

CITY OF LAKE ALFRED  
GENERAL EMPLOYEES' RETIREMENT SYSTEM

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



May 27, 2025

Ms. Laura Underhill  
Florida League of Cities, Inc.  
P.O. Box 1757  
Tallahassee, FL 32302

Re: City of Lake Alfred General Employees' Retirement System  
Section 112.664, Florida Statutes Compliance

Dear Laura:

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.



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Sara E. Carlson, ASA, EA, MAAA  
Enrolled Actuary #23-8546

Enclosures

cc via email: Sean Sendra, 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>
Discount Rate:	6.95%	4.95%
<u>Total Pension Liability</u>		
Service Cost	182,024	269,508
Interest	505,914	479,616
Changes of Benefit Terms	-	-
Experience Gains/Losses	372,814	580,174
Changes of Assumptions	70,180	105,684
Contributions - Buy Back	43,295	43,295
Benefit Payments	(355,084)	(355,084)
Net Change in Total Pension Liability	819,143	1,123,193
Total Pension Liability - Beginning	7,171,607	9,405,374
Total Pension Liability - Ending (a)	<u>\$ 7,990,750</u>	<u>\$ 10,528,567</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	255,934	255,934
Contributions - Employee	74,697	74,697
Contributions - Buy Back	43,295	43,295
Net Investment Income	1,179,532	1,179,532
Benefit Payments	(355,084)	(355,084)
Administrative Expense	(45,235)	(45,235)
Net Change in Plan Fiduciary Net Position	1,153,139	1,153,139
Plan Fiduciary Net Position - Beginning	5,829,597	5,829,597
Plan Fiduciary Net Position - Ending (b)	<u>\$ 6,982,736</u>	<u>\$ 6,982,736</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,008,014</u>	<u>\$ 3,545,831</u>

## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1  
Plan Assumptions: Investment Rate of Return = 6.95%

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	6,982,736	-	577,338	-	465,238	6,870,636
2025	6,870,636	-	405,536	-	463,417	6,928,517
2026	6,928,517	-	404,831	-	467,464	6,991,150
2027	6,991,150	-	398,922	-	472,022	7,064,250
2028	7,064,250	-	410,322	-	476,707	7,130,635
2029	7,130,635	-	429,917	-	480,640	7,181,358
2030	7,181,358	-	460,124	-	483,115	7,204,349
2031	7,204,349	-	466,100	-	484,505	7,222,754
2032	7,222,754	-	467,248	-	485,745	7,241,251
2033	7,241,251	-	460,304	-	487,271	7,268,218
2034	7,268,218	-	465,624	-	488,961	7,291,555
2035	7,291,555	-	460,246	-	490,770	7,322,079
2036	7,322,079	-	448,819	-	493,288	7,366,548
2037	7,366,548	-	442,366	-	496,603	7,420,785
2038	7,420,785	-	505,401	-	498,182	7,413,566
2039	7,413,566	-	523,802	-	497,041	7,386,805
2040	7,386,805	-	544,438	-	494,464	7,336,831
2041	7,336,831	-	549,674	-	490,809	7,277,966
2042	7,277,966	-	557,080	-	486,460	7,207,346
2043	7,207,346	-	561,622	-	481,394	7,127,118
2044	7,127,118	-	550,653	-	476,200	7,052,665
2045	7,052,665	-	537,270	-	471,490	6,986,885
2046	6,986,885	-	523,108	-	467,411	6,931,188
2047	6,931,188	-	508,055	-	464,063	6,887,196
2048	6,887,196	-	493,876	-	461,498	6,854,818
2049	6,854,818	-	477,649	-	459,812	6,836,981
2050	6,836,981	-	461,949	-	459,117	6,834,149
2051	6,834,149	-	447,367	-	459,427	6,846,209
2052	6,846,209	-	436,722	-	460,635	6,870,122
2053	6,870,122	-	421,177	-	462,838	6,911,783
2054	6,911,783	-	406,902	-	466,229	6,971,110
2055	6,971,110	-	392,581	-	470,850	7,049,379
2056	7,049,379	-	378,192	-	476,790	7,147,977
2057	7,147,977	-	363,580	-	484,150	7,268,547
2058	7,268,547	-	348,686	-	493,047	7,412,908
2059	7,412,908	-	333,572	-	503,605	7,582,941
2060	7,582,941	-	318,237	-	515,956	7,780,660
2061	7,780,660	-	302,704	-	530,237	8,008,193
2062	8,008,193	-	286,996	-	546,596	8,267,793
2063	8,267,793	-	271,185	-	565,188	8,561,796
2064	8,561,796	-	255,345	-	586,172	8,892,623
2065	8,892,623	-	239,561	-	609,713	9,262,775
2066	9,262,775	-	223,915	-	635,982	9,674,842
2067	9,674,842	-	208,481	-	665,157	10,131,518
2068	10,131,518	-	193,292	-	697,424	10,635,650
2069	10,635,650	-	178,361	-	732,980	11,190,269
2070	11,190,269	-	163,718	-	772,034	11,798,585
2071	11,798,585	-	149,428	-	814,809	12,463,966
2072	12,463,966	-	135,570	-	861,535	13,189,931
2073	13,189,931	-	122,215	-	912,453	13,980,169

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1  
Plan Assumptions: Investment Rate of Return = 6.95%

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	13,980,169	-	109,432	-	967,819	14,838,556
2075	14,838,556	-	97,302	-	1,027,898	15,769,152
2076	15,769,152	-	85,908	-	1,092,971	16,776,215
2077	16,776,215	-	75,311	-	1,163,330	17,864,234
2078	17,864,234	-	65,541	-	1,239,287	19,037,980
2079	19,037,980	-	56,562	-	1,321,174	20,302,592
2080	20,302,592	-	48,341	-	1,409,350	21,663,601
2081	21,663,601	-	40,875	-	1,504,200	23,126,926
2082	23,126,926	-	34,161	-	1,606,134	24,698,899
2083	24,698,899	-	28,201	-	1,715,593	26,386,291
2084	26,386,291	-	22,981	-	1,833,049	28,196,359
2085	28,196,359	-	18,473	-	1,959,005	30,136,891
2086	30,136,891	-	14,650	-	2,094,005	32,216,246
2087	32,216,246	-	11,475	-	2,238,630	34,443,401
2088	34,443,401	-	8,892	-	2,393,507	36,828,016
2089	36,828,016	-	6,828	-	2,559,310	39,380,498
2090	39,380,498	-	5,210	-	2,736,764	42,112,052
2091	42,112,052	-	3,968	-	2,926,650	45,034,734
2092	45,034,734	-	3,027	-	3,129,809	48,161,516
2093	48,161,516	-	2,319	-	3,347,145	51,506,342
2094	51,506,342	-	1,788	-	3,579,629	55,084,183
2095	55,084,183	-	1,388	-	3,828,302	58,911,097
2096	58,911,097	-	1,083	-	4,094,284	63,004,298
2097	63,004,298	-	846	-	4,378,769	67,382,221
2098	67,382,221	-	658	-	4,683,041	72,064,604
2099	72,064,604	-	508	-	5,008,472	77,072,568
2100	77,072,568	-	387	-	5,356,530	82,428,711
2101	82,428,711	-	291	-	5,728,785	88,157,205
2102	88,157,205	-	214	-	6,126,918	94,283,909
2103	94,283,909	-	154	-	6,552,726	100,836,481
2104	100,836,481	-	108	-	7,008,132	107,844,505
2105	107,844,505	-	74	-	7,495,191	115,339,622
2106	115,339,622	-	50	-	8,016,102	123,355,674
2107	123,355,674	-	32	-	8,573,218	131,928,860
2108	131,928,860	-	20	-	9,169,055	141,097,895
2109	141,097,895	-	13	-	9,806,303	150,904,185
2110	150,904,185	-	8	-	10,487,841	161,392,018
2111	161,392,018	-	4	-	11,216,745	172,608,759
2112	172,608,759	-	3	-	11,996,309	184,605,065
2113	184,605,065	-	1	-	12,830,052	197,435,116
2114	197,435,116	-	1	-	13,721,741	211,156,856
2115	211,156,856	-	-	-	14,675,401	225,832,257

\*All DROP 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 6.95% 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 = 4.95%

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	6,982,736	-	577,338	-	331,356	6,736,754
2025	6,736,754	-	405,536	-	323,432	6,654,650
2026	6,654,650	-	404,831	-	319,386	6,569,205
2027	6,569,205	-	398,922	-	315,302	6,485,585
2028	6,485,585	-	410,322	-	310,881	6,386,144
2029	6,386,144	-	429,917	-	305,474	6,261,701
2030	6,261,701	-	460,124	-	298,566	6,100,143
2031	6,100,143	-	466,100	-	290,421	5,924,464
2032	5,924,464	-	467,248	-	281,697	5,738,913
2033	5,738,913	-	460,304	-	272,684	5,551,293
2034	5,551,293	-	465,624	-	263,265	5,348,934
2035	5,348,934	-	460,246	-	253,381	5,142,069
2036	5,142,069	-	448,819	-	243,424	4,936,674
2037	4,936,674	-	442,366	-	233,417	4,727,725
2038	4,727,725	-	505,401	-	221,514	4,443,838
2039	4,443,838	-	523,802	-	207,006	4,127,042
2040	4,127,042	-	544,438	-	190,814	3,773,418
2041	3,773,418	-	549,674	-	173,180	3,396,924
2042	3,396,924	-	557,080	-	154,360	2,994,204
2043	2,994,204	-	561,622	-	134,313	2,566,895
2044	2,566,895	-	550,653	-	113,433	2,129,675
2045	2,129,675	-	537,270	-	92,121	1,684,526
2046	1,684,526	-	523,108	-	70,437	1,231,855
2047	1,231,855	-	508,055	-	48,402	772,202
2048	772,202	-	493,876	-	26,001	304,327
2049	304,327	-	477,649	-	-	-

\*All DROP Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 25.64

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 4.95% 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
Investment Rate of Return:	6.95%	4.95%
Minimum Required Contribution (Fixed \$)	\$355,524	\$586,256
Minimum Required Contribution (% of Payroll)	24.0%	39.5%
Expected Member Contribution	76,683	75,942
Expected Sponsor Contribution (Fixed \$)	\$278,841	\$510,314
Expected Sponsor Contribution (% of Payroll)	19.0%	34.5%

**ASSETS**

Actuarial Value <sup>1</sup>	6,737,194	6,737,194
Market Value <sup>1</sup>	6,982,736	6,982,736

**LIABILITIES**

Present Value of Benefits		
Actives		
Retirement Benefits	3,224,806	4,815,499
Disability Benefits	73,591	104,832
Death Benefits	17,537	22,363
Vested Benefits	618,084	999,951
Refund of Contributions	77,943	80,612
Service Retirees	2,767,610	3,215,255
DROP Retirees <sup>1</sup>	882,955	1,073,327
Beneficiaries	267,285	308,514
Disability Retirees	0	0
Terminated Vested	831,791	1,220,652
Total:	8,761,602	11,841,005
Present Value of Future Salaries	9,602,372	10,638,563
Present Value of Future Member Contributions	480,119	531,928
Total Normal Cost	153,204	229,533
Present Value of Future Normal Costs (Entry Age Normal)	884,865	1,482,239
Total Actuarial Accrued Liability (EAN) <sup>1</sup>	7,876,737	10,358,766
Unfunded Actuarial Accrued Liability (UAAL)	1,139,543	3,621,572

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

	Valuation Date: 10/1/2024	
	ACTUAL	HYPOTHETICAL
Investment Rate of Return:	6.95%	4.95%
<b><u>PENSION COST</u></b>		
Normal Cost <sup>2</sup>	162,519	243,489
Administrative Expenses <sup>2</sup>	55,971	55,971
Payment Required To Amortize UAAL <sup>2</sup>	137,034	286,796
Minimum Required Contribution	\$355,524	\$586,256

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

<sup>2</sup> Contributions developed as of 10/1/2024 displayed above have been adjusted to account for assumed salary increase components.