

ENGLEWOOD AREA FIRE CONTROL DISTRICT
FIREFIGHTERS' PENSION TRUST FUND

SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2019 VALUATION DATE



SCHEDULE OF CHANGES IN NET PENSION LIABILITY
FISCAL YEAR SEPTEMBER 30, 2019

	ACTUAL	HYPOTHETICAL
	7.35% RP-2000 Generational	5.35% RP-2000 Generational
<u>Total Pension Liability</u>		
Service Cost	999,561	1,570,547
Interest	2,674,461	2,544,217
Change in Excess State Money	-	-
Share Plan Allocation	-	-
Changes of Benefit Terms	(3,694)	(4,498)
Differences Between Expected and Actual Experience	(98,750)	(32,957)
Changes of Assumptions	221,455	337,289
Benefit Payments, Including Refunds of Employee Contributions	(2,046,307)	(2,046,307)
Net Change in Total Pension Liability	1,746,726	2,368,291
Total Pension Liability - Beginning	36,168,646	46,572,235
Total Pension Liability - Ending (a)	<u>\$ 37,915,372</u>	<u>\$ 48,940,526</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	1,772,772	1,772,772
Contributions - State	371,666	371,666
Contributions - Employee	297,230	297,230
Net Investment Income	(228,130)	(228,130)
Benefit Payments, Including Refunds of Employee Contributions	(2,046,307)	(2,046,307)
Administrative Expenses	(46,214)	(46,214)
Net Change in Plan Fiduciary Net Position	121,017	121,017
Plan Fiduciary Net Position - Beginning	32,423,561	32,423,561
Plan Fiduciary Net Position - Ending (b)	<u>\$ 32,544,578</u>	<u>\$ 32,544,578</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 5,370,794</u>	<u>\$ 16,395,948</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: 7.35% and RP-2000 Generational Mortality

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
2019	32,380,331	-	2,287,921	-	2,295,873	32,388,283
2020	32,388,283	-	1,857,400	-	2,312,279	32,843,162
2021	32,843,162	-	2,010,250	-	2,340,096	33,173,008
2022	33,173,008	-	2,197,530	-	2,357,457	33,332,935
2023	33,332,935	-	2,269,017	-	2,366,584	33,430,502
2024	33,430,502	-	2,312,014	-	2,372,175	33,490,663
2025	33,490,663	-	2,475,471	-	2,370,590	33,385,782
2026	33,385,782	-	2,687,898	-	2,355,075	33,052,959
2027	33,052,959	-	2,775,690	-	2,327,386	32,604,655
2028	32,604,655	-	2,861,209	-	2,291,293	32,034,739
2029	32,034,739	-	2,930,029	-	2,246,875	31,351,585
2030	31,351,585	-	2,995,457	-	2,194,258	30,550,386
2031	30,550,386	-	3,030,945	-	2,134,066	29,653,507
2032	29,653,507	-	3,055,800	-	2,067,232	28,664,939
2033	28,664,939	-	3,069,919	-	1,994,053	27,589,073
2034	27,589,073	-	3,083,059	-	1,914,494	26,420,508
2035	26,420,508	-	3,090,753	-	1,828,322	25,158,077
2036	25,158,077	-	3,092,950	-	1,735,453	23,800,580
2037	23,800,580	-	3,100,121	-	1,635,413	22,335,872
2038	22,335,872	-	3,096,797	-	1,527,879	20,766,954
2039	20,766,954	-	3,087,010	-	1,412,924	19,092,868
2040	19,092,868	-	3,074,065	-	1,290,354	17,309,157
2041	17,309,157	-	3,058,334	-	1,159,829	15,410,652
2042	15,410,652	-	3,035,877	-	1,021,114	13,395,889
2043	13,395,889	-	3,009,384	-	874,003	11,260,508
2044	11,260,508	-	2,974,449	-	718,336	9,004,395
2045	9,004,395	-	2,932,894	-	554,039	6,625,540
2046	6,625,540	-	2,884,780	-	380,962	4,121,722
2047	4,121,722	-	2,830,005	-	198,944	1,490,661
2048	1,490,661	-	2,769,511	-	-	-

*All DROP and Share Balances paid in 2019.

Number of Years Expected Benefit Payments Sustained: 29.54

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.35% 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: 5.35% and RP-2000 Generational Mortality

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
2019	32,380,331	-	2,287,921	-	1,671,146	31,763,556
2020	31,763,556	-	1,857,400	-	1,649,665	31,555,821
2021	31,555,821	-	2,010,250	-	1,634,462	31,180,033
2022	31,180,033	-	2,197,530	-	1,609,348	30,591,851
2023	30,591,851	-	2,269,017	-	1,575,968	29,898,802
2024	29,898,802	-	2,312,014	-	1,537,740	29,124,528
2025	29,124,528	-	2,475,471	-	1,491,943	28,141,000
2026	28,141,000	-	2,687,898	-	1,433,642	26,886,744
2027	26,886,744	-	2,775,690	-	1,364,191	25,475,245
2028	25,475,245	-	2,861,209	-	1,286,388	23,900,424
2029	23,900,424	-	2,930,029	-	1,200,294	22,170,689
2030	22,170,689	-	2,995,457	-	1,106,003	20,281,235
2031	20,281,235	-	3,030,945	-	1,003,968	18,254,258
2032	18,254,258	-	3,055,800	-	894,860	16,093,318
2033	16,093,318	-	3,069,919	-	778,872	13,802,271
2034	13,802,271	-	3,083,059	-	655,950	11,375,162
2035	11,375,162	-	3,090,753	-	525,894	8,810,303
2036	8,810,303	-	3,092,950	-	388,615	6,105,968
2037	6,105,968	-	3,100,121	-	243,741	3,249,588
2038	3,249,588	-	3,096,797	-	91,014	243,805
2039	243,805	-	3,087,010	-	-	-

*All DROP and Share Balances paid in 2019.

Number of Years Expected Benefit Payments Sustained: 20.08

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.35% 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.

SECTION III - FUNDING

Section 112.664, F.S. Requirements

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2021

Valuation Date: 10/1/2019

	ACTUAL	HYPOTHETICAL
	7.35% RP-2000 Generational	5.35% RP-2000 Generational
Minimum Required Contribution (Fixed \$)	\$1,889,029	\$3,260,299
Minimum Required Contribution (% of Payroll)	51.3%	88.4%
Expected Member Contribution	382,065	378,380
Expected State Money	364,124	364,124
Expected Sponsor Contribution (Fixed \$)	\$1,142,840	\$2,517,795
Expected Sponsor Contribution (% of Payroll)	31.6%	68.7%

ASSETS

Actuarial Value ¹	33,015,979	33,015,979
Market Value ¹	32,380,331	32,380,331

LIABILITIES

Present Value of Benefits		
Active Members		
Retirement Benefits	24,141,485	36,767,907
Disability Benefits	193,895	265,068
Death Benefits	219,923	330,262
Vested Benefits	0	0
Refund of Contributions	52,077	55,152
Service Retirees	18,508,139	23,169,323
DROP Retirees ¹	3,277,721	4,136,261
Beneficiaries	0	0
Disability Retirees	462,646	545,617
Terminated Vested	415,019	549,154
Share Plan Balances ¹	172,413	172,413
Total:	47,443,318	65,991,157
Present Value of Future Salaries	31,823,735	35,893,365
Present Value of Future Member Contributions	3,182,374	3,589,337
Total Normal Cost	1,055,846	1,658,617
Present Value of Future Normal Costs (Entry Age Normal)	9,769,219	17,395,072
Total Actuarial Accrued Liability ¹	37,674,099	48,596,085
Unfunded Actuarial Accrued Liability (UAAL)	4,658,120	15,580,106

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2021

Valuation Date: 10/1/2019

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
	7.35%	5.35%
	RP-2000	RP-2000
	Generational	Generational
<u>PENSION COST</u>		
Normal Cost ²	1,178,061	1,832,752
Administrative Expenses ²	59,381	58,809
Payment Required To Amortize UAAL ²	<u>651,587</u>	<u>1,368,738</u>
Minimum Required Contribution	\$1,889,029	\$3,260,299

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2019.

² Contributions developed as of 10/1/2019 displayed above have been adjusted to account for assumed salary increase and interest components.