



City of Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan

GASB Disclosure Information

Statements 67/68

Measurement Date: September 30, 2025

GASB 68 Expense

Reporting Date: September 30, 2025

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

December 19, 2025

Mr. William Johnston
City of Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan

Re: GASB 67/68 Disclosures – City of Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan

Dear William,

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, plan design, and asset information supplied by the City. 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 Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the City of Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

Respectfully submitted,
Foster & Foster, Inc.

John L. Griffin, ASA, EA, MAAA

TABLE OF CONTENTS

SUMMARY.....	5
GASB EXHIBITS	6
Schedule of Changes in Net Pension Liability.....	6
Sensitivity to Changes in Discount Rate	7
Pension Expense Year-End September 30, 2025.....	8
Pension Deferred Outflows/Inflows - Year-End September 30, 2025.....	9
SUPPLEMENTARY GASB 68 EXPENSE DETAIL	10
ADDITIONAL EXHIBITS	13
Schedule of Contributions	13
Investment Disclosures.....	14
ASSUMPTIONS.....	15
SUMMARY OF CURRENT PLAN.....	17

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	505	486
Inactives Not Yet Receiving Benefits	42	47
Active Plan Members	<u>389</u>	<u>381</u>
 Total	 936	 914
 Covered Payroll	 \$ 35,124,701	 \$ 33,150,901

NET PENSION LIABILITY/(ASSET)

Total Pension Liability	\$ 376,624,200	\$ 352,907,002
Plan Fiduciary Net Position	<u>371,184,515</u>	<u>348,139,610</u>
Net Pension Liability/(Asset)	\$ 5,439,685	\$ 4,767,392

Plan Fiduciary Net Position

As a % of Total Pension Liability	98.56%	98.65%
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Net Pension Liability/(Asset)

As a % of Covered Payroll	15.49%	14.38%
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Total Pension Expense/(Income)

\$ 4,825,764	\$ 6,957,947
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DEVELOPMENT OF SINGLE DISCOUNT RATE

Single Discount Rate	7.75%	7.75%
Long-Term Expected Rate of Return	7.75%	7.75%
High-quality Municipal Bond Rate	4.50%	4.06%
Number of Years Future Benefit Payments Are Expected to be Paid	All Years	All Years

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	5,436,011	4,912,801
Interest	26,944,029	25,868,375
Share Plan Allocation	1,219,652	1,043,286
Changes in Benefit Terms	0	0
Experience (Gains)/Losses	8,071,188	2,461,075
Changes of Assumptions	3,402,584	0
Benefit Payments	(21,356,266)	(20,502,446)
Net Change in Total Pension Liability	23,717,198	13,783,091
Total Pension Liability – Beginning	352,907,002	339,123,911
Total Pension Liability – Ending (a)	\$ 376,624,200	\$ 352,907,002

PLAN FIDUCIARY NET POSITION

Contributions – Employer	2,852,649	2,352,828
Contributions – State	2,358,932	2,182,566
Contributions – Employee	2,993,388	2,729,278
Net Investment Income	36,809,555	59,604,573
Benefit Payments	(21,356,266)	(20,502,446)
Administrative Expense	(613,353)	(594,142)
Other	0	0
Net Change in Plan Fiduciary Net Position	23,044,905	45,772,657
Plan Fiduciary Net Position – Beginning	348,139,610	302,366,953
Adjustment to beginning of year	0	0
Plan Fiduciary Net Position – Ending (b)	\$ 371,184,515	\$ 348,139,610

Net Pension Liability – Ending (a) – (b) \$ 5,439,685 \$ 4,767,392

Plan Fiduciary Net Position

As % of Total Pension Liability 98.56% 98.65%

Covered Payroll \$ 35,124,701 \$ 33,150,901

Net Pension Liability

As % of Covered Payroll 15.49% 14.38%

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	7.75%	7.75%
+ 1% Discount Rate	8.75%	8.75%
- 1% Discount Rate	6.75%	6.75%
Net Pension Liability		
Current Discount Rate	\$ 5,439,685	\$ 4,767,392
1% Increase in Discount Rate	(30,723,003)	(29,179,079)
1% Decrease in Discount Rate	48,992,095	45,629,138

PENSION EXPENSE YEAR-END SEPTEMBER 30, 2025

For the year ended September 30, 2025, the Sponsor will recognize a Pension Expense/(Income) of \$4,825,764. 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	\$ 5,436,011
Interest on Total Pension Liability	26,944,029
Share Plan Allocation	1,219,652
Changes in Benefit Terms	0
Contributions – Employee	(2,993,388)
Projected Earnings on Investments	(26,447,440)
Administrative Expenses	613,353
Recognition of Deferred Outflows/(Inflows)	
Experience (Gains)/Losses	4,636,147
Assumption Changes	953,770
Investment Returns	(5,536,370)
Total Pension Expense	\$ 4,825,764

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	11,208,130	0
Changes of Assumptions	3,747,708	752,386
Net Difference Between Projected and Actual Earnings on pension Plan Investments	0	21,400,784
Total	\$ 14,955,838	\$ 22,153,170

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 \$ 8,646,060
2027 (9,438,847)
2028 (6,626,877)
2029 222,332
2030 0
Thereafter 0

SUPPLEMENTARY GASB 68 EXPENSE DETAIL

AMORTIZATION SCHEDULE – EXPERIENCE

Year	Initial Base	Recognition Period	2025			2026			2027			2028		
			2025	2026	2027	2028	2029	2030	2025	2026	2027	2028	2029	2030
2025	\$ 8,071,188	5	\$ 1,614,236	\$ 1,614,238	\$ 1,614,238	\$ 1,614,238	\$ 1,614,238	\$ 1,614,238	\$ 1,614,238	\$ 1,614,238	\$ 1,614,238	\$ 1,614,238	\$ 1,614,238	\$ 1,614,238
2024	2,461,075	5	492,215	492,215	492,215	492,215	492,215	492,215	492,215	492,215	492,215	492,215	492,215	492,215
2023	4,142,248	5	828,450	828,450	828,450	828,450	828,450	828,450	828,450	828,450	828,450	828,450	828,450	0
2022	7,955,203	5	1,591,041	1,591,041	1,591,041	1,591,041	1,591,041	1,591,041	1,591,041	1,591,041	1,591,041	1,591,041	1,591,041	0
2021	159,551	6	26,592	26,592	26,592	26,592	26,592	26,592	26,592	26,592	26,592	26,592	26,592	0
2020	501,678	6	83,613	83,613	83,613	83,613	83,613	83,613	83,613	83,613	83,613	83,613	83,613	0
Net Increase/(Decrease) in Pension Expense			\$ 4,636,147	\$ 4,552,536	\$ 2,934,903	\$ 2,106,453	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

AMORTIZATION SCHEDULE – CHANGES OF ASSUMPTIONS

Year	Initial Base	Recognition Period	2025			2026			2027			2028		
			2025	2026	2027	2028	2029	2030	2025	2026	2027	2028	2029	2030
2025	\$ 3,402,584	5	\$ 680,516	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517
2022	5,128,200	5	1,025,640	1,025,640	0	0	0	0	0	0	0	0	0	0
2021	(4,514,316)	6	(752,386)	(752,386)	0	0	0	0	0	0	0	0	0	0
Net Increase/(Decrease) in Pension Expense			\$ 953,770	\$ 953,771	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517	\$ 680,517

AMORTIZATION SCHEDULE – INVESTMENTS

Year		Initial Base	Recognition		2025	2026	2027	2028
			Period					
2025	\$	(10,362,115)	5	\$	(2,072,423)	\$ (2,072,423)	\$ (2,072,423)	\$ (2,072,423)
2024		(36,707,121)	5		(7,341,424)	(7,341,424)	(7,341,424)	(7,341,424)
2023		(18,202,099)	5		(3,640,420)	(3,640,420)	(3,640,420)	0
2022		80,970,101	5		16,194,020	16,194,020	0	0
2021		(43,380,616)	5		(8,676,123)	0	0	0
Net Increase/(Decrease) in Pension Expense				\$	(5,536,370)	\$ 3,139,753	\$ (13,054,267)	\$ (9,413,847)

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	
	\$	3,949,131	\$	3,991,929	\$	(42,798)	\$	35,124,701	11.37%
09/30/2025	\$	3,949,131	\$	3,991,929	\$	(42,798)	\$	35,124,701	11.37%
09/30/2024	\$	3,481,353	\$	3,492,108	\$	(10,755)	\$	33,150,901	10.53%

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	7.75%
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 Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan 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 10.74 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	10.74%
09/30/2024	20.59%

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	54%	7.50%
International Equity	20%	8.50%
Non-Core Fixed Income	11%	2.50%
Private Real Estate	15%	4.50%
<hr/> Total	<hr/> 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

Valuation Date	October 1, 2024
GASB 67/68 Measurement Date	September 30, 2025
GASB 68 Reporting Date	September 30, 2025
Discount Rate	7.75%
Long-Term Rate of Return	7.75%
Cost Method	Entry Age Normal
Latest Experience Study Date	The most recent actuarial experience study used to review the other significant assumptions was conducted by the prior actuary Conduent in 2017.
Mortality	<p><i>Healthy Active Lives</i></p> <p>Female: PubS-2010 for Employees Male: PubS-2010 for Employees, set forward 1 year</p> <p><i>Healthy Retiree Lives</i></p> <p>Female: PubS-2010 for Healthy Retirees Male: PubS-2010 for Healthy Retirees, set forward 1 year</p> <p><i>Beneficiary Lives</i></p> <p>Female: PubG.H-2010 for Healthy Retirees Male: PubG.H-2010 for Healthy Retirees, set back 1 year</p> <p><i>Disabled Lives</i></p> <p>Female: PubG.H-2010 for Disabled Retirees, set forward 1 year Male: PubG.H-2010 for Disabled Retirees</p> <p>All rates are projected generationally with Mortality Improvement Scale MP-2021.</p> <p>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.</p>
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 for the City of Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan 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 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 (7.75 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 7.75 percent.

SUMMARY OF CURRENT PLAN

PLAN DESCRIPTION

The Plan is a single-employer defined benefit pension plan administered by the Board of Trustees of the Consolidated Plan. The five-member Consolidated Board of Trustees is responsible for the overall administration of the Plan and the investment of Plan assets. The Consolidated Board of Trustees is comprised of two City appointees, one police officer who is a member of the Plan, one firefighter who is a member of the Plan, and a fifth member appointed by the other four Trustees. The Police Trustee is a police officer elected by active Police members and the Fire Trustee is a firefighter elected by active Fire members. Employees in the DROP or reverse DROP are not eligible to vote for the Trustee from their area, but are eligible to be elected as a Trustee of the Plan. The fifth member is selected by the other four Trustees and is then, through a ministerial function, confirmed by the City Commission. The Chair of the Board is the designated agent for the service of legal process.

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 Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan prepared by Foster & Foster Actuaries and Consultants.

BENEFIT CHANGES

No benefit changes have been reflected since the prior year.

DEFERRED RETIREMENT OPTION PROGRAM

Eligibility: A Member who has earned at least 25 years of service or age plus service equal 70.

Participation: Members may participate for 96 months but must cease at the conclusion of a total of 33 years of regular employment with the City.

Rate of return: DROP benefits accumulate with interest at 4.5% per year for police officers and 6.5% of the assumed rate of return on investments for firefighters.

Reverse DROP: Members can select a date in the past for participation in the DROP. Reverse DROP members may participate for 60 months, but the end of the DROP period and termination of employment must occur no later than a total of 30 years of regular employment with the City.

DROP balance: The DROP balance as of September 30, 2025 is \$5,391,727.