

**CITY OF INDIAN HARBOUR BEACH
POLICE OFFICERS' RETIREMENT SYSTEM**

**SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2025 VALUATION DATE**



March 26, 2026

Ms. Julie Enright
Plan Administrator
810 N. Carpenter Road
Titusville, FL 32796

Re: City of Indian Harbour Beach Police Officers' Retirement System
Section 112.664, Florida Statutes Compliance

Dear Julie:

Please find enclosed the annual disclosures that satisfy the October 1, 2025 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.



Patrick T. Donlan, ASA, EA, MAAA
Enrolled Actuary #23-6595

Enclosures

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, 2025 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, 2025

	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
	7.25%	5.25%	9.25%
Discount Rate:			
<u>Total Pension Liability</u>			
Service Cost	273,952	417,537	187,961
Interest	1,127,112	1,053,754	1,156,038
Changes of Benefit Terms	-	-	-
Experience Gains/Losses	27,915	(40,484)	61,506
Changes of Assumptions	580,519	830,433	419,971
Benefit Payments	(847,607)	(847,607)	(847,607)
Net Change in Total Pension Liability	1,161,891	1,413,633	977,869
Total Pension Liability - Beginning	15,696,226	20,077,773	12,733,549
Total Pension Liability - Ending (a)	<u>\$ 16,858,117</u>	<u>\$ 21,491,406</u>	<u>\$ 13,711,418</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	350,684	350,684	350,684
Contributions - State	128,505	128,505	128,505
Contributions - Employee	90,097	90,097	90,097
Net Investment Income	1,302,238	1,302,238	1,302,238
Benefit Payments	(847,607)	(847,607)	(847,607)
Administrative Expense	(61,311)	(61,311)	(61,311)
Net Change in Plan Fiduciary Net Position	962,606	962,606	962,606
Plan Fiduciary Net Position - Beginning	14,728,076	14,728,076	14,728,076
Plan Fiduciary Net Position - Ending (b)	<u>\$ 15,690,682</u>	<u>\$ 15,690,682</u>	<u>\$ 15,690,682</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,167,435</u>	<u>\$ 5,800,724</u>	<u>\$ (1,979,264)</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Investment Rate of Return = 7.25%

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
2025	15,612,794	-	1,356,018	-	1,082,772	15,339,548
2026	15,339,548	-	1,044,715	-	1,074,246	15,369,079
2027	15,369,079	-	1,064,012	-	1,075,688	15,380,755
2028	15,380,755	-	1,083,662	-	1,075,822	15,372,915
2029	15,372,915	-	1,103,784	-	1,074,524	15,343,655
2030	15,343,655	-	1,128,809	-	1,071,496	15,286,342
2031	15,286,342	-	1,147,388	-	1,066,667	15,205,621
2032	15,205,621	-	1,163,605	-	1,060,227	15,102,243
2033	15,102,243	-	1,214,178	-	1,050,899	14,938,964
2034	14,938,964	-	1,229,466	-	1,038,507	14,748,005
2035	14,748,005	-	1,272,631	-	1,023,097	14,498,471
2036	14,498,471	-	1,283,566	-	1,004,610	14,219,515
2037	14,219,515	-	1,287,737	-	984,234	13,916,012
2038	13,916,012	-	1,294,483	-	961,986	13,583,515
2039	13,583,515	-	1,310,038	-	937,316	13,210,793
2040	13,210,793	-	1,316,109	-	910,074	12,804,758
2041	12,804,758	-	1,313,483	-	880,731	12,372,006
2042	12,372,006	-	1,307,924	-	849,558	11,913,640
2043	11,913,640	-	1,308,005	-	816,324	11,421,959
2044	11,421,959	-	1,300,966	-	780,932	10,901,925
2045	10,901,925	-	1,284,392	-	743,830	10,361,363
2046	10,361,363	-	1,267,088	-	705,267	9,799,542
2047	9,799,542	-	1,251,034	-	665,117	9,213,625
2048	9,213,625	-	1,228,199	-	623,466	8,608,892
2049	8,608,892	-	1,202,640	-	580,549	7,986,801
2050	7,986,801	-	1,175,227	-	536,441	7,348,015
2051	7,348,015	-	1,146,837	-	491,158	6,692,336
2052	6,692,336	-	1,115,716	-	444,750	6,021,370
2053	6,021,370	-	1,082,956	-	397,292	5,335,706
2054	5,335,706	-	1,047,621	-	348,862	4,636,947
2055	4,636,947	-	1,010,381	-	299,552	3,926,118
2056	3,926,118	-	970,436	-	249,465	3,205,147
2057	3,205,147	-	927,862	-	198,738	2,476,023
2058	2,476,023	-	883,680	-	147,478	1,739,821
2059	1,739,821	-	837,086	-	95,793	998,528
2060	998,528	-	788,264	-	43,819	254,083
2061	254,083	-	737,764	-	-	-

Number of Years Expected Benefit Payments Sustained: 36.34

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.25% 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 = 5.25%

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
2025	15,612,794	-	1,356,018	-	784,076	15,040,852
2026	15,040,852	-	1,044,715	-	762,221	14,758,358
2027	14,758,358	-	1,064,012	-	746,883	14,441,229
2028	14,441,229	-	1,083,662	-	729,718	14,087,285
2029	14,087,285	-	1,103,784	-	710,608	13,694,109
2030	13,694,109	-	1,128,809	-	689,309	13,254,609
2031	13,254,609	-	1,147,388	-	665,748	12,772,969
2032	12,772,969	-	1,163,605	-	640,036	12,249,400
2033	12,249,400	-	1,214,178	-	611,221	11,646,443
2034	11,646,443	-	1,229,466	-	579,165	10,996,142
2035	10,996,142	-	1,272,631	-	543,891	10,267,402
2036	10,267,402	-	1,283,566	-	505,345	9,489,181
2037	9,489,181	-	1,287,737	-	464,379	8,665,823
2038	8,665,823	-	1,294,483	-	420,976	7,792,316
2039	7,792,316	-	1,310,038	-	374,708	6,856,986
2040	6,856,986	-	1,316,109	-	325,444	5,866,321
2041	5,866,321	-	1,313,483	-	273,503	4,826,341
2042	4,826,341	-	1,307,924	-	219,050	3,737,467
2043	3,737,467	-	1,308,005	-	161,882	2,591,344
2044	2,591,344	-	1,300,966	-	101,895	1,392,273
2045	1,392,273	-	1,284,392	-	39,379	147,260
2046	147,260	-	1,267,088	-	-	-

*All DROP Balances paid in 2025.

Number of Years Expected Benefit Payments Sustained: 21.12

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.25% 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 = 9.25%

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
2025	15,612,794	-	1,356,018	-	1,381,468	15,638,244
2026	15,638,244	-	1,044,715	-	1,398,220	15,991,749
2027	15,991,749	-	1,064,012	-	1,430,026	16,357,763
2028	16,357,763	-	1,083,662	-	1,462,974	16,737,075
2029	16,737,075	-	1,103,784	-	1,497,129	17,130,420
2030	17,130,420	-	1,128,809	-	1,532,356	17,533,967
2031	17,533,967	-	1,147,388	-	1,568,825	17,955,404
2032	17,955,404	-	1,163,605	-	1,607,058	18,398,857
2033	18,398,857	-	1,214,178	-	1,645,739	18,830,418
2034	18,830,418	-	1,229,466	-	1,684,951	19,285,903
2035	19,285,903	-	1,272,631	-	1,725,087	19,738,359
2036	19,738,359	-	1,283,566	-	1,766,433	20,221,226
2037	20,221,226	-	1,287,737	-	1,810,906	20,744,395
2038	20,744,395	-	1,294,483	-	1,858,987	21,308,899
2039	21,308,899	-	1,310,038	-	1,910,484	21,909,345
2040	21,909,345	-	1,316,109	-	1,965,744	22,558,980
2041	22,558,980	-	1,313,483	-	2,025,957	23,271,454
2042	23,271,454	-	1,307,924	-	2,092,118	24,055,648
2043	24,055,648	-	1,308,005	-	2,164,652	24,912,295
2044	24,912,295	-	1,300,966	-	2,244,218	25,855,547
2045	25,855,547	-	1,284,392	-	2,332,235	26,903,390
2046	26,903,390	-	1,267,088	-	2,429,961	28,066,263
2047	28,066,263	-	1,251,034	-	2,538,269	29,353,498
2048	29,353,498	-	1,228,199	-	2,658,394	30,783,693
2049	30,783,693	-	1,202,640	-	2,791,870	32,372,923
2050	32,372,923	-	1,175,227	-	2,940,141	34,137,837
2051	34,137,837	-	1,146,837	-	3,104,709	36,095,709
2052	36,095,709	-	1,115,716	-	3,287,251	38,267,244
2053	38,267,244	-	1,082,956	-	3,489,633	40,673,921
2054	40,673,921	-	1,047,621	-	3,713,885	43,340,185
2055	43,340,185	-	1,010,381	-	3,962,237	46,292,041
2056	46,292,041	-	970,436	-	4,237,131	49,558,736
2057	49,558,736	-	927,862	-	4,541,269	53,172,143
2058	53,172,143	-	883,680	-	4,877,553	57,166,016
2059	57,166,016	-	837,086	-	5,249,141	61,578,071
2060	61,578,071	-	788,264	-	5,659,514	66,449,321
2061	66,449,321	-	737,764	-	6,112,441	71,823,998
2062	71,823,998	-	686,286	-	6,611,979	77,749,691
2063	77,749,691	-	634,511	-	7,162,500	84,277,680
2064	84,277,680	-	583,346	-	7,768,706	91,463,040
2065	91,463,040	-	533,464	-	8,435,658	99,365,234
2066	99,365,234	-	485,499	-	9,168,830	108,048,565
2067	108,048,565	-	439,964	-	9,974,144	117,582,745
2068	117,582,745	-	397,174	-	10,858,035	128,043,606
2069	128,043,606	-	357,353	-	11,827,506	139,513,759
2070	139,513,759	-	320,581	-	12,890,196	152,083,374
2071	152,083,374	-	286,850	-	14,054,445	165,850,969
2072	165,850,969	-	256,068	-	15,329,371	180,924,272
2073	180,924,272	-	228,065	-	16,724,947	197,421,154
2074	197,421,154	-	202,563	-	18,252,088	215,470,679

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Investment Rate of Return = 9.25%

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
2075	215,470,679	-	179,274	-	19,922,746	235,214,151
2076	235,214,151	-	157,963	-	21,750,003	256,806,191
2077	256,806,191	-	138,418	-	23,748,171	280,415,944
2078	280,415,944	-	120,468	-	25,932,903	306,228,379
2079	306,228,379	-	104,007	-	28,321,315	334,445,687
2080	334,445,687	-	88,972	-	30,932,111	365,288,826
2081	365,288,826	-	75,322	-	33,785,733	398,999,237
2082	398,999,237	-	63,066	-	36,904,513	435,840,684
2083	435,840,684	-	52,183	-	40,312,850	476,101,351
2084	476,101,351	-	42,647	-	44,037,403	520,096,107
2085	520,096,107	-	34,422	-	48,107,298	568,168,983
2086	568,168,983	-	27,438	-	52,554,362	620,695,907
2087	620,695,907	-	21,607	-	57,413,372	678,087,672
2088	678,087,672	-	16,820	-	62,722,332	740,793,184
2089	740,793,184	-	12,957	-	68,522,770	809,302,997
2090	809,302,997	-	9,889	-	74,860,070	884,153,178
2091	884,153,178	-	7,487	-	81,783,823	965,929,514
2092	965,929,514	-	5,631	-	89,348,220	1,055,272,103
2093	1,055,272,103	-	4,213	-	97,612,475	1,152,880,365
2094	1,152,880,365	-	3,138	-	106,641,289	1,259,518,516
2095	1,259,518,516	-	2,330	-	116,505,355	1,376,021,541
2096	1,376,021,541	-	1,725	-	127,281,913	1,503,301,729
2097	1,503,301,729	-	1,272	-	139,055,351	1,642,355,808
2098	1,642,355,808	-	935	-	151,917,869	1,794,272,742
2099	1,794,272,742	-	684	-	165,970,197	1,960,242,255
2100	1,960,242,255	-	497	-	181,322,386	2,141,564,144
2101	2,141,564,144	-	359	-	198,094,667	2,339,658,452
2102	2,339,658,452	-	256	-	216,418,395	2,556,076,591
2103	2,556,076,591	-	182	-	236,437,076	2,792,513,485
2104	2,792,513,485	-	127	-	258,307,491	3,050,820,849
2105	3,050,820,849	-	87	-	282,200,925	3,333,021,687
2106	3,333,021,687	-	59	-	308,304,503	3,641,326,131
2107	3,641,326,131	-	40	-	336,822,665	3,978,148,756
2108	3,978,148,756	-	26	-	367,978,759	4,346,127,489
2109	4,346,127,489	-	17	-	402,016,792	4,748,144,264
2110	4,748,144,264	-	10	-	439,203,344	5,187,347,598
2111	5,187,347,598	-	6	-	479,829,653	5,667,177,245
2112	5,667,177,245	-	4	-	524,213,895	6,191,391,136
2113	6,191,391,136	-	2	-	572,703,680	6,764,094,814
2114	6,764,094,814	-	1	-	625,678,770	7,389,773,583
2115	7,389,773,583	-	1	-	683,554,056	8,073,327,638
2116	8,073,327,638	-	-	-	746,782,807	8,820,110,445

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 9.25% 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, 2027**

Valuation Date: 10/1/2025

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	<u>7.25%</u>	<u>5.25%</u>	<u>9.25%</u>
Minimum Required Contribution (Fixed \$)	\$778,407	\$1,248,371	\$383,005
Minimum Required Contribution (% of Payroll)	59.0%	94.7%	29.0%
Expected Member Contribution	85,718	85,718	85,718
Expected State Money	128,505	128,505	128,505
Expected Sponsor Contribution (Fixed \$)	\$564,184	\$1,034,148	\$168,782
Expected Sponsor Contribution (% of Payroll)	42.8%	78.5%	12.8%

ASSETS

Actuarial Value ¹	14,735,208	14,735,208	14,735,208
Market Value ¹	15,612,794	15,612,794	15,612,794

LIABILITIES

Present Value of Benefits

Actives

Retirement Benefits	4,232,468	6,742,834	2,811,173
Disability Benefits	333,281	482,123	241,892
Death Benefits	54,843	80,829	39,474
Vested Benefits	492,059	856,075	297,524
Refund of Contributions	54,068	57,034	51,403
Service Retirees	10,257,452	12,692,046	8,542,089
DROP Retirees ¹	2,941,760	3,653,742	2,454,269
Beneficiaries	1,934	3,157	1,199
Disability Retirees	631,482	795,998	519,705
Terminated Vested	317,256	468,842	226,223
Share Plan Balances ¹	<u>0</u>	<u>0</u>	<u>0</u>
Total:	19,316,603	25,832,680	15,184,951

Present Value of Future Salaries	10,325,743	11,663,767	9,253,339
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Present Value of Future

Member Contributions	671,173	758,145	601,467
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Total Normal Cost	293,822	457,181	197,404
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Present Value of Future

Normal Costs (Entry Age Normal)	2,262,231	4,056,120	1,334,095
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Total Actuarial Accrued Liability (EAN) ¹	17,054,372	21,776,560	13,850,856
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Unfunded Actuarial Accrued Liability (UAAL)	2,319,164	7,041,352	(884,352)
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ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2027

Valuation Date: 10/1/2025

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.25%	5.25%	9.25%
<u>PENSION COST</u>			
Normal Cost (with interest)	321,432	495,315	218,038
Administrative Expenses (with interest)	67,518	66,866	68,169
Payment Required To Amortize UAAL (with interest)	<u>389,457</u>	<u>686,190</u>	<u>96,798</u>
Minimum Required Contribution	\$778,407	\$1,248,371	\$383,005

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2025.