

GOING FURTHER

PALM TRAN, INC. – AMALGAMATED TRANSIT  
UNION LOCAL 1577 PENSION PLAN

FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED  
DECEMBER 31, 2024 AND 2023

## Table of Contents

Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-8
Basic Financial Statements	
Statements of Fiduciary Net Position	9
Statements of Changes in Fiduciary Net Position	10
Notes to Financial Statements	11-22
Required Supplementary Information	
Schedule of Changes in Net Pension Liability and Related Ratios	23
Schedule of Contributions	24
Schedule of Money-Weighted Rate of Return	25
Supplementary Information	
Schedules of Administrative and Investment Expenses	26
Other Auditor's Report	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27 and 28



## Independent Auditor's Report

**Board of Trustees  
Palm Tran, Inc. – Amalgamated Transit Union  
Local 1577 Pension Plan  
Delray Beach, Florida**

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the Palm Tran, Inc. – Amalgamated Transit Union Local 1577 Pension Plan (the “Plan”), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Plan’s basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Plan as of December 31, 2024 and 2023, and the changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information as listed in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plan's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2025 on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.



Bradenton, Florida  
June 11, 2025

# Management's Discussion and Analysis

## (Unaudited)

As management of the Palm Tran Inc. – Amalgamated Transit Union Local 1577 Pension Plan (the "Plan"), we offer readers of the Plan's financial statements this narrative overview of the financial activities of the Plan for the years ended December 31, 2024 and 2023. This narrative is intended to supplement the Plan's financial statements, and we encourage readers to consider the information presented here in conjunction with these statements, which begin on page 9.

### Financial Highlights

- The assets of the Plan exceeded its liabilities at the close of the fiscal years ended December 31, 2024 and 2023, with \$153,811,076 and \$138,652,858 in net position restricted for pension benefits, respectively.
- Net position increased by \$15,158,218 or 10.9% during 2024, primarily due to unrealized gains in the investment portfolio.
- Net position increased by \$11,206,663 or 8.8% during 2023, primarily due to unrealized gains in the investment portfolio.
- For the year ended December 31, 2024, Plan net position was 86.65% of the total pension liability of \$177,505,215. Net pension liability was \$23,694,049, which was 62.94% of covered payroll.
- For the year ended December 31, 2023, Plan net position was 80.6% of the total pension liability of \$172,025,313. Net pension liability was \$33,372,455, which was 92.06% of covered payroll.
- Additions to fiduciary net position for the year ended December 31, 2024 totaled \$24,799,766 and include employee and County contributions of \$7,288,880 and net gains from investment activities totaling \$17,510,886.
- Additions to fiduciary net position for the year ended December 31, 2023 totaled \$20,576,675 and include employee and County contributions of \$7,239,163 and net gains from investment activities totaling \$13,337,512.
- Deductions from fiduciary net position totaled \$9,641,548 in 2024, a \$271,536 increase from 2023. Most of the increase relates to increased participant benefit payments made in 2024.
- Deductions from fiduciary net position totaled \$9,370,012 in 2023, a \$484,195 increase from 2022. Most of the increase relates to increased participant benefit payments made in 2023.

## Overview of the Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Plan's basic financial statements. The basic financial statements section includes:

- Statements of fiduciary net position.
- Statements of changes in fiduciary net position.
- Notes to the financial statements.

The statements of fiduciary net position are a point-in-time snapshot of account balances at fiscal year-end. It reports the assets available for future payments to retirees and any current liabilities that are owed as of the statement date. The resulting net position value (assets – liabilities = net position) represents the value of assets, net of liabilities, restricted for pension benefits.

The statements of changes in fiduciary net position display the effect of pension plan transactions that occurred during the fiscal years, where additions – deductions = net increase in net position. This net increase in net position reflects the change in the net asset value of the statement of fiduciary net position from the prior year to the current year. Both statements are prepared in accordance with Governmental Accounting Standards Board ("GASB") Pronouncements.

The notes to the financial statements are an integral part of the financial statements and provide additional information that is essential to the comprehensive understanding of the data provided in the financial statements. These notes describe the accounting and administrative policies under which the Plan operates and provide additional levels of detail for select financial statement items (see notes to financial statements on pages 11 to 22 of this report).

Because of the long-term nature of a defined benefit pension plan, financial statements alone cannot provide sufficient information to properly reflect the ongoing plan perspective. Therefore, in addition to the financial statements explained above, this financial report includes "required supplementary information" with historical trend information. The required supplementary information section includes:

- Schedule of changes in net pension liability and related ratios.
- Schedule of contributions.
- Schedule of money-weighted rate of return.
- Notes to required supplementary information.

The schedule of changes in net pension liability and related ratios (page 23) includes information about the sources of changes to the net pension liability and to the changes in fiduciary net position. It also provides information regarding the fiduciary net position as a percentage of covered employee payroll and the net pension liability as a percentage of covered payroll.

The schedule of contributions (page 24) presents information regarding the value of total annual contributions to be paid by Palm Beach County (the “County”) and the actual performance of the County in meeting this contribution. The notes to the required supplementary information provide background information and explanatory detail to aid in understanding the required supplementary information schedules.

The schedule of money-weighted rate of return (page 25) provides information regarding the Plan’s rate of return.

## Analysis of Financial Activities

The Plan’s funding objective is to meet long-term benefit obligations through investment income and contributions. Accordingly, the collection of County and employee contributions, and the income from investments provide the reserves needed to finance future retirement benefits.

County and employee contributions to the Plan are made at determined rates of compensation, as set forth in the collective bargaining agreement between the Union and the Plan. Accordingly, contributions fluctuate with levels of compensation. Net position restricted for pension benefits increased by \$15,158,218 in 2024, compared to an increase of \$11,206,663 in 2023.

**Table 1**  
**Statements of Fiduciary Net Position**  
**As of December 31, 2024, 2023, and 2022**

	2024	2023	2022	Increase (Decrease) 2023 to 2024		Increase (Decrease) 2022 to 2023	
				\$	%	\$	%
Current and other assets	\$ 317,368	\$ 246,803	\$ 236,776	\$ 70,565	28.6%	\$ 10,027	4.2%
Investments	165,563,042	138,525,165	127,338,419	27,037,877	19.5%	11,186,746	8.8%
Total assets	165,880,410	138,771,968	127,575,195	27,108,442	19.5%	11,196,773	8.8%
Total liabilities	12,069,334	119,110	129,000	11,950,224	10032.9%	(9,890)	-7.7%
Net position	\$ 153,811,076	\$ 138,652,858	\$ 127,446,195	\$ 15,158,218	10.9%	\$ 11,206,663	8.8%

As previously noted, net position viewed over time may serve as a useful indication of the Plan’s financial position (see Table 1 above). At the close of 2024, the assets of the Plan exceeded its liabilities by \$153,811,076 in fiduciary net position restricted for pension benefits. The fiduciary net position is available to meet the Plan’s ongoing obligation to Plan participants and their beneficiaries.

## Net Position

The Plan’s net position is established from County and employee contributions, and the accumulation of investment return, net of investment and administrative expenses, refunds, and benefit payments.

## Additions to Plan Net Position

As previously noted, net position needed to finance retirement benefits is accumulated through the collection of County and employee contributions and through investment earnings (net of investment expenses). The net additions totaled \$24,799,766 for the year ended December 31, 2024. This was \$4,223,091 more than the prior year, primarily due to investment returns.

As the years roll forward and total assets and liabilities grow, investment income will continue to play an important role in funding future retirement benefits. Therefore, investment return over the long-term is critical to the funding status of the retirement Plan.

The Plan's investment portfolio experienced a money-weighted rate of return of approximately 12.5% and 10.4%, respectively, during the years ended December 31, 2024 and 2023. It is important to remember that a retirement plan's funding is based on a long-time horizon, where temporary ups and downs in the market are expected. The more critical factor is that the Plan be able to meet an expected annual return on investments of 7.00% during the years ended December 31, 2024 and 2023.

**Table 2**  
**Additions to Net Position**  
**As of December 31, 2024, 2023, and 2022**

	2024	2023	2022	Increase (Decrease) 2023 to 2024		Increase (Decrease) 2022 to 2023	
				\$	%	\$	%
Employer contributions	\$ 6,054,703	\$ 6,189,910	\$ 6,390,895	\$ (135,207)	-2.2%	\$ (200,985)	-3.1%
Employee contributions	1,234,177	1,049,253	1,012,503	184,924	17.6%	36,750	3.6%
Net investment income (loss)	17,510,886	13,337,512	(25,591,793)	4,173,374	31.3%	38,929,305	-152.1%
Total additions, net	<u>\$ 24,799,766</u>	<u>\$ 20,576,675</u>	<u>\$ (18,188,395)</u>	<u>\$ 4,223,091</u>	<u>20.5%</u>	<u>\$ 38,765,070</u>	<u>-213.1%</u>

## Deductions from Plan Net Position

The Plan was created to provide retirement, survivor and disability benefits to qualified members and their beneficiaries. The cost of such programs includes recurring benefit payments, refunds of contributions to employees who terminate employment, and the cost of administering the Plan.

**Table 3**  
**Deductions from Net Position**  
**As of December 31, 2024, 2023, and 2022**

	2024	2023	2022	Increase (Decrease) 2023 to 2024		Increase (Decrease) 2022 to 2023	
				\$	%	\$	%
Participant benefit payments	\$ 8,928,974	\$ 8,536,358	\$ 8,113,667	\$ 392,616	4.6%	\$ 422,691	5.2%
Refunds or participant contributions	417,247	585,618	459,183	(168,371)	-28.8%	126,435	27.5%
Administrative expenses	295,327	248,036	312,967	47,291	19.1%	(64,931)	-20.7%
Total deductions	<u>\$ 9,641,548</u>	<u>\$ 9,370,012</u>	<u>\$ 8,885,817</u>	<u>\$ 271,536</u>	<u>2.9%</u>	<u>\$ 484,195</u>	<u>5.4%</u>

## **Fiduciary Responsibilities**

The Board of Trustees is the fiduciary of the Plan. Fiduciaries are charged with the responsibility of assuring that the assets of the Plan are used exclusively for the benefit of Plan participants and their beneficiaries and defraying reasonable expenses of administering the Plan.

## **Requests for Information**

This financial report is designed to provide the Board of Trustees, our membership, taxpayers, and investment managers with an overview of the Plan's finances and accountability for the money received. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Palm Tran Inc. – Amalgamated Transit Union Local 1577 Pension Plan  
c/o Strategic Benefit Advisors, Inc.  
2392 Mount Vernon Road, Suite 200  
Atlanta, GA 30338

## Palm Tran, Inc. – Amalgamated Transit Union Local 1577 Pension Plan

### STATEMENTS OF FIDUCIARY NET POSITION

DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Assets</b>		
Receivables		
Interest and dividends	\$ 254,498	\$ 205,769
Employee contribution receivable	62,870	-
Pending trades receivable	-	41,034
Total receivables	317,368	246,803
Investments		
Money market funds	8,340,949	1,680,344
U.S. government obligations	14,938,956	7,766,535
Asset-backed securities	2,850,358	7,484,123
Corporate obligations	5,310,845	2,178,418
Fixed income mutual funds	26,116,271	23,327,537
International equity securities	875,998	1,252,085
Domestic equity securities	2,433,694	12,644,783
Equity mutual funds	39,436,927	41,611,729
Stock index fund	55,854,558	28,658,554
Commingled real estate fund	9,404,486	11,921,057
Total investments	165,563,042	138,525,165
Total assets	165,880,410	138,771,968
<b>Liabilities</b>		
Accounts payable	115,762	74,494
Pending trades payable	5,887,510	44,616
Prepaid contributions from Palm Beach County	6,066,062	-
Total liabilities	12,069,334	119,110
<b>Net position restricted for pension benefits</b>	<b>\$ 153,811,076</b>	<b>\$ 138,652,858</b>

The accompanying notes to the financial statements are an integral part of these statements.

## Palm Tran, Inc. – Amalgamated Transit Union Local 1577 Pension Plan

### STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Additions</b>		
Contributions		
Employer	\$ 6,054,703	\$ 6,189,910
Employee	1,234,177	1,049,253
Total contributions	7,288,880	7,239,163
Investment income		
Net appreciation in fair value of investments (realized and unrealized)	14,620,263	10,926,425
Interest and dividends	3,212,887	2,863,673
Other	8,372	14,866
Total investment income, net	17,841,522	13,804,964
Less investment expenses	(330,636)	(467,452)
Net investment income	17,510,886	13,337,512
Total additions, net	24,799,766	20,576,675
<b>Deductions</b>		
Participant benefit payments	8,928,974	8,536,358
Refunds of participant contributions	417,247	585,618
Administrative expenses	295,327	248,036
Total deductions	9,641,548	9,370,012
<b>Net increase in net position</b>	15,158,218	11,206,663
Net position restricted for pension benefits		
Beginning of year	138,652,858	127,446,195
End of year	\$ 153,811,076	\$ 138,652,858

The accompanying notes to the financial statements are an integral part of these statements.

# Notes To Financial Statements

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **Basis of Accounting**

The financial statements of Palm Tran, Inc. – Amalgamated Transit Union Local 1577 Pension Plan (the “Plan”) are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as applied to governmental units. The Governmental Accounting Standards Board (the “GASB”) is the standard setting body for government accounting and financial reporting.

Contributions from the Plan's members are recognized as revenue in the period in which the contributions are due. Contributions from Palm Beach County (the “County”) on behalf of Palm Tran, Inc. are recognized as revenue when due and when the County is legally required to provide contributions. Expenses are recognized in the accounting period incurred, if measurable. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

### **Method Used to Value Investments**

Investments are recorded at fair value in the statement of fiduciary net position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Short-term investments are reported at amortized cost, which approximates fair value.

Securities traded on national or international exchanges are valued at the last reported sales price or exchange rates.

Estimated fair values provided by third-party vendors are used to value U.S. government obligations, asset-backed securities, corporate obligations, convertible bonds, mutual funds, and U.S. government and agency guaranteed bonds, if not traded in an active market.

Fair values for the global infrastructure fund, the stock index fund, and the commingled real estate fund are based on the net asset value (the “NAV”) per share, as reported by the investment managers. The NAV is based upon the fair value of the underlying investments held by the fund. Information provided by entities regarding the methods they use to value the underlying investments and any restrictions on, or illiquidity are considered in determining fair value. As required by GASB, additional disclosures regarding funding requirements, redemption conditions and/or restrictions and valuation methods used by the fund managers in the determination of the NAV for each of these funds are included in Note 3 of the financial statements.

### **Contributions**

The Plan is funded by employer and employee contributions for the purpose of providing benefits and paying the administrative costs of the Plan.

Participants are required by the collective bargaining agreement to make contributions of 3.0% of their compensation to the Plan. Prior to October 1, 2014, the County made contributions to the Plan as required by the collective bargaining agreement. Effective October 1, 2014, the County contributes the minimum required contribution as determined by the Plan actuary and approved by the Board.

Contribution requirements were established by and may be amended by the collective bargaining agreement. Administrative costs are financed through investment earnings.

## **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **Investment Income**

Investment income includes the net appreciation in the fair value of the Plan's investments and interest income, dividend income, and other income not included within the net appreciation.

Net appreciation in fair value of investments includes the difference between cost and fair value of investments held and the realized gains and losses for investments purchased and sold during the year. Purchases and sales of investments are recorded on a trade date basis.

Income associated with interest and dividends is recognized on the accrual basis when earned.

In accordance with GASB financial reporting requirements, investment costs are reported as investment expense if they are separable from investment income and the administrative expense of the pension plan. Certain investment vehicles may report income to the Plan net of related costs. In these instances, investment-related costs may not be readily separable from the income, as reported to the Plan, and are included within investment income.

Investment expense generally includes investment management fees, custodial fees, and other significant investment-related costs.

### **Administrative Expenses**

Administrative expenses represent administrative fees, professional fees, insurance, and other expenses incurred by the Plan.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

### **Risks and Uncertainties**

Investment securities, in general, are subject to various risks, such as interest rate, credit and overall market volatility. Due to the levels of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of fiduciary net position.

## **NOTE 2. PLAN DESCRIPTION**

### **Plan Administration**

The Plan is a single employer contributory defined benefit pension plan established by an agreement between Florida Transit Management, Inc. and Local Union 1577 of the Amalgamated Transit Union, AFL-CIO, CLC (the "Union") on January 1, 1977. In 1996, Palm Tran, Inc. became the successor employer assuming all rights and obligations of Florida Transit Management, Inc. under the Plan. The Plan covers all full-time employees of Palm Tran, Inc. The Plan is administered by a Board of Trustees (the "Board") comprised of four trustees appointed by Palm Tran, Inc. and the Union, who have the authority to establish and amend benefits.

## NOTE 2. PLAN DESCRIPTION (CONTINUED)

### Plan Membership

Participants consisted of the following at January 1, 2024 and 2023, the date of the actuarial valuation:

	2024	2023
Retirees and beneficiaries currently receiving benefits	444	436
Terminated employees entitled to but not yet receiving benefits	118	107
Active Plan members	588	561
Total	1,150	1,104

### Plan Benefits

The Plan provides retirement, death, and disability benefits to its participants. In general, normal retirement benefits are 2.5% of the participant's "final average salary" multiplied by the years of credited service up to a maximum of 25 years. Participants that have greater than five but fewer than ten years of credited service as of the participant's first anniversary date on or after October 1, 2013, will have a benefit multiplier of 2%. Participants with fewer than five years of credited service on or before their first anniversary date on or after October 1, 2013, will have a benefit multiplier of 1.6%. In all cases, service accrued prior to October 1, 2013 will be credited with the 2.5% multiplier.

The "final average salary" represents the highest average gross compensation earned by the employee during any three calendar years in the employment of the employer. For participants who have earned fewer than five years of credited service as of October 1, 2013, the "final average salary" represents the highest average gross compensation earned by the employee during any five calendar years in the employment of the employer. For participants hired on or after October 1, 2013, the "final average salary" represents the highest average gross compensation earned by the employee during any eight calendar years in the employment of the employer.

Retirees and terminated participants are entitled to receive an amount equal to their employee contributions, payable in a lump-sum.

### Normal Retirement

A participant can receive normal (unreduced) retirement benefits at age 65 or the completion of five years of credited service. For participants that have earned fewer than ten years of credited service as of the participant's first anniversary date on or after October 1, 2013, the normal retirement age will be age 65 with the completion of eight or more years of credited service or 33 years of credited service regardless of age.

The retirement benefits of a participant retiring after the date on which he or she became eligible for normal retirement will be increased by 1% for each of the first 60 months that the retirement date follows the normal retirement date, plus 1.5% for each month thereafter.

### Early Retirement

A participant can receive early retirement benefits at age 55 upon the completion of ten years of credited service. The pension benefit is reduced by  $\frac{1}{2}\%$  for each month of early retirement prior to age 60. For participants that have their first anniversary of employment on or after October 1, 2013, the reduction will be  $\frac{1}{2}\%$  for each month of early retirement prior to age 62.

## **NOTE 2. PLAN DESCRIPTION (CONTINUED)**

### **Unreduced Early Retirement**

Participants are eligible to retire with an unreduced early retirement if they meet either of the following conditions:

1. Attainment of age 62 and at least ten years of credited service (for participants that have their first anniversary of employment on or after October 1, 2013); or
2. Attainment of age 60 and at least ten years of credited service (for participants that have at least ten years credited service as of October 1, 2013).

### **Rule of 85 Retirement**

Participants that have at least ten years of credited service as of October 1, 2013 are eligible for the Rule of 85 retirement if the sum of their age and years of credited service equals 85. If a participant retires under Rule of 85, the benefit will be determined in the same manner as a normal retirement with no reduction for age.

### **Disability Benefits**

A participant who is totally and permanently disabled and has earned at least ten years of credited service will be eligible for disability retirement income. This amount is computed in the same manner as normal retirement, but with no reduction based on age.

### **Supplemental Benefits**

Participants retiring on or after age 60 with at least ten years of credited service are entitled to a supplemental benefit of \$200 per month, which continues until age 65. Participants retiring under the Rule of 85 before reaching age 60 will receive the supplemental benefit starting at age 60.

### **Death Benefits**

If a participant dies before having retired and has not earned a vested percentage in his or her accrued pension benefit, his or her beneficiary will receive a cash benefit equal to the participant's contributions plus interest earned before May 25, 2007. Upon the death of an active participant who has earned at least ten years of credited service, his or her designated beneficiary will receive, upon application, a lump-sum benefit in the amount of \$5,000 in addition to any other benefits payable to the participant. If the deceased was a retired participant who had earned at least ten years of credited service, the lump-sum benefit is \$7,500.

### **Refund of Participant Contributions**

A participant who leaves employment with less than five years of credited service will receive a lump-sum distribution equal to the total employee contributions without interest.

Upon retirement directly from active service, a participant with ten years of credited service will receive a lump-sum distribution equal to the total employee contributions made prior to January 1, 2012, without interest. This benefit is payable in addition to a participant's retirement benefit as described in the Plan document.

### **NOTE 3. DEPOSITS AND INVESTMENTS**

#### **Custodial Credit Risk**

Florida Statutes require the Plan to maintain its deposits with financial institutions in a qualified public depository, as determined by the Treasurer of the State of Florida (the "Treasurer").

The Plan's accounts maintained in qualified public depositories are covered by federal depository insurance for an amount equal to the aggregate of each participant's ascertainable, non-contingent interest in the Plan (up to \$250,000 per participant). Amounts in excess of federal depository insurance are secured by the Public Depository Trust Fund (the "Trust Fund") maintained by the Treasurer. The Trust Fund is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

#### **Authorized Investments**

The Plan's investment practices are governed by Chapters 280 (Florida Security for Public Deposits Act) and 218 (Local Government Investment Policies), Florida Statutes, the Restated Agreement and Declaration of Trust and Pension Plan, and the Plan's adopted investment policy. The Board has the authority to review and amend the investment policy.

Florida Statutes, the Restated Agreement and Declaration of Trust and Pension Plan and the Plan's investment policy authorize the Board to invest in equities, fixed income securities, real estate, infrastructure, and cash equivalents.

The policy prohibits investments in tax-exempt bonds; interest only and principal only collateralized mortgage obligations; commodity futures; short sales; general obligations issued by a foreign government; hedge funds (unless approved by the Board); insurance annuities; repurchase agreements secured by anything but U.S.; margin purchase, lending or borrowing money; options; letter stock or private equity placements; private mortgages; securities lending (unless directed by the Board); investments and assets for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism; securities of the money manager, the directed trustee/custodian bank or their parent or subsidiaries; and any investment prohibited by local, state, or federal law.

During 2023, the investment policy was updated to comply with applicable requirements of Chapter 2023-28, Laws of Florida, including Section 112.662, along with the regulations adopted by the Department of Management Services.

### NOTE 3. DEPOSITS AND INVESTMENTS

#### Investments

At December 31, 2024, the Plan had the following investments:

Portfolio/Investments	Credit Rating (S&P)	Amount	Investment Maturity (in years)			
			Less than		More than	
			1	1-5	5-10	10
Money market funds	AAAm	\$ 8,340,949	\$ 8,340,949	\$ -	\$ -	\$ -
U.S. government obligations	AA+	14,938,956	-	2,449,494	10,417,949	2,071,513
Asset-backed securities	AA+	2,850,358	-	-	-	2,850,358
Corporate obligations	AA...BBB	5,310,845	-	2,227,944	2,545,207	537,694
Fixed income subtotal		31,441,108	\$ 8,340,949	\$ 4,677,438	\$ 12,963,156	\$ 5,459,565
Fixed income mutual funds	N/R*	26,116,271				
International equity securities	N/R	875,998				
Domestic equity securities	N/R	2,433,694				
Equity mutual funds	N/R	39,436,927				
Stock index fund	N/R	55,854,558				
Commingled real estate fund	N/R	9,404,486				
Total investments		\$ 165,563,042				

\*Not Rated

At December 31, 2023, the Plan had the following investments:

Portfolio/Investments	Credit Rating (S&P)	Amount	Investment Maturity (in years)			
			Less than		More than	
			1	1-5	5-10	10
Money market funds	AAAm	\$ 1,680,344	\$ 1,680,344	\$ -	\$ -	\$ -
U.S. government obligations	AA+	7,766,535	-	-	5,447,129	2,319,406
Asset-backed securities	AA+	7,484,123	-	-	-	7,484,123
Corporate obligations	A .. BBB+	2,178,418	-	-	2,178,418	-
Fixed income subtotal		19,109,420	\$ 1,680,344	\$ -	\$ 7,625,547	\$ 9,803,529
Fixed income mutual funds	N/R*	23,327,537				
International equity securities	N/R	1,252,085				
Domestic equity securities	N/R	12,644,783				
Equity mutual funds	N/R	41,611,729				
Stock index fund	N/R	28,658,554				
Commingled real estate fund	N/R	11,921,057				
Total investments		\$ 138,525,165				

\*Not Rated

#### Credit Risk

This is the risk that a security or portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization ("NSRO"). The Plan's investment policy limits investments in fixed income securities to securities with the following ratings:

- Corporate fixed income: Standard & Poor's ("S&P") "BBB", with an average bond portfolio rating of "A" or higher; and
- Collateralized mortgage obligations backed by the full faith of the U.S. Government: a rating of "AA+" by S&P or equivalent by an NSRO.

The tables above disclose the credit ratings by investment type as of December 31, 2024 and 2023.

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

#### Custodial Credit Risk

This is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are held by the counterparty. The Plan's policy is to maintain its investments in custodial accounts that identify securities held as assets of the Plan by registering securities in the name of the Plan, or in street name or nominee name as the Plan's agent.

#### Concentration of Credit Risk

Per the Plan's investment policy, equity investments, including convertible securities, infrastructure, and publicly traded REITs, are limited to 70% of the Plan's assets. Investments in shares of companies that have been publicly traded for less than one year are limited to no more than 10% of an investment manager's total equity portfolio. Not more than 5% of an investment manager's portfolio, based upon market value, may be invested in the securities of a single corporate issuer unless authorized by the Board. The total of all investments in securities issued by foreign governments or corporations domiciled outside the United States are limited to 20% (at the time of purchase) of the Plan's total market value. Not more than 2% of a manager's total bond portfolio may be invested in a single corporation. Asset-backed securities investments in any one issuing corporation are limited to 5% of the manager's bond portfolio.

The following was the Board's adopted asset allocation policy as of December 31, 2024:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45.0%	8.3%
International equity	15.0%	3.2%
Bonds	25.0%	2.1%
Convertibles	5.0%	6.6%
Private real estate	8.0%	5.5%
Cash	2.0%	0.0%
	100.0%	

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

#### Interest Rate Risk

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Although the Plan's investment policy does not provide limitations as to maturities, the Plan minimizes risk of fair value losses in its fixed income portfolio due to rising interest rates by investing in fixed income common trust funds or by structuring its investment portfolio so that securities mature to meet ongoing cash requirements, thereby avoiding the need to sell securities on the open market prior to maturity; and by investing operating funds primarily in shorter-term securities or by cash flow projections.

#### Fair Value Hierarchy

The fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value, provides three levels of inputs to measure fair value. Because of the inherent uncertainty of valuations, estimated fair values may differ significantly from the values that would have been used had a ready market for these investments existed, and differences could be material.

The Plan classifies its investments into a hierarchical disclosure framework as follows:

- Level 1 Securities traded in an active market with available quoted prices for identical assets as of the reporting date.
- Level 2 Securities not traded on an active market but for which observable market inputs are readily available or Level 1 securities where there is a contractual restriction as of the reporting date.
- Level 3 Securities not traded in an active market and for which no significant observable market inputs are available as of the reporting date.

Securities classified in Level 1 are valued using prices quoted in the active markets for those securities. Securities in Level 2 and Level 3 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities' relationships to benchmark quoted prices. Level 3 securities use proprietary information or single source pricing.

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

At December 31, 2024, the Plan's measurements for investments were as follows:

<b>December 31, 2024</b>	<b>Total</b>	<b>Quoted Prices in Active Markets For Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
Investments measured at fair value level				
U.S. government obligations	\$ 14,938,956	\$ 2,449,495	\$ 12,489,461	\$ -
Asset-backed securities	2,850,358	-	2,850,358	-
Corporate obligations	5,310,845	-	5,310,845	-
Fixed income mutual funds	26,116,271	26,116,271	-	-
International equity securities	875,998	875,998	-	-
Domestic equity securities	2,433,694	2,433,694	-	-
Equity mutual funds	39,436,927	39,436,927	-	-
Total investments measured at fair value	91,963,049	\$ 71,312,385	\$ 20,650,664	\$ -
Investments measures at NAV				
Stock index fund	55,854,558			
Commingled real estate fund	9,404,486			
Total investments measured at NAV	65,259,044			
Investments measured at amortized cost				
Money market funds	8,340,949			
Total investments measured at amortized cost	8,340,949			
Total investments	\$ 165,563,042			

At December 31, 2023, the Plan's measurements for investments were as follows:

<b>December 31, 2023</b>	<b>Total</b>	<b>Quoted Prices in Active Markets For Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
Investments measured at fair value level				
U.S. government obligations	\$ 7,766,535	\$ 2,091,384	\$ 5,675,151	\$ -
Asset-backed securities	7,484,123	-	7,484,123	-
Corporate obligations	2,178,418	-	2,178,418	-
Fixed income mutual funds	23,327,537	23,327,537	-	-
International equity securities	1,252,085	1,125,618	126,467	-
Domestic equity securities	12,644,783	12,644,783	-	-
Equity mutual funds	41,611,729	41,611,729	-	-
Total investments measured at fair value	96,265,210	\$ 80,801,051	\$ 15,464,159	\$ -
Investments measures at NAV				
Stock index fund	28,658,554			
Commingled real estate fund	11,921,057			
Total investments measured at NAV	40,579,611			
Investments measured at amortized cost				
Money market funds	1,680,344			
Total investments measured at amortized cost	1,680,344			
Total investments	\$ 138,525,165			

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following tables:

2024				
Investment	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Investments Measured at Net Asset Value (NAV)				
Real estate funds <sup>(1)</sup>	\$ 9,404,486	-	Quarterly	60 days
Stock index fund <sup>(2)</sup>	55,854,558	-		
Total investments measured at NAV	<u>\$ 65,259,044</u>			
2023				
Investment	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Investments Measured at Net Asset Value (NAV)				
Real estate funds <sup>(1)</sup>	\$ 11,921,057	-	Quarterly	60 days
Stock index fund <sup>(2)</sup>	28,658,554	-		
Total investments measured at NAV	<u>\$ 40,579,611</u>			

<sup>(1)</sup>*Real estate funds*: This type includes real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Redemption requests must be received by the fund 60 days prior to quarter-end, and to the extent the fund has liquid assets, redemption requests will be redeemed after quarter-end when that quarter's per share price is published. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital.

<sup>(2)</sup>*Stock Index Fund*: This fund's investment objective is to track the performance of the S&P 500 Index by investing in a portfolio of large capitalization equity securities. The Fund is expected to be diversified, so that at least 75% of its total assets are represented by cash and cash items, government securities, securities of other investment companies, and other securities limited in respect of any one issuer to any amount not greater than 5% of total assets. The Fund is constructed to mirror the Index and if it is unable to maintain such diversification at any time, it will prioritize matching the performance of the Index. These funds are valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

#### NOTE 4. NET PENSION LIABILITY OF THE COUNTY

The components of the net pension liability of the County at December 31, 2024 and 2023 were as follows:

	2024	2023
Total pension liability	\$ 177,505,125	\$ 172,025,313
Plan fiduciary net position	153,811,076	138,652,858
Net pension liability of the County	<u>\$ 23,694,049</u>	<u>\$ 33,372,455</u>
Plan fiduciary net position as a percentage of the total net pension liability	86.65%	80.60%

Assumptions for inflation and salary increases were 2.0% and 5% to 12.5%, respectively.

Mortality assumptions used the following, as required by state statute:

The following two sex distinct tables are used with fully generational mortality improvements using sex distinct Scale MP-2018:

Healthy Active: PubG.H-2010(B) (male set back one year).  
Healthy Retiree: PubG.H-2010(B) (male set back one year).

Juvenile rates were used for ages 15-17. The active table references the healthy retiree rates, above, at ages 81+. The healthy retiree table references the active mortality rates, above, before age 51.

The following sex distinct table was used with no mortality improvement assumed:

Disabled Retiree: PubG.H-2010 (male and female set forward three years).

The discount rate used to measure the total pension liability was 7.0%, for the fiscal years ending December 31, 2024 and 2023. This is the single rate that reflects the long-term expected net rate of return on pension plan investments expected to be used to finance the payment of benefits, including inflation. The projection of cash flows used to determine this single discount rate assumed that the Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments (7.0%) was applied to all periods of projected benefit payments to determine the total pension liability.

**NOTE 4. NET PENSION LIABILITY OF THE COUNTY (CONTINUED)**

The following presents the net pension liability of the County, calculated using the discount rate of 7.0% for the 2024 fiscal year, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

**Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption**

<b>1% Decrease</b>	<b>Current Single Discount</b>	<b>1% Increase</b>
<b>6.00%</b>	<b>Rate Assumption</b>	<b>8.00%</b>
<b>7.00%</b>		
\$ 41,994,014	\$ 23,694,049	\$ 8,143,058

The following presents the net pension liability of the County, calculated using the discount rate of 7.0% for the 2023 fiscal year, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

**Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption**

<b>1% Decrease</b>	<b>Single Discount</b>	<b>1% Increase</b>
<b>6.00%</b>	<b>Rate Assumption</b>	<b>8.00%</b>
<b>7.00%</b>		
\$ 51,212,025	\$ 33,372,455	\$ 18,215,778

**NOTE 5. INCOME TAXES**

The Plan's Administrator and the Plan's Tax Counsel believe the Plan is currently designed and is being operated in compliance with the applicable requirements of the Internal Revenue Service Code and that, therefore, the Plan continues to qualify under Section 401(a) as tax-exempt as of December 31, 2024. Therefore, no provision for income taxes has been included in the Plan's financial statements.

**NOTE 6. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 11, 2025 in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

## **REQUIRED SUPPLEMENTARY INFORMATION**

# Palm Tran, Inc. – Amalgamated Transit Union Local 1577 Pension Plan

## REQUIRED SUPPLEMENTARY INFORMATION

### SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Year Ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	\$ 4,403,454	\$ 4,295,336	\$ 4,461,980	\$ 4,348,404	\$ 4,130,151	\$ 4,040,432	\$ 4,022,548	\$ 3,657,542	\$ 3,614,568	\$ 3,699,372
Interest	11,990,036	11,544,317	11,183,833	10,912,701	10,597,228	10,357,277	10,013,496	9,655,384	9,070,466	8,602,255
Benefit changes	-	-	-	-	-	-	-	-	-	-
Difference between actual and expected experience	(1,567,457)	(277,451)	(1,431,145)	(1,534,186)	(1,369,424)	(1,085,883)	(1,801,094)	(2,489,675)	260,004	(2,653,460)
Assumption changes	-	-	-	3,815,456	3,572,156	1,674,262	3,193,461	(523,606)	-	1,585,562
Benefit payments, including refunds of member contributions	(9,346,221)	(9,121,976)	(8,572,850)	(8,241,414)	(7,606,438)	(7,205,264)	(6,625,328)	(5,898,029)	(5,467,344)	(5,009,083)
Net change in total pension liability	5,479,812	6,440,226	5,641,818	9,300,961	9,323,673	7,780,824	8,803,083	4,401,616	7,477,694	6,224,646
Total pension liability, beginning	172,025,313	165,585,087	159,943,269	150,642,308	141,318,635	133,537,811	124,734,728	120,333,112	112,855,418	106,630,772
Total pension liability, ending (a)	\$ 177,505,125	\$ 172,025,313	\$ 165,585,087	\$ 159,943,269	\$ 150,642,308	\$ 141,318,635	\$ 133,537,811	\$ 124,734,728	\$ 120,333,112	\$ 112,855,418
Plan fiduciary net position										
Contributions - County	\$ 6,054,703	\$ 6,189,910	\$ 6,390,895	\$ 6,268,796	\$ 6,338,056	\$ 5,809,852	\$ 5,509,648	\$ 5,421,844	\$ 5,589,705	\$ 5,215,491
Contributions - members	1,234,177	1,049,253	1,012,503	987,691	976,061	943,170	923,986	912,362	867,999	777,273
Net investment income	17,510,886	13,337,512	(25,591,793)	17,116,840	19,587,534	19,052,799	(4,414,367)	12,590,071	5,754,084	(1,839,676)
Benefit payments, including refunds of member contributions	(9,346,221)	(9,121,976)	(8,572,850)	(8,241,414)	(7,606,438)	(7,205,264)	(6,625,328)	(5,898,029)	(5,467,344)	(5,009,083)
Administrative expenses	(295,327)	(248,036)	(312,967)	(287,715)	(277,662)	(276,527)	(372,153)	(213,695)	(157,019)	(182,444)
Net change in plan fiduciary net position	15,158,218	11,206,663	(27,074,212)	15,844,198	19,017,551	18,324,030	(4,978,214)	12,812,553	6,587,425	(1,038,439)
Plan fiduciary net position, beginning	138,652,858	127,446,195	154,520,407	138,676,209	119,658,658	101,334,628	106,312,842	93,500,289	86,912,864	87,951,303
Plan fiduciary net position, ending (b)	\$ 153,811,076	\$ 138,652,858	\$ 127,446,195	\$ 154,520,407	\$ 138,676,209	\$ 119,658,658	\$ 101,334,628	\$ 106,312,842	\$ 93,500,289	\$ 86,912,864
Net pension liability, ending (a) - (b)	\$ 23,694,049	\$ 33,372,455	\$ 38,138,892	\$ 5,422,862	\$ 11,966,099	\$ 21,659,977	\$ 32,203,183	\$ 18,421,886	\$ 26,832,823	\$ 25,942,554
Plan fiduciary net position as a percentage of the total pension liability	86.65%	80.60%	76.97%	96.61%	92.06%	84.67%	75.88%	85.23%	77.70%	77.01%
Covered employee payroll	\$ 37,644,012	\$ 36,250,347	\$ 33,641,561	\$ 32,799,623	\$ 32,525,195	\$ 31,395,399	\$ 30,674,568	\$ 30,402,375	\$ 30,061,310	\$ 27,512,115
Net pension liability as a percentage of covered employee payroll	62.94%	92.06%	113.37%	16.53%	36.79%	68.99%	104.98%	60.59%	89.26%	94.30%

## Palm Tran, Inc. – Amalgamated Transit Union Local 1577 Pension Plan

### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contribution as a % of Covered Payroll
2024	\$ 6,054,703	\$ 6,054,703	\$ -	\$ 37,644,012	16.1%
2023	6,189,910	6,189,910	-	36,250,347	17.1%
2022	6,390,895	6,390,895	-	33,641,561	19.0%
2021	6,268,796	6,268,796	-	32,799,623	19.1%
2020	6,338,056	6,338,056	-	32,525,195	19.5%
2019	5,809,852	5,809,852	-	31,395,399	18.5%
2018	5,509,648	5,509,648	-	30,674,568	18.0%
2017	5,421,844	5,421,844	-	30,402,375	17.8%
2016	5,482,364	5,589,705	(107,341)	30,061,310	18.2%
2015	5,123,999	5,215,491	(91,492)	27,512,115	18.6%

Valuation date: January 1, 2023

Methods and assumptions used to determine contribution rate:

Actuarial cost method:	Entry age.
Asset valuation method:	Five year smoothed market.
Amortization method:	Level percent of pay, closed.
Remaining amortization period:	New amortization bases are set up over 25 years.
Inflation:	2%.
Salary increases:	5% to 12.5%.
Investment rate of return:	7.0% net of investment expenses, including inflation.
Retirement age:	Tier 1 Members with at least 10 years of service and who have not reached the Rule of 85 retire at a rate of 10% between age 62 and 64. Members with at least five years of service and who have not reached the Rule of 85 retire at a rate of 10% between age 65 and 68. Tier 1 Members who are age 69 or have met the Rule of 85 are assumed to retire immediately. Tier 2 and 3 Members are assumed to retire at the earliest of 65 with 5 years of service, age 62 with 10 years of service, or at 33 years of service regardless of age. Tier 4 Members are assumed to retire at the earliest of 65 with eight years of service or 62 with 10 years of service.
Mortality:	<p>Mortality rates are those required by state statute. Mortality is as assumed for the Florida Retirement System (FRS) valuation as of July 1, 2019-2022 for not special risk and not school instructional personnel, as follows:</p> <p>The following two sex distinct tables are used with fully generational mortality improvements using sex distinct Scale MP-2018:</p> <p>Healthy Active: PubG.H-2010(B) (male set back one year).</p> <p>Healthy Retiree: PubG.H-2010(B) (male set back one year).</p> <p>Juvenile rates were used for ages 15-17.</p> <p>The active table references the healthy retiree rates, above, at ages 81+.</p> <p>The healthy retiree table references the active mortality rates, above, before age 51.</p> <p>The following sex distinct table was used with no mortality improvement assumed:</p> <p>Disabled Retiree: PubG.H-2010 (male and female set forward three years).</p>
Benefit changes:	None.
Changes in assumptions:	None.

## Palm Tran, Inc. – Amalgamated Transit Union Local 1577 Pension Plan

### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN

---

<b>Year Ended September 30,</b>	<b>Annual Money-Weighted Rate of Return, Net of Investment Expense</b>
2024	12.5%
2023	10.4%
2022	-16.3%
2021	12.3%
2020	16.5%
2019	18.9%
2018	-4.0%
2017	14.0%
2016	7.4%
2015	-1.6%

## **OTHER SUPPLEMENTARY INFORMATION**

## Palm Tran, Inc. – Amalgamated Transit Union Local 1577 Pension Plan

### SCHEDULES OF ADMINISTRATIVE AND INVESTMENT EXPENSES YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Administrative expenses</b>		
Administrative services	\$ 134,353	\$ 120,992
Legal services	38,481	29,521
Actuarial services	73,450	49,700
Accounting services	20,000	20,163
Liability insurance	11,718	11,696
Trustee expenses	14,287	13,540
Other administrative expenses	3,038	2,424
Total administrative expenses	<u>\$ 295,327</u>	<u>\$ 248,036</u>
<b>Investment expenses</b>		
Investment management fees	\$ 230,564	\$ 338,237
Custodial fees	64,072	81,215
Performance monitoring fees	36,000	48,000
Total investment expenses	<u>\$ 330,636</u>	<u>\$ 467,452</u>

**See accompanying Independent Auditor's Report.**

## **OTHER AUDITOR'S REPORT**



## Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

**To the Board of Trustees  
Palm Tran Inc. – Amalgamated Transit  
Union Local 1577 Pension Plan  
Delray Beach, Florida**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Palm Tran, Inc. – Amalgamated Transit Union Local 1577 Pension Plan (the "Plan") as of and for the year ended December 31, 2024, and the related notes to the financial statements, and have issued our report thereon dated June 11, 2025.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
June 11, 2025