

OCEAN CITY-WRIGHT FIRE CONTROL DISTRICT  
FIREFIGHTERS' PENSION TRUST FUND

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



April 16, 2024

VIA E-MAIL

Jennifer Benedict, Secretary  
Ocean City-Wright Fire Control District  
Firefighters' Pension Trust Fund  
233 Racetrack Rd. NE.  
Ft. Walton Beach, FL 32547

Re: Ocean City-Wright Fire Control District Firefighters' Pension Trust Fund  
Section 112.664, Florida Statutes Compliance

Dear Jennifer:

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.

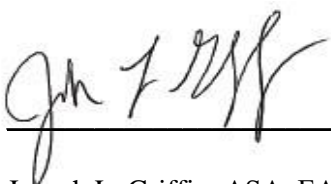
In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should 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:   
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Joseph L. Griffin, ASA. EA. MAAA  
Enrolled Actuary #23-6938

Enclosures

cc via email: Stu Kaufman, 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

	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
	6.80%	4.80%	8.80%
Discount Rate:	6.80%	4.80%	8.80%
<u>Total Pension Liability</u>			
Service Cost	688,685	1,103,195	450,479
Interest	1,677,490	1,555,539	1,716,751
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(135,606)	(173,172)	(102,530)
Changes of Assumptions	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(1,469,899)	(1,469,899)	(1,469,899)
Net Change in Total Pension Liability	760,670	1,015,663	594,801
Total Pension Liability - Beginning	24,715,240	32,038,817	19,793,004
Total Pension Liability - Ending (a)	\$ 25,475,910	\$ 33,054,480	\$ 20,387,805
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	1,613,514	1,613,514	1,613,514
Contributions - State	380,219	380,219	380,219
Contributions - Employee	270,138	270,138	270,138
Net Investment Income	2,587,818	2,587,818	2,587,818
Benefit Payments, Including Refunds of Employee Contributions	(1,469,899)	(1,469,899)	(1,469,899)
Administrative Expenses	(33,693)	(33,693)	(33,693)
Net Change in Plan Fiduciary Net Position	3,348,097	3,348,097	3,348,097
Plan Fiduciary Net Position - Beginning	17,279,520	17,279,520	17,279,520
Plan Fiduciary Net Position - Ending (b)	\$ 20,627,617	\$ 20,627,617	\$ 20,627,617
Net Pension Liability - Ending (a) - (b)	\$ 4,848,293	\$ 12,426,863	\$ (239,812)

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

Table 1  
Plan Assumptions: Discount Rate = 6.80%

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	20,627,617	-	1,507,617	-	1,351,419	20,471,419
2024	20,471,419	-	1,518,308	-	1,340,434	20,293,545
2025	20,293,545	-	1,515,774	-	1,328,425	20,106,196
2026	20,106,196	-	1,509,321	-	1,315,904	19,912,779
2027	19,912,779	-	1,586,511	-	1,300,128	19,626,396
2028	19,626,396	-	1,590,809	-	1,280,507	19,316,094
2029	19,316,094	-	1,606,394	-	1,258,877	18,968,577
2030	18,968,577	-	1,616,694	-	1,234,896	18,586,779
2031	18,586,779	-	1,636,767	-	1,208,251	18,158,263
2032	18,158,263	-	1,666,495	-	1,178,101	17,669,869
2033	17,669,869	-	1,708,923	-	1,143,448	17,104,394
2034	17,104,394	-	1,749,144	-	1,103,628	16,458,878
2035	16,458,878	-	1,754,718	-	1,059,543	15,763,703
2036	15,763,703	-	1,768,980	-	1,011,786	15,006,509
2037	15,006,509	-	1,761,159	-	960,563	14,205,913
2038	14,205,913	-	1,778,396	-	905,537	13,333,054
2039	13,333,054	-	1,777,938	-	846,198	12,401,314
2040	12,401,314	-	1,757,041	-	783,550	11,427,823
2041	11,427,823	-	1,768,693	-	716,956	10,376,086
2042	10,376,086	-	1,750,525	-	646,056	9,271,617
2043	9,271,617	-	1,749,481	-	570,988	8,093,124
2044	8,093,124	-	1,737,247	-	491,266	6,847,143
2045	6,847,143	-	1,719,122	-	407,156	5,535,177
2046	5,535,177	-	1,702,968	-	318,491	4,150,700
2047	4,150,700	-	1,663,324	-	225,695	2,713,071
2048	2,713,071	-	1,657,403	-	128,137	1,183,805
2049	1,183,805	-	1,616,897	-	-	-

Number of Years Expected Benefit Payments Sustained: 26.73

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 6.80% 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 = 4.80%

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	20,627,617	-	1,507,617	-	953,943	20,073,943
2024	20,073,943	-	1,518,308	-	927,110	19,482,745
2025	19,482,745	-	1,515,774	-	898,793	18,865,764
2026	18,865,764	-	1,509,321	-	869,333	18,225,776
2027	18,225,776	-	1,586,511	-	836,761	17,476,026
2028	17,476,026	-	1,590,809	-	800,670	16,685,887
2029	16,685,887	-	1,606,394	-	762,369	15,841,862
2030	15,841,862	-	1,616,694	-	721,609	14,946,777
2031	14,946,777	-	1,636,767	-	678,163	13,988,173
2032	13,988,173	-	1,666,495	-	631,436	12,953,114
2033	12,953,114	-	1,708,923	-	580,735	11,824,926
2034	11,824,926	-	1,749,144	-	525,617	10,601,399
2035	10,601,399	-	1,754,718	-	466,754	9,313,435
2036	9,313,435	-	1,768,980	-	404,589	7,949,044
2037	7,949,044	-	1,761,159	-	339,286	6,527,171
2038	6,527,171	-	1,778,396	-	270,623	5,019,398
2039	5,019,398	-	1,777,938	-	198,261	3,439,721
2040	3,439,721	-	1,757,041	-	122,938	1,805,618
2041	1,805,618	-	1,768,693	-	44,221	81,146
2042	81,146	-	1,750,525	-	-	-

Number of Years Expected Benefit Payments Sustained: 19.05

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 4.80% 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 = 8.80%

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	20,627,617	-	1,507,617	-	1,748,895	20,868,895
2024	20,868,895	-	1,518,308	-	1,769,657	21,120,244
2025	21,120,244	-	1,515,774	-	1,791,887	21,396,357
2026	21,396,357	-	1,509,321	-	1,816,469	21,703,505
2027	21,703,505	-	1,586,511	-	1,840,102	21,957,096
2028	21,957,096	-	1,590,809	-	1,862,229	22,228,516
2029	22,228,516	-	1,606,394	-	1,885,428	22,507,550
2030	22,507,550	-	1,616,694	-	1,909,530	22,800,386
2031	22,800,386	-	1,636,767	-	1,934,416	23,098,035
2032	23,098,035	-	1,666,495	-	1,959,301	23,390,841
2033	23,390,841	-	1,708,923	-	1,983,201	23,665,119
2034	23,665,119	-	1,749,144	-	2,005,568	23,921,543
2035	23,921,543	-	1,754,718	-	2,027,888	24,194,713
2036	24,194,713	-	1,768,980	-	2,051,300	24,477,033
2037	24,477,033	-	1,761,159	-	2,076,488	24,792,362
2038	24,792,362	-	1,778,396	-	2,103,478	25,117,444
2039	25,117,444	-	1,777,938	-	2,132,106	25,471,612
2040	25,471,612	-	1,757,041	-	2,164,192	25,878,763
2041	25,878,763	-	1,768,693	-	2,199,509	26,309,579
2042	26,309,579	-	1,750,525	-	2,238,220	26,797,274
2043	26,797,274	-	1,749,481	-	2,281,183	27,328,976
2044	27,328,976	-	1,737,247	-	2,328,511	27,920,240
2045	27,920,240	-	1,719,122	-	2,381,340	28,582,458
2046	28,582,458	-	1,702,968	-	2,440,326	29,319,816
2047	29,319,816	-	1,663,324	-	2,506,958	30,163,450
2048	30,163,450	-	1,657,403	-	2,581,458	31,087,505
2049	31,087,505	-	1,616,897	-	2,664,557	32,135,165
2050	32,135,165	-	1,564,752	-	2,759,045	33,329,458
2051	33,329,458	-	1,518,926	-	2,866,160	34,676,692
2052	34,676,692	-	1,463,388	-	2,987,160	36,200,464
2053	36,200,464	-	1,401,240	-	3,123,986	37,923,210
2054	37,923,210	-	1,339,155	-	3,278,320	39,862,375
2055	39,862,375	-	1,277,785	-	3,451,666	42,036,256
2056	42,036,256	-	1,213,998	-	3,645,775	44,468,033
2057	44,468,033	-	1,150,507	-	3,862,565	47,180,091
2058	47,180,091	-	1,083,868	-	4,104,158	50,200,381
2059	50,200,381	-	1,019,815	-	4,372,762	53,553,328
2060	53,553,328	-	957,424	-	4,670,566	57,266,470
2061	57,266,470	-	895,181	-	5,000,061	61,371,350
2062	61,371,350	-	835,229	-	5,363,929	65,900,050
2063	65,900,050	-	777,240	-	5,765,006	70,887,816
2064	70,887,816	-	721,284	-	6,206,391	76,372,923
2065	76,372,923	-	667,414	-	6,691,451	82,396,960
2066	82,396,960	-	615,921	-	7,223,832	89,004,871
2067	89,004,871	-	567,018	-	7,807,480	96,245,333
2068	96,245,333	-	520,667	-	8,446,680	104,171,346
2069	104,171,346	-	476,936	-	9,146,093	112,840,503
2070	112,840,503	-	435,798	-	9,910,789	122,315,494
2071	122,315,494	-	397,217	-	10,746,286	132,664,563
2072	132,664,563	-	361,127	-	11,658,592	143,962,028
2073	143,962,028	-	327,441	-	12,654,251	156,288,838
2074	156,288,838	-	296,070	-	13,740,391	169,733,159

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

Table 3  
Hypothetical Assumptions: Discount Rate = 8.80%

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
2075	169,733,159	-	266,901	-	14,924,774	184,391,032
2076	184,391,032	-	239,821	-	16,215,859	200,367,070
2077	200,367,070	-	214,700	-	17,622,855	217,775,225
2078	217,775,225	-	191,390	-	19,155,799	236,739,634
2079	236,739,634	-	169,776	-	20,825,618	257,395,476
2080	257,395,476	-	149,786	-	22,644,211	279,889,901
2081	279,889,901	-	131,387	-	24,624,530	304,383,044
2082	304,383,044	-	114,545	-	26,780,668	331,049,167
2083	331,049,167	-	99,217	-	29,127,961	360,077,911
2084	360,077,911	-	85,360	-	31,683,100	391,675,651
2085	391,675,651	-	72,932	-	34,464,248	426,066,967
2086	426,066,967	-	61,884	-	37,491,170	463,496,253
2087	463,496,253	-	52,129	-	40,785,377	504,229,501
2088	504,229,501	-	43,577	-	44,370,279	548,556,203
2089	548,556,203	-	36,119	-	48,271,357	596,791,441
2090	596,791,441	-	29,653	-	52,516,342	649,278,130
2091	649,278,130	-	24,090	-	57,135,415	706,389,455
2092	706,389,455	-	19,342	-	62,161,421	768,531,534
2093	768,531,534	-	15,330	-	67,630,100	836,146,304
2094	836,146,304	-	11,984	-	73,580,347	909,714,667
2095	909,714,667	-	9,229	-	80,054,485	989,759,923
2096	989,759,923	-	6,996	-	87,098,565	1,076,851,492
2097	1,076,851,492	-	5,217	-	94,762,702	1,171,608,977
2098	1,171,608,977	-	3,826	-	103,101,422	1,274,706,573
2099	1,274,706,573	-	2,756	-	112,174,057	1,386,877,874
2100	1,386,877,874	-	1,949	-	122,045,167	1,508,921,092
2101	1,508,921,092	-	1,355	-	132,784,996	1,641,704,733
2102	1,641,704,733	-	925	-	144,469,976	1,786,173,784
2103	1,786,173,784	-	621	-	157,183,266	1,943,356,429
2104	1,943,356,429	-	410	-	171,015,348	2,114,371,367
2105	2,114,371,367	-	267	-	186,064,669	2,300,435,769
2106	2,300,435,769	-	171	-	202,438,340	2,502,873,938
2107	2,502,873,938	-	107	-	220,252,902	2,723,126,733
2108	2,723,126,733	-	66	-	239,635,150	2,962,761,817
2109	2,962,761,817	-	40	-	260,723,038	3,223,484,815
2110	3,223,484,815	-	24	-	283,666,663	3,507,151,454
2111	3,507,151,454	-	14	-	308,629,327	3,815,780,767
2112	3,815,780,767	-	8	-	335,788,707	4,151,569,466
2113	4,151,569,466	-	4	-	365,338,113	4,516,907,575
2114	4,516,907,575	-	2	-	397,487,867	4,914,395,440
2115	4,914,395,440	-	1	-	432,466,799	5,346,862,238
2116	5,346,862,238	-	1	-	470,523,877	5,817,386,114
2117	5,817,386,114	-	-	-	511,929,978	6,329,316,092

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 8.80% 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

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	6.80%	4.80%	8.80%
Minimum Required Contribution (Fixed \$)	\$1,394,634	\$2,237,320	\$755,396
Minimum Required Contribution (% of Payroll)	33.8%	54.1%	18.2%
Expected Member Contribution	289,605	289,605	289,605
Expected State Money	380,219	380,219	380,219
Expected Sponsor Contribution (Fixed \$)	\$724,810	\$1,567,496	\$85,572
Expected Sponsor Contribution (% of Payroll)	17.6%	37.9%	2.0%

**ASSETS**

Actuarial Value <sup>1</sup>	21,343,779	21,343,779	21,343,779
Market Value <sup>1</sup>	20,627,617	20,627,617	20,627,617

**LIABILITIES**

Present Value of Benefits			
Actives			
Retirement Benefits	12,967,375	20,588,953	8,639,051
Disability Benefits	378,362	549,316	272,808
Death Benefits	70,654	101,179	50,791
Vested Benefits	2,163,378	4,026,877	1,225,013
Refund of Contributions	359,906	381,819	340,280
Service Retirees	16,468,670	20,321,796	13,766,579
Beneficiaries	186,516	208,187	168,694
Disability Retirees	516,554	677,201	414,666
Terminated Vested	628,947	945,168	436,506
Share Plan Balances <sup>1</sup>	0	0	0
Total:	<u>33,740,362</u>	<u>47,800,496</u>	<u>25,314,388</u>
Present Value of Future Salaries	36,263,143	41,097,513	32,413,942
Present Value of Future Member Contributions	2,538,420	2,876,826	2,268,976
Total Normal Cost	791,163	1,288,441	508,303
Present Value of Future Normal Costs (Entry Age Normal)	6,659,022	12,360,127	3,798,389
Total Actuarial Accrued Liability (EAN) <sup>1</sup>	27,081,340	35,440,369	21,515,999
Unfunded Actuarial Accrued Liability (UAAL)	5,737,561	14,096,590	172,220

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2025

Valuation Date: 10/1/2023

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	6.80%	4.80%	8.80%
<b><u>PENSION COST</u></b>			
Normal Cost (with interest)	818,063	1,319,364	530,668
Administrative Expenses (with interest)	40,669	40,276	41,063
Payment Required To Amortize UAAL (with interest)	<u>535,902</u>	<u>877,680</u>	<u>183,665</u>
Minimum Required Contribution	\$1,394,634	\$2,237,320	\$755,396

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