

**CITY OF TARPON SPRINGS  
FIREFIGHTERS' PENSION TRUST FUND**

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



August 13, 2020

VIA E-MAIL

Mr. Caleb Hynson  
City of Tarpon Springs  
Firefighters' Pension Trust Fund  
444 Huey Ave. S.  
Tarpon Springs, FL 34689

Re: City of Tarpon Springs Firefighters' Pension Trust Fund  
Section 112.664, Florida Statutes Compliance

Dear Caleb:

Please find enclosed the annual disclosures that satisfy the October 1, 2019 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.

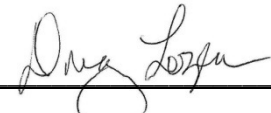
In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should 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:   
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Douglas H. Lozen, EA, MAAA  
Enrolled Actuary #20-7778

Enclosures

cc via email: Adam Levinson, Board Attorney  
cc via email: Ron Harring, Finance Director

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, 2019 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, 2019

	ACTUAL	HYPOTHETICAL	
	7.75% RP-2000 Generational	5.75% RP-2000 Generational	9.75% RP-2000 Generational
<u>Total Pension Liability</u>			
Service Cost	624,885	978,737	417,468
Interest	2,260,369	2,170,724	2,282,346
Change in Excess State Money	(68,720)	(68,720)	(68,720)
Share Plan Allocation	34,360	34,360	34,360
Changes of Benefit Terms	(5,673)	(8,218)	(4,029)
Differences Between Expected and Actual Experience	134,039	299,021	25,749
Changes of Assumptions	652,014	957,988	463,303
Benefit Payments, Including Refunds of Employee Contributions	(1,488,093)	(1,488,093)	(1,488,093)
Net Change in Total Pension Liability	2,143,181	2,875,799	1,662,384
Total Pension Liability - Beginning	28,805,817	36,634,181	23,453,325
Total Pension Liability - Ending (a)	<u>\$ 30,948,998</u>	<u>\$ 39,509,980</u>	<u>\$ 25,115,709</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	777,408	777,408	777,408
Contributions - State	217,232	217,232	217,232
Contributions - Employee	255,510	255,510	255,510
Net Investment Income	744,272	744,272	744,272
Benefit Payments, Including Refunds of Employee Contributions	(1,488,093)	(1,488,093)	(1,488,093)
Administrative Expenses	(60,473)	(60,473)	(60,473)
Net Change in Plan Fiduciary Net Position	445,856	445,856	445,856
Plan Fiduciary Net Position - Beginning	26,853,299	26,853,299	26,853,299
Plan Fiduciary Net Position - Ending (b)	<u>\$ 27,299,155</u>	<u>\$ 27,299,155</u>	<u>\$ 27,299,155</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 3,649,843</u>	<u>\$ 12,210,825</u>	<u>\$ (2,183,446)</u>

## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1  
Plan Assumptions: 7.75% 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	27,213,814	-	1,897,453	-	2,035,544	27,351,905
2020	27,351,905	-	1,841,133	-	2,048,429	27,559,201
2021	27,559,201	-	1,928,063	-	2,061,126	27,692,264
2022	27,692,264	-	2,005,162	-	2,068,450	27,755,552
2023	27,755,552	-	2,057,109	-	2,071,342	27,769,785
2024	27,769,785	-	2,167,947	-	2,068,150	27,669,988
2025	27,669,988	-	2,224,235	-	2,058,235	27,503,988
2026	27,503,988	-	2,284,505	-	2,043,035	27,262,518
2027	27,262,518	-	2,324,768	-	2,022,760	26,960,510
2028	26,960,510	-	2,353,209	-	1,998,253	26,605,554
2029	26,605,554	-	2,377,384	-	1,969,807	26,197,977
2030	26,197,977	-	2,397,961	-	1,937,422	25,737,438
2031	25,737,438	-	2,444,811	-	1,899,915	25,192,542
2032	25,192,542	-	2,466,083	-	1,856,861	24,583,320
2033	24,583,320	-	2,502,660	-	1,808,229	23,888,889
2034	23,888,889	-	2,508,782	-	1,754,174	23,134,281
2035	23,134,281	-	2,518,653	-	1,695,309	22,310,937
2036	22,310,937	-	2,545,672	-	1,630,453	21,395,718
2037	21,395,718	-	2,558,984	-	1,559,008	20,395,742
2038	20,395,742	-	2,568,160	-	1,481,154	19,308,736
2039	19,308,736	-	2,572,045	-	1,396,760	18,133,451
2040	18,133,451	-	2,563,468	-	1,306,008	16,875,991
2041	16,875,991	-	2,548,636	-	1,209,130	15,536,485
2042	15,536,485	-	2,529,358	-	1,106,065	14,113,192
2043	14,113,192	-	2,503,617	-	996,757	12,606,332
2044	12,606,332	-	2,470,286	-	881,267	11,017,313
2045	11,017,313	-	2,430,895	-	759,645	9,346,063
2046	9,346,063	-	2,382,218	-	632,009	7,595,854
2047	7,595,854	-	2,325,610	-	498,561	5,768,805
2048	5,768,805	-	2,260,576	-	359,485	3,867,714
2049	3,867,714	-	2,186,978	-	215,002	1,895,738
2050	1,895,738	-	2,104,889	-	-	-

\*All DROP and Share Balances paid in 2019.

Number of Years Expected Benefit Payments Sustained: 31.90

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.75% 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: 5.75% 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	27,213,814	-	1,897,453	-	1,510,243	26,826,604
2020	26,826,604	-	1,841,133	-	1,489,597	26,475,068
2021	26,475,068	-	1,928,063	-	1,466,885	26,013,890
2022	26,013,890	-	2,005,162	-	1,438,150	25,446,878
2023	25,446,878	-	2,057,109	-	1,404,054	24,793,823
2024	24,793,823	-	2,167,947	-	1,363,316	23,989,192
2025	23,989,192	-	2,224,235	-	1,315,432	23,080,389
2026	23,080,389	-	2,284,505	-	1,261,443	22,057,327
2027	22,057,327	-	2,324,768	-	1,201,459	20,934,018
2028	20,934,018	-	2,353,209	-	1,136,051	19,716,860
2029	19,716,860	-	2,377,384	-	1,065,370	18,404,846
2030	18,404,846	-	2,397,961	-	989,337	16,996,222
2031	16,996,222	-	2,444,811	-	906,994	15,458,405
2032	15,458,405	-	2,466,083	-	817,958	13,810,280
2033	13,810,280	-	2,502,660	-	722,140	12,029,760
2034	12,029,760	-	2,508,782	-	619,584	10,140,562
2035	10,140,562	-	2,518,653	-	510,671	8,132,580
2036	8,132,580	-	2,545,672	-	394,435	5,981,343
2037	5,981,343	-	2,558,984	-	270,356	3,692,715
2038	3,692,715	-	2,568,160	-	138,497	1,263,052
2039	1,263,052	-	2,572,045	-	-	-

\*All DROP and Share Balances paid in 2019.

Number of Years Expected Benefit Payments Sustained: 20.49

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.75% 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: 9.75% 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	27,213,814	-	1,897,453	-	2,560,846	27,877,207
2020	27,877,207	-	1,841,133	-	2,628,272	28,664,346
2021	28,664,346	-	1,928,063	-	2,700,781	29,437,064
2022	29,437,064	-	2,005,162	-	2,772,362	30,204,264
2023	30,204,264	-	2,057,109	-	2,844,632	30,991,787
2024	30,991,787	-	2,167,947	-	2,916,012	31,739,852
2025	31,739,852	-	2,224,235	-	2,986,204	32,501,821
2026	32,501,821	-	2,284,505	-	3,057,558	33,274,874
2027	33,274,874	-	2,324,768	-	3,130,968	34,081,074
2028	34,081,074	-	2,353,209	-	3,208,186	34,936,051
2029	34,936,051	-	2,377,384	-	3,290,368	35,849,035
2030	35,849,035	-	2,397,961	-	3,378,380	36,829,454
2031	36,829,454	-	2,444,811	-	3,471,687	37,856,330
2032	37,856,330	-	2,466,083	-	3,570,771	38,961,018
2033	38,961,018	-	2,502,660	-	3,676,695	40,135,053
2034	40,135,053	-	2,508,782	-	3,790,865	41,417,136
2035	41,417,136	-	2,518,653	-	3,915,386	42,813,869
2036	42,813,869	-	2,545,672	-	4,050,251	44,318,448
2037	44,318,448	-	2,558,984	-	4,196,298	45,955,762
2038	45,955,762	-	2,568,160	-	4,355,489	47,743,091
2039	47,743,091	-	2,572,045	-	4,529,564	49,700,610
2040	49,700,610	-	2,563,468	-	4,720,840	51,857,982
2041	51,857,982	-	2,548,636	-	4,931,907	54,241,253
2042	54,241,253	-	2,529,358	-	5,165,216	56,877,111
2043	56,877,111	-	2,503,617	-	5,423,467	59,796,961
2044	59,796,961	-	2,470,286	-	5,709,777	63,036,452
2045	63,036,452	-	2,430,895	-	6,027,548	66,633,105
2046	66,633,105	-	2,382,218	-	6,380,595	70,631,482
2047	70,631,482	-	2,325,610	-	6,773,196	75,079,068
2048	75,079,068	-	2,260,576	-	7,210,006	80,028,498
2049	80,028,498	-	2,186,978	-	7,696,163	85,537,683
2050	85,537,683	-	2,104,889	-	8,237,311	91,670,105
2051	91,670,105	-	2,014,320	-	8,839,637	98,495,422
2052	98,495,422	-	1,916,358	-	9,509,881	106,088,945
2053	106,088,945	-	1,811,674	-	10,255,353	114,532,624
2054	114,532,624	-	1,702,093	-	11,083,954	123,914,485
2055	123,914,485	-	1,588,448	-	12,004,225	134,330,262
2056	134,330,262	-	1,471,947	-	13,025,443	145,883,758
2057	145,883,758	-	1,355,308	-	14,157,595	158,686,045
2058	158,686,045	-	1,240,430	-	15,411,418	172,857,033
2059	172,857,033	-	1,128,520	-	16,798,545	188,527,058
2060	188,527,058	-	1,021,387	-	18,331,596	205,837,267
2061	205,837,267	-	919,676	-	20,024,299	224,941,890
2062	224,941,890	-	824,435	-	21,891,643	246,009,098
2063	246,009,098	-	736,315	-	23,949,992	269,222,775
2064	269,222,775	-	655,113	-	26,217,284	294,784,946
2065	294,784,946	-	580,512	-	28,713,232	322,917,666
2066	322,917,666	-	512,092	-	31,459,508	353,865,082
2067	353,865,082	-	449,692	-	34,479,923	387,895,313
2068	387,895,313	-	393,152	-	37,800,627	425,302,788
2069	425,302,788	-	342,814	-	41,450,310	466,410,284
2070	466,410,284	-	298,135	-	45,460,469	511,572,618
2071	511,572,618	-	258,605	-	49,865,723	561,179,736

## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3  
Hypothetical Assumptions: 9.75% 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
2072	561,179,736	-	224,078	-	54,704,100	615,659,758
2073	615,659,758	-	194,214	-	60,017,358	675,482,902
2074	675,482,902	-	168,456	-	65,851,371	741,165,817
2075	741,165,817	-	146,173	-	72,256,541	813,276,185
2076	813,276,185	-	126,851	-	79,288,244	892,437,578
2077	892,437,578	-	109,890	-	87,007,307	979,334,995
2078	979,334,995	-	94,988	-	95,480,531	1,074,720,538
2079	1,074,720,538	-	81,809	-	104,781,264	1,179,419,993
2080	1,179,419,993	-	70,046	-	114,990,035	1,294,339,982
2081	1,294,339,982	-	59,572	-	126,195,244	1,420,475,654
2082	1,420,475,654	-	50,195	-	138,493,929	1,558,919,388
2083	1,558,919,388	-	41,752	-	151,992,605	1,710,870,241
2084	1,710,870,241	-	34,296	-	166,808,177	1,877,644,122
2085	1,877,644,122	-	27,786	-	183,068,947	2,060,685,283
2086	2,060,685,283	-	22,192	-	200,915,733	2,261,578,824
2087	2,261,578,824	-	17,471	-	220,503,084	2,482,064,437
2088	2,482,064,437	-	13,543	-	242,000,622	2,724,051,516
2089	2,724,051,516	-	10,326	-	265,594,519	2,989,635,709
2090	2,989,635,709	-	7,736	-	291,489,104	3,281,117,077
2091	3,281,117,077	-	5,685	-	319,908,638	3,601,020,030
2092	3,601,020,030	-	4,082	-	351,099,254	3,952,115,202
2093	3,952,115,202	-	2,875	-	385,331,092	4,337,443,419
2094	4,337,443,419	-	1,991	-	422,900,636	4,760,342,064
2095	4,760,342,064	-	1,354	-	464,133,285	5,224,473,995
2096	5,224,473,995	-	906	-	509,386,170	5,733,859,259
2097	5,733,859,259	-	595	-	559,051,249	6,292,909,913
2098	6,292,909,913	-	385	-	613,558,698	6,906,468,226
2099	6,906,468,226	-	244	-	673,380,640	7,579,848,622
2100	7,579,848,622	-	152	-	739,035,233	8,318,883,703
2101	8,318,883,703	-	93	-	811,091,157	9,129,974,767
2102	9,129,974,767	-	57	-	890,172,537	10,020,147,247
2103	10,020,147,247	-	34	-	976,964,355	10,997,111,568
2104	10,997,111,568	-	21	-	1,072,218,377	12,069,329,924
2105	12,069,329,924	-	13	-	1,176,759,667	13,246,089,578
2106	13,246,089,578	-	7	-	1,291,493,734	14,537,583,305
2107	14,537,583,305	-	4	-	1,417,414,372	15,954,997,673
2108	15,954,997,673	-	2	-	1,555,612,273	17,510,609,944
2109	17,510,609,944	-	1	-	1,707,284,469	19,217,894,412
2110	19,217,894,412	-	1	-	1,873,744,705	21,091,639,116
2111	21,091,639,116	-	-	-	2,056,434,814	23,148,073,930

\*All DROP and Share Balances paid in 2019.

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 9.75% 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, 2021**

Valuation Date: 10/1/2019

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	
	7.75% RP-2000 Generational	5.75% RP-2000 Generational	9.75% RP-2000 Generational
Minimum Required Contribution (Fixed \$)	\$1,273,220	\$2,249,819	\$472,072
Minimum Required Contribution (% of Payroll)	48.8%	86.1%	18.1%
Expected Member Contribution	256,409	253,940	258,877
Expected State Money	217,232	217,232	217,232
Expected Sponsor Contribution (Fixed \$)	\$799,579	\$1,778,647	\$0
Expected Sponsor Contribution (% of Payroll)	30.4%	67.7%	0.0%
<hr/>			
<b><u>ASSETS</u></b>			
Actuarial Value <sup>1</sup>	27,249,008	27,249,008	27,249,008
Market Value <sup>1</sup>	27,213,814	27,213,814	27,213,814
<b><u>LIABILITIES</u></b>			
Present Value of Benefits			
Active Members			
Retirement Benefits	11,404,611	17,752,599	7,814,663
Disability Benefits	449,018	635,568	331,175
Death Benefits	84,064	106,383	67,743
Vested Benefits	1,027,685	1,666,735	668,898
Refund of Contributions	137,091	145,196	129,797
Service Retirees	18,057,528	22,546,614	14,929,347
DROP Retirees <sup>1</sup>	2,503,331	3,189,554	2,047,138
Beneficiaries	1,145,652	1,387,043	971,222
Disability Retirees	423,736	491,952	371,861
Terminated Vested	964,347	1,254,776	767,081
Share Plan Balances <sup>1</sup>	35,322	35,322	35,322
Total:	36,232,385	49,211,742	28,134,247
Present Value of Future Salaries	21,463,407	24,322,746	19,174,236
Present Value of Future Member Contributions	2,028,292	2,298,499	1,811,965
Total Normal Cost	619,043	981,895	406,866
Present Value of Future Normal Costs (Entry Age Normal)	5,268,363	9,586,060	3,057,880
Total Actuarial Accrued Liability <sup>1</sup>	30,964,022	39,625,682	25,076,367
Unfunded Actuarial Accrued Liability (UAAL)	3,715,014	12,376,674	(2,172,641)

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

Valuation Date: 10/1/2019

	ACTUAL	HYPOTHETICAL	
	7.75% RP-2000 Generational	5.75% RP-2000 Generational	9.75% RP-2000 Generational
<b><u>PENSION COST</u></b>			
Normal Cost <sup>2</sup>	686,050	1,077,702	455,247
Administrative Expenses <sup>2</sup>	64,393	63,773	65,013
Payment Required To Amortize UAAL <sup>2</sup>	522,777	1,108,344	(48,188)
Minimum Required Contribution	\$1,273,220	\$2,249,819	\$472,072

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

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