

**CITY OF CAPE CORAL
MUNICIPAL GENERAL EMPLOYEES' RETIREMENT PLAN**

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



March 26, 2025

Ms. Chrissy Stoker, Plan Administrator
2503 Del Prado Blvd S., Suite 502
Cape Coral, FL 33904

Re: City of Cape Coral Municipal General Employees' Retirement Plan
Section 112.664, Florida Statutes Compliance

Dear Chrissy:

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: Mark Floyd, 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

	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
	6.85%	4.85%	8.85%
Discount Rate:			
<u>Total Pension Liability</u>			
Service Cost	12,586,687	19,575,170	8,512,927
Interest	34,589,674	31,595,698	36,016,455
Changes of Benefit Terms	-	-	-
Experience Gains/Losses	13,943,227	20,054,688	9,902,046
Changes of Assumptions	-	-	-
Contributions - Buy Back	142,838	142,838	142,838
Benefit Payments	(24,947,610)	(24,947,610)	(24,947,610)
Net Change in Total Pension Liability	36,314,816	46,420,784	29,626,656
Total Pension Liability - Beginning	504,845,870	644,356,329	410,926,470
Total Pension Liability - Ending (a)	<u>\$ 541,160,686</u>	<u>\$ 690,777,113</u>	<u>\$ 440,553,126</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	16,637,854	16,637,854	16,637,854
Contributions - Employee	6,685,226	6,685,226	6,685,226
Contributions - Buy Back	142,838	142,838	142,838
Net Investment Income	57,936,942	57,936,942	57,936,942
Benefit Payments	(24,947,610)	(24,947,610)	(24,947,610)
Administrative Expense	(366,612)	(366,612)	(366,612)
Net Change in Plan Fiduciary Net Position	56,088,638	56,088,638	56,088,638
Plan Fiduciary Net Position - Beginning	401,511,980	401,511,980	401,511,980
Plan Fiduciary Net Position - Ending (b)	<u>\$ 457,600,618</u>	<u>\$ 457,600,618</u>	<u>\$ 457,600,618</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 83,560,068</u>	<u>\$ 233,176,495</u>	<u>\$ (17,047,492)</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Investment Rate of Return = 6.85%

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	456,549,730	-	58,510,455	-	29,269,673	427,308,948
2025	427,308,948	-	27,818,261	-	28,317,887	427,808,574
2026	427,808,574	-	28,863,522	-	28,316,312	427,261,364
2027	427,261,364	-	29,904,838	-	28,243,163	425,599,689
2028	425,599,689	-	31,007,673	-	28,091,566	422,683,582
2029	422,683,582	-	31,704,500	-	27,867,946	418,847,028
2030	418,847,028	-	32,458,716	-	27,579,310	413,967,622
2031	413,967,622	-	33,465,564	-	27,210,587	407,712,645
2032	407,712,645	-	34,503,348	-	26,746,577	399,955,874
2033	399,955,874	-	35,149,070	-	26,193,122	390,999,926
2034	390,999,926	-	35,579,328	-	25,564,903	380,985,501
2035	380,985,501	-	35,883,685	-	24,868,491	369,970,307
2036	369,970,307	-	36,093,973	-	24,106,747	357,983,081
2037	357,983,081	-	36,298,849	-	23,278,605	344,962,837
2038	344,962,837	-	36,436,417	-	22,382,007	330,908,427
2039	330,908,427	-	36,495,560	-	21,417,254	315,830,121
2040	315,830,121	-	36,423,473	-	20,386,859	299,793,507
2041	299,793,507	-	36,341,123	-	19,291,172	282,743,556
2042	282,743,556	-	36,144,081	-	18,129,999	264,729,474
2043	264,729,474	-	35,914,186	-	16,903,908	245,719,196
2044	245,719,196	-	35,549,195	-	15,614,205	225,784,206
2045	225,784,206	-	35,102,895	-	14,263,944	204,945,255
2046	204,945,255	-	34,529,050	-	12,856,130	183,272,335
2047	183,272,335	-	33,912,956	-	11,392,636	160,752,015
2048	160,752,015	-	33,119,201	-	9,877,180	137,509,994
2049	137,509,994	-	32,280,142	-	8,313,840	113,543,692
2050	113,543,692	-	31,377,772	-	6,703,054	88,868,974
2051	88,868,974	-	30,371,777	-	5,047,291	63,544,488
2052	63,544,488	-	29,332,333	-	3,348,165	37,560,320
2053	37,560,320	-	28,233,417	-	1,605,887	10,932,790
2054	10,932,790	-	27,132,183	-	-	-

*All DROP Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 30.40

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 6.85% 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 = 4.85%

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	456,549,730	-	58,510,455	-	20,723,783	418,763,058
2025	418,763,058	-	27,818,261	-	19,635,415	410,580,212
2026	410,580,212	-	28,863,522	-	19,213,200	400,929,890
2027	400,929,890	-	29,904,838	-	18,719,907	389,744,959
2028	389,744,959	-	31,007,673	-	18,150,694	376,887,980
2029	376,887,980	-	31,704,500	-	17,510,233	362,693,713
2030	362,693,713	-	32,458,716	-	16,803,521	347,038,518
2031	347,038,518	-	33,465,564	-	16,019,828	329,592,782
2032	329,592,782	-	34,503,348	-	15,148,544	310,237,978
2033	310,237,978	-	35,149,070	-	14,194,177	289,283,085
2034	289,283,085	-	35,579,328	-	13,167,431	266,871,188
2035	266,871,188	-	35,883,685	-	12,073,073	243,060,576
2036	243,060,576	-	36,093,973	-	10,913,159	217,879,762
2037	217,879,762	-	36,298,849	-	9,686,921	191,267,834
2038	191,267,834	-	36,436,417	-	8,392,907	163,224,324
2039	163,224,324	-	36,495,560	-	7,031,362	133,760,126
2040	133,760,126	-	36,423,473	-	5,604,097	102,940,750
2041	102,940,750	-	36,341,123	-	4,111,354	70,710,981
2042	70,710,981	-	36,144,081	-	2,552,989	37,119,889
2043	37,119,889	-	35,914,186	-	929,396	2,135,099
2044	2,135,099	-	35,549,195	-	-	-

*All DROP Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 20.06

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 4.85% 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 = 8.85%

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	456,549,730	-	58,510,455	-	37,815,563	435,854,838
2025	435,854,838	-	27,818,261	-	37,342,195	445,378,772
2026	445,378,772	-	28,863,522	-	38,138,810	454,654,060
2027	454,654,060	-	29,904,838	-	38,913,595	463,662,817
2028	463,662,817	-	31,007,673	-	39,662,070	472,317,214
2029	472,317,214	-	31,704,500	-	40,397,149	481,009,863
2030	481,009,863	-	32,458,716	-	41,133,075	489,684,222
2031	489,684,222	-	33,465,564	-	41,856,202	498,074,860
2032	498,074,860	-	34,503,348	-	42,552,852	506,124,364
2033	506,124,364	-	35,149,070	-	43,236,660	514,211,954
2034	514,211,954	-	35,579,328	-	43,933,373	522,565,999
2035	522,565,999	-	35,883,685	-	44,659,238	531,341,552
2036	531,341,552	-	36,093,973	-	45,426,569	540,674,148
2037	540,674,148	-	36,298,849	-	46,243,438	550,618,737
2038	550,618,737	-	36,436,417	-	47,117,447	561,299,767
2039	561,299,767	-	36,495,560	-	48,060,101	572,864,308
2040	572,864,308	-	36,423,473	-	49,086,753	585,527,588
2041	585,527,588	-	36,341,123	-	50,211,097	599,397,562
2042	599,397,562	-	36,144,081	-	51,447,309	614,700,790
2043	614,700,790	-	35,914,186	-	52,811,817	631,598,421
2044	631,598,421	-	35,549,195	-	54,323,408	650,372,634
2045	650,372,634	-	35,102,895	-	56,004,675	671,274,414
2046	671,274,414	-	34,529,050	-	57,879,875	694,625,239
2047	694,625,239	-	33,912,956	-	59,973,685	720,685,968
2048	720,685,968	-	33,119,201	-	62,315,184	749,881,951
2049	749,881,951	-	32,280,142	-	64,936,156	782,537,965
2050	782,537,965	-	31,377,772	-	67,866,143	819,026,336
2051	819,026,336	-	30,371,777	-	71,139,880	859,794,439
2052	859,794,439	-	29,332,333	-	74,793,852	905,255,958
2053	905,255,958	-	28,233,417	-	78,865,824	955,888,365
2054	955,888,365	-	27,132,183	-	83,395,521	1,012,151,703
2055	1,012,151,703	-	25,980,242	-	88,425,800	1,074,597,261
2056	1,074,597,261	-	24,762,917	-	94,006,099	1,143,840,443
2057	1,143,840,443	-	23,561,707	-	100,187,274	1,220,466,010
2058	1,220,466,010	-	22,350,879	-	107,022,215	1,305,137,346
2059	1,305,137,346	-	21,131,941	-	114,569,567	1,398,574,972
2060	1,398,574,972	-	19,907,460	-	122,892,980	1,501,560,492
2061	1,501,560,492	-	18,707,173	-	132,060,311	1,614,913,630
2062	1,614,913,630	-	17,519,021	-	142,144,640	1,739,539,249
2063	1,739,539,249	-	16,360,655	-	153,225,265	1,876,403,859
2064	1,876,403,859	-	15,239,551	-	165,387,391	2,026,551,699
2065	2,026,551,699	-	14,161,685	-	178,723,171	2,191,113,185
2066	2,191,113,185	-	13,130,616	-	193,332,487	2,371,315,056
2067	2,371,315,056	-	12,141,861	-	209,324,105	2,568,497,300
2068	2,568,497,300	-	11,200,373	-	226,816,395	2,784,113,322
2069	2,784,113,322	-	10,306,284	-	245,937,976	3,019,745,014
2070	3,019,745,014	-	9,458,524	-	266,828,894	3,277,115,384
2071	3,277,115,384	-	8,655,282	-	289,641,715	3,558,101,817
2072	3,558,101,817	-	7,896,574	-	314,542,587	3,864,747,830
2073	3,864,747,830	-	7,180,266	-	341,712,456	4,199,280,020
2074	4,199,280,020	-	6,504,755	-	371,348,446	4,564,123,711

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Investment Rate of Return = 8.85%

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	4,564,123,711	-	5,869,099	-	403,665,241	4,961,919,853
2076	4,961,919,853	-	5,273,152	-	438,896,570	5,395,543,271
2077	5,395,543,271	-	4,716,904	-	477,296,856	5,868,123,223
2078	5,868,123,223	-	4,200,074	-	519,143,052	6,383,066,201
2079	6,383,066,201	-	3,722,076	-	564,736,657	6,944,080,782
2080	6,944,080,782	-	3,282,158	-	614,405,914	7,555,204,538
2081	7,555,204,538	-	2,879,409	-	668,508,188	8,220,833,317
2082	8,220,833,317	-	2,512,828	-	727,432,556	8,945,753,045
2083	8,945,753,045	-	2,181,174	-	791,602,628	9,735,174,499
2084	9,735,174,499	-	1,882,903	-	861,479,625	10,594,771,221
2085	10,594,771,221	-	1,616,481	-	937,565,724	11,530,720,464
2086	11,530,720,464	-	1,380,243	-	1,020,407,685	12,549,747,906
2087	12,549,747,906	-	1,172,400	-	1,110,600,811	13,659,176,317
2088	13,659,176,317	-	990,814	-	1,208,793,261	14,866,978,764
2089	14,866,978,764	-	833,190	-	1,315,690,752	16,181,836,326
2090	16,181,836,326	-	697,262	-	1,432,061,661	17,613,200,725
2091	17,613,200,725	-	580,810	-	1,558,742,563	19,171,362,478
2092	19,171,362,478	-	481,555	-	1,696,644,270	20,867,525,193
2093	20,867,525,193	-	397,318	-	1,846,758,398	22,713,886,273
2094	22,713,886,273	-	326,126	-	2,010,164,504	24,723,724,651
2095	24,723,724,651	-	266,244	-	2,188,037,850	26,911,496,257
2096	26,911,496,257	-	216,113	-	2,381,657,856	29,292,938,000
2097	29,292,938,000	-	174,358	-	2,592,417,298	31,885,180,940
2098	31,885,180,940	-	139,780	-	2,821,832,328	34,706,873,488
2099	34,706,873,488	-	111,360	-	3,071,553,376	37,778,315,504
2100	37,778,315,504	-	88,210	-	3,343,377,019	41,121,604,313
2101	41,121,604,313	-	69,524	-	3,639,258,905	44,760,793,694
2102	44,760,793,694	-	54,542	-	3,961,327,828	48,722,066,980
2103	48,722,066,980	-	42,613	-	4,311,901,042	53,033,925,409
2104	53,033,925,409	-	33,180	-	4,693,500,930	57,727,393,159
2105	57,727,393,159	-	25,748	-	5,108,873,155	62,836,240,566
2106	62,836,240,566	-	19,905	-	5,561,006,409	68,397,227,070
2107	68,397,227,070	-	15,314	-	6,053,153,918	74,450,365,674
2108	74,450,365,674	-	11,697	-	6,588,856,845	81,039,210,822
2109	81,039,210,822	-	8,843	-	7,171,969,766	88,211,171,745
2110	88,211,171,745	-	6,599	-	7,806,688,407	96,017,853,553
2111	96,017,853,553	-	4,843	-	8,497,579,825	104,515,428,535
2112	104,515,428,535	-	3,478	-	9,249,615,271	113,765,040,328
2113	113,765,040,328	-	2,432	-	10,068,205,961	123,833,243,857
2114	123,833,243,857	-	1,653	-	10,959,242,008	134,792,484,212
2115	134,792,484,212	-	1,088	-	11,929,134,805	146,721,617,929
2116	146,721,617,929	-	689	-	12,984,863,156	159,706,480,396
2117	159,706,480,396	-	419	-	14,134,023,497	173,840,503,474
2118	173,840,503,474	-	246	-	15,384,884,547	189,225,387,775

*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 8.85% 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:	6.85%	4.85%	8.85%
Minimum Required Contribution (Fixed \$)	\$27,258,022	\$44,065,851	\$13,811,252
Minimum Required Contribution (% of Payroll)	36.8%	59.6%	18.7%
Expected Member Contribution	7,782,203	7,706,958	7,857,448
Expected Sponsor Contribution (Fixed \$)	\$19,475,819	\$36,358,893	\$5,953,804
Expected Sponsor Contribution (% of Payroll)	26.6%	49.4%	8.5%

ASSETS

Actuarial Value ¹	453,547,124	453,547,124	453,547,124
Market Value ¹	456,549,730	456,549,730	456,549,730

LIABILITIES

Present Value of Benefits			
Actives			
Retirement Benefits	263,444,522	404,180,915	182,103,464
Death Benefits	1,961,621	2,987,691	1,361,843
Vested Benefits	6,965,305	13,804,023	3,708,953
Refund of Contributions	6,164,543	6,581,103	5,794,544
Service Retirees	259,179,710	318,191,700	217,146,344
DROP Retirees ¹	83,956,135	99,899,279	73,348,593
Beneficiaries	12,675,807	15,257,146	10,828,108
Terminated Vested	5,297,258	6,538,069	4,491,821
Total:	639,644,901	867,439,926	498,783,670
Present Value of Future Salaries	572,978,532	644,011,539	515,937,964
Present Value of Future Member Contributions	58,329,215	65,560,375	52,522,485
Total Normal Cost	13,031,236	20,372,851	8,753,820
Present Value of Future Normal Costs (Entry Age Normal)	98,059,726	175,399,795	58,445,702
Total Actuarial Accrued Liability (EAN) ¹	541,585,175	692,040,131	440,337,968
Unfunded Actuarial Accrued Liability (UAAL)	88,038,051	238,493,007	(13,209,156)

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:	6.85%	4.85%	8.85%
<u>PENSION COST</u>			
Normal Cost ²	14,350,901	22,219,067	9,733,525
Administrative Expenses ²	383,862	380,150	387,573
Payment Required To Amortize UAAL ²	12,523,259	21,466,634	3,690,154
Minimum Required Contribution	\$27,258,022	\$44,065,851	\$13,811,252

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

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