



February 28, 2024

Board of Trustees, City of Wilton Manors Volunteer Firefighters' Retirement System
c/o Mr. Richard W. Rothe, Chairperson
2020 Wilton Drive
Wilton Manors, FL 33305

**Re: City of Wilton Manors Volunteer Firefighters' Retirement System
GASB No. 67 Disclosure Information for the FYE September 30, 2023**

Dear Board Members:

We have prepared updated actuarial disclosure information required under Governmental Accounting Standards Board (GASB) Statement No. 67 for the fiscal year ending September 30, 2023.

The following exhibits were based upon financial information as of September 30, 2023, which was provided by the auditor in draft form, as well as information furnished by the Plan Administrator. If any of this information changes during the auditing process (including benefit payments, contributions, administrative expenses, or the actual market value of assets as of September 30, 2023), then the following exhibits will need to be revised:

- Statement of Changes in Net Pension Liability and Ratios, using the Single Discount Rate
- Schedule of Net Pension Liability
- Notes to Schedule of Employer's Net Pension Liability
- Schedule of Contributions
- Notes to Schedule of Contributions
- Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

The actuarial liabilities as of October 1, 2022 were based on the liabilities reported in the October 1, 2022 Actuarial Valuation Report dated December 9, 2022, and "rolled forward" to the September 30, 2023 measurement date. Using the beginning of the year valuation of liabilities allows for timely reporting at the end of the year. If significant changes occur during the year, such as benefit changes or changes in assumptions or methods, these may need to be reflected in the process. Please refer to our October 1, 2022 actuarial valuation report for information related to participant data, economic and demographic assumptions, and benefit provisions.

Please note that there are other items not listed above that will be required in the Plan's financial statements and/or the City's Comprehensive Annual Financial Report (CAFR) to fully comply with GASB No. 67 standards. This additional information will need to be provided by the Plans' investment consultants, accountants or other financial statement preparers.

Disclosures

This information is intended to assist in preparation of the financial statements of the Plan. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes.

Our calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statements No 67. The Net Pension Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimate cost of settling the employer's benefit obligation. The Net Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 67 may produce significantly different results.

This report was prepared at the request of the Board and is intended for financial reporting purposes for use by the Retirement Plan and those designated or approved by the Board. This report may be provided to parties other than the Retirement Plan only in its entirety and only with permission of the Board. This report should not be relied on for any purpose other than the purpose described above.

The calculations in this report are based on financial information as of September 30, 2023 furnished by the Plan's Auditor as well as the assumptions, methods, and plan provisions outlined in our October 1, 2022 Actuarial Valuation Report dated December 9, 2022.

Theora Braccialarghe and Melissa Zrelack are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

This report was prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To best of our knowledge, the information contained in this letter is accurate and fairly presents the actuarial position of the plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices and with the Actuarial Standards of Practice issued by the Actuarial Standard Board.

Respectfully submitted,

GABRIEL, ROEDER, SMITH & COMPANY



Theora P. Braccialarghe, FSA, MAAA
Senior Consultant & Actuary



Melissa Zrelack, EA, MAAA
Consultant & Actuary

cc: Israel Diaz, CPA
Judith Hoekstra
Jeanne Kennedy



SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS

GASB Statement No. 67

Fiscal year ending September 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service Cost	\$ 3,513	\$ 3,509	\$ 3,560	\$ 3,555	\$ 3,552	\$ 3,548	\$ 2,785	\$ 2,784	\$ 2,781	\$ 3,420
Interest	95,635	97,677	98,075	97,063	98,032	96,276	136,401	132,943	127,765	124,087
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference between actual & expected experience	56,842	21,766	22,373	24,799	(5,758)	(5,234)	(547,430)	(7,955)	28,813	50,183
Assumption Changes	-	-	(57,060)	-	-	-	157,023	-	172,401	-
Benefit Payments	(208,340)	(165,937)	(123,739)	(123,229)	(124,604)	(93,863)	(93,206)	(79,458)	(76,201)	(73,671)
Refunds	-	-	-	-	-	-	-	-	-	-
Other - Increase in Share Plan Reserve	(90,218)	30,151	71,300	14,929	11,936	43,915	-	-	-	-
Net Change in Total Pension Liability	(142,568)	(12,834)	14,509	17,117	(16,842)	44,642	(344,427)	48,314	255,559	104,019
Total Pension Liability - Beginning	1,694,569	1,707,403	1,692,894	1,675,777	1,692,619	1,647,977	1,992,404	1,944,090	1,688,531	1,584,512
Total Pension Liability - Ending (a)	\$ 1,552,001	\$ 1,694,569	\$ 1,707,403	\$ 1,692,894	\$ 1,675,777	\$ 1,692,619	\$ 1,647,977	\$ 1,992,404	\$ 1,944,090	\$ 1,688,531
Plan Fiduciary Net Position										
Contributions - Employer (From City)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Employer (From State)	236,639	104,886	94,263	85,359	83,904	87,830	93,880	113,066	143,468	162,399
Contributions - Member	-	-	-	-	-	-	-	-	-	-
Net Investment Income	395,718	(226,616)	296,241	105,701	93,588	187,918	163,275	114,245	(78,303)	157,260
Benefit Payments	(208,340)	(165,937)	(123,739)	(123,229)	(124,604)	(93,863)	(93,206)	(79,458)	(76,201)	(73,671)
Refunds	-	-	-	-	-	-	-	-	-	-
Administrative Expense	(36,374)	(42,142)	(38,245)	(37,537)	(41,063)	(40,155)	(36,978)	(23,065)	(40,557)	(27,489)
Other	-	-	-	-	-	-	1	(1)	-	-
Net Change in Plan Fiduciary Net Position	387,643	(329,809)	228,520	30,294	11,825	141,730	126,972	124,787	(51,593)	218,499
Plan Fiduciary Net Position - Beginning	1,737,688	2,067,497	1,838,977	1,808,683	1,796,858	1,655,128	1,528,156	1,403,369	1,454,962	1,236,463
Plan Fiduciary Net Position - Ending (b)	\$ 2,125,331	\$ 1,737,688	\$ 2,067,497	\$ 1,838,977	\$ 1,808,683	\$ 1,796,858	\$ 1,655,128	\$ 1,528,156	\$ 1,403,369	\$ 1,454,962
Net Pension Liability - Ending (a) - (b)	(573,330)	(43,119)	(360,094)	(146,083)	(132,906)	(104,239)	(7,151)	464,248	540,721	233,569
of Total Pension Liability	136.94 %	102.54 %	121.09 %	108.63 %	107.93 %	106.16 %	100.43 %	76.70 %	72.19 %	86.17 %

Note: The Plan is not pay based. The members are volunteer firefighters.



SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY

GASB Statement No. 67

FY Ending September 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2023	\$ 1,552,001	\$ 2,125,331	\$ (573,330)	136.94%	N/A	N/A
2022	1,694,569	1,737,688	(43,119)	102.54%	N/A	N/A
2021	1,707,403	2,067,497	(360,094)	121.09%	N/A	N/A
2020	1,692,894	1,838,977	(146,083)	108.63%	N/A	N/A
2019	1,675,777	1,808,683	(132,906)	107.93%	N/A	N/A
2018	1,692,619	1,796,858	(104,239)	106.16%	N/A	N/A
2017	1,647,977	1,655,128	(7,151)	100.43%	N/A	N/A
2016	1,992,404	1,528,156	464,248	76.70%	N/A	N/A
2015	1,944,090	1,403,369	540,721	72.19%	N/A	N/A
2014	1,688,531	1,454,962	233,569	86.17%	N/A	N/A

Note: The Plan is not pay based. The members are volunteer firefighters.



NOTES TO NET PENSION LIABILITY

GASB Statement No. 67

Significant Assumptions and Methods used to Measure the Net Pension Liability

The Total Pension Liability was determined by the actuarial valuation as of October 1, 2022, using the following actuarial assumptions and methods, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Salary Increases	N/A. This Plan is not pay based
Investment Rate of Return	6.0%, net of investment expenses
COLA	None
Retirement Age	100% retirement one half year after reaching age 55 or age 50 with 20 years of service
Mortality	<p><u>Pre-retirement (Healthy)</u>: PUB-2010 Headcount Weighted Safety Below Median Employee Male Table, set forward one year, and the PUB-2010 Headcount Weighted Safety Employee Female Table, set forward one year.</p> <p><u>Post-retirement (Healthy)</u>: PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table, set forward one year, and the PUB-2010 Headcount Weighted Safety Healthy Retiree Female Table, set forward one year.</p> <p><u>Post-Retirement (Disabled)</u>: 80% PUB-2010 Headcount Weighted General Disabled Retiree Male and Female Tables and 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Male and Female Tables.</p> <p>Mortality improvements for healthy members are being made for each year after 2010 using gender-specific MP-2018 projection scales. There is no provision for mortality improvements for disabled members. The mortality assumption is the same as used for Special Risk Members of the Florida Retirement System (FRS) in the July 1, 2020 and July 1, 2021 actuarial valuations, in compliance with Florida Statutes.</p>

Standard actuarial update procedures were used to “roll forward” the Total Pension Liability to September 30, 2023, the Plan’s fiscal year end.

Other Information

See Discussion of Valuation Results on page 1 of the October 1, 2022 Report dated December 9, 2022.



SCHEDULE OF CONTRIBUTIONS

GASB Statement No. 67

<u>FY Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2023	\$ 74,713	\$ 236,639	\$ (161,926)	NA	NA
2022	77,501	104,886	(27,385)	NA	NA
2021	88,525	94,263	(5,738)	NA	NA
2020	94,996	85,359	9,637	NA	NA
2019	95,516	83,904	11,612	NA	NA
2018	92,659	87,830	4,829	NA	NA
2017	91,007	93,880	(2,873)	NA	NA
2016	78,859	85,547	(6,688)	NA	NA
2015	80,349	85,547	(5,198)	NA	NA
2014	79,117	85,547	(6,430)	NA	NA

Notes:

The Plan is not pay based. The members are volunteer firefighters.

Prior to October 1, 2016, Actual Contribution includes State contributions up to the base amount of \$85,547.

The City and membership agreed to use the accumulated excess premium tax revenue as of May 2016 to supplement funding of the Retirement System. The accumulated excess premium tax money was used to set up a Funding Standard Account (FSA) for the System. Future premium tax money received by the System will be allocated between a Share Plan for the membership and the FSA, based on the funded status of the System when the premium tax money is received. The credit balance in the FSA will be used to cover any contribution deficiencies from October 1, 2016 forward.



NOTES TO SCHEDULE OF CONTRIBUTIONS

GASB Statement No. 67

Valuation Date: October 1, 2022

Notes Actuarially determined contribution rates are calculated as of the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	15 years
Asset Valuation Method	5-year smoothed market
Salary Increases	N/A
Investment Rate of Return	6.00%
Retirement Age	100% retirement one half year after reaching age 55 or age 50 with 20 years of service

Mortality

Pre-retirement (Healthy): PUB-2010 Headcount Weighted Safety Below Median Employee Male Table, set forward one year, and the PUB-2010 Headcount Weighted Safety Employee Female Table, set forward one year.

Post-retirement (Healthy): PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table, set forward one year, and the PUB-2010 Headcount Weighted Safety Healthy Retiree Female Table, set forward one year.

Post-Retirement (Disabled): 80% PUB-2010 Headcount Weighted General Disabled Retiree Male and Female Tables and 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Male and Female Tables.

Mortality improvements for healthy members are being made for each year after 2010 using gender-specific MP-2018 projection scales. There is no provision for mortality improvements for disabled members. The mortality assumption is the same as used for Special Risk Members of the Florida Retirement System (FRS) in the July 1, 2020 and July 1, 2021 actuarial valuations, in compliance with Florida Statutes.

Other Information: See Discussion of Valuation Results on page 1 of the October 1, 2022 Report dated December 9, 2022.



SENSITIVITY OF NET PENSION LIABILITY TO THE SINGLE DISCOUNT RATE ASSUMPTION GASB Statement No. 67

A single discount rate of 6.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.00%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.00%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.00%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

1% Decrease 5.00%	Current Single Discount Rate Assumption 6.00%	1% Increase 7.00%
(\$419,590)	(\$573,330)	(\$703,881)