

CITY OF MADISON  
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT TRUST FUND

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



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  |
|-------------------------------------------|--------------|---------------|
|                                           | 7.00%        | 5.00%         |
| Discount Rate:                            |              |               |
| <u>Total Pension Liability</u>            |              |               |
| Service Cost                              | 164,307      | 262,144       |
| Interest                                  | 602,181      | 560,577       |
| Share Plan Allocation                     | 7,709        | 7,709         |
| Changes of Benefit Terms                  | -            | -             |
| Experience Gains/Losses                   | 122,988      | 192,113       |
| Changes of Assumptions                    | 211,089      | 313,672       |
| Benefit Payments                          | (579,062)    | (579,062)     |
| Net Change in Total Pension Liability     | 529,212      | 757,153       |
| Total Pension Liability - Beginning       | 8,727,811    | 11,238,922    |
| Total Pension Liability - Ending (a)      | \$ 9,257,023 | \$ 11,996,075 |
| <u>Plan Fiduciary Net Position</u>        |              |               |
| Contributions - Employer                  | 380,937      | 380,937       |
| Contributions - State                     | 63,720       | 63,720        |
| Contributions - Employee                  | 59,521       | 59,521        |
| Net Investment Income                     | 536,337      | 536,337       |
| Benefit Payments                          | (579,062)    | (579,062)     |
| Administrative Expense                    | (72,099)     | (72,099)      |
| Net Change in Plan Fiduciary Net Position | 389,354      | 389,354       |
| Plan Fiduciary Net Position - Beginning   | 7,049,132    | 7,049,132     |
| Plan Fiduciary Net Position - Ending (b)  | \$ 7,438,486 | \$ 7,438,486  |
| Net Pension Liability - Ending (a) - (b)  | \$ 1,818,537 | \$ 4,557,589  |

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

Table 1  
Plan Assumptions: Investment Rate of Return = 7.00%

| Fiscal Year<br>Beginning 10/1 | Projected Beginning<br>Fiduciary Net Position | Projected Total<br>Contributions | Projected Benefit<br>Payments* | Projected<br>Administrative<br>Expense | Projected Investment<br>Earnings | Projected Ending<br>Fiduciary Net Position |
|-------------------------------|-----------------------------------------------|----------------------------------|--------------------------------|----------------------------------------|----------------------------------|--------------------------------------------|
| 2025                          | 7,200,149                                     | -                                | 576,817                        | -                                      | 483,822                          | 7,107,154                                  |
| 2026                          | 7,107,154                                     | -                                | 526,266                        | -                                      | 479,081                          | 7,059,969                                  |
| 2027                          | 7,059,969                                     | -                                | 553,702                        | -                                      | 474,818                          | 6,981,085                                  |
| 2028                          | 6,981,085                                     | -                                | 568,400                        | -                                      | 468,782                          | 6,881,467                                  |
| 2029                          | 6,881,467                                     | -                                | 582,546                        | -                                      | 461,314                          | 6,760,235                                  |
| 2030                          | 6,760,235                                     | -                                | 588,204                        | -                                      | 452,629                          | 6,624,660                                  |
| 2031                          | 6,624,660                                     | -                                | 601,130                        | -                                      | 442,687                          | 6,466,217                                  |
| 2032                          | 6,466,217                                     | -                                | 629,839                        | -                                      | 430,591                          | 6,266,969                                  |
| 2033                          | 6,266,969                                     | -                                | 634,303                        | -                                      | 416,487                          | 6,049,153                                  |
| 2034                          | 6,049,153                                     | -                                | 638,247                        | -                                      | 401,102                          | 5,812,008                                  |
| 2035                          | 5,812,008                                     | -                                | 650,706                        | -                                      | 384,066                          | 5,545,368                                  |
| 2036                          | 5,545,368                                     | -                                | 649,550                        | -                                      | 365,442                          | 5,261,260                                  |
| 2037                          | 5,261,260                                     | -                                | 665,587                        | -                                      | 344,993                          | 4,940,666                                  |
| 2038                          | 4,940,666                                     | -                                | 664,301                        | -                                      | 322,596                          | 4,598,961                                  |
| 2039                          | 4,598,961                                     | -                                | 662,187                        | -                                      | 298,751                          | 4,235,525                                  |
| 2040                          | 4,235,525                                     | -                                | 660,554                        | -                                      | 273,367                          | 3,848,338                                  |
| 2041                          | 3,848,338                                     | -                                | 670,018                        | -                                      | 245,933                          | 3,424,253                                  |
| 2042                          | 3,424,253                                     | -                                | 669,027                        | -                                      | 216,282                          | 2,971,508                                  |
| 2043                          | 2,971,508                                     | -                                | 662,837                        | -                                      | 184,806                          | 2,493,477                                  |
| 2044                          | 2,493,477                                     | -                                | 653,700                        | -                                      | 151,664                          | 1,991,441                                  |
| 2045                          | 1,991,441                                     | -                                | 644,229                        | -                                      | 116,853                          | 1,464,065                                  |
| 2046                          | 1,464,065                                     | -                                | 632,956                        | -                                      | 80,331                           | 911,440                                    |
| 2047                          | 911,440                                       | -                                | 617,460                        | -                                      | 42,190                           | 336,170                                    |
| 2048                          | 336,170                                       | -                                | 603,615                        | -                                      | -                                | -                                          |

\*All Share Balances paid in 2025.

Number of Years Expected Benefit Payments Sustained: 23.56

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.00% 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 = 5.00%

| Fiscal Year<br>Beginning 10/1 | Projected Beginning<br>Fiduciary Net Position | Projected Total<br>Contributions | Projected Benefit<br>Payments* | Projected<br>Administrative<br>Expense | Projected Investment<br>Earnings | Projected Ending<br>Fiduciary Net Position |
|-------------------------------|-----------------------------------------------|----------------------------------|--------------------------------|----------------------------------------|----------------------------------|--------------------------------------------|
| 2025                          | 7,200,149                                     | -                                | 576,817                        | -                                      | 345,587                          | 6,968,919                                  |
| 2026                          | 6,968,919                                     | -                                | 526,266                        | -                                      | 335,289                          | 6,777,942                                  |
| 2027                          | 6,777,942                                     | -                                | 553,702                        | -                                      | 325,055                          | 6,549,295                                  |
| 2028                          | 6,549,295                                     | -                                | 568,400                        | -                                      | 313,255                          | 6,294,150                                  |
| 2029                          | 6,294,150                                     | -                                | 582,546                        | -                                      | 300,144                          | 6,011,748                                  |
| 2030                          | 6,011,748                                     | -                                | 588,204                        | -                                      | 285,882                          | 5,709,426                                  |
| 2031                          | 5,709,426                                     | -                                | 601,130                        | -                                      | 270,443                          | 5,378,739                                  |
| 2032                          | 5,378,739                                     | -                                | 629,839                        | -                                      | 253,191                          | 5,002,091                                  |
| 2033                          | 5,002,091                                     | -                                | 634,303                        | -                                      | 234,247                          | 4,602,035                                  |
| 2034                          | 4,602,035                                     | -                                | 638,247                        | -                                      | 214,146                          | 4,177,934                                  |
| 2035                          | 4,177,934                                     | -                                | 650,706                        | -                                      | 192,629                          | 3,719,857                                  |
| 2036                          | 3,719,857                                     | -                                | 649,550                        | -                                      | 169,754                          | 3,240,061                                  |
| 2037                          | 3,240,061                                     | -                                | 665,587                        | -                                      | 145,363                          | 2,719,837                                  |
| 2038                          | 2,719,837                                     | -                                | 664,301                        | -                                      | 119,384                          | 2,174,920                                  |
| 2039                          | 2,174,920                                     | -                                | 662,187                        | -                                      | 92,191                           | 1,604,924                                  |
| 2040                          | 1,604,924                                     | -                                | 660,554                        | -                                      | 63,732                           | 1,008,102                                  |
| 2041                          | 1,008,102                                     | -                                | 670,018                        | -                                      | 33,655                           | 371,739                                    |
| 2042                          | 371,739                                       | -                                | 669,027                        | -                                      | -                                | -                                          |

\*All Share Balances paid in 2025.

Number of Years Expected Benefit Payments Sustained: 17.56

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.00% 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

|                                              | ACTUAL    | HYPOTHETICAL |
|----------------------------------------------|-----------|--------------|
| Investment Rate of Return:                   | 7.00%     | 5.00%        |
| Minimum Required Contribution (Fixed \$)     | \$607,316 | \$892,758    |
| Minimum Required Contribution (% of Payroll) | 46.0%     | 67.7%        |
| Expected Member Contribution                 | 68,276    | 67,617       |
| Expected State Money                         | 56,010    | 56,010       |
| Expected Sponsor Contribution (Fixed \$)     | \$483,030 | \$769,131    |
| Expected Sponsor Contribution (% of Payroll) | 36.5%     | 58.2%        |

**ASSETS**

|                              |           |           |
|------------------------------|-----------|-----------|
| Actuarial Value <sup>1</sup> | 7,104,322 | 7,104,322 |
| Market Value <sup>1</sup>    | 7,200,149 | 7,200,149 |

**LIABILITIES**

Present Value of Benefits

Actives

|                         |           |           |
|-------------------------|-----------|-----------|
| Retirement Benefits     | 3,820,807 | 5,788,937 |
| Disability Benefits     | 73,795    | 102,205   |
| Death Benefits          | 15,041    | 20,270    |
| Vested Benefits         | 494,995   | 830,521   |
| Refund of Contributions | 89,292    | 94,149    |

Service Retirees

|  |           |           |
|--|-----------|-----------|
|  | 6,178,651 | 7,683,155 |
|--|-----------|-----------|

DROP Retirees <sup>1</sup>

|  |   |   |
|--|---|---|
|  | 0 | 0 |
|--|---|---|

Beneficiaries

|  |   |   |
|--|---|---|
|  | 0 | 0 |
|--|---|---|

Disability Retirees

|  |   |   |
|--|---|---|
|  | 0 | 0 |
|--|---|---|

Terminated Vested

|  |        |        |
|--|--------|--------|
|  | 44,275 | 44,275 |
|--|--------|--------|

Share Plan Balances <sup>1</sup>

|  |        |        |
|--|--------|--------|
|  | 37,761 | 37,761 |
|--|--------|--------|

Total:

|  |            |            |
|--|------------|------------|
|  | 10,754,617 | 14,601,273 |
|--|------------|------------|

Present Value of Future Salaries

|  |           |           |
|--|-----------|-----------|
|  | 7,753,329 | 8,624,825 |
|--|-----------|-----------|

Present Value of Future

|                      |         |         |
|----------------------|---------|---------|
| Member Contributions | 387,666 | 431,241 |
|----------------------|---------|---------|

Total Normal Cost

|  |         |         |
|--|---------|---------|
|  | 179,597 | 291,477 |
|--|---------|---------|

Present Value of Future

|                                 |           |           |
|---------------------------------|-----------|-----------|
| Normal Costs (Entry Age Normal) | 1,052,139 | 1,972,209 |
|---------------------------------|-----------|-----------|

Total Actuarial Accrued Liability (EAN) <sup>1</sup>

|  |           |            |
|--|-----------|------------|
|  | 9,702,478 | 12,629,064 |
|--|-----------|------------|

Unfunded Actuarial Accrued

|                  |           |           |
|------------------|-----------|-----------|
| Liability (UAAL) | 2,598,156 | 5,524,742 |
|------------------|-----------|-----------|

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2027

Valuation Date: 10/1/2025

|                                                | ACTUAL    | HYPOTHETICAL |
|------------------------------------------------|-----------|--------------|
| Investment Rate of Return:                     | 7.00%     | 5.00%        |
| <b><u>PENSION COST</u></b>                     |           |              |
| Normal Cost <sup>2</sup>                       | 198,300   | 318,721      |
| Administrative Expenses <sup>2</sup>           | 76,131    | 75,396       |
| Payment Required To Amortize UAAL <sup>2</sup> | 332,885   | 498,641      |
| Minimum Required Contribution                  | \$607,316 | \$892,758    |

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

<sup>2</sup> Contributions developed as of 10/1/2025 displayed above have been adjusted to account for assumed salary increase and interest components.