

CITY OF VENICE
MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND

SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2024 VALUATION DATE



February 6, 2025

Ms. Chrissy Stoker, Plan Administrator
2503 Del Prado Blvd. S., Suite 502
Cape Coral, FL 33904

Re: City of Venice Municipal Firefighters' Pension Trust Fund
Section 112.664, Florida Statutes Compliance

Dear Chrissy:

Please find enclosed the annual disclosures that satisfy the October 1, 2024 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), Florida Statutes, 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.

Respectfully submitted,

Foster & Foster, Inc.



Douglas H. Lozen, EA, MAAA
Enrolled Actuary #23-7778

Enclosures

cc via email: Scott R. 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, 2024 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, 2024

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
Discount Rate:	6.50%	4.50%
<u>Total Pension Liability</u>		
Service Cost	457,680	717,835
Interest	3,169,721	2,784,353
Share Plan Allocation	114,415	114,415
Changes of Benefit Terms	-	-
Experience Gains/Losses	(762,283)	(959,952)
Changes of Assumptions	-	-
Benefit Payments	(3,377,421)	(3,377,421)
Net Change in Total Pension Liability	(397,888)	(720,770)
Total Pension Liability - Beginning	49,995,965	62,845,385
Total Pension Liability - Ending (a)	<u>\$ 49,598,077</u>	<u>\$ 62,124,615</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	2,961,733	2,961,733
Contributions - State	524,829	524,829
Contributions - Employee	71,051	71,051
Net Investment Income	6,146,175	6,146,175
Benefit Payments	(3,377,421)	(3,377,421)
Administrative Expense	(71,102)	(71,102)
Net Change in Plan Fiduciary Net Position	6,255,265	6,255,265
Plan Fiduciary Net Position - Beginning	31,474,411	31,474,411
Plan Fiduciary Net Position - Ending (b)	<u>\$ 37,729,676</u>	<u>\$ 37,729,676</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 11,868,401</u>	<u>\$ 24,394,939</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Investment Rate of Return = 6.50%

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
2024	37,729,676	-	3,321,774	-	2,344,471	36,752,373
2025	36,752,373	-	3,503,287	-	2,275,047	35,524,133
2026	35,524,133	-	3,547,995	-	2,193,759	34,169,897
2027	34,169,897	-	3,641,840	-	2,102,684	32,630,741
2028	32,630,741	-	3,707,777	-	2,000,495	30,923,459
2029	30,923,459	-	3,777,195	-	1,887,266	29,033,530
2030	29,033,530	-	3,797,907	-	1,763,747	26,999,370
2031	26,999,370	-	3,830,168	-	1,630,479	24,799,681
2032	24,799,681	-	3,824,712	-	1,487,676	22,462,645
2033	22,462,645	-	3,808,075	-	1,336,309	19,990,879
2034	19,990,879	-	3,807,862	-	1,175,652	17,358,669
2035	17,358,669	-	3,787,597	-	1,005,217	14,576,289
2036	14,576,289	-	3,745,650	-	825,725	11,656,364
2037	11,656,364	-	3,695,934	-	637,546	8,597,976
2038	8,597,976	-	3,637,906	-	440,636	5,400,706
2039	5,400,706	-	3,572,642	-	234,935	2,062,999
2040	2,062,999	-	3,500,079	-	-	-

*All Share Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 16.59

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 6.50% 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: Investment Rate of Return = 4.50%

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
2024	37,729,676	-	3,321,774	-	1,623,096	36,030,998
2025	36,030,998	-	3,503,287	-	1,542,571	34,070,282
2026	34,070,282	-	3,547,995	-	1,453,333	31,975,620
2027	31,975,620	-	3,641,840	-	1,356,962	29,690,742
2028	29,690,742	-	3,707,777	-	1,252,658	27,235,623
2029	27,235,623	-	3,777,195	-	1,140,616	24,599,044
2030	24,599,044	-	3,797,907	-	1,021,504	21,822,641
2031	21,822,641	-	3,830,168	-	895,840	18,888,313
2032	18,888,313	-	3,824,712	-	763,918	15,827,519
2033	15,827,519	-	3,808,075	-	626,557	12,646,001
2034	12,646,001	-	3,807,862	-	483,393	9,321,532
2035	9,321,532	-	3,787,597	-	334,248	5,868,183
2036	5,868,183	-	3,745,650	-	179,791	2,302,324
2037	2,302,324	-	3,695,934	-	-	-

*All Share Balances paid in 2024.

Number of Years Expected Benefit Payments Sustained: 13.62

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 4.50% 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, 2026

Valuation Date: 10/1/2024

	ACTUAL	HYPOTHETICAL
Investment Rate of Return:	6.50%	4.50%
Minimum Required Contribution (Fixed \$)	\$2,234,221	\$3,033,589
Minimum Required Contribution (% of Payroll)	236.0%	320.4%
Expected Member Contribution	68,443	67,780
Expected State Money	410,414	410,414
Expected Sponsor Contribution (Fixed \$)	\$1,755,364	\$2,555,395
Expected Sponsor Contribution (% of Payroll)	183.9%	268.3%

ASSETS

Actuarial Value ¹	36,641,000	36,641,000
Market Value ¹	37,729,676	37,729,676

LIABILITIES

Present Value of Benefits		
Actives		
Retirement Benefits	9,112,819	12,196,151
Disability Benefits	125,422	168,543
Death Benefits	19,320	26,101
Vested Benefits	56,553	82,803
Refund of Contributions	0	0
Service Retirees	37,179,953	46,116,341
Beneficiaries	1,954,233	2,251,213
Disability Retirees	917,131	1,121,062
Terminated Vested	1,586,437	2,297,752
Share Plan Balances ¹	167,228	167,228
Total:	51,119,096	64,427,194
Present Value of Future Salaries	2,527,400	2,640,548
Present Value of Future Member Contributions	176,918	184,838
Total Normal Cost	235,189	387,630
Present Value of Future Normal Costs (Entry Age Normal)	618,844	1,071,978
Total Actuarial Accrued Liability (EAN) ¹	50,500,252	63,355,216
Unfunded Actuarial Accrued Liability (UAAL)	13,859,252	26,714,216

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2026

	Valuation Date: 10/1/2024	
	ACTUAL	HYPOTHETICAL
Investment Rate of Return:	6.50%	4.50%
<u>PENSION COST</u>		
Normal Cost ²	252,425	412,008
Administrative Expenses ²	75,347	74,617
Payment Required To Amortize UAAL ²	1,906,449	2,546,964
Minimum Required Contribution	\$2,234,221	\$3,033,589

¹ The asset values and liabilities include accumulated Share Plan Balances as of 9/30/2024.

² Contributions developed as of 10/1/2024 displayed above have been adjusted to account for assumed salary increase and interest components.