

CITY OF DADE CITY
FIREFIGHTERS' RELIEF AND PENSION FUND

SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2021 VALUATION DATE



July 15, 2022

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, 2021 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, 2021 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, 2021

	ACTUAL	HYPOTHETICAL	
	7.00%	5.00%	9.00%
Discount Rate:	7.00%	5.00%	9.00%
<u>Total Pension Liability</u>			
Service Cost	42,946	70,492	26,640
Interest	529,176	467,484	570,295
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(33,933)	(49,072)	(23,538)
Changes of Assumptions	192,897	276,283	140,111
Contributions - Buy Back	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(444,979)	(444,979)	(444,979)
Net Change in Total Pension Liability	286,107	320,208	268,529
Total Pension Liability - Beginning	7,428,535	8,972,456	6,328,056
Total Pension Liability - Ending (a)	<u>\$ 7,714,642</u>	<u>\$ 9,292,664</u>	<u>\$ 6,596,585</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	222,033	222,033	222,033
Contributions - State	42,820	42,820	42,820
Contributions - Employee	1,598	1,598	1,598
Net Investment Income	1,159,299	1,159,299	1,159,299
Benefit Payments, Including Refunds of Employee Contributions	(444,979)	(444,979)	(444,979)
Administrative Expenses	(46,671)	(46,671)	(46,671)
Net Change in Plan Fiduciary Net Position	934,100	934,100	934,100
Plan Fiduciary Net Position - Beginning	6,637,702	6,637,702	6,637,702
Plan Fiduciary Net Position - Ending (b)	<u>\$ 7,571,802</u>	<u>\$ 7,571,802</u>	<u>\$ 7,571,802</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 142,840</u>	<u>\$ 1,720,862</u>	<u>\$ (975,217)</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Discount Rate = 7.00%

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
2021	7,571,802	-	1,118,715	-	490,871	6,943,958
2022	6,943,958	-	610,155	-	464,722	6,798,525
2023	6,798,525	-	607,070	-	454,649	6,646,104
2024	6,646,104	-	595,823	-	444,373	6,494,654
2025	6,494,654	-	591,857	-	433,911	6,336,708
2026	6,336,708	-	587,669	-	423,001	6,172,040
2027	6,172,040	-	583,135	-	411,633	6,000,538
2028	6,000,538	-	578,244	-	399,799	5,822,093
2029	5,822,093	-	569,803	-	387,603	5,639,893
2030	5,639,893	-	563,665	-	375,064	5,451,292
2031	5,451,292	-	556,574	-	362,110	5,256,828
2032	5,256,828	-	536,995	-	349,183	5,069,016
2033	5,069,016	-	528,439	-	336,336	4,876,913
2034	4,876,913	-	519,337	-	323,207	4,680,783
2035	4,680,783	-	509,665	-	309,817	4,480,935
2036	4,480,935	-	499,408	-	296,186	4,277,713
2037	4,277,713	-	488,560	-	282,340	4,071,493
2038	4,071,493	-	477,115	-	268,305	3,862,683
2039	3,862,683	-	465,071	-	254,110	3,651,722
2040	3,651,722	-	452,429	-	239,786	3,439,079
2041	3,439,079	-	439,197	-	225,364	3,225,246
2042	3,225,246	-	425,378	-	210,879	3,010,747
2043	3,010,747	-	410,976	-	196,368	2,796,139
2044	2,796,139	-	395,987	-	181,870	2,582,022
2045	2,582,022	-	380,408	-	167,427	2,369,041
2046	2,369,041	-	364,240	-	153,084	2,157,885
2047	2,157,885	-	347,502	-	138,889	1,949,272
2048	1,949,272	-	330,220	-	124,891	1,743,943
2049	1,743,943	-	312,426	-	111,141	1,542,658
2050	1,542,658	-	294,160	-	97,690	1,346,188
2051	1,346,188	-	275,482	-	84,591	1,155,297
2052	1,155,297	-	256,474	-	71,894	970,717
2053	970,717	-	237,263	-	59,646	793,100
2054	793,100	-	218,016	-	47,886	622,970
2055	622,970	-	198,915	-	36,646	460,701
2056	460,701	-	180,162	-	25,943	306,482
2057	306,482	-	161,951	-	15,785	160,316
2058	160,316	-	144,463	-	6,166	22,019
2059	22,019	-	127,858	-	-	-

*All DROP and Share Balances paid in 2021.

Number of Years Expected Benefit Payments Sustained: 38.17

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: Discount Rate = 5.00%

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
2021	7,571,802	-	1,118,715	-	350,622	6,803,709
2022	6,803,709	-	610,155	-	324,932	6,518,486
2023	6,518,486	-	607,070	-	310,748	6,222,164
2024	6,222,164	-	595,823	-	296,213	5,922,554
2025	5,922,554	-	591,857	-	281,331	5,612,028
2026	5,612,028	-	587,669	-	265,910	5,290,269
2027	5,290,269	-	583,135	-	249,935	4,957,069
2028	4,957,069	-	578,244	-	233,397	4,612,222
2029	4,612,222	-	569,803	-	216,366	4,258,785
2030	4,258,785	-	563,665	-	198,848	3,893,968
2031	3,893,968	-	556,574	-	180,784	3,518,178
2032	3,518,178	-	536,995	-	162,484	3,143,667
2033	3,143,667	-	528,439	-	143,972	2,759,200
2034	2,759,200	-	519,337	-	124,977	2,364,840
2035	2,364,840	-	509,665	-	105,500	1,960,675
2036	1,960,675	-	499,408	-	85,549	1,546,816
2037	1,546,816	-	488,560	-	65,127	1,123,383
2038	1,123,383	-	477,115	-	44,241	690,509
2039	690,509	-	465,071	-	22,899	248,337
2040	248,337	-	452,429	-	-	-

*All DROP and Share Balances paid in 2021.

Number of Years Expected Benefit Payments Sustained: 19.55

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.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Discount Rate = 9.00%

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
2021	7,571,802	-	1,118,715	-	631,120	7,084,207
2022	7,084,207	-	610,155	-	610,122	7,084,174
2023	7,084,174	-	607,070	-	610,258	7,087,362
2024	7,087,362	-	595,823	-	611,051	7,102,590
2025	7,102,590	-	591,857	-	612,600	7,123,333
2026	7,123,333	-	587,669	-	614,655	7,150,319
2027	7,150,319	-	583,135	-	617,288	7,184,472
2028	7,184,472	-	578,244	-	620,582	7,226,810
2029	7,226,810	-	569,803	-	624,772	7,281,779
2030	7,281,779	-	563,665	-	629,995	7,348,109
2031	7,348,109	-	556,574	-	636,284	7,427,819
2032	7,427,819	-	536,995	-	644,339	7,535,163
2033	7,535,163	-	528,439	-	654,385	7,661,109
2034	7,661,109	-	519,337	-	666,130	7,807,902
2035	7,807,902	-	509,665	-	679,776	7,978,013
2036	7,978,013	-	499,408	-	695,548	8,174,153
2037	8,174,153	-	488,560	-	713,689	8,399,282
2038	8,399,282	-	477,115	-	734,465	8,656,632
2039	8,656,632	-	465,071	-	758,169	8,949,730
2040	8,949,730	-	452,429	-	785,116	9,282,417
2041	9,282,417	-	439,197	-	815,654	9,658,874
2042	9,658,874	-	425,378	-	850,157	10,083,653
2043	10,083,653	-	410,976	-	889,035	10,561,712
2044	10,561,712	-	395,987	-	932,735	11,098,460
2045	11,098,460	-	380,408	-	981,743	11,699,795
2046	11,699,795	-	364,240	-	1,036,591	12,372,146
2047	12,372,146	-	347,502	-	1,097,856	13,122,500
2048	13,122,500	-	330,220	-	1,166,165	13,958,445
2049	13,958,445	-	312,426	-	1,242,201	14,888,220
2050	14,888,220	-	294,160	-	1,326,703	15,920,763
2051	15,920,763	-	275,482	-	1,420,472	17,065,753
2052	17,065,753	-	256,474	-	1,524,376	18,333,655
2053	18,333,655	-	237,263	-	1,639,352	19,735,744
2054	19,735,744	-	218,016	-	1,766,406	21,284,134
2055	21,284,134	-	198,915	-	1,906,621	22,991,840
2056	22,991,840	-	180,162	-	2,061,158	24,872,836
2057	24,872,836	-	161,951	-	2,231,267	26,942,152
2058	26,942,152	-	144,463	-	2,418,293	29,215,982
2059	29,215,982	-	127,858	-	2,623,685	31,711,809
2060	31,711,809	-	112,290	-	2,849,010	34,448,529
2061	34,448,529	-	97,875	-	3,095,963	37,446,617
2062	37,446,617	-	84,699	-	3,366,384	40,728,302
2063	40,728,302	-	72,829	-	3,662,270	44,317,743
2064	44,317,743	-	62,285	-	3,985,794	48,241,252
2065	48,241,252	-	53,051	-	4,339,325	52,527,526
2066	52,527,526	-	45,074	-	4,725,449	57,207,901
2067	57,207,901	-	38,284	-	5,146,988	62,316,605
2068	62,316,605	-	32,602	-	5,607,027	67,891,030
2069	67,891,030	-	27,933	-	6,108,936	73,972,033
2070	73,972,033	-	24,163	-	6,656,396	80,604,266

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Discount Rate = 9.00%

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
2071	80,604,266	-	21,163	-	7,253,432	87,836,535
2072	87,836,535	-	18,803	-	7,904,442	95,722,174
2073	95,722,174	-	16,958	-	8,614,233	104,319,449
2074	104,319,449	-	15,509	-	9,388,053	113,691,993
2075	113,691,993	-	14,353	-	10,231,633	123,909,273
2076	123,909,273	-	13,400	-	11,151,232	135,047,105
2077	135,047,105	-	12,584	-	12,153,673	147,188,194
2078	147,188,194	-	11,853	-	13,246,404	160,422,745
2079	160,422,745	-	11,165	-	14,437,545	174,849,125
2080	174,849,125	-	10,493	-	15,735,949	190,574,581
2081	190,574,581	-	9,821	-	17,151,270	207,716,030
2082	207,716,030	-	9,140	-	18,694,031	226,400,921
2083	226,400,921	-	8,448	-	20,375,703	246,768,176
2084	246,768,176	-	7,748	-	22,208,787	268,969,215
2085	268,969,215	-	7,044	-	24,206,912	293,169,083
2086	293,169,083	-	6,348	-	26,384,932	319,547,667
2087	319,547,667	-	5,667	-	28,759,035	348,301,035
2088	348,301,035	-	5,013	-	31,346,868	379,642,890
2089	379,642,890	-	4,384	-	34,167,663	413,806,169
2090	413,806,169	-	3,782	-	37,242,385	451,044,772
2091	451,044,772	-	3,213	-	40,593,885	491,635,444
2092	491,635,444	-	2,684	-	44,247,069	535,879,829
2093	535,879,829	-	2,201	-	48,229,086	584,106,714
2094	584,106,714	-	1,770	-	52,569,525	636,674,469
2095	636,674,469	-	1,391	-	57,300,640	693,973,718
2096	693,973,718	-	1,066	-	62,457,587	756,430,239
2097	756,430,239	-	796	-	68,078,686	824,508,129
2098	824,508,129	-	578	-	74,205,706	898,713,257
2099	898,713,257	-	407	-	80,884,175	979,597,025
2100	979,597,025	-	278	-	88,163,720	1,067,760,467
2101	1,067,760,467	-	183	-	96,098,434	1,163,858,718
2102	1,163,858,718	-	116	-	104,747,279	1,268,605,881
2103	1,268,605,881	-	71	-	114,174,526	1,382,780,336
2104	1,382,780,336	-	42	-	124,450,228	1,507,230,522
2105	1,507,230,522	-	24	-	135,650,746	1,642,881,244
2106	1,642,881,244	-	13	-	147,859,311	1,790,740,542
2107	1,790,740,542	-	7	-	161,166,648	1,951,907,183
2108	1,951,907,183	-	4	-	175,671,646	2,127,578,825
2109	2,127,578,825	-	2	-	191,482,094	2,319,060,917
2110	2,319,060,917	-	1	-	208,715,482	2,527,776,398
2111	2,527,776,398	-	-	-	227,499,876	2,755,276,274

*All DROP and Share Balances paid in 2021.

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 9.00% 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, 2023

Valuation Date: 10/1/2021

	ACTUAL	HYPOTHETICAL	
	7.00%	5.00%	9.00%
Investment Rate of Return:	7.00%	5.00%	9.00%
Minimum Required Contribution (Fixed \$)	\$207,654	\$327,112	\$92,627
Minimum Required Contribution (% of Payroll)	118.9%	187.2%	53.1%
Expected Member Contribution	1,809	1,791	1,826
Expected State Money	42,820	42,820	42,820
Expected Sponsor Contribution (Fixed \$)	\$163,025	\$282,501	\$47,981
Expected Sponsor Contribution (% of Payroll)	92.0%	160.3%	26.2%

ASSETS

Actuarial Value ¹	7,025,428	7,025,428	7,025,428
Market Value ¹	7,571,802	7,571,802	7,571,802

LIABILITIES

Present Value of Benefits			
Active Members			
Retirement Benefits	1,464,194	1,834,958	1,204,181
Disability Benefits	2,780	3,363	2,362
Death Benefits	1,551	1,688	1,432
Vested Benefits	0	0	0
Refund of Contributions	0	0	0
Service Retirees	4,439,218	5,384,291	3,759,509
DROP Retirees ¹	1,619,714	1,884,060	1,438,183
Beneficiaries	160,465	195,542	136,086
Disability Retirees	0	0	0
Terminated Vested	8,015	9,645	6,822
Share Plan Balances ¹	93,476	93,476	93,476
Total:	7,789,413	9,407,023	6,642,051
Present Value of Future Salaries	165,248	165,248	165,248
Present Value of Future Member Contributions	1,652	1,652	1,652
Total Normal Cost	29,469	49,596	17,811
Present Value of Future Normal Costs (Entry Age Normal)	29,468	49,596	17,811
Total Actuarial Accrued Liability (EAN) ¹	7,759,945	9,357,427	6,624,240
Unfunded Actuarial Accrued Liability (UAAL)	734,517	2,331,999	(401,188)

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2023

	Valuation Date: 10/1/2021		
	ACTUAL	HYPOTHETICAL	
Investment Rate of Return:	7.00%	5.00%	9.00%
<u>PENSION COST</u>			
Normal Cost ²	32,254	53,759	19,683
Administrative Expenses ²	45,606	45,166	46,047
Payment Required To Amortize UAAL ²	129,794	228,187	26,897
Minimum Required Contribution	\$207,654	\$327,112	\$92,627

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2021.

² Contributions developed as of 10/1/2021 displayed above have been adjusted to account for assumed salary increase and interest components.