

**CITY OF DADE CITY
FIREFIGHTERS' RELIEF AND PENSION FUND**

**SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2020 VALUATION DATE**



May 19, 2021

VIA E-MAIL

Ms. Ferrell Jenne
Lead Plan Administrator
Foster & Foster, Inc.
2503 Del Prado Blvd. S.
Cape Coral, FL 33904

Re: City of Dade City Firefighters' Relief and Pension Fund
Section 112.664, Florida Statutes Compliance

Dear Ferrell:

Please find enclosed the annual disclosures that satisfy the October 1, 2020 financial reporting requirements made under Section 112.664.

Our office will submit this information electronically to the Department of Management Services. However, it is important for you to be aware that this report must also be made available on the Plan or Plan Sponsor's website, if such website exists. A deadline for this website publication is not made clear in the law.


In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should contact its Investment Consultant for this information.

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1), F.S., the actuarial disclosures required under this section were prepared and completed by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, meet the requirements of Section 112.664(1), Florida Statutes, and Rule 60T-1.0035, Florida Administrative Code.

If there are any questions, concerns, or comments about any of the items contained in this report, please feel free to contact me.

Respectfully submitted,

Foster & Foster, Inc.

By: 
Sara E. Carlson, ASA, EA, MAAA
Enrolled Actuary #20-8546

Enclosures

cc via email: Scott Christiansen, Board Attorney

When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2020 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, 2020

	ACTUAL	HYPOTHETICAL	
Discount Rate:	7.30%	5.30%	9.30%
<u>Total Pension Liability</u>			
Service Cost	56,814	96,182	34,308
Interest	547,203	486,296	587,841
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience	(29,754)	(14,937)	(46,119)
Changes of Assumptions	(137,261)	(226,715)	(86,949)
Benefit Payments, Including Refunds of			
Employee Contributions	(895,170)	(895,170)	(895,170)
Net Change in Total Pension Liability	(458,168)	(554,344)	(406,089)
Total Pension Liability - Beginning	7,886,703	9,526,800	6,734,145
Total Pension Liability - Ending (a)	<u>\$ 7,428,535</u>	<u>\$ 8,972,456</u>	<u>\$ 6,328,056</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	220,041	220,041	220,041
Contributions - State	40,473	40,473	40,473
Contributions - Employee	2,739	2,739	2,739
Net Investment Income	546,857	546,857	546,857
Benefit Payments, Including Refunds of			
Employee Contributions	(895,170)	(895,170)	(895,170)
Administrative Expenses	(36,665)	(36,665)	(36,665)
Net Change in Plan Fiduciary Net Position	(121,725)	(121,725)	(121,725)
Plan Fiduciary Net Position - Beginning	6,759,427	6,759,427	6,759,427
Plan Fiduciary Net Position - Ending (b)	<u>\$ 6,637,702</u>	<u>\$ 6,637,702</u>	<u>\$ 6,637,702</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 790,833</u>	<u>\$ 2,334,754</u>	<u>\$ (309,646)</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Discount Rate = 7.30%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2020	6,637,702	-	978,843	-	448,824	6,107,683
2021	6,107,683	-	547,809	-	425,866	5,985,740
2022	5,985,740	-	596,371	-	415,191	5,804,560
2023	5,804,560	-	593,288	-	402,078	5,613,350
2024	5,613,350	-	582,289	-	388,521	5,419,582
2025	5,419,582	-	578,200	-	374,525	5,215,907
2026	5,215,907	-	573,838	-	359,816	5,001,885
2027	5,001,885	-	569,325	-	344,357	4,776,917
2028	4,776,917	-	564,462	-	328,112	4,540,567
2029	4,540,567	-	559,169	-	311,052	4,292,450
2030	4,292,450	-	552,891	-	293,168	4,032,727
2031	4,032,727	-	539,358	-	274,703	3,768,072
2032	3,768,072	-	523,772	-	255,952	3,500,252
2033	3,500,252	-	515,381	-	236,707	3,221,578
2034	3,221,578	-	506,455	-	216,690	2,931,813
2035	2,931,813	-	496,969	-	195,883	2,630,727
2036	2,630,727	-	486,911	-	174,271	2,318,087
2037	2,318,087	-	476,274	-	151,836	1,993,649
2038	1,993,649	-	465,053	-	128,562	1,657,158
2039	1,657,158	-	453,247	-	104,429	1,308,340
2040	1,308,340	-	440,858	-	79,418	946,900
2041	946,900	-	427,894	-	53,506	572,512
2042	572,512	-	414,360	-	26,669	184,821
2043	184,821	-	400,257	-	-	-

*All DROP and Share Balances paid in 2020.

Number of Years Expected Benefit Payments Sustained: 23.46

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.30% 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: Discount Rate = 5.30%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2020	6,637,702	-	978,843	-	325,859	5,984,718
2021	5,984,718	-	547,809	-	302,673	5,739,582
2022	5,739,582	-	596,371	-	288,394	5,431,605
2023	5,431,605	-	593,288	-	272,153	5,110,470
2024	5,110,470	-	582,289	-	255,424	4,783,605
2025	4,783,605	-	578,200	-	238,209	4,443,614
2026	4,443,614	-	573,838	-	220,305	4,090,081
2027	4,090,081	-	569,325	-	201,687	3,722,443
2028	3,722,443	-	564,462	-	182,331	3,340,312
2029	3,340,312	-	559,169	-	162,219	2,943,362
2030	2,943,362	-	552,891	-	141,347	2,531,818
2031	2,531,818	-	539,358	-	119,893	2,112,353
2032	2,112,353	-	523,772	-	98,075	1,686,656
2033	1,686,656	-	515,381	-	75,735	1,247,010
2034	1,247,010	-	506,455	-	52,670	793,225
2035	793,225	-	496,969	-	28,871	325,127
2036	325,127	-	486,911	-	-	-

*All DROP and Share Balances paid in 2020.

Number of Years Expected Benefit Payments Sustained: 16.67

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.30% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Discount Rate = 9.30%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2020	6,637,702	-	978,843	-	571,790	6,230,649
2021	6,230,649	-	547,809	-	553,977	6,236,817
2022	6,236,817	-	596,371	-	552,293	6,192,739
2023	6,192,739	-	593,288	-	548,337	6,147,788
2024	6,147,788	-	582,289	-	544,668	6,110,167
2025	6,110,167	-	578,200	-	541,359	6,073,326
2026	6,073,326	-	573,838	-	538,136	6,037,624
2027	6,037,624	-	569,325	-	535,025	6,003,324
2028	6,003,324	-	564,462	-	532,062	5,970,924
2029	5,970,924	-	559,169	-	529,295	5,941,050
2030	5,941,050	-	552,891	-	526,808	5,914,967
2031	5,914,967	-	539,358	-	525,012	5,900,621
2032	5,900,621	-	523,772	-	524,402	5,901,251
2033	5,901,251	-	515,381	-	524,851	5,910,721
2034	5,910,721	-	506,455	-	526,147	5,930,413
2035	5,930,413	-	496,969	-	528,419	5,961,863
2036	5,961,863	-	486,911	-	531,812	6,006,764
2037	6,006,764	-	476,274	-	536,482	6,066,972
2038	6,066,972	-	465,053	-	542,603	6,144,522
2039	6,144,522	-	453,247	-	550,365	6,241,640
2040	6,241,640	-	440,858	-	559,973	6,360,755
2041	6,360,755	-	427,894	-	571,653	6,504,514
2042	6,504,514	-	414,360	-	585,652	6,675,806
2043	6,675,806	-	400,257	-	602,238	6,877,787
2044	6,877,787	-	385,584	-	621,705	7,113,908
2045	7,113,908	-	370,338	-	644,373	7,387,943
2046	7,387,943	-	354,520	-	670,594	7,704,017
2047	7,704,017	-	338,150	-	700,750	8,066,617
2048	8,066,617	-	321,257	-	735,257	8,480,617
2049	8,480,617	-	303,872	-	774,567	8,951,312
2050	8,951,312	-	286,037	-	819,171	9,484,446
2051	9,484,446	-	267,810	-	869,600	10,086,236
2052	10,086,236	-	249,272	-	926,429	10,763,393
2053	10,763,393	-	230,549	-	990,275	11,523,119
2054	11,523,119	-	211,799	-	1,061,801	12,373,121
2055	12,373,121	-	193,203	-	1,141,716	13,321,634
2056	13,321,634	-	174,957	-	1,230,776	14,377,453
2057	14,377,453	-	157,249	-	1,329,791	15,549,995
2058	15,549,995	-	140,257	-	1,439,628	16,849,366
2059	16,849,366	-	124,135	-	1,561,219	18,286,450
2060	18,286,450	-	109,028	-	1,695,570	19,872,992
2061	19,872,992	-	95,049	-	1,843,768	21,621,711
2062	21,621,711	-	82,277	-	2,006,993	23,546,427
2063	23,546,427	-	70,776	-	2,186,527	25,662,178
2064	25,662,178	-	60,563	-	2,383,766	27,985,381
2065	27,985,381	-	51,623	-	2,600,240	30,533,998
2066	30,533,998	-	43,905	-	2,837,620	33,327,713
2067	33,327,713	-	37,342	-	3,097,741	36,388,112
2068	36,388,112	-	31,855	-	3,382,613	39,738,870
2069	39,738,870	-	27,351	-	3,694,443	43,405,962

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Discount Rate = 9.30%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2070	43,405,962	-	23,717	-	4,035,652	47,417,897
2071	47,417,897	-	20,828	-	4,408,896	51,805,965
2072	51,805,965	-	18,554	-	4,817,092	56,604,503
2073	56,604,503	-	16,775	-	5,263,439	61,851,167
2074	61,851,167	-	15,376	-	5,751,444	67,587,235
2075	67,587,235	-	14,256	-	6,284,950	73,857,929
2076	73,857,929	-	13,329	-	6,868,168	80,712,768
2077	80,712,768	-	12,530	-	7,505,705	88,205,943
2078	88,205,943	-	11,811	-	8,202,603	96,396,735
2079	96,396,735	-	11,131	-	8,964,379	105,349,983
2080	105,349,983	-	10,465	-	9,797,062	115,136,580
2081	115,136,580	-	9,796	-	10,707,246	125,834,030
2082	125,834,030	-	9,118	-	11,702,141	137,527,053
2083	137,527,053	-	8,428	-	12,789,624	150,308,249
2084	150,308,249	-	7,730	-	13,978,308	164,278,827
2085	164,278,827	-	7,028	-	15,277,604	179,549,403
2086	179,549,403	-	6,334	-	16,697,800	196,240,869
2087	196,240,869	-	5,655	-	18,250,138	214,485,352
2088	214,485,352	-	5,001	-	19,946,905	234,427,256
2089	234,427,256	-	4,374	-	21,801,531	256,224,413
2090	256,224,413	-	3,774	-	23,828,695	280,049,334
2091	280,049,334	-	3,206	-	26,044,439	306,090,567
2092	306,090,567	-	2,678	-	28,466,298	334,554,187
2093	334,554,187	-	2,197	-	31,113,437	365,665,427
2094	365,665,427	-	1,766	-	34,006,803	399,670,464
2095	399,670,464	-	1,387	-	37,169,289	436,838,366
2096	436,838,366	-	1,063	-	40,625,919	477,463,222
2097	477,463,222	-	794	-	44,404,043	521,866,471
2098	521,866,471	-	577	-	48,533,555	570,399,449
2099	570,399,449	-	407	-	53,047,130	623,446,172
2100	623,446,172	-	277	-	57,980,481	681,426,376
2101	681,426,376	-	183	-	63,372,644	744,798,837
2102	744,798,837	-	116	-	69,266,286	814,065,007
2103	814,065,007	-	71	-	75,708,042	889,772,978
2104	889,772,978	-	41	-	82,748,885	972,521,822
2105	972,521,822	-	23	-	90,444,528	1,062,966,327
2106	1,062,966,327	-	13	-	98,855,868	1,161,822,182
2107	1,161,822,182	-	7	-	108,049,463	1,269,871,638
2108	1,269,871,638	-	4	-	118,098,062	1,387,969,696
2109	1,387,969,696	-	2	-	129,081,182	1,517,050,876
2110	1,517,050,876	-	1	-	141,085,731	1,658,136,606
2111	1,658,136,606	-	-	-	154,206,704	1,812,343,310

*All DROP and Share Balances paid in 2020.

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 9.30% 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, 2022**

Valuation Date: 10/1/2020

	ACTUAL	HYPOTHETICAL	
Investment Rate of Return:	7.30%	5.30%	9.30%
Minimum Required Contribution (Fixed \$)	\$248,523	\$371,442	\$132,116
Minimum Required Contribution (% of Payroll)	105.4%	157.7%	56.1%
Expected Member Contribution	2,443	2,419	2,466
Expected State Money	40,473	40,473	40,473
Expected Sponsor Contribution (Fixed \$)	\$205,607	\$328,550	\$89,177
Expected Sponsor Contribution (% of Payroll)	86.2%	138.5%	36.9%

ASSETS

Actuarial Value ¹	6,637,702	6,637,702	6,637,702
Market Value ¹	6,637,702	6,637,702	6,637,702

LIABILITIES

Present Value of Benefits			
Active Members			
Retirement Benefits	1,817,359	2,275,274	1,494,049
Disability Benefits	5,076	6,126	4,317
Death Benefits	2,792	3,050	2,567
Vested Benefits	0	0	0
Refund of Contributions	0	0	0
Service Retirees	4,381,963	5,308,484	3,715,408
DROP Retirees ¹	960,995	1,105,475	864,896
Beneficiaries	162,983	197,160	139,106
Disability Retirees	0	0	0
Terminated Vested	7,869	9,466	6,702
Share Plan Balances ¹	113,368	113,368	113,368
Total:	7,452,405	9,018,403	6,340,413
Present Value of Future Salaries	297,681	299,102	296,312
Present Value of Future Member Contributions	2,977	2,991	2,963
Total Normal Cost	36,985	61,228	22,721
Present Value of Future Normal Costs (Entry Age Normal)	48,347	81,270	29,258
Total Actuarial Accrued Liability ¹	7,404,058	8,937,133	6,311,155
Unfunded Actuarial Accrued Liability (UAAL)	766,356	2,299,431	(326,547)

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2022

Valuation Date: 10/1/2020

	ACTUAL	HYPOTHETICAL	
	7.30%	5.30%	9.30%
Investment Rate of Return:			
<u>PENSION COST</u>			
Normal Cost ²	40,539	66,464	25,145
Administrative Expenses ²	38,700	38,327	39,073
Payment Required To Amortize UAAL ²	169,284	266,651	67,898
Minimum Required Contribution	\$248,523	\$371,442	\$132,116

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2020.

² Contributions developed as of 10/1/2020 displayed above have been adjusted to account for assumed salary increase and interest components.