

City of Fort Pierce Police Officers' Retirement Trust Fund

Chapter 112.664, F.S. Compliance Report
In Connection with the October 1, 2022
Funding Actuarial Valuation Report
And the Plan's Financial Reporting for the Year
Ending September 30, 2022





August 4, 2023

The Pension Board
Fort Pierce Police Officers'
Retirement Trust Fund
Fort Pierce, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Fort Pierce Police Officers' Retirement Trust Fund to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

This report was prepared at the request of the Board and is intended for use by the Retirement Plan and those designated or approved by the Board. This report may be provided to parties other than the Plan only in its entirety and only with the permission of the Board.

The purpose of the report is to provide the required information specified in Ch. 112.664, F.S. as well as supplement this information with additional exhibits. This report should not be relied on for any purpose other than the purpose described above.

The findings in this report are based on data or other information through September 30, 2022. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of this engagement does not include an analysis of the potential range of such measurements.

This report was based upon information furnished by the City and the Board concerning Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the City.

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Board as described in our October 1, 2022 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2022 actuarial valuation report. Please refer to the October 1, 2022 actuarial valuation report, dated March 10, 2023, and the letter regarding the GASB No. 67 Disclosure Information, dated March 2, 2023, for summaries and descriptions of this information.

The use of an investment return assumption that is 2% higher than the investment return assumption used to determine the funding requirements does not represent an estimate of future Plan experience nor does it reflect an observation of future return estimates inherent in financial market data. The use of this investment return assumption is provided as a counterpart to the Chapter 112.664, Florida Statutes requirement to utilize an investment return assumption that is 2% lower than the assumption used to determine the funding requirements. The inclusion of the additional exhibits showing the effect of using a 2% higher investment return assumption shows a more complete assessment of the range of possible results as opposed to showing a one-sided range as required by Florida Statutes.

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.

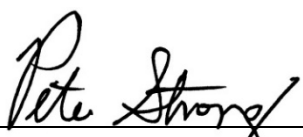
Peter N. Strong and Jennifer Joy Cagasan are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

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

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1) F.S., the actuarial disclosures required under this section were prepared and completed by 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, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By 
Peter N. Strong, FSA, FCA, MAAA
Enrolled Actuary No. 23-6975
Senior Consultant & Actuary

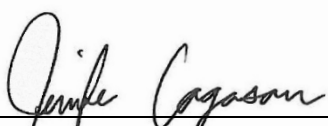
By 
Jennifer Joy Cagasan, FCA, MAAA
Enrolled Actuary No. 23-8977
Consultant & Actuary



TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
Ch. 112.664, F.S. Results	
Schedule of Changes in Net Pension Liability	
1. Using financial reporting assumptions per GASB Statement No. 67	1
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	2
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	3
4. Using the mandated mortality and funding interest rate +2%	4
Asset Versus Benefit Payments Projections	
1. Using assumptions from the Plan's latest actuarial valuation	5
2. Using assumptions prescribed in Section 112.664(1)(a), F.S.	6
3. Using assumptions prescribed in Section 112.664(1)(b), F.S.	7
4. Using the mandated mortality and funding interest rate +2%	8
Actuarially Determined Contribution	9

CHAPTER 112.664, FLORIDA STATUTES

RESULTS

Schedule of Changes in the Employers' Net Pension Liability
Using Financial Reporting Assumptions per GASB Statement No. 67

Fiscal year ending September 30,

1. Total pension liability

	2022
a. Service Cost	\$ 567,124
b. Interest	1,319,136
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(253,745)
e. Assumption Changes	535,607
f. Benefit Payments	(768,656)
g. Contribution Refunds	(68,690)
h. Net Change in Total Pension Liability	1,330,776
i. Total Pension Liability - Beginning	18,696,342
j. Total Pension Liability - Ending	\$ 20,027,118

2. Plan Fiduciary Net Position

a. Contributions - Employer	\$ -
b. Contributions - State	453,086
c. Contributions - Member	567,708
d. Net Investment Income	(3,011,089)
e. Benefit Payments	(768,656)
f. Contribution Refunds	(68,690)
g. Administrative Expense	(35,570)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	(2,863,211)
j. Plan Fiduciary Net Position - Beginning	19,930,319
k. Plan Fiduciary Net Position - Ending	\$ 17,067,108

3. Net Pension Liability / (Asset) 2,960,010

Certain Key Assumptions

Valuation Date	10/01/2021
Measurement Date	09/30/2022
Investment Return Assumption	6.75%
Mortality Table	2021 FRS Mortality - Special Risk



Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(a), F.S.

Fiscal year ending September 30,

1. Total pension liability

	2022
a. Service Cost	\$ 567,124
b. Interest	1,319,136
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	(253,745)
e. Assumption Changes	535,607
f. Benefit Payments	(768,656)
g. Contribution Refunds	(68,690)
h. Net Change in Total Pension Liability	1,330,776
i. Total Pension Liability - Beginning	18,696,342
j. Total Pension Liability - Ending	\$ 20,027,118

2. Plan Fiduciary Net Position

a. Contributions - Employer	\$ -
b. Contributions - State	453,086
c. Contributions - Member	567,708
d. Net Investment Income	(3,011,089)
e. Benefit Payments	(768,656)
f. Contribution Refunds	(68,690)
g. Administrative Expense	(35,570)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	(2,863,211)
j. Plan Fiduciary Net Position - Beginning	19,930,319
k. Plan Fiduciary Net Position - Ending	\$ 17,067,108

3. Net Pension Liability / (Asset) 2,960,010

Certain Key Assumptions

Valuation Date	10/01/2021
Measurement Date	09/30/2022
Investment Return Assumption	6.75%
Mortality Table	2021 FRS Mortality - Special Risk



Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(b), F.S.

Fiscal year ending September 30,

1. Total pension liability

	2022
a. Service Cost	\$ 889,028
b. Interest	1,169,652
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(768,656)
g. Contribution Refunds	(68,690)
h. Net Change in Total Pension Liability	1,221,334
i. Total Pension Liability - Beginning	24,153,890
j. Total Pension Liability - Ending	\$ 25,375,224

2. Plan Fiduciary Net Position

a. Contributions - Employer	\$ -
b. Contributions - State	453,086
c. Contributions - Member	567,708
d. Net Investment Income	(3,011,089)
e. Benefit Payments	(768,656)
f. Contribution Refunds	(68,690)
g. Administrative Expense	(35,570)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	(2,863,211)
j. Plan Fiduciary Net Position - Beginning	19,930,319
k. Plan Fiduciary Net Position - Ending	\$ 17,067,108

3. Net Pension Liability / (Asset) 8,308,116

Certain Key Assumptions

Valuation Date	10/01/2021
Measurement Date	09/30/2022
Investment Return Assumption	4.75%
Mortality Table	2021 FRS Mortality - Special Risk



Schedule of Changes in the Employers' Net Pension Liability**Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption**

Fiscal year ending September 30,

2022**1. Total pension liability**

a. Service Cost	\$ 423,677
b. Interest	1,348,953
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(768,656)
g. Contribution Refunds	(68,690)
h. Net Change in Total Pension Liability	935,284
i. Total Pension Liability - Beginning	15,411,603
j. Total Pension Liability - Ending	\$ 16,346,887

2. Plan Fiduciary Net Position

a. Contributions - Employer	\$ -
b. Contributions - State	453,086
c. Contributions - Member	567,708
d. Net Investment Income	(3,011,089)
e. Benefit Payments	(768,656)
f. Contribution Refunds	(68,690)
g. Administrative Expense	(35,570)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	(2,863,211)
j. Plan Fiduciary Net Position - Beginning	19,930,319
k. Plan Fiduciary Net Position - Ending	\$ 17,067,108

3. Net Pension Liability / (Asset) (720,221)

Certain Key Assumptions

Valuation Date	10/01/2021
Measurement Date	09/30/2022
Investment Return Assumption	8.75%
Mortality Table	2021 FRS Mortality - Special Risk



Asset and Benefit Payment Projection**Not Reflecting Any Contributions from the Employer, State or Employee****Using Assumptions from the Plan's Latest Actuarial Valuation**

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2023	16,325,900	1,061,090	1,212,082	16,174,908
2024	16,174,908	1,049,971	1,239,567	15,985,312
2025	15,985,312	1,036,710	1,253,296	15,768,726
2026	15,768,726	1,021,194	1,279,856	15,510,064
2027	15,510,064	1,002,713	1,310,116	15,202,661
2028	15,202,661	980,718	1,347,014	14,836,365
2029	14,836,365	955,599	1,358,683	14,433,281
2030	14,433,281	928,375	1,359,150	14,002,506
2031	14,002,506	899,566	1,351,209	13,550,863
2032	13,550,863	869,197	1,347,730	13,072,330
2033	13,072,330	836,426	1,361,668	12,547,088
2034	12,547,088	800,699	1,369,765	11,978,022
2035	11,978,022	762,073	1,376,097	11,363,998
2036	11,363,998	720,455	1,381,170	10,703,283
2037	10,703,283	675,770	1,383,763	9,995,290
2038	9,995,290	627,960	1,384,346	9,238,904
2039	9,238,904	576,590	1,393,673	8,421,821
2040	8,421,821	521,214	1,400,267	7,542,768
2041	7,542,768	461,682	1,406,075	6,598,375
2042	6,598,375	397,964	1,405,230	5,591,109
2043	5,591,109	330,179	1,399,129	4,522,159
2044	4,522,159	258,465	1,386,086	3,394,538
2045	3,394,538	182,780	1,373,362	2,203,956
2046	2,203,956	103,033	1,355,075	951,914
2047	951,914	19,190	1,335,237	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

24.67

Certain Key Assumptions

Valuation Investment Return Assumption

6.75%

Valuation Mortality Table

2021 FRS Mortality - Special Risk

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.



Asset and Benefit Payment Projection**Not Reflecting Any Contributions from the Employer, State or Employee****Using Assumptions required under 112.664(1)(a), F.S.**

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2023	16,325,900	1,061,090	1,212,082	16,174,908
2024	16,174,908	1,049,971	1,239,567	15,985,312
2025	15,985,312	1,036,710	1,253,296	15,768,726
2026	15,768,726	1,021,194	1,279,856	15,510,064
2027	15,510,064	1,002,713	1,310,116	15,202,661
2028	15,202,661	980,718	1,347,014	14,836,365
2029	14,836,365	955,599	1,358,683	14,433,281
2030	14,433,281	928,375	1,359,150	14,002,506
2031	14,002,506	899,566	1,351,209	13,550,863
2032	13,550,863	869,197	1,347,730	13,072,330
2033	13,072,330	836,426	1,361,668	12,547,088
2034	12,547,088	800,699	1,369,765	11,978,022
2035	11,978,022	762,073	1,376,097	11,363,998
2036	11,363,998	720,455	1,381,170	10,703,283
2037	10,703,283	675,770	1,383,763	9,995,290
2038	9,995,290	627,960	1,384,346	9,238,904
2039	9,238,904	576,590	1,393,673	8,421,821
2040	8,421,821	521,214	1,400,267	7,542,768
2041	7,542,768	461,682	1,406,075	6,598,375
2042	6,598,375	397,964	1,405,230	5,591,109
2043	5,591,109	330,179	1,399,129	4,522,159
2044	4,522,159	258,465	1,386,086	3,394,538
2045	3,394,538	182,780	1,373,362	2,203,956
2046	2,203,956	103,033	1,355,075	951,914
2047	951,914	19,190	1,335,237	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

24.67

Certain Key Assumptions

Valuation Investment Return Assumption

6.75%

Valuation Mortality Table

2021 FRS Mortality - Special Risk

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.



Asset and Benefit Payment Projection**Not Reflecting Any Contributions from the Employer, State or Employee****Using Assumptions required under 112.664(1)(b), F.S.**

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2023	16,325,900	746,693	1,212,082	15,860,511
2024	15,860,511	723,935	1,239,567	15,344,879
2025	15,344,879	699,116	1,253,296	14,790,699
2026	14,790,699	672,162	1,279,856	14,183,005
2027	14,183,005	642,577	1,310,116	13,515,466
2028	13,515,466	609,993	1,347,014	12,778,445
2029	12,778,445	574,707	1,358,683	11,994,469
2030	11,994,469	537,457	1,359,150	11,172,776
2031	11,172,776	498,616	1,351,209	10,320,183
2032	10,320,183	458,200	1,347,730	9,430,653
2033	9,430,653	415,616	1,361,668	8,484,601
2034	8,484,601	370,487	1,369,765	7,485,323
2035	7,485,323	322,871	1,376,097	6,432,097
2036	6,432,097	272,722	1,381,170	5,323,649
2037	5,323,649	220,009	1,383,763	4,159,895
2038	4,159,895	164,717	1,384,346	2,940,266
2039	2,940,266	106,563	1,393,673	1,653,156
2040	1,653,156	45,269	1,400,267	298,158
2041	298,158	-	1,406,075	-
2042	-	-	1,405,230	-
2043	-	-	1,399,129	-
2044	-	-	1,386,086	-
2045	-	-	1,373,362	-
2046	-	-	1,355,075	-
2047	-	-	1,335,237	-

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

18.17

Certain Key Assumptions

Valuation Investment Return Assumption

4.75%

Valuation Mortality Table

2021 FRS Mortality - Special Risk

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.



Asset and Benefit Payment Projection**Not Reflecting Any Contributions from the Employer, State or Employee****Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption**

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2023	16,325,900	1,375,488	1,212,082	16,489,306
2024	16,489,306	1,388,583	1,239,567	16,638,322
2025	16,638,322	1,401,021	1,253,296	16,786,047
2026	16,786,047	1,412,785	1,279,856	16,918,976
2027	16,918,976	1,423,093	1,310,116	17,031,953
2028	17,031,953	1,431,364	1,347,014	17,116,303
2029	17,116,303	1,438,234	1,358,683	17,195,854
2030	17,195,854	1,445,174	1,359,150	17,281,878
2031	17,281,878	1,453,049	1,351,209	17,383,718
2032	17,383,718	1,462,112	1,347,730	17,498,100
2033	17,498,100	1,471,511	1,361,668	17,607,943
2034	17,607,943	1,480,768	1,369,765	17,718,946
2035	17,718,946	1,490,204	1,376,097	17,833,053
2036	17,833,053	1,499,966	1,381,170	17,951,849
2037	17,951,849	1,510,247	1,383,763	18,078,333
2038	18,078,333	1,521,289	1,384,346	18,215,276
2039	18,215,276	1,532,863	1,393,673	18,354,466
2040	18,354,466	1,544,754	1,400,267	18,498,953
2041	18,498,953	1,557,143	1,406,075	18,650,021
2042	18,650,021	1,570,398	1,405,230	18,815,189
2043	18,815,189	1,585,117	1,399,129	19,001,177
2044	19,001,177	1,601,962	1,386,086	19,217,053
2045	19,217,053	1,621,408	1,373,362	19,465,099
2046	19,465,099	1,643,912	1,355,075	19,753,936
2047	19,753,936	1,670,053	1,335,237	20,088,752

Number of years for which current market value of assets is adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:**

All Years

Certain Key Assumptions

Valuation Investment Return Assumption

8.75%

Valuation Mortality Table

2021 FRS Mortality - Special Risk

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.



ACTUARIALLY DETERMINED CONTRIBUTION (ADC)

	Plan's Latest Actuarial Valuation	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. except 2% higher investment return assumption
A. Valuation Date	October 1, 2022	October 1, 2022	October 1, 2022	October 1, 2022
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2023	9/30/2023	9/30/2023	9/30/2023
C. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 126,147	\$ 126,147	\$ 340,734	\$ 0
D. Total Normal Cost	714,661	714,661	1,055,005	519,399
E. Actuarially Determined Contribution (ADC)	840,808	840,808	1,395,739	519,399
F. ADC as % of Covered Payroll	10.43 %	10.43 %	17.31 %	6.44 %
G. Assumed Rate of Increase in Covered Payroll to Contribution Year	2.75 %	2.75 %	2.75 %	2.75 %
H. Covered Payroll for Contribution Year	8,387,780	8,387,780	8,387,780	8,387,780
I. Total Contribution (Including Members) in Contribution Year: F x H	874,845	874,845	1,451,925	540,173
J. Contribution Revenue Anticipated from Member Contributions	587,145	587,145	587,145	587,145
K. Employer (Chapter 185 State) ADC in Contribution Year: I - J	287,700	287,700	864,780	0
L. Employer (State) ADC as % of Covered Payroll in Contribution Year: K ÷ H	3.43 %	3.43 %	10.31 %	0.00 %
M. Certain Key Assumptions				
Investment Return Assumption	6.75%	6.75%	4.75%	8.75%
Mortality Table	2021 FRS Mortality - Special Risk	2021 FRS Mortality - Special Risk	2021 FRS Mortality - Special Risk	2021 FRS Mortality - Special Risk

