



November 4, 2022

Board of Trustees
 Palm Bay Police & Firefighters' Pension Board
 Conlan Professional Center
 1501 Robert J. Conlan Blvd. NE Suite 240
 Palm Bay, FL 32905-3567

Re: Palm Bay Police & Firefighters' Pension Fund

Dear Board of Trustees:

Based on the long term returns of various asset classes provided by PSN and the asset allocation strategy of the pension plan, BCA believes it is reasonable to expect a 7.65% return next year, the next several years and over the long run.

Performance										
Index	Quarter	1 Year	2 Years	3 Years	5 Years	10 Years	20 Years	30 Years or Since Inception	Expected Real Rate (%)	Std. Dev. (30 Yr or Inception)
Russell 3000	-4.5	-17.6	4.2	7.7	8.6	11.4	9.9	9.6	7.1	16.8
ML All US Convert Index	0.3	-20.0	0.9	10.1	9.3	10.1	9.0	8.8	6.3	14.4
MSCI ACWI ex US	-9.8	-24.8	-3.3	-1.1	-0.3	3.5	6.9	5.6	3.1	18.3
FTSE Core Infrastructure 50/50 Index*	-8.9	-5.5	5.0	0.6	4.1	7.3	8.1	8.1	5.6	12.4
NCREIF ODCE	0.5	22.1	18.3	12.4	10.3	10.9	8.8	8.9	6.4	5.8
Barclays Agg	-4.8	-14.6	-8.0	-3.3	-0.3	0.9	3.1	4.5	2.0	4.2
Consumer Price Index (CPI)	0.2	8.2	6.7	4.8	3.7	2.5	2.5	2.5	2.3	1.8
Target Portfolio Allocation	-4.6	-13.6	1.2	4.0	5.1	7.2	7.5	7.5	5.0	12.3

Note: Target Portfolio Allocation: 35% Russell 3000, 10% ML All US Convert, 15% MSCI ACWI ex US, 5% FTSE Core Infrastructure 50/50 Index, 10% NCREIF ODCE, 25% Barclays Agg.

*Inception date for indices less than 30 years old: FTSE Core Infrastructure 50/50 Index - 1/2010.

If you have any questions, please do not hesitate to contact me at 407.644.0111.

Sincerely,

Larry Cole
 Senior Consultant