

CITY OF NEW PORT RICHEY
FIREFIGHTERS' RETIREMENT SYSTEM

SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2023 VALUATION DATE



July 1, 2024

VIA E-MAIL

Ms. Karen Lauer
City of New Port Richey
Firefighters' Retirement System
5919 Main Street
New Port Richey, FL 34652

Re: City of New Port Richey Firefighters' Retirement System
Section 112.664, Florida Statutes Compliance

Dear Karen:

Please find enclosed the annual disclosures that satisfy the October 1, 2023 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 #23-8546

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, 2023 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, 2023

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Discount Rate:	7.50%	5.50%	9.50%
<u>Total Pension Liability</u>			
Service Cost	335,124	517,444	226,766
Interest	1,101,592	1,028,080	1,132,336
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	134,119	190,897	92,727
Changes of Assumptions	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(1,103,738)	(1,103,738)	(1,103,738)
Net Change in Total Pension Liability	467,097	632,683	348,091
Total Pension Liability - Beginning	14,904,637	18,726,797	12,244,426
Total Pension Liability - Ending (a)	<u>\$ 15,371,734</u>	<u>\$ 19,359,480</u>	<u>\$ 12,592,517</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	250,241	250,241	250,241
Contributions - State	138,974	138,974	138,974
Contributions - Employee	119,613	119,613	119,613
Net Investment Income	1,808,761	1,808,761	1,808,761
Benefit Payments, Including Refunds of Employee Contributions	(1,103,738)	(1,103,738)	(1,103,738)
Administrative Expenses	(69,572)	(69,572)	(69,572)
Net Change in Plan Fiduciary Net Position	1,144,279	1,144,279	1,144,279
Plan Fiduciary Net Position - Beginning	12,304,942	12,304,942	12,304,942
Plan Fiduciary Net Position - Ending (b)	<u>\$ 13,449,221</u>	<u>\$ 13,449,221</u>	<u>\$ 13,449,221</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,922,513</u>	<u>\$ 5,910,259</u>	<u>\$ (856,704)</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Discount Rate = 7.50%

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
2023	13,372,960	-	1,040,982	-	963,935	13,295,913
2024	13,295,913	-	996,467	-	959,826	13,259,272
2025	13,259,272	-	993,430	-	957,192	13,223,034
2026	13,223,034	-	1,007,132	-	953,960	13,169,862
2027	13,169,862	-	1,016,759	-	949,611	13,102,714
2028	13,102,714	-	1,059,729	-	942,964	12,985,949
2029	12,985,949	-	1,123,472	-	931,816	12,794,293
2030	12,794,293	-	1,156,026	-	916,221	12,554,488
2031	12,554,488	-	1,188,341	-	897,024	12,263,171
2032	12,263,171	-	1,207,085	-	874,472	11,930,558
2033	11,930,558	-	1,234,308	-	848,505	11,544,755
2034	11,544,755	-	1,248,009	-	819,056	11,115,802
2035	11,115,802	-	1,264,811	-	786,255	10,637,246
2036	10,637,246	-	1,262,074	-	750,466	10,125,638
2037	10,125,638	-	1,257,602	-	712,263	9,580,299
2038	9,580,299	-	1,260,504	-	671,254	8,991,049
2039	8,991,049	-	1,264,592	-	626,906	8,353,363
2040	8,353,363	-	1,265,313	-	579,053	7,667,103
2041	7,667,103	-	1,250,530	-	528,138	6,944,711
2042	6,944,711	-	1,238,896	-	474,395	6,180,210
2043	6,180,210	-	1,214,327	-	417,978	5,383,861
2044	5,383,861	-	1,185,029	-	359,351	4,558,183
2045	4,558,183	-	1,153,281	-	298,616	3,703,518
2046	3,703,518	-	1,122,022	-	235,688	2,817,184
2047	2,817,184	-	1,084,624	-	170,615	1,903,175
2048	1,903,175	-	1,050,377	-	103,349	956,147
2049	956,147	-	1,009,227	-	-	-

Number of Years Expected Benefit Payments Sustained: 26.95

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.50% 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: Discount Rate = 5.50%

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
2023	13,372,960	-	1,040,982	-	706,886	13,038,864
2024	13,038,864	-	996,467	-	689,735	12,732,132
2025	12,732,132	-	993,430	-	672,948	12,411,650
2026	12,411,650	-	1,007,132	-	654,945	12,059,463
2027	12,059,463	-	1,016,759	-	635,310	11,678,014
2028	11,678,014	-	1,059,729	-	613,148	11,231,433
2029	11,231,433	-	1,123,472	-	586,833	10,694,794
2030	10,694,794	-	1,156,026	-	556,423	10,095,191
2031	10,095,191	-	1,188,341	-	522,556	9,429,406
2032	9,429,406	-	1,207,085	-	485,422	8,707,743
2033	8,707,743	-	1,234,308	-	444,982	7,918,417
2034	7,918,417	-	1,248,009	-	401,193	7,071,601
2035	7,071,601	-	1,264,811	-	354,156	6,160,946
2036	6,160,946	-	1,262,074	-	304,145	5,203,017
2037	5,203,017	-	1,257,602	-	251,582	4,196,997
2038	4,196,997	-	1,260,504	-	196,171	3,132,664
2039	3,132,664	-	1,264,592	-	137,520	2,005,592
2040	2,005,592	-	1,265,313	-	75,511	815,790
2041	815,790	-	1,250,530	-	-	-

Number of Years Expected Benefit Payments Sustained: 18.65

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.50% 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 3
Hypothetical Assumptions: Discount Rate = 9.50%

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
2023	13,372,960	-	1,040,982	-	1,220,985	13,552,963
2024	13,552,963	-	996,467	-	1,240,199	13,796,695
2025	13,796,695	-	993,430	-	1,263,498	14,066,763
2026	14,066,763	-	1,007,132	-	1,288,504	14,348,135
2027	14,348,135	-	1,016,759	-	1,314,777	14,646,153
2028	14,646,153	-	1,059,729	-	1,341,047	14,927,471
2029	14,927,471	-	1,123,472	-	1,364,745	15,168,744
2030	15,168,744	-	1,156,026	-	1,386,119	15,398,837
2031	15,398,837	-	1,188,341	-	1,406,443	15,616,939
2032	15,616,939	-	1,207,085	-	1,426,273	15,836,127
2033	15,836,127	-	1,234,308	-	1,445,802	16,047,621
2034	16,047,621	-	1,248,009	-	1,465,244	16,264,856
2035	16,264,856	-	1,264,811	-	1,485,083	16,485,128
2036	16,485,128	-	1,262,074	-	1,506,139	16,729,193
2037	16,729,193	-	1,257,602	-	1,529,537	17,001,128
2038	17,001,128	-	1,260,504	-	1,555,233	17,295,857
2039	17,295,857	-	1,264,592	-	1,583,038	17,614,303
2040	17,614,303	-	1,265,313	-	1,613,256	17,962,246
2041	17,962,246	-	1,250,530	-	1,647,013	18,358,729
2042	18,358,729	-	1,238,896	-	1,685,232	18,805,065
2043	18,805,065	-	1,214,327	-	1,728,801	19,319,539
2044	19,319,539	-	1,185,029	-	1,779,067	19,913,577
2045	19,913,577	-	1,153,281	-	1,837,009	20,597,305
2046	20,597,305	-	1,122,022	-	1,903,448	21,378,731
2047	21,378,731	-	1,084,624	-	1,979,460	22,273,567
2048	22,273,567	-	1,050,377	-	2,066,096	23,289,286
2049	23,289,286	-	1,009,227	-	2,164,544	24,444,603
2050	24,444,603	-	965,213	-	2,276,390	25,755,780
2051	25,755,780	-	920,692	-	2,403,066	27,238,154
2052	27,238,154	-	874,840	-	2,546,070	28,909,384
2053	28,909,384	-	829,323	-	2,706,999	30,787,060
2054	30,787,060	-	783,405	-	2,887,559	32,891,214
2055	32,891,214	-	737,757	-	3,089,622	35,243,079
2056	35,243,079	-	692,694	-	3,315,190	37,865,575
2057	37,865,575	-	648,723	-	3,566,415	40,783,267
2058	40,783,267	-	605,799	-	3,845,635	44,023,103
2059	44,023,103	-	564,541	-	4,155,379	47,613,941
2060	47,613,941	-	525,037	-	4,498,385	51,587,289
2061	51,587,289	-	487,370	-	4,877,642	55,977,561
2062	55,977,561	-	451,655	-	5,296,415	60,822,321
2063	60,822,321	-	417,918	-	5,758,269	66,162,672
2064	66,162,672	-	386,160	-	6,267,111	72,043,623
2065	72,043,623	-	356,303	-	6,827,220	78,514,540
2066	78,514,540	-	328,246	-	7,443,290	85,629,584
2067	85,629,584	-	301,901	-	8,120,470	93,448,153
2068	93,448,153	-	277,171	-	8,864,409	102,035,391
2069	102,035,391	-	253,968	-	9,681,299	111,462,722
2070	111,462,722	-	232,198	-	10,577,929	121,808,453
2071	121,808,453	-	211,780	-	11,561,743	133,158,416
2072	133,158,416	-	192,632	-	12,640,900	145,606,684
2073	145,606,684	-	174,669	-	13,824,338	159,256,353

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Discount Rate = 9.50%

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
2074	159,256,353	-	157,832	-	15,121,857	174,220,378
2075	174,220,378	-	142,058	-	16,544,188	190,622,508
2076	190,622,508	-	127,298	-	18,103,092	208,598,302
2077	208,598,302	-	113,510	-	19,811,447	228,296,239
2078	228,296,239	-	100,666	-	21,683,361	249,878,934
2079	249,878,934	-	88,757	-	23,734,283	273,524,460
2080	273,524,460	-	77,782	-	25,981,129	299,427,807
2081	299,427,807	-	67,754	-	28,442,423	327,802,476
2082	327,802,476	-	58,669	-	31,138,448	358,882,255
2083	358,882,255	-	50,503	-	34,091,415	392,923,167
2084	392,923,167	-	43,212	-	37,325,648	430,205,603
2085	430,205,603	-	36,750	-	40,867,787	471,036,640
2086	471,036,640	-	31,063	-	44,747,005	515,752,582
2087	515,752,582	-	26,092	-	48,995,256	564,721,746
2088	564,721,746	-	21,781	-	53,647,531	618,347,496
2089	618,347,496	-	18,067	-	58,742,154	677,071,583
2090	677,071,583	-	14,891	-	64,321,093	741,377,785
2091	741,377,785	-	12,197	-	70,430,310	811,795,898
2092	811,795,898	-	9,923	-	77,120,139	888,906,114
2093	888,906,114	-	8,011	-	84,445,700	973,343,803
2094	973,343,803	-	6,415	-	92,467,357	1,065,804,745
2095	1,065,804,745	-	5,090	-	101,251,209	1,167,050,864
2096	1,167,050,864	-	4,000	-	110,869,642	1,277,916,506
2097	1,277,916,506	-	3,112	-	121,401,920	1,399,315,314
2098	1,399,315,314	-	2,394	-	132,934,841	1,532,247,761
2099	1,532,247,761	-	1,820	-	145,563,451	1,677,809,392
2100	1,677,809,392	-	1,367	-	159,391,827	1,837,199,852
2101	1,837,199,852	-	1,013	-	174,533,938	2,011,732,777
2102	2,011,732,777	-	741	-	191,114,579	2,202,846,615
2103	2,202,846,615	-	534	-	209,270,403	2,412,116,484
2104	2,412,116,484	-	379	-	229,151,048	2,641,267,153
2105	2,641,267,153	-	265	-	250,920,367	2,892,187,255
2106	2,892,187,255	-	183	-	274,757,781	3,166,944,853
2107	3,166,944,853	-	124	-	300,859,755	3,467,804,484
2108	3,467,804,484	-	83	-	329,441,422	3,797,245,823
2109	3,797,245,823	-	54	-	360,738,351	4,157,984,120
2110	4,157,984,120	-	34	-	395,008,490	4,552,992,576
2111	4,552,992,576	-	22	-	432,534,294	4,985,526,848
2112	4,985,526,848	-	13	-	473,625,050	5,459,151,885
2113	5,459,151,885	-	8	-	518,619,429	5,977,771,306
2114	5,977,771,306	-	5	-	567,888,274	6,545,659,575
2115	6,545,659,575	-	3	-	621,837,659	7,167,497,231
2116	7,167,497,231	-	1	-	680,912,237	7,848,409,467
2117	7,848,409,467	-	1	-	745,598,899	8,594,008,365

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 9.50% 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, 2025

Valuation Date: 10/1/2023

	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
Investment Rate of Return:	7.50%	5.50%	9.50%
Minimum Required Contribution (Fixed \$)	\$632,315	\$1,104,250	\$326,800
Minimum Required Contribution (% of Payroll)	33.0%	57.7%	17.1%
Expected Member Contribution	128,988	127,744	130,231
Expected State Money	138,974	138,974	138,974
Expected Sponsor Contribution (Fixed \$)	\$364,353	\$837,532	\$57,595
Expected Sponsor Contribution (% of Payroll)	18.8%	43.5%	2.9%

ASSETS

Actuarial Value ¹	14,176,392	14,176,392	14,176,392
Market Value ¹	13,372,960	13,372,960	13,372,960

LIABILITIES

Present Value of Benefits

Actives

Retirement Benefits	5,079,053	7,552,280	3,588,057
Disability Benefits	555,461	787,785	412,129
Death Benefits	74,345	107,897	54,068
Vested Benefits	1,480,845	2,357,975	977,601
Refund of Contributions	81,948	85,220	78,980
Service Retirees	9,061,447	10,972,875	7,677,830
DROP Retirees ¹	0	0	0
Beneficiaries	1,380,194	1,644,115	1,184,210
Disability Retirees	0	0	0
Terminated Vested	297,417	398,010	232,005
Share Plan Balances ¹	0	0	0
Total:	18,010,710	23,906,157	14,204,880

Present Value of Future Salaries	13,586,890	15,020,925	12,404,686
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Present Value of Future Member Contributions	883,148	976,360	806,305
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Total Normal Cost	340,961	529,514	229,011
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Present Value of Future Normal Costs (Entry Age Normal)	2,376,218	4,165,099	1,426,873
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Total Actuarial Accrued Liability (EAN) ¹	15,634,492	19,741,058	12,778,007
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Unfunded Actuarial Accrued Liability (UAAL)	1,458,100	5,564,666	(1,398,385)
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ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2025

	Valuation Date: 10/1/2023		
	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
Investment Rate of Return:	7.50%	5.50%	9.50%
<u>PENSION COST</u>			
Normal Cost ²	373,097	573,837	253,011
Administrative Expenses ²	73,085	72,381	73,789
Payment Required To Amortize UAAL ²	186,133	458,032	(87,838)
Minimum Required Contribution ³	\$632,315	\$1,104,250	\$326,800

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2023.

² Contributions developed as of 10/1/2023 displayed above have been adjusted to account for assumed salary increase and interest components.

³ Reflects normal cost minimum funding requirements of Chapter 112, Florida Statutes.