

**CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS' RETIREMENT TRUST FUND
PENSION BOARD OF TRUSTEES QUARTERLY MEETING
Council Chambers, City Hall
205 N. Marion Avenue, Lake City, Florida 32055
AGENDA
Thursday, February 15, 2024 - 9:30AM**

Pursuant to Chapter 286, F.S., if an individual decides to appeal any decision made with respect to any matter considered at a meeting or hearing, that individual will need a record of the proceedings and will need to ensure that a verbatim record of the proceedings is made. In accordance with the Americans with Disabilities Act (ADA), persons needing assistance to participate in any of these proceedings should contact the City Clerk at (386) 719-5756 prior to the meeting.

- I. CALL TO ORDER/ROLL CALL/DETERMINATION OF A QUORUM**
- II. PUBLIC COMMENTS**
- III. APPROVAL OF MINUTES**
 - A. November 16, 2023, quarterly meeting minutes
- IV. REPORTS (ATTORNEY/CONSULTANT)**
 - A. October 1, 2023 actuarial valuation report
 - B. Riverplace Capital, Peter Bower, Investment Manager
 - 1. Quarterly report as of December 31, 2023
 - C. AndCo Consulting, Brad Hess, Investment Consultant
 - 1. Quarterly report as of December 31, 2023
- V. NEW BUSINESS**
 - A. Actual Expenses through September 30, 2023
- VI. OLD BUSINESS**
- VII. CONSENT AGENDA**
 - A. Invoices for ratification
 - 1. None
 - B. New invoices for payment approval
 - 1. Warrant #21
 - C. Fund activity report for November 14, 2023 through February 12, 2024
- VIII. TRUSTEE REPORTS, DISCUSSION, and ACTION**
- IX. ADJOURNMENT**

NEXT MEETING DATE: May 16, 2024, 9:30AM, Quarterly Meeting

**CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS’
PENSION PLAN & TRUST FUND
PENSION BOARD OF TRUSTEES
QUARTERLY MEETING MINUTES
205 N. Marion Avenue, Lake City, Florida 32055**

Thursday, November 16, 2023, at 9:30AM

TRUSTEES PRESENT: David Brewer
Daniel Dohrn
Adam Brannon

TRUSTEES ABSENT: Al Torrans

OTHERS PRESENT: Jorge Friguls, AndCo Consulting
Scott Wohlers, Riverplace Capital
Michelle Rodriguez, Foster & Foster

1. **Call to Order** – David Brewer called the meeting to order at 9:36AM.
2. **Roll Call** – As reflected above.
3. **Public Comments** – None.
4. **Approval of Minutes**
 - a. August 17, 2023, quarterly meeting minutes

The August 17, 2023, quarterly meeting minutes were approved as presented, upon motion by Daniel Dohrn and second by Adam Brannon; motion carried 3-0.

5. **Reports (Attorney/Consultants)**
 - a. Riverplace Capital, Scott Wohlers, Investment Manager
 1. Quarterly report as of September 30, 2023
 - i. Scott Wohlers reviewed the quarterly investment performance report for the Board.
 - b. AndCo Consulting, Jorge Friguls, Investment Consultant
 1. Quarterly report as of September 30, 2023
 - i. Jorge Friguls reviewed the market environment over the last quarter. Jorge commented their Dodge and Cox fund had the best returns.
 - ii. The market value of assets as of September 30, 2023, was \$10,446,694.
 - iii. The total fund net returns for the quarter were 3.23%, overperforming the benchmark of 2.86%. The 1-, 3-, 5-, 7-, and 10-year trailing returns were 8.66%, 3.21%, 3.38%, 5.92% and 6.63%, respectively. Since inception (2/1/2001), total fund net returns were 4.67%.
 - iv. Jorge Friguls reviewed the individual plan allocations and did not have any recommendations for changes at this time.
6. **New Business**
 - a. Adding Buyback provision discussion
 1. Adam Brannon commented some members have asked about purchasing their prior Lake City Fire service now that they were reemployed.
 2. Michelle Rodriguez commented they would need to change the plan provisions and they would need an impact statement from the actuary and a proposed Ordinance amendment from the plan attorney.
 3. Adam Brannon asked the plan administrator to request a buyback calculation from the actuary before any work was done towards plan provision changes.

The Board authorized the plan administrator to work with the actuary and plan attorney on a possible addition of a buyback provision for members, upon motion by Daniel Dohrn and second by Adam Brannon; motion carried 3-0.

7. **Old Business** – None.
8. **Consent Agenda**
 - a. Payment for ratification
 1. Warrants #17, #18, #19 and #20
 - b. Payment approval
 1. None
 - c. Fund Activity Report August 10, 2023 – November 13, 2023

The Board approved the consent agenda as presented, upon motion by Daniel Dohrn and second by Adam Brannon; motion carried 3-0.

9. **Staff Reports, Discussion, Action**
 - a. Foster & Foster, Michelle Rodriguez, Plan Administrator
 1. FPPTA Membership Renewal

The Board voted to renew their 2024 annual membership with the FPPTA, upon motion by Daniel Dohrn and second by Adam Brannon; motion carried 3-0.

2. Educational opportunities
 - i. Michelle Rodriguez reviewed upcoming education opportunities that were available to the Board.
10. **Trustee Reports** – None.
11. **Adjournment** – The meeting adjourned at 10:20AM.
12. **Next Meeting** – February 15, 2024, at 9:30AM, Quarterly Meeting

Respectfully submitted by:

Approved by:

Michelle Rodriguez, Plan Administrator

David Brewer, Chair

Date Approved by the Pension Board: _____

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

2023 REVISED ACTUARIAL VALUATION

FEBRUARY 2024

ACTUARIAL VALUATION AS OF OCTOBER 1, 2023
FOR THE PLAN YEAR BEGINNING OCTOBER 1, 2024
TO DETERMINE CONTRIBUTIONS TO BE PAID
IN THE FISCAL YEAR ENDING SEPTEMBER 30, 2025

DRAFT

February 6, 2024

Board of Trustees
City of Lake City Municipal Firefighters' Pension Trust Fund
225 NW Main Boulevard
Lake City, Florida 32055

Members of the Board:

This report presents the results of the 2023 revised actuarial valuation of the City of Lake City Municipal Firefighters' Pension Trust Fund. Actuarial Concepts was retained by the Board to perform the actuarial valuation and prepare this report. This actuarial valuation was prepared and completed by us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate, and, in our opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112 and Chapter 175, Florida Statutes. There is no benefit or expense to be provided by the Plan and/or paid from the Plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends that require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

Although the Plan is in excellent financial shape, expect future contribution volatility going forward. Since valuations are a snapshot as of a certain date, temporary asset losses are recorded as fixed items that require amortization (increasing contributions) under State law. Over a longer period, gains and losses are expected to wash and contributions average a relatively stable amount.

The use of the valuation results for financial or administrative purposes, other than those outlined in the report, is not recommended without an advance review by Actuarial Concepts of the appropriateness of such application.

Members of our staff are available to discuss this report and related issues.

Very truly yours,

ACTUARIAL CONCEPTS



By: _____

Michael J. Tierney
ASA, MAAA

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SECTION 1
KEY VALUATION RESULTS SUMMARY

The 2023 valuation of the Lake City Municipal Firefighters' Pension Trust Fund ("Plan") presents a statement of the estimated financial position of the Plan as of October 1, 2023. Information in the report provides bases for determining contribution requirements and current funded status.

Key Results Synopsis

- The total City contribution for the 2023-2024 plan year is \$192,847. The required net City contribution after estimated premium tax refunds of \$90,501 is \$102,347.
- The total City contribution for the 2024-2025 plan year is \$350,568. The required net City contribution after estimated premium tax refunds of \$90,501(estimated) is \$260,068.
- Like the 2022 plan year, the plan experienced asset and salary losses; hence, the plan remains in an unfunded position with an ongoing amortization requirement. Although current market yields have been favorable, the increasing recognition of past asset losses by the asset averaging method resulted in increasing the unfunded liability.
- Premium tax refunds available for use to offset the total City contribution requirements have increased in recent years, and were \$90,501 in 2023. Currently there are unused premium tax refunds held in suspense of \$3,810.
- Plan experience has been less favorable than expected, due mostly to an asset yield of 3.06% (based on actuarial value; market yield was about 10%) much less than the 7.25% assumed rate of return. Additionally, there were losses due to higher than anticipated salary increases at 18.94% versus the assumed rate of 6%. There was a small retiree loss offset by a small gain in active members effectively balancing each other out.
- The Plan is 93% funded on a projected liability measurement basis (based on actuarial value of assets). Based on market value, the Plan is 84% funded.

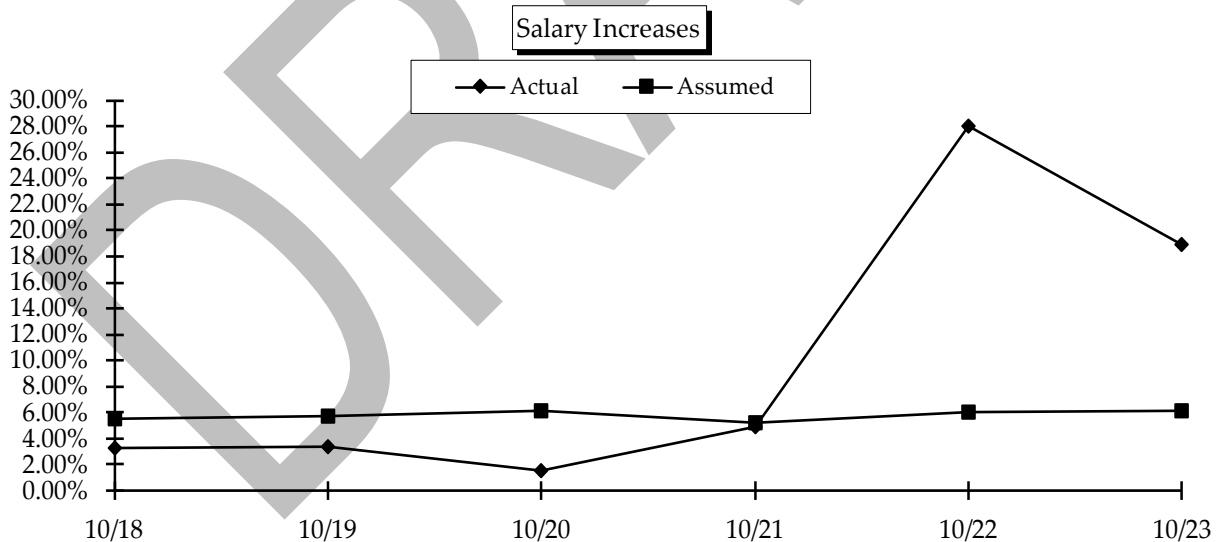
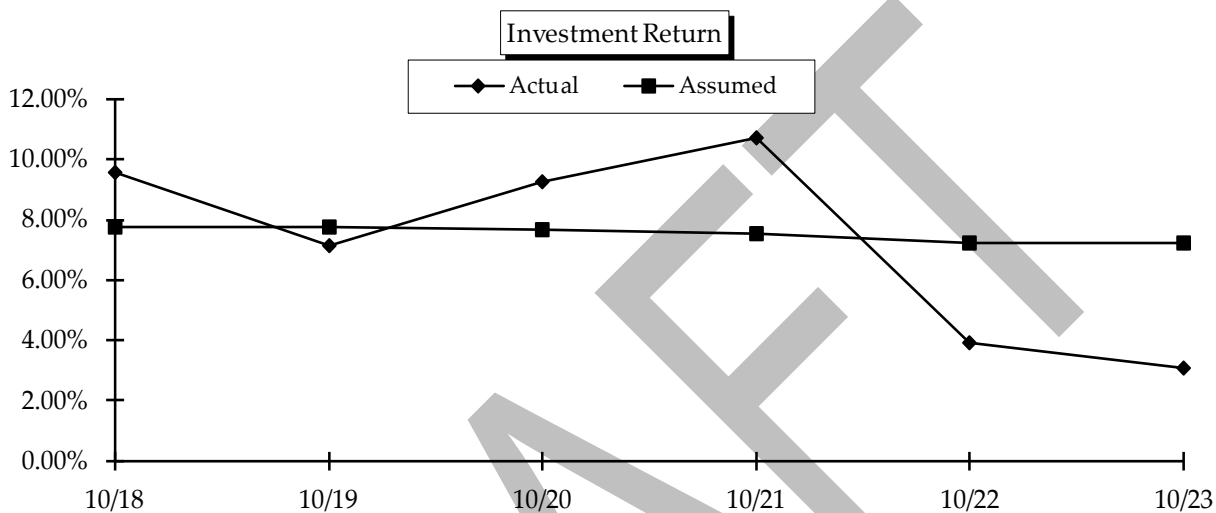
Changes Since Last Valuation

There have been no changes to the plan provisions or actuarial cost method since the last valuation. The actuarial assumptions, however, have been amended to include a lower assumed investment yield, and updated mortality rates (per State requirements for mortality) . A summary of the current Plan provisions is included in Appendix A. Actuarial assumptions and cost method are summarized in Appendix B.

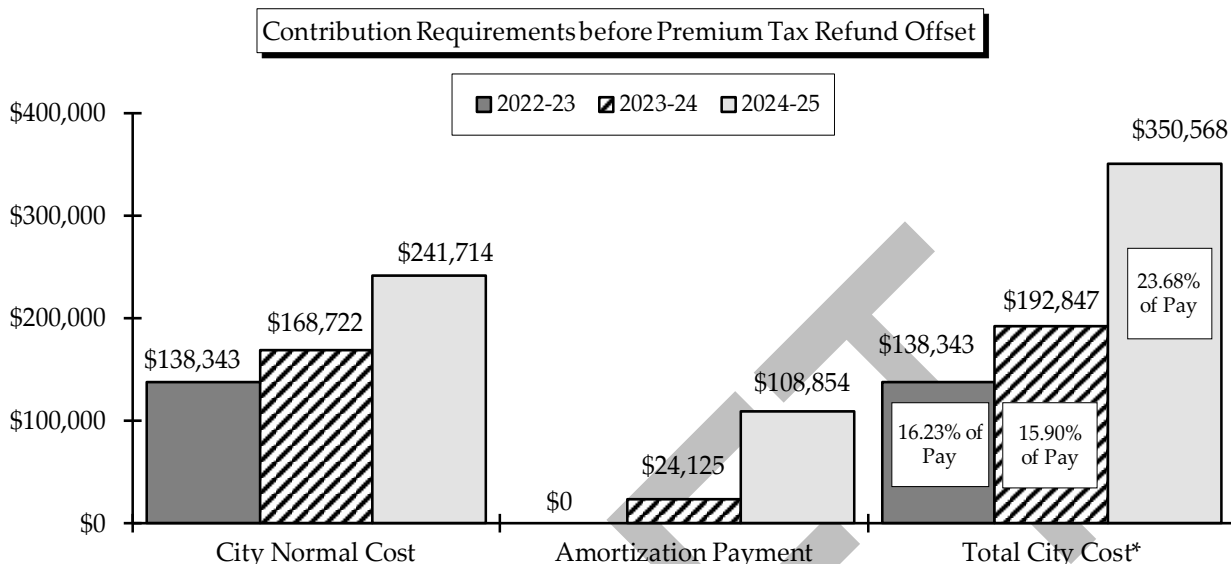
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Plan Experience

For the 12 months ended September 30, 2023, the actual experience under the Plan, in aggregate, was less favorable than expected with an approximate actuarial loss of \$711,000. The majority of the actuarial loss was due to asset yields less than expected (based on actuarial value; market yield was about 10%) of \$474,000, and a loss of approximately \$142,000 due to much greater salary increases than assumed.



City Contribution Requirements



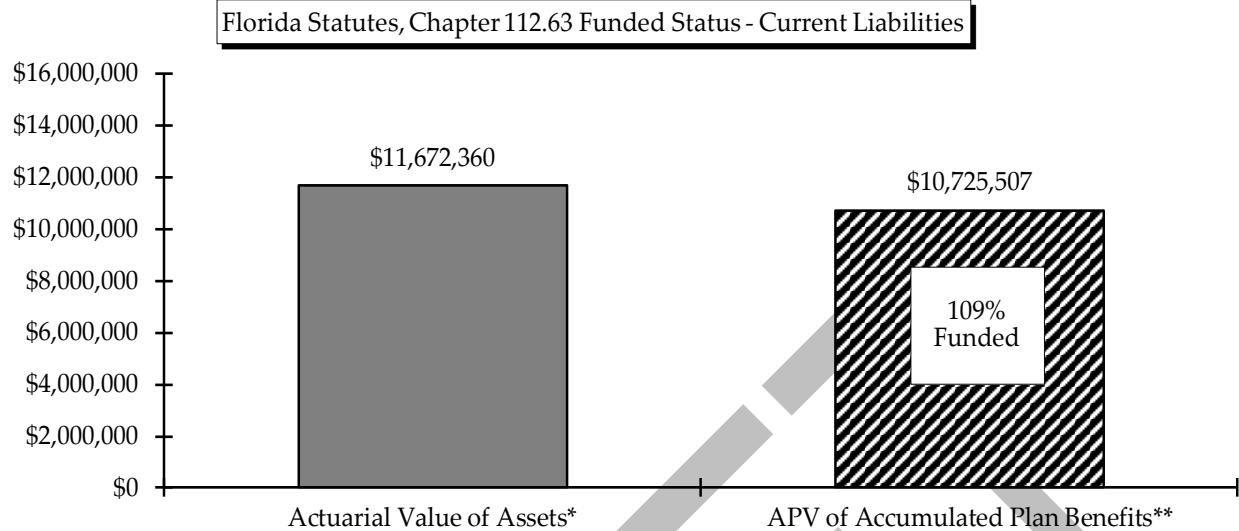
*Contribution requirements shown are before premium tax refund offset.

Contribution Requirements*	FY 2022-2023	FY 2023-2024	FY 2024-2025
Total Plan Contributions Required	\$ 180,960	\$ 253,476	\$ 424,589
Expected Member 5% Contributions	42,617	60,629	74,021
Expected Chapter 175 Contributions	<u>69,290</u>	<u>90,501</u>	<u>90,501</u>
Net City Contributions	\$ 69,053	\$ 102,347	\$ 260,068

* Contributions based on assumed monthly payments.

Total plan contribution requirements have increased in dollar amount and as a percentage of payroll since the last valuation. Dollar amounts have increased due mainly to three factors: the addition of a new amortization of the positive UAAL, and the Normal Cost increases from the large salary increases, and from the decrease in discount rate. But the increases in salary also increase the denominator when measuring the percentage change, resulting in a lower cost when expressed as a percentage.

Florida Statutes, Chapter 112.63 Funded Status - Current Liabilities



* Includes Drop Account balance of \$266,847

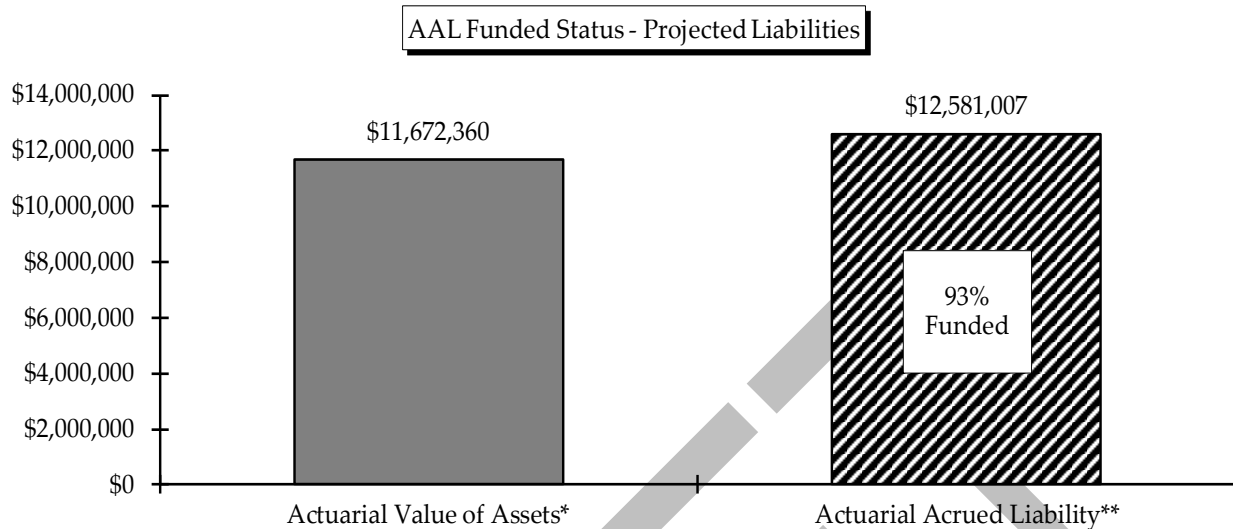
** Accumulated benefit liability APVs were developed using the statute required assumed rate of future investment return of 7.75%

A comparison of current actuarial value of assets of the fund with the current actuarial present value (APV) of benefits accrued based on credited service and salary to date is now a required disclosure under Florida Statutes, Chapter 112.63. This measurement is often used as a surrogate for the liability if the Plan were to stop future benefit accruals. It is called "current liability" since it is based only on current earned benefits, even though the actual payment of those benefits extends many years into the future. The accumulated benefit liability APVs were developed using the statute required assumed rate of future investment return of 7.75%.

The current liability is normally expected to be more than 100% funded for an ongoing plan since the plan will ultimately be liable for a greater accrued benefit (the credited-projected benefit).

The Plan's current liability funded status is 109%.

AAL Funded Status - Projected Liabilities



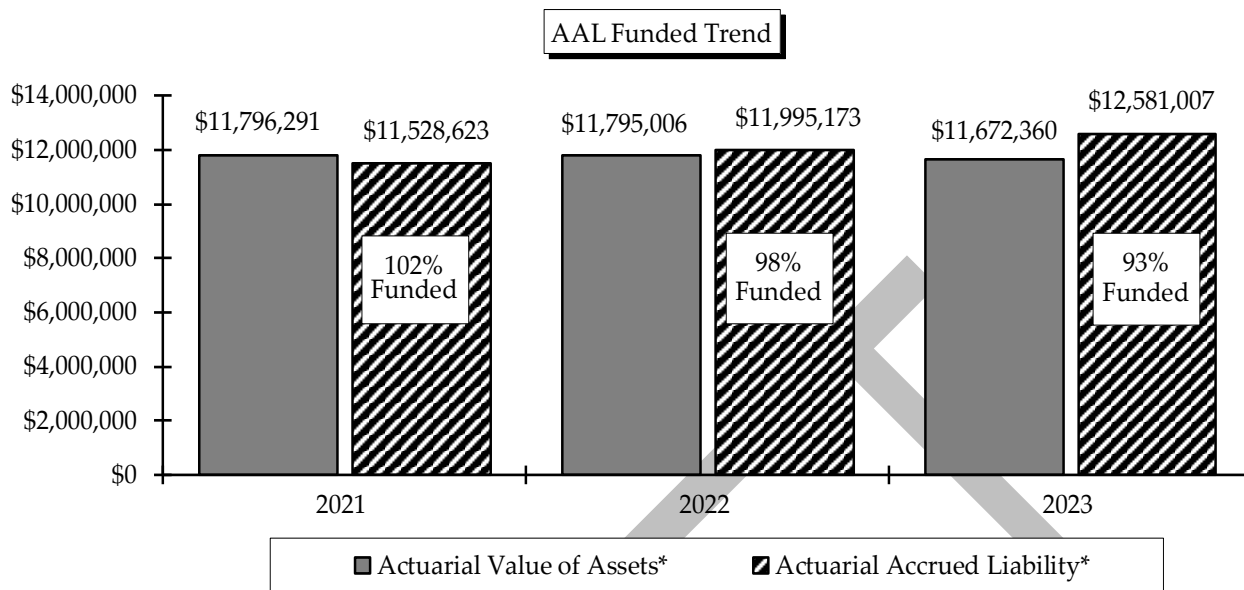
* Includes DROP Account balance of \$266,847.

** AAL APVs were developed using an assumed rate of interest discount of 7.20%

A comparison of assets with the APV of benefits accrued based on credited service to date, but projected salary at retirement (referred to as credited-projected benefits), is often used to judge the progress to date of funding the "ultimate" liability associated with service earned to date. The credited-projected benefit liability is not normally expected to be 100% funded, but a maturing plan's funded ratio should increase over time. The AAL APVs were developed using an assumed rate of interest discount of 7.20%.

The Plan's AAL projected funded status on an actuarial asset value basis is 93%. The Plan's AAL projected funded status on a market value basis is 84%.

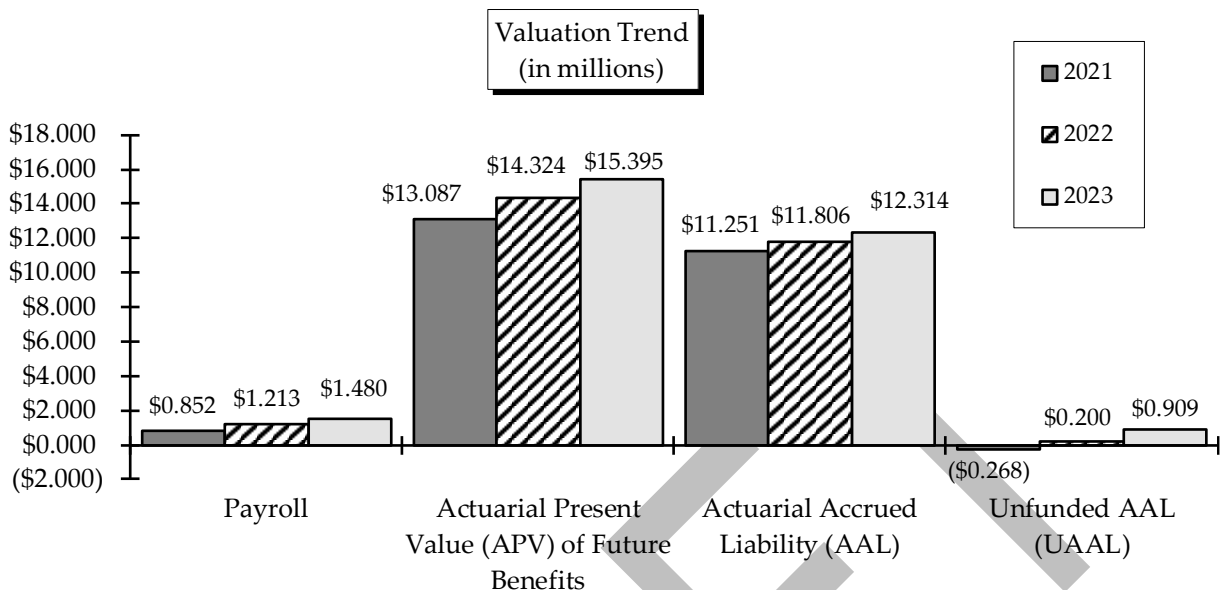
AAL Funded Trend



*2023 includes DROP Account balance of \$266,847.

As shown in the above chart, the projected liability funded percentage has decreased 5% since last year, attributable mostly to the assets growing less than expected and salaries increasing at a rate higher than anticipated by the assumptions.

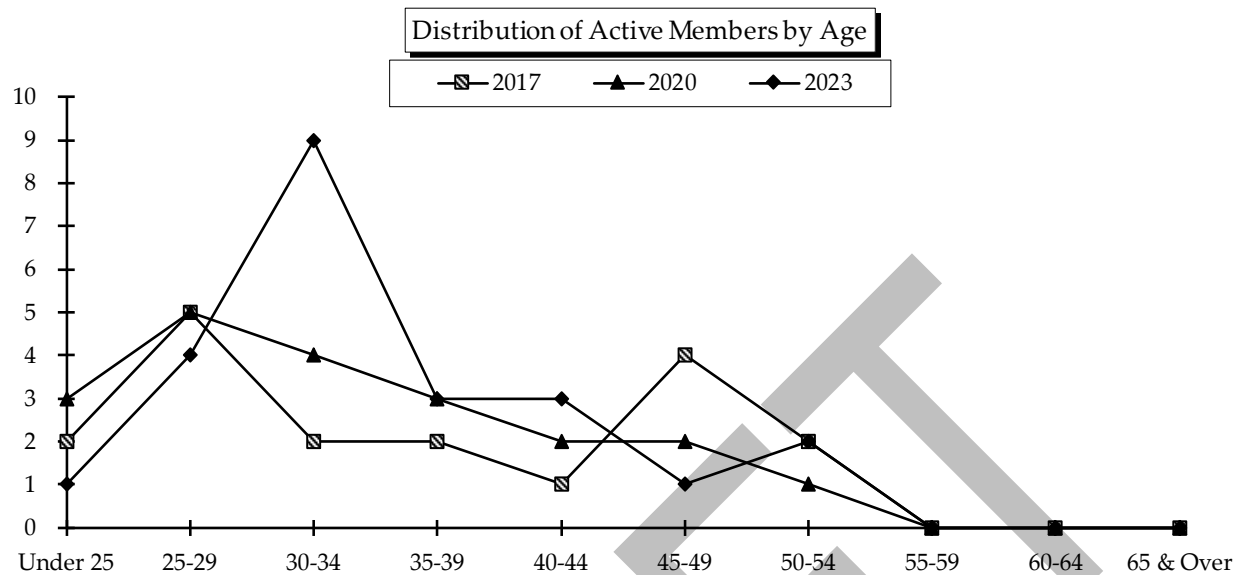
Valuation Trend



Total plan liabilities have grown as expected since the last valuation. Although the unfunded actuarial accrued liability is relatively low, it has grown substantially since 2022 mainly due to the asset and salary losses.

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Participation Trend



True Costs

Well-funded plans such as this one have greater risk of volatility in contributions, as asset fluctuations will affect the remaining requirements more. Ironically, a plan that is zero percent funded has no volatility (since there is no effect of asset losses), whereas a plan that is 100% funded, a 10% drop in assets causes a 100% increase in funding requirements (from zero to the new amortization payment).

Note – plan experience has a greater effect on contribution increases when the Plan is well funded (such as this one) than when it was less well funded. So expect greater contribution volatility for the Plan going forward.

It should be noted that the true costs of a retirement plan cannot be determined until its future unfolds. No one can precisely predict the interest earnings on fund assets, member termination rates, future salary levels, mortality experience, etc. Estimates based on experience with similar groups, along with the judgment of the actuary and the Plan sponsor, can provide a reasonable approximation of this true cost. As actual experience emerges under the Plan, it will be necessary to study the continued appropriateness of the techniques and assumptions used and to adjust the contribution rate as necessary.

SECTION 2
ACTUARIAL VALUATION DEVELOPMENT

Date and Basis of Valuation

Estimated liabilities for the benefits provided by the City of Lake City Municipal Firefighters' Pension Trust Fund and the contributions required to fund these liabilities have been determined as of October 1, 2023, based upon:

1. the provisions of the Plan, as in effect on October 1, 2023, as summarized in Appendix A;
2. the actuarial assumptions and actuarial cost method, as summarized in Appendix B;
3. the statement of trust fund assets at October 1, 2023, provided by the City, as summarized in Appendix C; and
4. the member data as of October 1, 2023, provided by the City, as summarized in Appendix D.

The trust fund asset information has been reconciled by the City. The member data has been supplied by the City and provided as representative of the current participating group. While the asset and member information were reviewed for overall reasonableness, Actuarial Concepts has relied on the Board and the City for this information and does not assume responsibility for either its accuracy or completeness.

Member Reconciliation

		Members					
		Actives	DROP Retirees	Retirees and Beneficiaries	Disabled Retirees	Vested Terminateds	Pending Refunds
Members at	10/01/22	22	1	19	2	3	2
Increase (Decrease) Due to:							
	DROP Retirement	-	-	-	-	-	-
	Retirements	-	-	-	-	-	-
	Nonvested Terminations	(2)	-	-	-	-	2
	Vested Terminations	(1)	-	-	-	1	-
	New Entrants	3	-	-	-	-	-
	Deaths	-	-	-	-	-	-
	Rehires	1	-	-	-	-	-
	Disableds	-	-	-	-	-	-
	Contribution Refund	-	-	-	-	-	-
	Benefits Expired	-	-	-	-	-	-
Members at	10/01/23	23	1	19	2	4	4

Valuation Financial Values

1. Participation				
(a) Number of Active Members				23
(b) Number of Inactive Members				30
(c) Annual Valuation Payroll for Contributing Members				\$ 1,480,413
(d) Total Valuation Payroll				1,480,413
2. Actuarial Present Value (APV) of Future Benefits as of 10/01/23				
(a) Active Members				
(1) Retirement				5,017,453
(2) Withdrawal				544,877
(3) Disability				190,289
(4) Death				47,836
(5) Refund of Contributions				33,160
(6) Total				<u>\$ 5,833,615</u>
(b) Disabled Retirees				1,034,853
(c) Retirees, Beneficiaries and DROP Members				8,045,940
(d) Vested Terminated and Limited Members				480,460
(e) Pending Refunds				<u>Incl Above</u>
(f) Total APV Future Benefits				<u>\$ 15,394,868</u>
3. APV Apportionment of line 2*				
(a) APV of Total Future Normal Costs				3,080,708
(b) Actuarial Accrued Liability [(2f)-(3a)]				12,314,160
(c) Actuarial Value of Assets				<u>11,405,513</u>
(d) Unfunded AAL (UAAL) [(3b)-(3c)]				<u>\$ 908,647</u>
4. Breakdown of UAAL on line 3(d)				
(a) UAAL [3(d)]				908,647
(b) Change in UAAL Due to Change in Assumptions				<u>(5,723)</u>
(c) UAAL Before Change [(4a)-(4b)]				<u>\$ 914,370</u>
(d) Expected UAAL				<u>203,323</u>
(e) Actuarial (Gain) Loss [(4c)-(4d)]				<u>\$ 711,047</u>
5. Contribution Requirements Due				
	End of Month**	10/2024	Equiv. Annual \$ Amount	Percentage of Payroll
(a) Plan Normal Cost Excluding Expenses			\$ 233,909	15.80%
(b) Expense Normal Cost			<u>81,826</u>	<u>5.53%</u>
(c) Total Plan Normal Cost			\$ 315,735	21.33%
(d) Amortization of UAAL			<u>108,854</u>	<u>7.35%</u>
(e) Total Required Plan Contribution [(5c)+(5d)]			\$ 424,589	28.68%
(f) Estimated Member Contributions			74,021	5.00%
(g) Estimated Chapter 175 Contribution			<u>90,501</u>	<u>6.11%</u>
(h) Net City Contribution			<u>\$ 260,068</u>	<u>17.57%</u>

* Calculated in accordance with the Individual Entry Age Actuarial Cost Method.

** Payments start one year from valuation date; includes a payroll growth rate of 2.75% per year.

Explanation of Financial Values

Actuarial Present Value of Future Benefits (line 2f)

The actuarial present value (APV) of future benefits is determined by first measuring the benefit amount that would be available for each member at various future dates (assuming future service credits earned and future salary increases awarded) under each of the events provided for by the Plan (retirement, disability, death, termination of employment). Then the future value of those benefit entitlements is determined by multiplying the various benefit amounts by the then current value of the annuities associated with those amounts. Finally, the APV of those future benefit values is determined by applying discounts to recognize the time value of money and probabilities of death, disability, termination of employment, etc.

APV of Total Future Normal Costs (line 3a)

The APV of future normal costs is that portion of the total APV of future benefits, as described above, that is assigned to future plan years by the Individual Entry Age Actuarial Cost Method (described in Appendix B).

Actuarial Accrued Liability (line 3b) and Unfunded Actuarial Accrued Liability (line 3d)

The actuarial accrued liability (AAL) and the unfunded AAL (UAAL) (the AAL less the actuarial value of assets) are actuarial values generated under the Individual Entry Age Actuarial Cost Method, as described in Appendix B. These liability amounts are not the APV of benefits accrued to date by members but are actuarially determined amounts based on the accrual of Individual Entry Age normal cost amounts due prior to the valuation date. The liability for benefits accrued to date (the APV of accumulated benefits) is provided in Section 3.

Plan Normal Cost (line 5a)

The Plan normal cost for the 12-month period beginning on the valuation date has been determined by first calculating for each member an individual yearly normal cost (that changes in dollar amount as pay increases but is constant as a percent of each individual's pay), then adding together to obtain the Plan normal cost amount as of the beginning of the year. This preliminary total is then adjusted for interest credits assuming contributions are made every other week and an amount to allow for expected annual expenses.

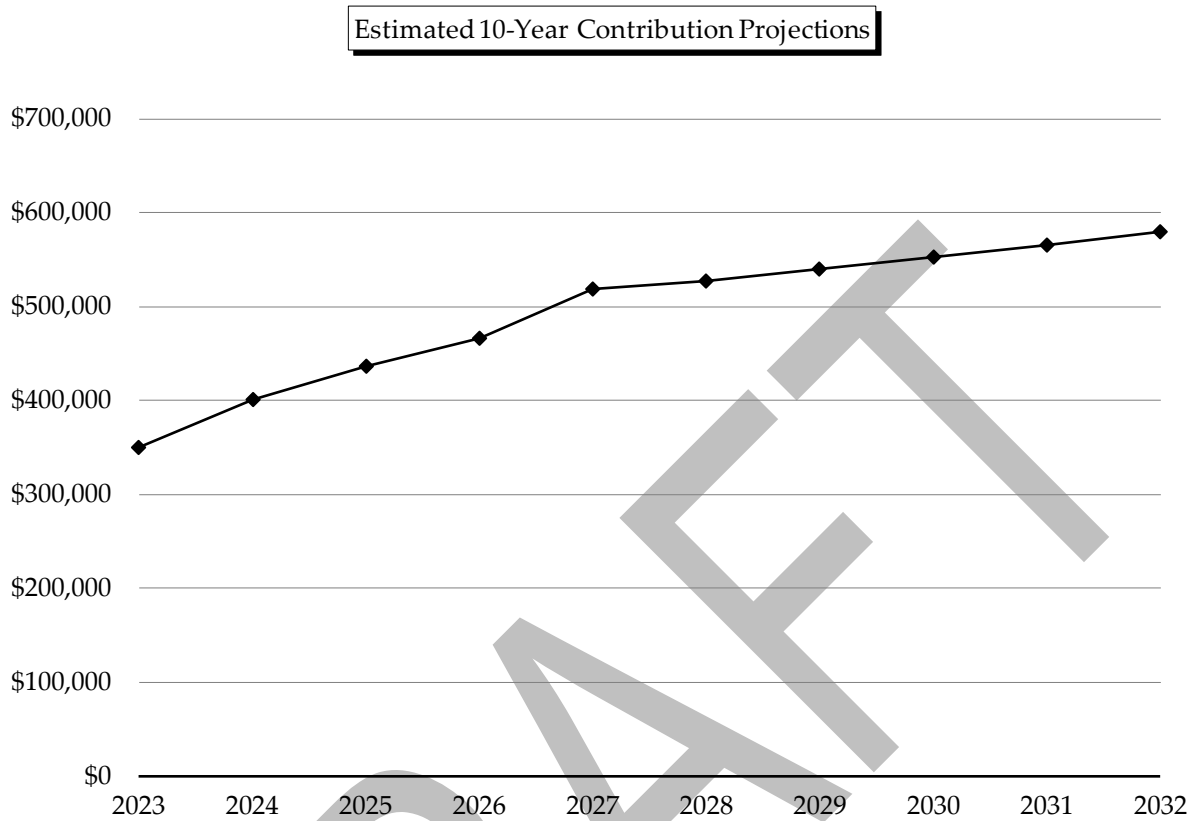
Total Required Plan Contribution (line 5e) and
Net City Contribution (line 5h)

During 2022, the asset losses caused the Plan to no longer be in surplus, and the surplus was used to partially fund the asset and salary losses. The new positive UAAL will be amortized over a period of 15 years from inception. Any future plan improvements will be amortized over a period of 30 years from inception.

If the participating group remained unchanged and all the actuarial assumptions were realized, the Plan's experience would be as anticipated, and there would be no actuarial gain or loss. If the experience were less favorable than anticipated, an actuarial loss would result; if more favorable, an actuarial gain would result.

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Estimated 10-Year Contribution Projections



This estimate assumes all assumptions are exactly realized and is subject to variation based on actual experience.

Market Value of Assets vs. Expected Retirement Benefits

Year	Current Assets with Expected Interest Less Retirement Benefits	Expected Retirement Benefits of Current and Emerging Retirees
2022	\$ 10,285,118	\$ 784,342
2023	10,241,304	800,299
2024	10,178,379	811,842
2025	10,099,381	836,114
2026	9,990,422	860,775
2027	9,848,957	874,516
2028	9,683,566	880,255
2029	9,500,528	885,223
2030	9,299,343	888,025
2031	9,080,871	828,634
2032	8,906,060	845,111
2033	8,702,185	854,511
2034	8,474,231	903,675
2035	8,180,701	931,967
2036	7,837,744	944,620
2037	7,457,442	999,779
2038	6,994,599	1,021,469
2039	6,476,741	1,060,080
2040	5,882,986	1,081,834
2041	5,224,727	1,118,219
2042	4,482,688	1,205,685
2043	3,599,757	1,276,079
2044	2,582,861	1,347,999
2045	1,420,827	1,415,364
2046	107,763	1,513,819
2047	-	1,564,671
2048	-	1,630,716
2049	-	1,661,605
2050	-	1,668,398
2051	-	1,663,732

* This exhibit, required by the State, is misleading as it assumes no additional contributions are made, yet the comparison is made to a dynamic measurement of benefit payments (some of which are expected to be paid by future contributions).

Sensitivity Study - Estimated Valuation Financial Values at 5.20% Interest

1. Participation				
(a) Number of Active Members				23
(b) Number of Inactive Members				30
(c) Annual Valuation Payroll for Contributing Members				\$ 1,480,413
(d) Total Valuation Payroll				1,480,413
2. Actuarial Present Value (APV) of Future Benefits as of 10/01/23				
(a) Active Members				
(1) Retirement				8,620,720
(2) Withdrawal				1,013,445
(3) Disability				300,328
(4) Death				88,023
(5) Refund of Contributions				15,656
(6) Total				\$ 10,038,172
(b) Disabled Retirees				1,307,606
(c) Retirees, Beneficiaries and DROP Members				9,811,865
(d) Vested Terminated and Limited Members				641,117
(e) Pending Refunds				Incl Above
(f) Total APV Future Benefits				\$ 21,798,760
3. APV Apportionment of line 2*				
(a) APV of Total Future Normal Costs				6,030,040
(b) Actuarial Accrued Liability [(2f)-(3a)]				15,768,720
(c) Actuarial Value of Assets				11,405,513
(d) Unfunded AAL (UAAL) [(3b)-(3c)]				\$ 4,363,207
4. Breakdown of UAAL on line 3(d)				
(a) UAAL [3(d)]				4,363,207
(b) Change in UAAL Due to Changes in Assumptions				3,448,837
(c) UAAL Before Change [(4a)-(4b)]				\$ 914,370
(d) Expected UAAL				203,323
(e) Actuarial (Gain) Loss [(4c)-(4d)]				\$ 711,047
5. Contribution Requirements Due				
	End of Month**	10/2024	Equiv. Annual \$ Amount	Percentage of Payroll
(a) Plan Normal Cost Excluding Expenses			\$ 493,081	33.31%
(b) Expense Normal Cost			82,539	5.58%
(c) Total Plan Normal Cost			\$ 575,620	38.88%
(d) Amortization of UAAL			418,296	28.26%
(e) Total Required Plan Contribution [(5c)+(5d)]			\$ 993,916	67.14%
(f) Estimated Member Contributions			74,021	5.00%
(g) Estimated Chapter 175 Contribution			90,501	6.11%
(h) Net City Contribution			\$ 829,394	56.03%

* Calculated in accordance with the Individual Entry Age Actuarial Cost Method.

** Payments start one year from valuation date; includes a payroll growth rate of 2.75% per year.

Derivation of Current UAAL

Development of UAAL as of Valuation Date			
1. Unfunded Actuarial Accrued Liability (UAAL) as of	10/01/22	\$	200,167
2. Plan Normal Cost Excluding Expenses			181,746
3. Interest Accrued on (1) and (2)			27,689
4. Plan Contributions Made Excluding Expenses			196,107
5. Interest Accrued on (4)			10,172
6. Expected UAAL at Valuation Date [(1)+(2)+(3)-(4)-(5)]			203,323
7. Changes due to:			
(a) Actuarial Assumptions		\$	(5,723)
(b) Actuarial Cost Method			-
(c) Plan Amendments			-
(d) System Changes			-
(e) Actuarial (Gain)/Loss			711,047
(f) Total			705,324
8. UAAL at Valuation Date [(6)+(7f)]			908,647

SECTION 3

ANALYSIS OF VALUATION RESULTS

Discussion of Valuation Results

If the participating group remained unchanged and all the actuarial assumptions were realized, the Plan's experience would be as anticipated, and there would be no actuarial gain or loss. If the experience were less favorable than anticipated, an actuarial loss would result; if more favorable, an actuarial gain would result.

For the 12 months ended September 30, 2023, the actual experience under the Plan, in aggregate, was less favorable than expected with an approximate actuarial loss of \$711,000. The majority of the actuarial loss was due to asset yields less than expected (based on actuarial value; market yield was about 10%) of \$474,000, and a loss of approximately \$142,000 due to much greater salary increases than assumed.

Well-funded plans such as this one have greater risk of volatility in contributions, as asset fluctuations will affect the remaining requirements more. Ironically, a plan that is zero percent funded has no volatility (since there is no effect of asset losses), whereas a plan that is 100% funded, a 10% drop in assets causes a 100% increase in funding requirements (from zero to the new amortization payment).

Note – plan experience has a greater effect on contribution increases when the Plan is well funded (such as this one) than when it was less well funded. So expect greater contribution volatility for the Plan going forward.

It should be noted that the true costs of a retirement plan cannot be determined until its future unfolds. No one can precisely predict the interest earnings on fund assets, member termination rates, future salary levels, mortality experience, etc. Estimates based on experience with similar groups, along with the judgment of the actuary and the Plan sponsor, can provide a reasonable approximation of this true cost. As actual experience emerges under the Plan, it will be necessary to study the continued appropriateness of the techniques and assumptions used and to adjust the contribution rate as necessary.

Valuation Comparison Table

	10/01/22	10/1/2023	
		Before Assumption Changes	10/1/2023 After Assumption Changes
1. Member Data			
(a) Active Members Under Normal Retirement Age (NRA)	22	23	23
(b) Active Members Over NRA	-	-	-
(c) Retirees, Beneficiaries and Disableds	22	22	22
(d) Vested Terminated and Pending Refunds	7	8	8
(e) Annualized Valuation Payroll for Contributing Members for Next 12 Months	\$ 1,212,587	\$ 1,480,413	\$ 1,480,413
(f) Actuarial Present Value (APV) of Future Valuation Payroll	12,755,034	15,496,669	15,590,455
(g) Total Annual Benefit Payments	748,797	755,036	755,036
2. Assets			
(a) Market Value (excludes DROP accounts)	9,903,534	10,285,118	10,285,118
(b) Actuarial Value (excludes DROP accounts)	11,605,421	11,405,513	11,405,513
3. Liabilities			
(a) APV of Future Benefits			
(1) Active Members Under NRA			
--Retirement	4,096,201	4,969,073	5,017,453
--Withdrawal	447,729	545,068	544,877
--Disability	145,785	175,550	190,289
--Death	67,072	81,136	47,836
--Refund of Contributions	27,062	33,239	33,160
--Total	\$ 4,783,849	\$ 5,804,066	\$ 5,833,615
(2) Active Members Over NRA	-	-	-
(3) DROP Retirees	Incl Below	Incl Below	Incl Below
(4) Retirees and Beneficiaries	8,123,364	8,070,491	8,045,940
(5) Disabled Members	1,010,506	1,012,345	1,034,853
(6) Vested Terminated and Limited Members	405,876	481,867	480,460
(7) Total	\$ 14,323,595	\$ 15,368,769	\$ 15,394,868
(b) APV of Vested Accrued Benefits	10,616,933	10,830,940	10,829,762
(c) APV of All Accrued Benefits	10,792,634	11,072,902	11,069,854
(d) Actuarial Accrued Liability (AAL)			
(1) Retirement	2,018,135	2,449,322	2,457,319
(2) Withdrawal	176,031	217,511	216,539
(3) Disability	42,792	52,618	56,534
(4) Death	27,101	32,150	18,990
(5) Refund of Contributions	1,783	3,579	3,525
(6) Inactives	9,539,746	9,564,703	9,561,253
(7) Total	\$ 11,805,588	\$ 12,319,883	\$ 12,314,160
(e) Unfunded AAL (UAAL)	200,167	914,370	908,647
4. Breakdown of Plan Normal Costs			
	10/01/22	10/01/23	10/01/23
(a) Retirement	145,072	179,240	181,527
(b) Withdrawal	25,458	31,132	31,055
(c) Disability	9,535	11,479	12,375
(d) Death	3,687	4,563	2,668
(e) Refund of Contributions	4,978	6,302	6,284
(f) Expense	40,621	81,846	81,826
(g) Total	\$ 229,351	\$ 314,562	\$ 315,735

Valuation Comparison Table (continued)

5. Contribution Requirements* for Year Ended		09/30/24	09/30/25	09/30/25
(a) Plan Normal Cost**		229,351	314,562	315,735
(b) Amortization Payment		24,125	108,881	108,854
(c) Total Plan Requirements		\$ 253,476	\$ 423,443	\$ 424,589
(d) Total Plan Requirements with Interest EOY Adjusted***		261,793	437,336	438,425
(e) Estimated Member Contributions with Interest EOY Adjusted***		62,618	76,450	76,433
(f) Estimated Chapter 175 Contribution with Interest EOY Adjusted***		93,470	93,470	93,450
Additional Chapter 175 one time use		-	-	-
(g) Total City Requirement with Interest EOY Adjusted***		105,705	267,417	268,542
6. Contribution Requirements* for Year Ended		09/30/23		
(a) Plan Normal Cost**		183,698		
(b) Amortization Payment***		182,896		
(c) Total Plan Requirements		\$ 366,594		
(d) Total Plan Requirement with Interest EOY Adjusted***		379,276		
(e) Estimated Member Contributions with Interest EOY Adjusted***		52,739		
(f) Estimated Chapter 175 Contribution with Interest EOY Adjusted***		71,563		
(g) Total City Requirement with Interest EOY Adjusted***		260,030		

* Assumed payable at the end of each month as determined from prior actuarial valuation.

** Includes expense normal cost: equal amount included in contributions paid under line 5 of \$ 40,621

*** Interest EOY adjusted includes interest adjustments at the valuation interest rate on amounts to end of year.

Development of Past Excess Contributions (PEC)

PEC for Year Ended 9/30/23	Without Interest Adjustment	With Interest Adjustment
(a) PEC Beginning of Year		\$ -
(b) Interest on PEC		-
(c) (1) Contribution Required by City	138,343	142,809
(2) Contribution Required by Members	46,441	48,027
(3) Total Contribution Requirements	\$ 184,784	\$ 190,835
(d) (1) Actual City Contributions Paid *	207,876	215,411
(2) Additional remaining requirement (if any)	-	-
(3) Amount paid by PEC		-
(4) Adjustment to balance UAAL with Outst. Balance**		(61,247)
(e) PEC End of Year		11,356

* Includes expense normal cost amount of \$81536.

** Use of payment delay method, along with the gain/loss disparity with member contributions, requires adjustment to balance the actual UAAL with the outstanding amortization bases based on minimum required funding.

*** Verification of PEC balance:

Theoretical UAAL based on minimum funding (page 3-5)	\$ 920,003
Actual UAAL (page 2-3)	908,647
Excess	11,356

Effect of Amortization Policy on Contribution Requirements

- Like the 2022 plan year, the plan experienced asset and salary losses; hence, the plan remains in an unfunded position with an ongoing amortization requirement. Although current market yields have been favorable, the increasing recognition of past asset losses by the asset averaging method resulted in increasing the unfunded liability.

UAAL Bases	Date of First Charge	Years Remaining at Valuation Date	Annual Amortization Payments	Outstanding Balance at Valuation Date
2022 Actuarial Loss (net of use of surplus)	10/01/22	14	\$ 23,232	\$ 214,679
2023 Actuarial Loss and Assumption Change	10/01/23	15	81,620	705,324
Total			<u>104,852</u>	<u>920,003</u>

UAAL Repayment Schedule

Year Ending	UAAL Balance*	Amortization Payment
09/30/24	\$ 961,338	\$ 104,852
09/30/25	918,153	104,852
09/30/26	871,859	104,852
09/30/27	822,231	104,852
09/30/28	769,030	104,852
09/30/29	711,999	104,852
09/30/30	650,862	104,852
09/30/31	585,322	104,852
09/30/32	515,064	104,852
09/30/33	439,747	104,852
09/30/34	359,006	104,852
09/30/35	272,453	104,852
09/30/36	179,669	104,852
09/30/37	81,620	81,620
09/30/38	-	-

* Based on minimum amortization payments

Documentation of Premium Tax Refund (PTR) Use

Period Ended	Premium Tax Refunds (PTR) Received	Premium Tax Refunds Usable in Current Year	Accum Prior Unused PTR Recog in Current Year	Premium Tax Refunds not Counted for Current Year	Additional PTR Used Based on Minimum Benefits Test	Accumulated Premium Tax Refunds not Counted
09/30/98	\$ 77,283	\$ 64,197	\$ -	\$ 13,085	\$ -	\$ 13,085
09/30/99	66,000	65,892	-	108	-	13,193
09/30/00	71,130	65,892	-	5,238	-	18,431
09/30/01	76,778	76,778	18,431	-	-	-
09/30/02	72,740	72,740	-	-	-	-
09/30/03	81,474	81,474	-	-	-	-
09/30/04	86,429	86,429	-	-	-	-
09/30/05	101,431	101,431	-	-	-	-
09/30/06	99,343	99,343	-	-	-	-
09/30/07	108,834	108,834	-	-	-	-
09/30/08	115,863	115,863	-	-	-	-
09/30/09	80,435	80,435	-	-	-	-
09/30/10	72,892	72,892	-	-	-	-
09/30/11	78,097	78,097	-	-	-	-
09/30/12	75,406	75,406	-	-	-	-
09/30/13	76,110	76,110	-	-	-	-
09/30/14	73,364	73,364	-	-	-	-
09/30/15	70,139	70,139	-	-	-	-
09/30/16	70,222	70,222	-	-	-	-
09/30/17	58,995	58,995	-	-	-	-
09/30/18	63,787	63,787	-	-	-	-
09/30/19	63,934	63,934	-	-	-	-
09/30/20	64,312	64,312	-	-	-	-
09/30/21	69,520	69,520	-	-	-	-
09/30/22	69,290	69,290	-	-	-	-
09/30/23	94,311	90,501	-	3,810	-	3,810

Current Liabilities/Plan Assets Comparison*Accumulated Plan Benefits

	<u>10/1/22</u>	<u>10/1/23</u>
1. Actuarial Present Value** (APV) of Vested Accrued Benefits		
(a) Vested Terminated Participants and Pending Lump Sums	\$ 381,520	\$ 447,538
(b) Retirees, Beneficiaries and Disableds	8,717,136	8,634,244
(c) DROP Retirees Account Balances	189,585	266,847
(d) Active Participants	993,837	1,167,537
(e) Total APV of Vested Accrued Benefits	<u>\$ 10,282,078</u>	<u>\$ 10,516,166</u>
2. APV of Nonvested Accrued Benefits	<u>155,413</u>	<u>209,341</u>
3. APV of Accumulated Plan Benefits [(1)+(2)]	\$ 10,437,491	\$ 10,725,507
4. Actuarial Value of Assets***	11,605,421	11,405,513
5. Excess (if any) of APV of Accumulated Plan Benefits over the Actuarial Value of Assets [(3)-(4)]	-	-
6. Percent Funded [(4)/(3)]	111%	106%

Statement of Changes in Accumulated Plan Benefits

1. APV of Accumulated Plan Benefits at	10/1/22	\$ 10,437,491
2. Increase (Decrease) During the Year Attributable to:		
(a) Plan Amendment		-
(b) Change in Actuarial Assumptions		(4,308)
(c) System Changes		-
(d) DROP retiree account changes		-
(e) Benefit Payments		(746,143)
(f) Change in Benefits and APV Factors		<u>1,038,467</u>
3. APV of Accumulated Plan Benefits at	10/1/23	\$ 10,725,507

* Per Florida Statute 112.63 funded status.

** Based on 7.75% interest, FRS Mortality Table and other assumed decrements as described in Appendix B.

*** Includes Drop Account balance of \$189,585 for 2022 and \$266,847 for 2023.

Comparison of Actual and Assumed Salary Increases

Period Ended September 30	Actual Rate of Increase	Assumed Rate of Increase
2010	0.32%	5.71%
2011	3.83%	4.52%
2012	3.58%	4.63%
2013	5.59%	4.84%
2014	2.98%	5.25%
2015	8.05%	5.40%
2016	8.40%	5.39%
2017	5.56%	5.61%
2018	3.31%	5.54%
2019	3.35%	5.76%
2020	1.55%	6.10%
2021	4.94%	5.24%
2022	28.08%	5.99%
2023	18.94%	6.08%

Comparison of Actual and Assumed Investment Returns

Period Ended September 30	Actual Rate of Return	Assumed Rate of Return
2010	8.46%	8.00%
2011	-2.62%	7.75%
2012	-0.70%	7.75%
2013	6.30%	7.75%
2014	9.82%	7.75%
2015	7.28%	7.75%
2016	10.73%	7.75%
2017	10.03%	7.75%
2018	9.57%	7.75%
2019	7.16%	7.75%
2020	9.28%	7.65%
2021	10.70%	7.55%
2022	3.92%	7.25%
2023	3.06%	7.25%

Calculation of Actual Rate of Investment Return

Plan Year Ended September 30, 2023	
R	= $\frac{2I}{M1+M2-I}$, where
I	= \$ 347,172 the interest, dividends, plus appreciation or (depreciation)
M1	= 11,605,421 beginning actuarial value
M2	= 11,405,513 ending actuarial value
R	= $\frac{\$ 694,344}{\$22,663,762}$
R	= 3.06%

Additional Disclosures

There are no additional disclosures required under Rules 22D-1.003(4)(f) and (g) of the State of Florida, Department of Management Services, Division of Retirement.

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

SUMMARY OF PLAN PROVISIONS THAT AFFECT THE VALUATION

Definitions

1. Ordinances: Original Ordinance: Chapter 70, Article 5, of the Code of the City of Lake City.

Amendments: 00-909
2001-926
2. Member: All full-time firefighters are eligible for membership upon date of hire.
3. Member Contributions: 5% of Salary, which shall be designated as employer contributions pursuant to IRC Section 414(h).
4. Credited Service: The number of full and fractional years worked from date of hire to date of termination or retirement during which the Member contributes to the Plan. Up to five years of Credited Service may be earned for employment interrupted by military service.
5. Compensation: A Member's total cash remuneration.
6. Final Monthly Compensation: The average of a Member's monthly Compensation for the five best years of the last 10 years of employment, or over all years of employment if less than five, with a year being 12 consecutive months.
7. Accrued Benefit: A monthly benefit payable for life with 10 years certain, starting at the Normal Retirement Date, equal to 2.75% of Final Monthly Compensation times Credited Service.

Additionally, a Member who retires after becoming eligible for normal, early or disability retirement benefits is entitled to a supplement equal to \$5 per month times Credited Service.

8. Cost-of-Living Adjustment For retirees who have attained age 60, an annual adjustment of 2% on October 1 of each year, payable monthly. Such adjustment is also payable to beneficiaries who are receiving payments, commencing on the October 1 following the date the deceased retiree would have attained age 60.
9. Normal Retirement: Eligibility Date — age 55 and completion of 10 years of Credited Service, or age 52 and completion of 25 years of Credited Service.
Benefit — Accrued Benefit payable as of the Normal Retirement Date.
10. Early Retirement: Eligibility Date — age 50 and completion of 10 years of Credited Service.
Benefit — Accrued Benefit as of the Early Retirement Date payable at Normal Retirement Date or payable at the Early Retirement Date and reduced by 3% per year for early payment.
11. Disability Benefit: Accrued Benefit as of date of disability, payable immediately after disability is approved, subject to the following minimum benefits:

Line-of-Duty Disability — 42% of current Final Monthly Compensation.

Not-in-Line-of-Duty Disability — 2.75% of current Final Monthly Compensation times Credited Service if a Member has 10 years of Credited Service at date of disability. A Member with less than 10 years of Credited Service at

inception of Not-in-Line-of-Duty Disability shall receive a refund of Member Contributions.

Disability benefits terminate on the earlier of death or cessation of disability.

12. Late Retirement:

Eligibility Date — after Normal Retirement Date.

Benefit — Accrued Benefit at Late Retirement Date.

13. Death Benefit before Retirement:

If the Member has less than 10 years of Credited Service at date of death the beneficiary shall receive a refund of Member Contributions.

If the Member has 10 or more years of Credited Service at date of death, the beneficiary shall receive the Accrued Benefit as of the date of death, reduced as for early retirement, if applicable, commencing at the Member's Early or Normal Retirement Date.

14. Death Benefit after Retirement:

Subject to the terms of the optional benefit form (if any) elected.

15. Termination Benefit:

A terminating Member with less than 10 years of Credited Service will receive a refund of Member Contributions. A terminating Member with 10 or more years of Credited Service may receive the Accrued Benefit as of the termination date payable at the Normal Retirement Date, or may elect a refund of Member Contributions with interest.

16. Normal (Unreduced) Form of Payment:

Ten-year certain-and-life annuity.

17. DROP:

A Member eligible for normal retirement may elect to retire from the Plan under the deferred retirement option program (DROP) and continue to work for the City for up to five years from the earliest date of DROP eligibility. The City may, at its option, offer to extend the DROP period for up to 36 additional months. At the end of the DROP period, the Member must retire; he is then entitled to a monthly benefit determined at date of DROP election plus the accumulation of monthly benefits not paid to him during the DROP period including interest earnings, in the form of payment the Member elects.

DRAFT

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

ACTUARIAL ASSUMPTIONS AND ACTUARIAL COST METHOD SUMMARY

Actuarial Assumptions

1. Investment Return:

7.20% per annum, compounded annually*; net of investment expense.

*Underlying long-term rate of inflation of 2.75% per annum.

2. Salary Increase Rates:

<u>Service</u>	<u>Rate</u>
<5	7.0%
5-9	6.0%
10-14	5.0%
15+	4.0%

3. Healthy Mortality Rates:

	<u>PUB-2010 Headcount Weighted Healthy Active Special Risk Male: Safety Below Median Employee Male Table, Set Forward 1 year with MP2018</u>	<u>PUB-2010 Headcount Weighted Healthy Active Special Risk Female: Safety Employee Female Table, Set Forward 1 year with MP2018 Projection</u>
<u>Age</u>	<u>Male Employee</u>	<u>Female Employee</u>
25	0.05%	0.02%
30	0.06%	0.03%
35	0.07%	0.04%
40	0.08%	0.05%
45	0.11%	0.07%
50	0.16%	0.10%
55	0.23%	0.13%
60	0.35%	0.19%

	PUB-2010 Headcount Weighted Healthy Retiree Special Risk Male: Safety Below Median Healthy Retiree Male Table, Set Forward 1 year with	PUB-2010 Headcount Weighted Healthy Retiree Special Risk Female: Safety Healthy Retiree Female Table, Set Forward 1 year with MP2018
<u>Age</u>	<u>Male Retiree</u>	<u>Female Retiree</u>
45	0.31%	0.11%
50	0.42%	0.17%
55	0.52%	0.28%
60	0.74%	0.47%
65	1.13%	0.78%
70	1.77%	1.31%
75	3.14%	2.19%
80	5.51%	3.66%

4. Disabled Mortality Rates:

	PUB-2010 Headcount Weighted Disabled Retiree Special Risk Male: 80% General Disabled Retiree Male Table; 20% Safety Disabled Retiree Male	PUB-2010 Headcount Weighted Disabled Retiree Special Risk Female: 80% General Disabled Retiree Female Table; 20% Safety Disabled Retiree Female
<u>Age</u>	<u>Male Disabled Retiree</u>	<u>Female Disabled Retiree</u>
25	0.28%	0.15%
30	0.36%	0.23%
35	0.45%	0.35%
40	0.62%	0.54%
45	0.94%	0.83%
50	1.45%	1.25%
55	1.91%	1.50%
60	2.37%	1.81%

5. Termination Rates:

<u>Age</u>	<u>Service</u>							
	<u>0-1</u>	<u>1-2</u>	<u>2-3</u>	<u>3-4</u>	<u>4-5</u>	<u>5-6</u>	<u>5-6</u>	<u>5-6</u>
<25	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
25-29	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
30-34	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
35-39	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
40-44	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
45-49	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
50-54	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	0.00%
55+	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	0.00%

6. Disability Rates:

<u>Age</u>	<u>Rate</u>
25	0.09%
35	0.13%
45	0.20%
55	0.62%

7. Retirement Rates:

<u>Age</u>	<u>Service</u>	
	<u>10-24</u>	<u>25+</u>
52	0%	33%
53-54	0%	50%
55-61	50%	50%
62+	100%	100%

8. Actuarial Value of Assets:

5 year moving market average.

9. Plan Expenses:

Actual plan expenses.

10. Underlying Long-Term Inflation:

2.75% per annum, compounded annually.

Actuarial Value of Assets

The actuarial value of assets is determined by adjusting the expected value of assets as of the valuation date by a portion of the cumulative differences of the market value of assets and the expected value of assets as of the previous four valuation dates. Each

difference is fully recognized over a period not to exceed five years. The expected value of assets as of any valuation date is determined by applying actual Plan contributions and disbursements and the assumed investment yield to the previous year's expected value of assets adjusted for any fully recognized cumulative differences. The adjustment is further modified, if necessary, by an amount sufficient to ensure that the actuarial value of assets is not less than 80% nor more than 120% of market value. As of October 1, 2000, the expected value of assets is set equal to market value; thereafter, the actuarial value of assets is determined according to the adjustments to the expected value of assets described above.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

	Real Risk			Total	Policy	Policy
	Inflation	Free Return	Risk Premium	Expected Return	Allocation	Return
Domestic Equity	2.75%	2%	4.5%	9.3%	60.0%	5.55%
Foreign Equity	2.75%	2%	5.5%	10.3%	10.0%	1.03%
Bonds	2.75%	2%	0.5%	5.3%	15.0%	0.79%
Treasuries	2.75%	2%	0.0%	4.8%	0.0%	0.00%
Real Estate	2.75%	2%	2.5%	7.3%	15.0%	1.09%
Cash & Equivalents	2.75%	0%	-1.0%	1.8%	0.0%	0.00%
Total					100.00%	8.45%

Actuarial Cost Method

To determine the Plan's contribution requirements, the Individual Entry Age Actuarial Cost Method was used. Under this method, the cost of each member's projected retirement benefit is funded through a series of annual payments, determined as a level percentage of each year's earnings from age at hire to assumed exit age. This level percentage, known as normal cost, is thus computed as though the Plan had always been in effect. A yearly normal cost for each member is individually determined by

multiplying each member's level percentage by the applicable yearly earnings, then adding together to obtain the normal cost amount for the Plan for that year. The accrued value of normal cost payments due prior to the valuation date is termed the actuarial accrued liability (AAL). This amount minus the actuarial value of assets is known as the unfunded actuarial accrued liability (UAAL). The annual cost of a plan has two components: normal cost and an amortization payment, which may vary between prescribed limits, toward the UAAL.

An actuarial gain (or loss), a measurement of the difference between actual experience and that expected based upon the actuarial assumptions during the period between two actuarial valuation dates, reduces (or increases) the UAAL.

UAAL bases established on and after October 1, 2023, due to increases in liabilities attributable to changes in plan provisions, actuarial assumptions, and/or actuarial gains or losses will be amortized over 15 years as a level dollar amount from inception.

When the net UAAL and related amortizations are negative, amortization of a negative UAAL amounts cannot be taken as a credit against normal cost charges based on current State law. Instead, negative UAALs are held in the Plan as excess reserves.

Miscellaneous Valuation Procedures

1. Projected retirement benefits were limited to IRC Section 415 benefit limits applicable to the current plan year (for fiscal year 2023-2024, \$265,000), payable as a life annuity, beginning at or after age 62, reduced as applicable for earlier benefit commencement with assumed increases equal to the assumed long-term rate of inflation.
2. Projected earnings were limited to IRC Section 401(a)(17) compensation limits applicable to the current plan year (for fiscal year 2023-2024, \$330,000) with assumed increases equal to the assumed long-term rate of inflation.
3. Annual covered payroll is the amount of total pensionable earnings paid during the prior fiscal year for employees who are currently active members in the Plan (that does not include employees still working but retired under the DROP provisions). Valuation payroll is payroll expected to be paid during the current fiscal year, determined using prior-year covered payroll and the salary increase

assumption by individual member. Annual valuation payroll for the 2023-24 fiscal year was determined using expected valuation payroll for 2022-23 projected for one year using the Plan's payroll growth assumption.

4. The effect of member contributions on the funding requirements has been recognized through subtracting the expected member contributions from the
5. Member information is current as of October 1, 2023.
6. No liability was recognized in the valuation for nonvested employees who have terminated, whether or not a break in service has occurred as of the valuation date, since any potential liability for this group is not significant. Note that upon rehire, any applicable prior employment service credits will be fully recognized in the valuation.
7. Although early retirement benefits are payable on a more favorable basis than actuarial equivalent values, it has been assumed that early retirement elections are infrequent and any additional APV would be small. Therefore, no APV was recognized for subsidized early retirement in the valuation.
8. The contribution requirement includes an amount to recognize the Plan's anticipated administrative expenses based on actual prior experience (see assumptions). This amount is reflected in the required normal cost.
9. Premium tax refunds paid pursuant to Florida Statutes, Chapter 175, expected to be received in the current fiscal year were assumed to be the same as the amount paid for the prior fiscal year.
10. It was assumed that 100% of future deaths and disablements will occur in the line of duty.

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS AS OF 10/1/2023

		2023
<u>Expected Value</u>		
Previous Year's:		
1. Expected Value		\$ 11,792,844
2. Previous Years' Fully Recognized Difference		537,204
3. Interest on (1) and (2)		893,928
4. Contributions with Interest		290,771
5. Benefit Payments with Interest		773,191
6. Administrative Expenses with Interest		84,492
Current Year's:		
7. Expected Value [(1)+(2)+(3)+(4)-(5)-(6)]		\$ 12,657,065
<u>Cumulative Differences</u>		
1. Market Value (MV)*		10,285,118
2. Expected Value (EV)		12,657,065
3. Cumulative Difference [(1)-(2)]		\$ (2,371,947)
4. Original Differences by Year		
	Initial Amount	Interest- Adjusted Amount
Year	Amount	Amount
2019	(914,673)	(829,249)
2020	483,665	(307,880)
2021	458,940	1,820,134
2022	401,513	(3,285,440)
2023	230,489	230,489
<u>Actuarial Value</u>		
1. MV at 10/23		10,285,118
2. EV at 10/23		12,657,065
3. Current Year's Difference		230,489
4. 20% of Current Difference [(3)x0.2]		46,098
5. Previous Years' Cumulative Adjustments		(1,297,649) **
6. Preliminary AV [(2)+(4)+(5)]		11,405,513
7. 80% of MV [(1)x0.8]		8,228,094
8. 120% of MV [(1)x1.2]		12,342,141
9. AV within 20% MV Corridor at 10/1/23		11,405,513

* Excludes DROP account balances

** From "Cumulative Differences" [(1.0 x (4h))+(.8 x (4i))+(.6 x (4j))+(.4 x (4k))]

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

<u>TRUST FUND BALANCE AS OF</u>	<u>10/01/23</u>	<u>Market Value</u>
Cash and Equivalents		\$ 341,955
Equities - Domestic	\$ 7,035,502	
Equities - International	<u>281,980 *</u>	
Equities International		281,980
Fixed Income		1,620,133
Real Estate Investments		1,152,938
First Federal Investments		-
Total Assets before Receivables		<u>\$ 10,432,508</u>
Accounts Receivable		-
Accrued State Receivable		94,311
Accrued Interest		30,512
Payables		(1,556)
Prepays		-
Trust Assets at Market Value before Premium Tax Refund Restriction		<u>\$ 10,555,775</u>
Premium Taxes not Countable		3,810
Less DROP Account Balances		<u>266,847</u>
Assets Available for Pensions		\$ 10,285,118

* Estimated

Asset Percentage Weightings

Cash	3.28%
Equities - Domestic	67.45%
Equities - International	2.70%
Real Estate	11.05%
Fixed Income	<u>15.53%</u>
Total	100.01%

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

ANALYSIS OF CHANGE IN ACTUARIAL VALUE OF ASSETS

Actuarial Value of Assets as of	10/1/2022		\$ 11,605,421
Add:			
City Contributions			117,375
Member Contributions			72,723
State Premium Tax Refunds			90,501
Realized Gains (Losses) - Market Value			(86,382)
Unrealized Gains (Losses) - Market Value			740,767
Interest and Dividends			325,448
Net Appreciation/(Depreciation)			(581,492)
Total Additions			\$ 678,940
Deduct:			
Benefit Payments			668,881
Refunds			-
Benefit Payments to DROP Accounts			49,108
Interest Payments to DROP Accounts			28,154
Administrative Expenses			81,536
Investment Expenses			51,169
Total Deductions			\$ 878,848
Actuarial Value of Assets as of	10/1/2023	*	11,405,513
DROP assets at	10/1/2023		266,847
* Includes accumulated member contributions of	\$345,094		

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

RECONCILIATION OF PLAN MEMBERS

		<u>Actives</u>	<u>DROP Retirees</u>	<u>Retirees and Beneficiaries</u>	<u>Disabled Retirees</u>	<u>Vested Terminateds</u>	<u>Pending Refunds</u>
Members as of	10/01/22	22	1	19	2	3	2
Increase (Decrease) Due to:		-	-	-	-	-	-
DROP Retirement		-	-	-	-	-	-
Retirements		-	-	-	-	-	-
Nonvested Terminations		(2)	-	-	-	-	2
Vested Terminations		(1)	-	-	-	1	-
New Entrants		3	-	-	-	-	-
Deaths		-	-	-	-	-	-
Rehires		1	-	-	-	-	-
Disableds		-	-	-	-	-	-
Contribution Refund		-	-	-	-	-	-
Benefits Expired		-	-	-	-	-	-
To PolicePlan		-	-	-	-	-	-
Members as of	10/01/23	23	1	19	2	4	4

INACTIVE MEMBERS AT 10/1/2023

	<u>Number</u>	<u>Annual Benefit Amount</u>
DROP Retirees	1	\$ 50,728
Retirees and Beneficiaries		
Currently Receiving Payments	19	632,193
Disabled Retirees Currently Receiving Payments	2	72,115
Vested Terminated Members		
Entitled to Future Benefits	4	60,206
Pending Refunds of Contributions*	4	N/A
Total	30	\$ 815,242

* Annuities not applicable; refunds total \$7,801

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

RECONCILIATION OF DROP ACCOUNTS

Value at Beginning of Year	\$ 189,585
Payments Credit to Accounts	49,108
Investment Earnings Credited	28,154
Withdrawals from Accounts	-
Value at End of Year	<u>\$ 266,847</u>

DRAFT

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

DISTRIBUTION OF ACTIVE PARTICIPANTS UNDER NORMAL RETIREMENT AGE
BY ATTAINED AGE AND COMPLETED YEARS OF SERVICE AS OF 10/01/23

	Completed Years of Service															
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 39		Total	
	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp	#	Avg Comp
<u>Attained Age</u>																
Under 25	-	\$ -	1	\$ 49,223	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	1	\$ 49,223
25-29	-	-	4	57,715	-	-	-	-	-	-	-	-	-	-	4	57,715
30-34	1	45,298	5	53,233	1	60,650	2	65,916	-	-	-	-	-	9	55,994	
35-39	1	44,648	1	39,448	-	-	1	73,043	-	-	-	-	-	3	52,380	
40-44	-	-	-	-	2	63,407	-	-	1	71,342	-	-	-	3	66,052	
45-49	-	-	1	79,506	-	-	-	-	-	-	-	-	-	1	79,506	
50-54	-	-	-	-	-	-	1	80,142	-	-	-	-	1	97,648	2	88,895
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
60-64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
65-69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
70 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	2	44,973	12	55,433	3	62,488	4	71,254	1	71,342	-	-	1	97,648	23	60,722

CITY OF LAKE CITY
MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND

2023 GASB 68 DISCLOSURE

DECEMBER 2023

DRAFT

December 19, 2023

Ms. Donna Duncan
Finance Director
City of Lake City
P.O. Box 1687
Lake City, Florida 32055

Dear Ms. Duncan:

This report presents financial disclosure information related to the City of Lake City Municipal Firefighters' Pension Trust Fund applicable to the City's 2023 fiscal year. Actuarial Concepts was retained by the City of Lake City to perform the necessary actuarial valuations and prepare this disclosure information.

Under Government Accounting Standards Board Statement No. 68 (GASB 68) the City must disclose certain information in its financial statements.

We have calculated the necessary actuarial present values and obtained other necessary information to determine the disclosure information for the Plan fiscal year ending September 30, 2023.

Plan assets used were current as of September 30, 2023, based on the market value of assets (now called Net Fiduciary Position). The actuarial present values disclosed are based on plan provisions as in effect September 30, 2023. Actuarial present values were determined using the individual entry age actuarial cost method and actuarial assumptions in effect for the 2022-2023 fiscal year. Contribution requirements were based on a valuation as of October 1, 2021, in accordance with the "payment delay" methodology used as part of the Plan funding policy.

The actuarial computations and disclosure information have been prepared in accordance with generally accepted actuarial principles and practices, and in accordance with the provisions of GASB 68, with full reliance on the accuracy and completeness of the information provided for this purpose.

The use of the valuation results for financial or administrative purposes, other than those outlined in the report, is not recommended without an advanced review by Actuarial Concepts of the appropriateness of such application.

Very truly yours,

ACTUARIAL CONCEPTS



By: _____

Michael J. Tierney
ASA, MAAA

cc: David Brewer

DRAFT

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GASB 68 DISCLOSURE REQUIREMENTS

The GASB 68 disclosures include the following actuarial information as of September 30, 2023:

1. The Net Fiduciary Position (NFP) and schedule of change in NFP since the end of the prior fiscal year.
2. The Total Pension Liability (TPL) and changes in the TPL since the end of the prior fiscal year.
3. The Net Pension Liability (NPL), including historical schedule.
4. Ratios related to the TPL and the NPL.
5. Sensitivity of the TPL and NPL to changes in the actuarial discount rate.
6. Comparison of actuarially determined contribution requirements to contributions paid (interest adjusted to end of fiscal year) and the relationship of contributions to covered payroll, including historical schedule.
7. Components of pension expense.
8. Deferred outflows and inflows of resources.
9. Expected future adjustments to expense.
10. Amortization of deferred inflows/outflows.

The NFP, same as the market value of assets, is reported current as of September 30, 2023.

The TPL, also called the actuarial accrued liability, was measured as of October 1, 2022, and projected actuarially to the reporting date, September 30, 2023, for disclosure purposes based on the actuarial assumptions in effect for the 2022-2023 fiscal year, as described in Appendix B. The Plan provisions affecting the valuation are summarized in Appendix A. The Plan member census used for the valuation is summarized in Appendix C.

The NPL is equal to the TPL minus the NFP.

GASB 68 results are not based on the assumption that all members terminate as of the valuation date but rather on the assumption the various forces of decrement—future mortality, future termination of employment, future disablement, future retirement—continue to be operative.

SECTION 1
STATEMENT OF NET FIDUCIARY POSITION

Statement of Net Fiduciary Position (NFP) 9/30/2023

Cash and Equivalents	\$ 341,955
Equities Domestic	7,035,502
Equities International	281,980 *
Fixed Income	1,620,133
Real Estate Investments	1,302,555
First Federal Investments	-
Total Assets before Receivables	\$ 10,582,125
Accounts Receivable	-
Accrued State Contributions	94,311
Accrued Interest	30,512
Payables	5,940
Prepays	-
Trust Assets at Market Value before Premium Tax Refund Restriction	\$ 10,712,888
Premium Taxes not Countable	3,810
NFP available for Pensions **	\$ 10,709,078

* Estimated

** Includes DROP Account balance of \$266847.

Asset Percentage Weightings

Cash	3.23%
Equity	69.15%
Fixed Income	15.31%
Real Estate Investments	12.31%
Total	100.00%

SECTION 2
SCHEDULE OF CHANGES IN NET FIDUCIARY POSITION

Schedule of Changes in Net Fiduciary Position

Plan Net Fiduciary Position (Assets at Market) at 9/30/2022	\$ 10,093,119
Additions	
Contributions - Employer	117,375
Contributions - State	90,501
Contributions - Employee	72,723
Net Investment Income	1,109,043
Deductions	
Benefit Payments, including Refunds of Employee Contributions	668,881
Administrative Expense	62,810
Investment Expense	41,992
DROP Account Payouts	-
 Net Change in Plan Net Fiduciary Position	 615,959
 Plan Net Fiduciary Position at 9/30/2022*	 10,093,119
Plan Net Fiduciary Position at 9/30/2023*	10,709,078

* Includes DROP Account balance of \$266847.

SECTION 3
TOTAL PENSION LIABILITY, NET PENSION LIABILITY,
FUNDED STATUS AND RELATED RATIOS

Total Pension Liability, Net Pension Liability, Funded Status and Related Ratios

1. Total Pension Liability (Actuarial Accrued Liability*) at 9/30/2023	\$ 12,366,618
2. Plan Net Fiduciary Position (Market Assets) at 9/30/2023	10,709,078
3. Net Pension Liability (1 - 2)	1,657,540
4. Plan Net Fiduciary Position as a Percentage of Total Pension Liability (2/1)	86.60%
5. Annual Covered Payroll	\$ 1,212,587
6. Net Pension Liability as a Percentage of Covered Employee Payroll	136.69%

* Based on 7.25% interest, FRS Mortality Table, and other assumed decrements as described in Appendix B.

Total Pension Liability, Net Pension Liability, Funded Status and Related Ratios

GASB 67/68 Fiscal Years

Fiscal Year Ending	Total Pension Liability (Actuarial Accrued Liability (1)	Plan Net Fiduciary Position (Market Assets) (2)	Net Pension Liability (1 - 2)	Plan Net Fiduciary Position as a Percentage of Total Pension Liability (2/1)	Annual Covered Payroll	Net Pension Liability as a Percentage of Covered Employee Payroll
9/30/2014	\$ 8,661,724	\$ 8,140,333	\$ 521,391	93.98%	\$ 808,371	64.50%
9/30/2015	9,420,281	7,691,695	1,728,586	81.65%	805,330	214.64%
9/30/2016	9,758,288	8,630,557	1,127,731	88.44%	834,327 *	135.17%
9/30/2017	10,397,835	9,673,899	723,936	93.04%	861,178	84.06%
9/30/2018	10,878,447	10,355,715	522,732	95.19%	879,278	59.45%
9/30/2019	10,657,586	10,312,882	344,704	96.77%	793,729	43.43%
9/30/2020	11,131,958	10,612,962	518,996	95.34%	1,019,505	50.91%
9/30/2021	11,407,588	12,713,399	(1,305,811)	111.45%	928,815	-140.59%
9/30/2022	11,807,718	10,093,119	1,714,599	85.48%	852,342	201.16%
9/30/2023	12,366,618	10,709,078	1,657,540	86.60%	1,212,587	136.69%

* revised

SECTION 4
TOTAL PENSION LIABILITY, NET PENSION LIABILITY
AND RELATED RATIOS-SENSITIVITY

Total Pension Liability, Net Pension Liability and Related Ratios-Sensitivity

	Discount Rate	9/30/23	9/30/23
		6.25%	8.25%
1. Total Pension Liability (TPL) (Actuarial Accrued Liability*) at 9/30/2023		\$ 13,860,250	\$ 11,247,084
2. Plan Net Fiduciary Position (NFP) (Market Assets) at 9/30/2023		10,709,078	10,709,078
3. Net Pension Liability (NPL) (1 - 2)		3,151,172	538,006
4. Plan Net Fiduciary Position as a Percentage of Total Pension Liability (2/1)		77%	95%
5. Annual Covered Payroll		\$ 1,212,587	\$ 1,212,587
6. Net Pension Liability as a Percentage of Covered Employee Payroll		260%	44%

* Based on discount rate indicated, FRS Mortality Table, and other assumed decrements as described in Appendix B.

SECTION 5
SCHEDULE OF CHANGES IN NET PENSION LIABILITY

Schedule of Changes in Net Pension Liability

	Total Pension Liability	Plan Net Fiduciary Position	Net Pension Liability
Balances at 10/1/2022	\$ 11,807,718	\$ 10,093,119	\$ 1,714,599
Changes for the year:			
Service Cost (Entry Age Normal Cost) at 10/1/2022	181,746		181,746
Interest *	844,989		844,989
Changes of Benefit Terms	-		-
Differences between Expected and Actual Experience	201,046		201,046
Changes to Assumptions	-		-
Contributions - City		117,375	(117,375)
Contributions - State		90,501	(90,501)
Contributions - Employee		72,723	(72,723)
Net Investment Income		1,067,051	(1,067,051)
Benefit Payments, including Member Refunds and DROP Payouts	(668,881)	(668,881)	-
Administrative Expense		(62,810)	62,810
Net Changes	558,900	615,959	(57,059)
Balances at 9/30/2023	\$ 12,366,618	\$ 10,709,078	\$ 1,657,540

* Discount rate 7.25%.

SECTION 6
EMPLOYER CONTRIBUTIONS

Employer Contributions for Fiscal Year Ending 9/30/23

Actuarially Determined Contributions*	\$ 142,809
City Contributions**	215,412
Contribution Deficiency (Excess)	(72,603)
Covered Payroll	1,212,587
City Contributions as a % of Covered Payroll	17.8%

* Determined as of 10/1/21, including interest adjustment to FYE 2023.

** Actual contributions of \$207876 with interest adjustments to end of year.

**Methods and Assumptions Used to Determine Contribution Rates
for Fiscal Year Ending 9/30/23***

Actuarial Cost Method	Individual Entry Age, Level Percent of Pay
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	15 years
Asset Valuation Method	Actuarial Value, based on 5-year recognition of returns greater or less than the assumed investment return
Inflation	2.75%
Investment Return	7.55%
Salary increases	7% to 4%
Retirement Age	100% at Normal Retirement Eligibility Date
Mortality Rates	FRS Mortality Table

*Determined using the valuation from 10/1/21, using the payment delay methodology.

Employer Contributions GASB 67/68 Fiscal Years

<u>Fiscal Year Ending</u>	<u>Actuarially Determined Contributions</u>	<u>City Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>City Contributions as a % of Covered Payroll</u>
9/30/2014	\$ 292,123	\$ 303,916	\$ (11,793)	\$ 808,371	37.6%
9/30/2015	249,267	264,721	(15,454)	805,330	32.9%
9/30/2016	319,078 *	317,272	1,806	834,327 *	36.8%
9/30/2017	382,832	383,213	(380)	861,178	44.5%
9/30/2018	384,222	393,349	(9,127)	879,278	44.7%
9/30/2019	382,219	434,865	(52,646)	793,729	54.8%
9/30/2020	296,723	390,944	(94,221)	1,019,505	38.3%
9/30/2021	326,538	331,467	(4,929)	928,815	35.7%
9/30/2022	299,277	306,558	(7,280)	852,342	36.0%
9/30/2023	142,809	215,412	(72,603)	1,212,587	17.8%

* revised

SECTION 7
COMPONENTS OF PENSION EXPENSE

Components of Pension Expense

	9/30/23
1. Service Cost	\$ 181,746
2. Interest* on the Total Pension Liability	844,989
3. Differences between Expected and Actual Experience	(125,376)
4. Change of Assumptions	88,522
5. Employee Contributions	(72,723)
6. Projected Earnings on Pension Plan Investments	(715,399)
7. Differences between Projected and Actual Earnings on Pension Plan Investments	420,650
8. Pension Plan Administrative Expenses	62,810
9. Other Changes in Net Fiduciary Position	-
10. Total Pension Expense	\$ 685,220

* Discount rate of 7.25%

SECTION 8
DEFERRED OUTFLOWS & INFLOWS OF RESOURCES

	Deferred Outflows (beg. of year)	Deferred Inflows (beg. of year)	Current Year Recognition Charge or (Credit)
1. Liability (Gain)/Loss	\$ 192,803	\$ (231,192)	\$ (125,376)
2. Asset (Gain)/Loss	1,924,086	(903,743)	420,650
3. Assumption Change	320,240	-	88,522
4. Plan Change	-	-	-
5. Total			\$ 383,796

1. Developed in Appendix D.
2. Developed in Appendix E.
3. Developed in Appendix F.
4. Developed in Appendix G.

SECTION 9
EXPECTED FUTURE ADJUSTMENTS TO EXPENSE

Expected Future Adjustments to Expense

<u>Year End</u>	<u>Amount</u>
2024	\$ 362,947
2025	309,516
2026	601,353
2027	(5,130)
2028	33,508
Thereafter	-

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SECTION 10
AMORTIZATION OF DEFERRED INFLOWS/OUTFLOWS

Amortization of Deferred Inflows/Outflows

Year	Type	Recognition Period (Years)		Balance		
		Original	Remaining	Original	Remaining	Payment
2019	Liability (Gain)/Loss	5	0	(521,796)	-	(104,359)
2020	Liability (Gain)/Loss	6	2	75,794	25,265	12,632
2021	Liability (Gain)/Loss	6	3	(224,605)	(112,302)	(37,434)
2022	Liability (Gain)/Loss	6	4	(178,334)	(118,890)	(29,722)
2023	Liability (Gain)/Loss	6	5	201,046	167,538	33,508
2019	Asset (Gain)/Loss	5	0	626,042	-	125,208
2020	Asset (Gain)/Loss	5	1	267,157	53,431	53,431
2021	Asset (Gain)/Loss	5	2	(1,556,053)	(622,421)	(311,211)
2022	Asset (Gain)/Loss	5	3	3,117,758	1,870,655	623,552
2023	Asset (Gain)/Loss	5	4	(351,652)	(281,322)	(70,330)
2020	Assumption Changes	6	2	40,444	13,481	6,741
2021	Assumption Changes	6	3	122,196	61,098	20,366
2022	Assumption Changes	6	4	368,491	245,661	61,415
Total Charges				<u>\$ 1,986,487</u>	<u>\$ 1,302,194</u>	<u>\$ 383,796</u>

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

SUMMARY OF PLAN PROVISIONS THAT AFFECT THE VALUATION

Definitions

1. Ordinances: Original Ordinance: Chapter 70, Article 5, of the Code of the City of Lake City.

Amendments: 00-909
2001-926
2. Member: All full-time firefighters are eligible for membership upon date of hire.
3. Member Contributions: 5% of Salary, which shall be designated as employer contributions pursuant to IRC Section 414(h).
4. Credited Service: The number of full and fractional years worked from date of hire to date of termination or retirement during which the Member contributes to the Plan. Up to five years of Credited Service may be earned for employment interrupted by military service.
5. Compensation: A Member's total cash remuneration.
6. Final Monthly Compensation: The average of a Member's monthly Compensation for the five best years of the last 10 years of employment, or over all years of employment if less than five, with a year being 12 consecutive months.
7. Accrued Benefit: A monthly benefit payable for life with 10 years certain, starting at the Normal Retirement Date, equal to 2.75% of Final Monthly Compensation times Credited Service.

Additionally, a Member who retires after becoming eligible for normal, early or disability retirement benefits is entitled to a supplement equal to \$5 per month times Credited Service.

8. Cost-of-Living Adjustment For retirees who have attained age 60, an annual adjustment of 2% on October 1 of each year, payable monthly. Such adjustment is also payable to beneficiaries who are receiving payments, commencing on the October 1 following the date the deceased retiree would have attained age 60.
9. Normal Retirement: Eligibility Date – age 55 and completion of 10 years of Credited Service, or age 52 and completion of 25 years of Credited Service.
Benefit – Accrued Benefit payable as of the Normal Retirement Date.
10. Early Retirement: Eligibility Date – age 50 and completion of 10 years of Credited Service.
Benefit – Accrued Benefit as of the Early Retirement Date payable at Normal Retirement Date or payable at the Early Retirement Date and reduced by 3% per year for early payment.
11. Disability Benefit: Accrued Benefit as of date of disability, payable immediately after disability is approved, subject to the following minimum benefits:
Line-of-Duty Disability – 42% of current Final Monthly Compensation.
Not-in-Line-of-Duty Disability – 2.75% of current Final Monthly Compensation times Credited Service if a Member has 10 years of Credited Service at date of disability. A Member with less than 10 years of Credited Service at inception of Not-in-Line-of-Duty Disability shall receive a refund of Member Contributions.
Disability benefits terminate on the earlier of death or cessation of disability.
12. Late Retirement: Eligibility Date – after Normal Retirement Date.

Benefit – Accrued Benefit at Late Retirement Date.

13. Death Benefit before Retirement:

If the Member has less than 10 years of Credited Service at date of death the beneficiary shall receive a refund of Member Contributions.

If the Member has 10 or more years of Credited Service at date of death, the beneficiary shall receive the Accrued Benefit as of the date of death, reduced as for early retirement, if applicable, commencing at the Member's Early or Normal Retirement Date.

14. Death Benefit after Retirement:

Subject to the terms of the optional benefit form (if any) elected.

15. Termination Benefit:

A terminating Member with less than 10 years of Credited Service will receive a refund of Member Contributions. A terminating Member with 10 or more years of Credited Service may receive the Accrued Benefit as of the termination date payable at the Normal Retirement Date, or may elect a refund of Member Contributions with interest.

16. Normal (Unreduced) Form of Payment:

Ten-year certain-and-life annuity.

17. DROP:

A Member eligible for normal retirement may elect to retire from the Plan under the deferred retirement option program (DROP) and continue to work for the City for up to five years from the earliest date of DROP eligibility. The City may, at its option, offer to extend the DROP period for up to 36 additional months. At the end of the DROP period, the Member must retire; he is then entitled to a monthly benefit determined at date of DROP election plus the accumulation of monthly benefits not paid to him during the DROP period including interest earnings, in the form of payment the Member elects.

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

ACTUARIAL ASSUMPTIONS AND ACTUARIAL COST METHOD SUMMARY

Actuarial Assumptions

1. Investment Return:
7.25% per annum, compounded annually*; net of investment expense.
*Underlying long-term rate of inflation of 2.75% per annum.

2. Salary Increase Rates:

<u>Service</u>	<u>Rate</u>
<5	7.0%
5-9	6.0%
10-14	5.0%
15+	4.0%

3. Healthy Mortality Rates:

<u>Age</u>	Male (Special Risk): RP2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar		RP-2014 White Collar- Female Scale BB
	<u>Male</u>	<u>Female</u>	
25	0.04%	0.02%	
30	0.07%	0.03%	
35	0.10%	0.05%	
40	0.13%	0.06%	
45	0.17%	0.10%	
50	0.24%	0.16%	
55	0.41%	0.26%	
60	0.80%	0.47%	

4. Disabled Mortality Rates:

Male Disabled (Special Risk): 60%
 RP2000 Disabled Male setback four
 years / 40% Annuitant White Collar
 with no setback

Female Disabled (Special Risk): 60%
 RP2000 Disabled Female set forward
 two years / 40% Annuitant White Collar
 with no setback

<u>Age</u>	<u>Male</u>	<u>Female</u>
25	1.37%	0.46%
30	1.37%	0.46%
35	1.38%	0.47%
40	1.39%	0.47%
45	1.41%	0.58%
50	1.51%	0.87%
55	1.95%	1.22%
60	2.43%	1.63%

5. Termination Rates:

<u>Age</u>	<u>Service</u>							
	<u>0-1</u>	<u>1-2</u>	<u>2-3</u>	<u>3-4</u>	<u>4-5</u>	<u>5-6</u>	<u>5-6</u>	<u>5-6</u>
<25	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
25-29	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
30-34	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
35-39	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
40-44	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
45-49	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	2.50%
50-54	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	0.00%
55+	13.30%	13.30%	13.30%	5.60%	5.60%	5.60%	3.00%	0.00%

6. Disability Rates:

<u>Age</u>	<u>Rate</u>
25	0.09%
35	0.13%
45	0.20%
55	0.62%

7. Retirement Rates:

<u>Age</u>	<u>Service</u>	
	<u>10-24</u>	<u>25+</u>
52	0%	33%
53-54	0%	50%
55-61	50%	50%
62+	100%	100%

8. Actuarial Value of Assets:
5 year moving market average.9. Plan Expenses:
Actual plan expenses.10. Underlying Long-Term Inflation:
2.75% per annum, compounded annually.**Actuarial Value of Assets**

The actuarial value of assets is determined by adjusting the expected value of assets as of the valuation date by a portion of the cumulative differences of the market value of assets and the expected value of assets as of the previous four valuation dates. Each difference is fully recognized over a period not to exceed five years. The expected value of assets as of any valuation date is determined by applying actual Plan contributions and disbursements and the assumed investment yield to the previous year's expected value of assets adjusted for any fully recognized cumulative differences. The adjustment is further modified, if necessary, by an amount sufficient to ensure that the actuarial value of assets is not less than 80% nor more than 120% of market value. As of October 1, 2000, the expected value of assets is set equal to market value; thereafter, the actuarial value of assets is determined according to the adjustments to the expected value of assets described above.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

	Development of Long Term Discount Rate					
	Real Risk		Total			
	Inflation	Free Return	Risk Premium	Expected Return	Policy Allocation	Policy Return
Domestic Equity	2.75%	2%	4.50%	9.3%	60.0%	5.55%
Foreign Equity	2.75%	2%	5.50%	10.3%	10.0%	1.03%
Bonds	2.75%	2%	0.50%	5.3%	15.0%	0.79%
Treasuries	2.75%	2%	0.00%	4.8%	0.0%	0.00%
Real Estate	2.75%	2%	2.50%	7.3%	15.00%	1.09%
Cash & Equivalents	2.75%	0%	-1.0%	1.8%	0.0%	0.00%
Total					100.00%	8.45%

Actuarial Cost Method

To determine the Plan's contribution requirements, the Individual Entry Age Actuarial Cost Method was used. Under this method, the cost of each member's projected retirement benefit is funded through a series of annual payments, determined as a level percentage of each year's earnings from age at hire to assumed exit age. This level percentage, known as normal cost, is thus computed as though the Plan had always been in effect. A yearly normal cost for each member is individually determined by multiplying each member's level percentage by the applicable yearly earnings, then adding together to obtain the normal cost amount for the Plan for that year. The accrued value of normal cost payments due prior to the valuation date is termed the actuarial accrued liability (AAL). This amount minus the actuarial value of assets is known as the unfunded actuarial accrued liability (UAAL). The annual cost of a plan has two components: normal cost and an amortization payment, which may vary between prescribed limits, toward the UAAL.

An actuarial gain (or loss), a measurement of the difference between actual experience and that expected based upon the actuarial assumptions during the period between two actuarial valuation dates, reduces (or increases) the UAAL.

UAAL bases established prior to October 1, 2011, have been consolidated into a single debit base and amortized over 12 years starting October 1, 2012. UAAL bases established on and after October 1, 2012, due to increases or decreases in liabilities attributable to changes in plan provisions, actuarial assumptions, and/or actuarial gains or losses will be amortized over 15 years as a level dollar amount from inception.

Miscellaneous Valuation Procedures

1. Projected retirement benefits were limited to IRC Section 415 benefit limits applicable to the current plan year (for fiscal year 2022-2023, \$245,000), payable as a life annuity, beginning at or after age 62, reduced as applicable for earlier benefit commencement with assumed increases equal to the assumed long-term rate of inflation.
2. Projected earnings were limited to IRC Section 401(a)(17) compensation limits applicable to the current plan year (for fiscal year 2022-2023, \$305,000) with assumed increases equal to the assumed long-term rate of inflation.
3. Annual covered payroll is the amount of total pensionable earnings paid during the prior fiscal year for employees who are currently active members in the Plan (that does not include employees still working but retired under the DROP provisions). Valuation payroll is payroll expected to be paid during the current fiscal year, determined using prior year covered payroll and the salary increase assumption by individual member. Annual valuation payroll for the 2021-22 fiscal year was determined using expected valuation payroll for 2020-21 projected for one year using the Plan's payroll growth assumption.

4. The effect of member contributions on the funding requirements has been recognized through subtracting the expected member contributions from the total Plan contribution requirement to determine the net City portion.
5. Member information is current as of October 1, 2022.
6. No liability was recognized in the valuation for nonvested employees who have terminated, whether or not a break in service has occurred as of the valuation date, since any potential liability for this group is not significant. Note that upon rehire, any applicable prior employment service credits will be fully recognized in the valuation.
7. Although early retirement benefits are payable on a more favorable basis than actuarial equivalent values, it has been assumed that early retirement elections are infrequent and any additional APV would be small. Therefore, no APV was recognized for subsidized early retirement in the valuation.
8. The contribution requirement includes an amount to recognize the Plan's anticipated administrative expenses based on actual prior experience (see assumptions). This amount is reflected in the required normal cost.
9. Premium tax refunds paid pursuant to Florida Statutes, Chapter 175, expected to be received in the current fiscal year were assumed to be the same as the amount paid for the prior fiscal year.
10. It was assumed that 100% of future deaths and disablements will occur in the line of duty.

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

RECONCILIATION OF PLAN MEMBERS

		<u>Actives</u>	<u>DROP Retirees</u>	<u>Retirees and Beneficiaries</u>	<u>Disabled Retirees</u>	<u>Vested Terminateds</u>	<u>Pending Refunds</u>
Members as of	10/01/21	19	2	18	2	3	1
Increase (Decrease) Due to:		-	-	-	-	-	-
DROP Retirement		-	-	-	-	-	-
Retirements		-	(1)	1	-	-	-
Nonvested Terminations		(3)	-	-	-	-	3
Vested Terminations		-	-	-	-	-	-
New Entrants		5	-	-	-	-	-
Deaths		-	-	-	-	-	-
Rehires		1	-	-	-	-	-
Disableds		-	-	-	-	-	-
Contribution Refund		-	-	-	-	-	-
Benefits Expired		-	-	-	-	-	-
To PolicePlan		-	-	-	-	-	-
Members as of	10/01/22	22	1	19	2	3	4

INACTIVE MEMBERS AT 10/1/2022

	<u>Number</u>	<u>Annual Benefit Amount</u>
DROP Retirees	1	\$ 50,728
Retirees and Beneficiaries		
Currently Receiving Payments	19	625,954
Disabled Retirees Currently Receiving Payments	2	72,115
Vested Terminated Members		
Entitled to Future Benefits	3	47,839
Pending Refunds of Contributions*	4	N/A
Total	29	\$ 796,636

* Annuities not applicable; refunds total \$5,919

Reconciliation of DROP Account as of 9/30/22

Name	Date <u>Entered DROP</u>	Value as of <u>9/30/2021</u>	Payments Credited to <u>Account</u>	Investment Earnings <u>Credited</u>	<u>Withdrawals</u>	Value as of <u>9/30/2022</u>
Boozer, Dwight	6/1/2018	208,563.16	49,107.84	-68,086.31	0.00	189,584.69
McNeill Jr, Jeff D	6/1/2020	69,117.85	7,678.44	1,726.68	-78,522.97	0.00
Totals		277,681.01	56,786.28	-66,359.63	-78,522.97	189,584.69

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CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

INCREASE (DECREASE) IN PENSION EXPENSE ARISING FROM THE RECOGNITION OF
THE EFFECTS OF DIFFERENCES BETWEEN EXPECTED
AND ACTUAL EXPERIENCE

Year	Differences between Expected and Actual Experience	Recognition Period (Years)	2023	2024	2025	2026	2027	2028
2019	\$ (521,796)	5	\$ (104,359)	\$ -	\$ -	\$ -	\$ -	\$ -
2020	75,794	6	12,632	12,632	12,632	-	-	-
2021	(224,605)	6	(37,434)	(37,434)	(37,434)	(37,434)	-	-
2022	(178,334)	6	(29,722)	(29,722)	(29,722)	(29,722)	(29,722)	-
2023	201,046	6	33,508	33,508	33,508	33,508	33,508	33,508
Net Increase (Decrease) in Pension Expense			\$ (125,376)	\$ (21,017)	\$ (21,017)	\$ (33,649)	\$ 3,785	\$ 33,508

Balances at
September 30, 2023

Year	Experience Losses (a)	Experience Gains (b)	Amounts Recognized in Pension Expense through 2023 (c)	Deferred Outflows of Resources (a)-(c)	Deferred Inflows of Resources (b)-(c)
2019	\$ -	\$ (521,796)	\$ (521,796)	\$ -	\$ -
2020	75,794	-	50,529	25,265	-
2021	-	(224,605)	(112,302)	-	(112,302)
2022	-	(178,334)	(59,445)	-	(118,890)
2023	201,046	-	33,508	167,538	-
			\$ (609,507)	\$ 192,803	\$ (231,192)

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

INCREASE (DECREASE) IN PENSION EXPENSE ARISING FROM THE RECOGNITION OF
DIFFERENCES BETWEEN PROJECTED AND ACTUAL EARNINGS ON PENSION PLAN
INVESTMENTS

Year	Differences between Projected and Actual Earnings on Pension Plan Investments	Recognition Period (Years)	2023	2024	2025	2026	2027	2028
2019	\$ 626,042	5	\$ 125,208	\$ -	\$ -	\$ -	\$ -	\$ -
2020	267,157	5	53,431	53,431	-	-	-	-
2021	(1,556,053)	5	(311,211)	(311,211)	(311,211)	-	-	-
2022	3,117,758	5	623,552	623,552	623,552	623,552	-	-
2023	(351,652)	5	(70,330)	(70,330)	(70,330)	(70,330)	(70,330)	-
Net Increase (Decrease) in Pension Expense			\$ 420,650	\$ 295,442	\$ 242,011	\$ 553,221	\$ (70,330)	\$ -

Balances at
September 30, 2023

Year	Investment Earnings Less than Expected (a)	Investment Earnings Greater than Expected (b)	Amounts Recognized in Pension Expense through 2023 (c)	Deferred Outflows of Resources (a)-(c)	Deferred Inflows of Resources (b)-(c)
2019	\$ 626,042	\$ -	\$ 626,042	\$ -	\$ -
2020	267,157	-	213,726	53,431	-
2021	-	(1,556,053)	(933,632)	-	(622,421)
2022	3,117,758	-	1,247,103	1,870,655	-
2023	-	(351,652)	(70,330)	-	(281,322)
			\$ 1,082,909	\$ 1,924,086	\$ (903,743)

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

INCREASE (DECREASE) IN PENSION EXPENSE ARISING FROM THE RECOGNITION OF
THE EFFECTS OF CHANGES OF ASSUMPTIONS

Year	Changes of Assumptions	Recognition Period (Years)	2023	2024	2025	2026	2027	2028
2020	\$ 40,444	6	\$ 6,741	\$ 6,741	\$ 6,741	\$ -	\$ -	\$ -
2021	122,196	6	20,366	20,366	20,366	20,366	-	-
2022	368,491	6	61,415	61,415	61,415	61,415	61,415	-
2023	-	6	-	-	-	-	-	-
Net Increase (Decrease) in Pension Expense			\$ 88,522	\$ 88,522	\$ 88,522	\$ 81,781	\$ 61,415	\$ -

Balances at
September 30, 2023

Year	Amounts Recognized in				
	Increases in Total Pension Liability (a)	Decreases in Total Pension Liability (b)	Pension Expense through 2023 (c)	Deferred Outflows of Resources (a)-(c)	Deferred Inflows of Resources (b)-(c)
2020	\$ 40,444	\$ -	\$ 26,963	\$ 13,481	\$ -
2021	122,196	-	61,098	61,098	-
2022	368,491	-	122,830	245,661	-
2023	-	-	-	-	-
			\$ 210,891	\$ 320,240	\$ -

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS'
PENSION TRUST FUND

INCREASE (DECREASE) IN PENSION EXPENSE ARISING FROM THE
RECOGNITION OF THE EFFECTS OF PLAN CHANGES

Year	Plan Changes	Recognition Period (Years)	2023	Balances at September 30, 2023		
2023	\$ -	1	\$ -			
Net Increase (Decrease) in Pension Expense			\$ -			
Year	Increases in Total Pension Liability (a)	Decreases in Total Pension Liability (b)	Amounts Recognized in Pension Expense through 2023 (c)	Deferred Outflows of Resources (a)-(c)	Deferred Inflows of Resources (b)-(c)	
2023	\$ -	\$ -	\$ -	\$ -	\$ -	
			\$ -	\$ -	\$ -	

CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND

SCHEDULE OF EXPENDITURES BUDGET TO ACTUAL
as of September 30, 2023

Expenditure Type	Budget Amount	Actual Amounts
Actuary	\$26,500.00	\$21,381.00
Administrator	\$14,000.00	\$15,586.61
Attorney	\$6,000.00	\$1,597.50
IME Physician Fees	\$10,000.00	\$0.00
Custodian of Funds	\$10,000.00	\$4,089.23
Insurance	\$5,100.00	\$3,506.37
School, Travel and Dues	\$4,000.00	\$9,592.71
Investment Consultant	\$20,000.00	\$20,333.33
Miscellaneous	\$5,000.00	\$0.00
Totals	100,600.00	\$76,086.75

SUMMARY OF PAYMENTS
City of Lake City Firefighters' Pension Fund
November 17, 2023 - February 15, 2024

INVOICES

WARRANT #	SENT FOR PAYMENT	FOR PERIOD	DESCRIPTION	TOTAL DUE
21	2/7/2024	October 2023	Klausner, Kaufman, Jensen & Levinson, invoice #33772, legal services	\$1,050.00
21	2/7/2024	October 2023	Foster & Foster, invoice #28941, plan administration	\$1,000.00
21	2/7/2024	CY 2024	FPPTA, invoice #10799, Pension Board Membership	\$750.00
21	2/7/2024	November 2023	Klausner, Kaufman, Jensen & Levinson, invoice #33976, legal services	\$175.00
21	2/7/2024	November 2023	Actuarial Concepts, actuarial services	\$990.00
21	2/7/2024	November 2023	Foster & Foster, invoice #29536, plan administration	\$1,060.27
21	2/7/2024	October 1 - December 31, 2023	AndCo, invoice #46612, investment consulting	\$5,625.00
21	2/7/2024	October 1 - December 31, 2023	Integrity Fixed Income Management, invoice #357164, investment management	\$1,072.30
21	2/7/2024	December 2023	Klausner, Kaufman, Jensen & Levinson, invoice #34172, legal services	\$70.00
21	2/7/2024	December 2023	Actuarial Concepts, actuarial services	\$13,340.00
21	2/7/2024	CY 2024	FPPTA, invoice #11330, CPPT Recertification for A. Brannon and D. Dohrn	\$62.00
21	2/7/2024	January 1 - March 31, 2024	Riverplace Capital, 1st quarter fees, investment management	\$9,456.19
21	2/7/2024	December 2023	Foster & Foster, invoice #29823, plan administration	\$1,000.00
Total Invoices				\$35,650.76

CHECK REQUESTS

Total Checks				\$0.00

****Highlighted items are pending approval and have not yet been paid****

Klausner, Kaufman, Jensen & Levinson

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Tax I.D.: 45-4083636

LAKE CITY FIRE PENSION FUND
Attn: FOSTER & FOSTER
2503 DEL PRADO BLVD. S. SUITE 502
CAPE CORAL, FL 33904

October 31, 2023
Bill # 33772

CLIENT: LAKE CITY FIREFIGHTERS PENSION FUND : 150064
MATTER: LAKE CITY FIREFIGHTERS PENSION FUND : 150064

Professional Fees

Date	Attorney	Description	Hours	Amount
10/04/23	BTG	REVIEW SECURE 2.0 ACT PROVISIONS AND DRAFT LANGUAGE ACCORDINGLY FOR PLAN UPDATE	0.20	70.00
10/10/23	BSJ	REVIEW RULES REGARDING REPORTING FOR 112.662; REVIEW AND REVISE TEMPLATE FOR REPORTING	0.20	70.00
10/13/23	BSJ	ATTEND MEETING WITH FLORIDA PENSION ATTORNEYS TO FINALIZE TEMPLATE; PREPARE TEMPLATE IN FINAL AND EMAIL TO KEITH BRINKMAN FOR REVIEW	0.10	35.00
10/14/23	BSJ	REVIEW AND RESPOND TO EMAIL FROM MICHELLE RODRIGUEZ REGARDING IMPACT STATEMENT FOR CANCER PRESUMPTION	0.10	35.00
10/14/23	BSJ	REVIEW AND RESPOND TO EMAIL FROM MICHELLE RODRIGUEZ REGARDING STATE PREMIUM TAX REFUND; REVIEW 2019 VALUATION AND PLAN DOCUMENT	0.40	140.00
10/18/23	BSJ	REVIEW FILES FOR SIGNED IPS FOR DECEMBER STATE REPORT; UPDATE STATUS LIST	0.20	70.00
10/25/23	BSJ	DRAFT MEMO TO MANAGERS FOR 112.662 COMPLIANCE; EMAIL TO INVESTMENT CONSULTANT REGARDING COMMUNICATION WITH MANAGERS	0.30	105.00

Continued . . .

Professional Fees

Date	Attorney	Description	Hours	Amount
10/30/23	BSJ	REVIEW AND RESPOND TO EMAIL FROM MICHELLE RODRIGUEZ REGARDING USE OF PREMIUM TAX DOLLARS; REVIEW THREE VALUATIONS; REVIEW LETTER REGARDING USE OF STATE MONEY FROM MICHAEL TIERNEY; REVIEW STATUTE; REVIEW PREMIUM TAX COLLECTIONS OVER THE YEARS; REVIEW SUPPLEMENTAL AMOUNT TO BE RECEIVED; REVIEW PLAN	1.50	525.00
		Total for Services	<u>3.00</u>	<u>\$1,050.00</u>

CURRENT BILL TOTAL AMOUNT DUE

\$ 1,050.00



Invoice

Date	Invoice #
11/7/2023	28941

Plan Administration Division
Phone: (239) 333-4872
Fax: (239) 481-0634
billing@foster-foster.com
www.foster-foster.com
Federal EIN: 59-1921114

Bill To
City of Lake City Firefighters' Pension Fund c/o Foster & Foster, Inc. 2503 Del Prado Blvd. S., Suite 502 Cape Coral, FL 33904

Terms	Due Date
Net 30	12/7/2023

Description	Amount
Plan Administration services for the month of October 2023.	1,000.00

Thank you for your business!

Most preferred method of payment is a bank transfer.

Please reference Plan name & Invoice # above:

- Account Title: Foster & Foster, Inc.
- Account Number: 6100000360
- Routing Number: 063114661
- Bank Name: Cogent Bank

Balance Due **\$1,000.00**

For payment via a mailed check, please remit to:

Foster & Foster, Inc.

13420 Parker Commons Blvd, Ste 104, Fort Myers, FL 33912



INVOICE

Lake City Firefighters' Pension Fund
(Lake City Firefighters' Pension Fund)
205 N MARION AVE
LAKE CITY, FL 32055
United States

Invoice Date: 11/20/2023
Invoice Number: INV_10799

Reference: Online Payment:
Membership Dues

Florida Public Pension Trustees Association
2946 WELLINGTON CIR
TALLAHASSEE, FL 32309
United States
mj@fppta.org
8506688552

Description	Quantity	Unit Price	Sales Tax	Amount USD
2024 Membership - Pension Board	1	\$750.00	-	\$750.00
			Sub Total	\$750.00
			TOTAL Sales Tax	\$0.00
			TOTAL USD	\$750.00
			Amount Paid	(\$0.00)
			<hr/> AMOUNT DUE:	\$750.00

DUE DATE: November 30, 2023

-X-----

PAYMENT ADVICE

To:
Florida Public Pension Trustees Association
2946 WELLINGTON CIR
TALLAHASSEE, FL 32309
United States
mj@fppta.org
8506688552

Customer: Lake City Firefighters' Pension Fund

Invoice Number: INV_10799

Amount Due: \$750.00

Due Date: November 30, 2023

Klausner, Kaufman, Jensen & Levinson

A Partnership of Professional Associations
Attorneys At Law
7080 N.W. 4th Street
Plantation, Florida 33317

Tel. (954) 916-1202
Fax (954) 916-1232

www.klausnerkaufman.com
Tax I.D.: 45-4083636

LAKE CITY FIRE PENSION FUND
Attn: FOSTER & FOSTER
2503 DEL PRADO BLVD. S. SUITE 502
CAPE CORAL, FL 33904

November 30, 2023
Bill # 33976

CLIENT: LAKE CITY FIREFIGHTERS PENSION FUND : 150064
MATTER: LAKE CITY FIREFIGHTERS PENSION FUND : 150064

Professional Fees

Date	Attorney	Description	Hours	Amount
11/07/23	BSJ	RESEARCH FDIC INSURANCE	0.50	175.00
Total for Services			0.50	\$175.00

CURRENT BILL TOTAL AMOUNT DUE

\$ 175.00

Past Due Balance

Paid on this warrant 1,050.00

AMOUNT DUE

~~-\$1,225.00~~

Actuarial Concepts

Management Advisors

Benefits Specialists

December 13, 2023

Invoice submitted to:
David Brewer
Michelle Rodriguez

City of Lake City Firefighters' Pension Plan
November 2023

	<u>Amount</u>
DATABASE UPDATE	
• Update of member database in preparation for 2023 actuarial valuation; data request 10/16/23; data reconciliation 11/13/23	\$ 990
	<hr/>
	\$ 990

For professional services rendered

Michael Tierney



Invoice

Date	Invoice #
12/28/2023	29536

Plan Administration Division
Phone: (239) 333-4872
Fax: (239) 481-0634
billing@foster-foster.com
www.foster-foster.com
Federal EIN: 59-1921114

Bill To
City of Lake City Firefighters' Pension Fund c/o Foster & Foster, Inc. 2503 Del Prado Blvd. S., Suite 502 Cape Coral, FL 33904

Terms	Due Date
Net 30	1/27/2024

Description	Amount
Plan Administration services for the month of November 2023.	1,000.00
Attendance at November 16, 2023, Board meeting (out-of-pocket expenses shared with the Police Pension Board).	60.27

Thank you for your business!

Most preferred method of payment is a bank transfer.
 Please reference Plan name & Invoice # above:

- Account Title: Foster & Foster, Inc.
- Account Number: 6100000360
- Routing Number: 063114661
- Bank Name: Cogent Bank

Balance Due **\$1,060.27**

For payment via a mailed check, please remit to:
 Foster & Foster, Inc.
 13420 Parker Commons Blvd, Ste 104, Fort Myers, FL 33912

AndCo Consulting, LLC

531 W Morse Blvd Ste 200
Winter Park, FL 32789
844-442-6326
ar@andcoconsulting.com



INVOICE

BILL TO
Lake City Firefighters Pension

INVOICE 46612
DATE 12/29/2023

DESCRIPTION	AMOUNT
Consulting Services and Performance Evaluation, Billed Quarterly (October, 2023)	1,875.00
Consulting Services and Performance Evaluation, Billed Quarterly (November, 2023)	1,875.00
Consulting Services and Performance Evaluation, Billed Quarterly (December, 2023)	1,875.00

It is our honor and privilege to provide excellence service. If this is not your experience, please contact us immediately.

BALANCE DUE

\$5,625.00

INVOICE 357164

Lake City Firefighters

Integrity Fixed Income Management, LLC
651 Bryn Mawr Street
Orlando, FL 32804

ATTENTION:

Lake City-Frfghts Pnsn Pln
205 N. Marion Avenue
Lake City, FL 32055

PERIOD: 10/01/23 - 12/31/23

TOTAL ASSETS: 1,715,677.96

FEE STRUCTURE: Assets Under Management							
0.00	-	30,000,000.00	x	100.0000%	1,715,677.96	@6.2500 BPS/qr	1,072.30
					1,715,677.96		1,072.30
Account Management Fee							1,072.30

Klausner, Kaufman, Jensen & Levinson

A Partnership of Professional Associations
Attorneys At Law
7080 N.W. 4th Street
Plantation, Florida 33317

Tel. (954) 916-1202
Fax (954) 916-1232

www.klausnerkaufman.com
Tax I.D.: 45-4083636

LAKE CITY FIRE PENSION FUND
Attn: FOSTER & FOSTER
2503 DEL PRADO BLVD. S. SUITE 502
CAPE CORAL, FL 33904

December 31, 2023
Bill # 34172

CLIENT: LAKE CITY FIREFIGHTERS PENSION FUND : 150064
MATTER: LAKE CITY FIREFIGHTERS PENSION FUND : 150064

Professional Fees

Date	Attorney	Description	Hours	Amount
12/28/23	BTG	REVIEW IRS PUBLICATIONS RE SECURE ACT COMPLIANCE	0.20	70.00
Total for Services			<u>0.20</u>	<u>\$70.00</u>

CURRENT BILL TOTAL AMOUNT DUE

\$ 70.00

Past Due Balance

Paid on this warrant 1,225.00

AMOUNT DUE

\$1,295.00

Actuarial Concepts

Management Advisors

Benefits Specialists

January 10, 2024

Invoice submitted to:
David Brewer
Michelle Rodriguez

City of Lake City Firefighters' Pension Plan
December 2023

	<u>Amount</u>
GASB 67 AND 68 DISCLOSURES	
• Preparation of GASB 68 disclosure information as of 9/30/23 (draft report emailed 12/18/23), including:	\$ 4,850
• Statement of Net Fiduciary Position	
• Schedule of Changes in Fiduciary Net Position	
• Total Pension Liability, Net Pension Liability, Funded Status and Related Ratios	
• Total Pension Liability, Net Pension Liability and Related Ratios-Sensitivity	
• Schedule of Changes in Total Pension Liability	
• Employer Contributions	
• Components of Pension Expense	
• Deferred Outflows and Inflows of Resources	
• Deferred Recognitions by Year	
• Amortization of Deferred Outflows and Inflows	
• Preparation of GASB 67 disclosure information as of 9/30/23 (draft report emailed 12/18/23)	590
VALUATION ANALYSIS	
• Completion of 2023 actuarial valuation and preparation of report documenting State required information; draft report dated 12/21/23	7,900
• Minimum contribution requirements	
• Interest rate sensitivity valuation	
• 10-year contribution projections	
• Retiree benefit payment “runout” exhibit	
• Accumulated benefit obligation status	
• Yield calculation in State format	
• Valuation using assumptions per State format	
For professional services rendered	<u>\$ 13,340</u>

Michael Tierney

2950 Halcyon Lane, Suite 402, Jacksonville, FL 32223

Fax (904) 268-3374 E-mail: valuation@ActuarialConcepts.com



INVOICE

Jammie Arthur (Foster & Foster
Consulting Actuaries, Inc.)

Invoice Date: 01/11/2024
Invoice Number: INV_11330

Reference: Online Payment:
CPPT Recertification

**Florida Public Pension Trustees
Association**
2946 WELLINGTON CIR
TALLAHASSEE, FL 32309
United States
mj@fppta.org
8506688552

Description	Quantity	Unit Price	Sales Tax	Amount USD
CPPT Recertification (current period for 2024) for: Adam Brannon, Daniel Dohrn	2	\$31.00	-	\$62.00
			Sub Total	\$62.00
			TOTAL Sales Tax	\$0.00
			TOTAL USD	\$62.00
			Amount Paid	(\$0.00)
			AMOUNT DUE:	\$62.00

DUE DATE: January 21, 2024

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PAYMENT ADVICE

To:
Florida Public Pension Trustees Association
2946 WELLINGTON CIR
TALLAHASSEE, FL 32309
United States
mj@fppta.org
8506688552

Customer: Jammie Arthur
Invoice Number: INV_11330

Amount Due: **\$62.00**
Due Date: January 21,
2024

Charles Schwab & Company, Inc.
P.O. Box 628290
1958 Summit Park Dr.
Suite 500
Orlando, FL 32862-9905 USA

Billing Allocation

	Date Range	Ending Value	Billed Value	Fee Rate	Fee	Adjustments	Total Period Fee
XXXXXXXXXXXX4423 - Lake City Municipal Firefighters' Pension Plan	2024-01-01 — 2024-03-31	4,449,970.59	4,449,970.59	0.850%	9,456.19	—	9,456.19
Lake City Firefighters Pension Plan	2024-01-01 — 2024-03-31	4,449,970.59	4,449,970.59	0.850%	9,456.19	—	9,456.19

Fee Calculation

Annual Percentage Rate	Billed Value	Fee
—	—	—
0.85%	4,449,971	9,456

Riverplace Capital Management, Inc.

1301 Riverplace Blvd., Suite 2130 Jacksonville, FL 32207



Invoice

Date	Invoice #
1/26/2024	29823

Plan Administration Division
Phone: (239) 333-4872
Fax: (239) 481-0634
billing@foster-foster.com
www.foster-foster.com
Federal EIN: 59-1921114

Bill To
City of Lake City Firefighters' Pension Fund c/o Foster & Foster, Inc. 2503 Del Prado Blvd. S., Suite 502 Cape Coral, FL 33904

Terms	Due Date
Net 30	2/25/2024

Description	Amount
Plan Administration services for the month of December 2023.	1,000.00

Thank you for your business!

Most preferred method of payment is a bank transfer.
 Please reference Plan name & Invoice # above:

- Account Title: Foster & Foster, Inc.
- Account Number: 6100000360
- Routing Number: 063114661
- Bank Name: Cogent Bank

Balance Due **\$1,000.00**

For payment via a mailed check, please remit to:
 Foster & Foster, Inc.
 13420 Parker Commons Blvd, Ste 104, Fort Myers, FL 33912

FUND ACTIVITY REPORT
CITY OF LAKE CITY MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND
November 14, 2023 through February 12, 2024

Retirees	Effective Date	Monthly Benefit	Option Selection	Sent to Custodian	
None this period					
DROP Entries	Entry Date	Monthly Benefit	Option Selection		
None this period					
DROP Exits	Exit Date	Monthly Benefit	Account Balance	DROP Balance	Sent to Custodian
None this period					
Refunded Contributions	Term Date	Refund Amount	Status (Vested/Non-Vested)	Sent to Custodian	
None this period					
Purchase of Service Credit		Amount Due	Rollover Contributions	Payroll Deductions	Sent to Custodian
None this period					
Deceased Members/Beneficiaries		Monthly Benefit	Date of Death	Option Selection	Sent to Custodian
None this period					
Beneficiary Payments	Effective Date	Benefit Amount	Type	Plan Member	Sent to Custodian
None this period					
Other		Benefit Amount	Notes	Sent to Custodian	
None this period					