/(Asset) As a % of Covered Payroll	17.22%	21.80%
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Total Pension Expense/(Income)	\$ 1,217,968	\$ 1,178,263
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DEVELOPMENT OF SINGLE DISCOUNT RATE

Single Discount Rate	7.25%	7.25%
Long-Term Expected Rate of Return	7.25%	7.25%
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

STATEMENT OF FIDUCIARY NET POSITION

	Market Value SEPTEMBER 30, 2025
ASSETS:	
Cash and Cash Equivalents:	
Money Market	1,626,581
Total Cash and Equivalents	1,626,581
RECEIVABLES:	
Total Receivables	0
INVESTMENTS:	
U. S. Bonds and Bills	2,313,653
Federal Agency Guaranteed Securities	1,381,607
Corporate Bonds	2,311,432
Municipal Obligations	989,574
Equities	4,163,535
Mutual Funds:	
Fixed Income	6,829,643
Equity	16,224,520
Pooled/Common/Commingled Funds:	
Real Estate	737,466
Total Investments	34,951,430
TOTAL ASSETS	36,578,011
LIABILITIES:	
Payables:	
Benefit Payments	4,918
Total Liabilities	4,918
NET ASSETS:	36,573,093

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

		Year Ended SEPTEMBER 30, 2025
ADDITIONS		
Contributions:		
Member	401,143	
City	1,012,500	
Total Contributions		1,413,643
Investment Income:		
Net Increase in Fair Value of Investments	2,418,607	
Interest & Dividends	1,187,019	
Less Investment Expense ¹	(104,968)	
Net Investment Income		3,500,658
Total Additions		4,914,301
DEDUCTIONS		
Distributions to Members:		
Benefit Payments	2,380,860	
Refunds of Member Contributions	58,206	
Total Distributions		2,439,066
Total Deductions		2,439,066
Net Increase in Net Position		2,475,235
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		34,097,858
End of the Year		36,573,093

¹ 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	854,421	840,384
Interest	2,572,346	2,418,050
Changes in Benefit Terms	0	0
Experience (Gains)/Losses	598,079	1,147,609
Changes of Assumptions	522,873	0
Benefit Payments	(2,439,066)	(2,144,683)
Net Change in Total Pension Liability	<u>2,108,653</u>	<u>2,261,360</u>
Total Pension Liability – Beginning	35,845,732	33,584,372
Total Pension Liability – Ending (a)	<u>\$ 37,954,385</u>	<u>\$ 35,845,732</u>

PLAN FIDUCIARY NET POSITION

Contributions – Employer	1,012,500	780,000
Contributions – Employee	401,143	400,935
Net Investment Income	3,500,658	5,937,086
Benefit Payments	(2,439,066)	(2,144,683)
Administrative Expense	0	(23,366)
Other	<u>0</u>	<u>0</u>
Net Change in Plan Fiduciary Net Position	2,475,235	4,949,972
Plan Fiduciary Net Position – Beginning	34,097,858	29,147,886
Adjustment to beginning of year	<u>0</u>	<u>0</u>
Plan Fiduciary Net Position – Ending (b)	<u>\$ 36,573,093</u>	<u>\$ 34,097,858</u>

Net Pension Liability – Ending (a) – (b) \$ 1,381,292 \$ 1,747,874

Plan Fiduciary Net Position
 As % of Total Pension Liability 96.36% 95.12%

Covered Payroll \$ 8,022,856 \$ 8,019,318

Net Pension Liability
 As % of Covered Payroll 17.22% 21.80%

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	7.25%	7.25%
+ 1% Discount Rate	8.25%	8.25%
- 1% Discount Rate	6.25%	6.25%
Net Pension Liability		
Current Discount Rate	\$ 1,381,292	\$ 1,747,874
1% Increase in Discount Rate	(2,040,283)	(1,487,601)
1% Decrease in Discount Rate	5,430,257	5,567,487

PENSION EXPENSE YEAR-END SEPTEMBER 30, 2025

For the year ended September 30, 2025, the Sponsor will recognize a Pension Expense/(Income) of \$1,217,968. 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	\$ 854,421
Interest on Total Pension Liability	2,572,346
Changes in Benefit Terms	0
Contributions – Employee	(401,143)
Projected Earnings on Investments	(2,434,923)
Administrative Expenses	0
Recognition of Deferred Outflows/(Inflows)	
Experience (Gains)/Losses	424,164
Assumption Changes	321,111
Investment Returns	(118,008)
Total Pension Expense	\$ 1,217,968

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	1,279,992	37,960
Changes of Assumptions	392,154	0
Net Difference Between Projected and Actual Earnings on pension Plan Investments	0	1,693,036
Total	\$ 1,672,146	\$ 1,730,996

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	\$ 1,316,169
2027	(457,034)
2028	(704,838)
2029	(213,147)
2030	0
Thereafter	0

SUPPLEMENTARY GASB 68 EXPENSE DETAIL

AMORTIZATION SCHEDULE – EXPERIENCE

Year	Initial Base	Recognition Period	2025	2026	2027	2028	2029	Thereafter
2025	\$ 598,079	4	\$ 149,519	\$ 149,520	\$ 149,520	\$ 149,520	\$ 0	\$ 0
2024	1,147,609	4	286,902	286,902	286,902	0	0	0
2023	644,069	5	128,814	128,814	128,814	0	0	0
2022	(189,801)	5	(37,960)	(37,960)	0	0	0	0
2021	(515,553)	5	(103,111)	0	0	0	0	0
Net Increase/(Decrease) in Pension Expense			\$ 424,164	\$ 527,276	\$ 565,236	\$ 149,520	\$ 0	\$ 0

AMORTIZATION SCHEDULE – CHANGES OF ASSUMPTIONS

Year	Initial Base	Recognition Period	2025	2026	2027	2028	2029	Thereafter
2025	\$ 522,873	4	\$ 130,719	\$ 130,718	\$ 130,718	\$ 130,718	\$ 0	\$ 0
2021	951,960	5	190,392	0	0	0	0	0
Net Increase/(Decrease) in Pension Expense			\$ 321,111	\$ 130,718	\$ 130,718	\$ 130,718	\$ 0	\$ 0

AMORTIZATION SCHEDULE – INVESTMENTS

Year		Initial Base	Recognition Period		2025	2026	2027	2028	2029	Thereafter
2025	\$	(1,065,735)	5	\$	(213,147)	(213,147)	(213,147)	(213,147)	(213,147)	0
2024		(3,859,647)	5		(771,929)	(771,929)	(771,929)	(771,929)	0	0
2023		(839,559)	5		(167,912)	(167,912)	(167,912)	0	0	0
2022		9,055,815	5		1,811,163	1,811,163	0	0	0	0
2021		(3,880,917)	5		(776,183)	0	0	0	0	0
Net Increase/(Decrease) in Pension Expense				\$	(118,008)	658,175	(1,152,988)	(985,076)	(213,147)	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	\$ 929,849	\$ 1,012,500	\$ (82,651)	\$ 8,022,856	12.62%
09/30/2024	\$ 736,975	\$ 780,000	\$ (43,025)	\$ 8,019,318	9.73%

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	7.25%
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 General Employees' Pension Trust Fund 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 10.30 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	10.30%
09/30/2024	20.50%

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 geometric 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 Burgess Chambers, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	35.00%	7.80%
International Equity	15.00%	3.80%
Bonds	30.00%	1.80%
Convertibles	10.00%	6.30%
Private Real Estate	5.00%	5.40%
Infrastructure	5.00%	6.40%
Total	100.00%	

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

Valuation Date	October 1, 2024
GASB 67/68 Measurement Date	September 30, 2025
GASB 68 Reporting Date	September 30, 2025
Discount Rate	7.25%
Long-Term Rate of Return	7.25%
Cost Method	Entry Age Normal
Latest Experience Study Date	November 16, 2021

Mortality

<i>Healthy Active Lives:</i>	Female: PubG.H-2010 for Employees. Male: PubG.H-2010 for Employees, set back one year.
<i>Healthy Retiree Lives:</i>	Female: PubG.H-2010 for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year.
<i>Beneficiary Lives:</i>	Female: PubG.H-2010 for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year.
<i>Disabled Lives:</i>	PubG.H-2010 for Disabled Retirees, set forward four years.

All rates are projected generationally with Mortality Improvement Scale MP-2021.

The above-described mortality assumption rates are mandated by Chapter 2015-157, Laws of Florida. This law requires 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 non-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 General Employees' Pension Trust Fund 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:

- 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 non-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 (7.25 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 7.25 percent.

SUMMARY OF CURRENT PLAN

PLAN DESCRIPTION

Each person employed by the City of Cocoa Beach, as a full-time General Employee, shall become a Member of the Plan on the first day of service. The Plan is a single employer defined benefit pension plan administered by a Board of Trustees. The Board of Trustees comprised of:

- a. Two Trustees who are Plan participants, either a current employee or a retiree receiving benefits, elected by the employees in secret ballot elections;
- b. One resident of the City to be appointed by the City Commission;
- c. One member of the City Commission chosen by the City Commission;
- d. The City Finance Director who serves as Chairman of the Board of Trustees.

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 General Employees' Pension Trust Fund prepared by Foster & Foster Actuaries and Consultants.

BENEFIT CHANGES

No benefit changes have been reflected since the prior year.