

DESTIN FIRE CONTROL DISTRICT  
FIREFIGHTERS' RETIREMENT TRUST FUND

SECTION 112.664, FLORIDA STATUTES COMPLIANCE  
DETERMINED AS OF THE  
OCTOBER 1, 2021 VALUATION DATE



April 14, 2022

VIA E-MAIL

Kathryn Wagner  
Destin Fire Control District  
Firefighters' Retirement Trust Fund  
848 Airport Road  
Destin, FL 32541

Re: Destin Fire Control District Firefighters' Retirement Trust Fund  
Section 112.664, Florida Statutes Compliance

Dear Kathryn:

Please find enclosed the annual disclosures that satisfy the October 1, 2021 financial reporting requirements made under Section 112.664.

Our office will submit this information electronically to the Department of Management Services. However, it is important for you to be aware that this report must also be made available on the Plan or Plan Sponsor's website, if such website exists. A deadline for this website publication is not made clear in the law.

In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should contact its Investment Consultant for this information.

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1), F.S., the actuarial disclosures required under this section were prepared and completed by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, meet the requirements of Section 112.664(1), Florida Statutes, and Rule 60T-1.0035, Florida Administrative Code.

If there are any questions, concerns, or comments about any of the items contained in this report, please feel free to contact me.

Respectfully submitted,

Foster & Foster, Inc.

By:  \_\_\_\_\_

Drew D. Ballard, ASA, EA, MAAA  
Enrolled Actuary #20-8193

Enclosures

cc via email: Stu Kaufman, Board Attorney

When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2021 Actuarial Valuation Report, as adopted by the Board of Trustees, are reasonable individually and in the aggregate, and represent our best estimate of future Plan experience.
- 5) The “Number of Years Expected Benefit Payments Sustained” calculated in Section II: Asset Sustainability should not be interpreted as the number of years the Plan has left until it is insolvent. This calculation is required by 112.664, Florida Statutes, but the numeric result is irrelevant, since in its calculation we are to assume there will be no further contributions to the Fund. As long as the Actuarially Determined Contribution is made each year the Plan will never become insolvent.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
FISCAL YEAR SEPTEMBER 30, 2021

	ACTUAL	HYPOTHETICAL	
	7.40%	5.40%	9.40%
Discount Rate:	7.40%	5.40%	9.40%
<u>Total Pension Liability</u>			
Service Cost	414,478	650,921	274,182
Interest	2,196,903	2,054,652	2,260,375
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	514,909	881,012	303,379
Changes of Assumptions	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(1,118,948)	(1,118,948)	(1,118,948)
Net Change in Total Pension Liability	2,007,342	2,467,637	1,718,988
Total Pension Liability - Beginning	29,832,881	37,957,672	24,331,832
Total Pension Liability - Ending (a)	<u>\$ 31,840,223</u>	<u>\$ 40,425,309</u>	<u>\$ 26,050,820</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	914,619	914,619	914,619
Contributions - State	327,017	327,017	327,017
Contributions - Employee	141,896	141,896	141,896
Net Investment Income	5,099,839	5,099,839	5,099,839
Benefit Payments, Including Refunds of Employee Contributions	(1,118,948)	(1,118,948)	(1,118,948)
Administrative Expenses	(28,557)	(28,557)	(28,557)
Net Change in Plan Fiduciary Net Position	5,335,866	5,335,866	5,335,866
Plan Fiduciary Net Position - Beginning	25,071,746	25,071,746	25,071,746
Plan Fiduciary Net Position - Ending (b)	<u>\$ 30,407,612</u>	<u>\$ 30,407,612</u>	<u>\$ 30,407,612</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,432,611</u>	<u>\$ 10,017,697</u>	<u>\$ (4,356,792)</u>

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

Table 1  
Plan Assumptions: Discount Rate = 7.40%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2021	30,407,612	-	2,588,149	-	2,154,402	29,973,865
2022	29,973,865	-	2,033,684	-	2,142,820	30,083,001
2023	30,083,001	-	2,111,383	-	2,148,021	30,119,639
2024	30,119,639	-	2,153,476	-	2,149,175	30,115,338
2025	30,115,338	-	2,257,000	-	2,145,026	30,003,364
2026	30,003,364	-	2,246,578	-	2,137,126	29,893,912
2027	29,893,912	-	2,312,518	-	2,126,586	29,707,980
2028	29,707,980	-	2,363,485	-	2,110,942	29,455,437
2029	29,455,437	-	2,418,314	-	2,090,225	29,127,348
2030	29,127,348	-	2,472,175	-	2,063,953	28,719,126
2031	28,719,126	-	2,475,911	-	2,033,607	28,276,822
2032	28,276,822	-	2,496,895	-	2,000,100	27,780,027
2033	27,780,027	-	2,518,914	-	1,962,522	27,223,635
2034	27,223,635	-	2,539,464	-	1,920,589	26,604,760
2035	26,604,760	-	2,553,030	-	1,874,290	25,926,020
2036	25,926,020	-	2,567,267	-	1,823,537	25,182,290
2037	25,182,290	-	2,576,399	-	1,768,163	24,374,054
2038	24,374,054	-	2,573,785	-	1,708,450	23,508,719
2039	23,508,719	-	2,575,187	-	1,644,363	22,577,895
2040	22,577,895	-	2,570,514	-	1,575,655	21,583,036
2041	21,583,036	-	2,561,936	-	1,502,353	20,523,453
2042	20,523,453	-	2,546,355	-	1,424,520	19,401,618
2043	19,401,618	-	2,524,289	-	1,342,321	18,219,650
2044	18,219,650	-	2,499,700	-	1,255,765	16,975,715
2045	16,975,715	-	2,465,308	-	1,164,987	15,675,394
2046	15,675,394	-	2,423,147	-	1,070,323	14,322,570
2047	14,322,570	-	2,374,193	-	972,025	12,920,402
2048	12,920,402	-	2,319,715	-	870,280	11,470,967
2049	11,470,967	-	2,258,813	-	765,275	9,977,429
2050	9,977,429	-	2,192,680	-	657,201	8,441,950
2051	8,441,950	-	2,121,689	-	546,202	6,866,463
2052	6,866,463	-	2,046,541	-	432,396	5,252,318
2053	5,252,318	-	1,967,808	-	315,863	3,600,373
2054	3,600,373	-	1,885,887	-	196,650	1,911,136
2055	1,911,136	-	1,801,818	-	74,757	184,075
2056	184,075	-	1,716,033	-	-	-

\*All DROP Balances paid in 2021.

Number of Years Expected Benefit Payments Sustained: 35.11

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.40% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

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

Table 2  
Hypothetical Assumptions: Discount Rate = 5.40%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2021	30,407,612	-	2,588,149	-	1,572,131	29,391,594
2022	29,391,594	-	2,033,684	-	1,532,237	28,890,147
2023	28,890,147	-	2,111,383	-	1,503,061	28,281,825
2024	28,281,825	-	2,153,476	-	1,469,075	27,597,424
2025	27,597,424	-	2,257,000	-	1,429,322	26,769,746
2026	26,769,746	-	2,246,578	-	1,384,909	25,908,077
2027	25,908,077	-	2,312,518	-	1,336,598	24,932,157
2028	24,932,157	-	2,363,485	-	1,282,522	23,851,194
2029	23,851,194	-	2,418,314	-	1,222,670	22,655,550
2030	22,655,550	-	2,472,175	-	1,156,651	21,340,026
2031	21,340,026	-	2,475,911	-	1,085,512	19,949,627
2032	19,949,627	-	2,496,895	-	1,009,864	18,462,596
2033	18,462,596	-	2,518,914	-	928,970	16,872,652
2034	16,872,652	-	2,539,464	-	842,558	15,175,746
2035	15,175,746	-	2,553,030	-	750,558	13,373,274
2036	13,373,274	-	2,567,267	-	652,841	11,458,848
2037	11,458,848	-	2,576,399	-	549,215	9,431,664
2038	9,431,664	-	2,573,785	-	439,818	7,297,697
2039	7,297,697	-	2,575,187	-	324,546	5,047,056
2040	5,047,056	-	2,570,514	-	203,137	2,679,679
2041	2,679,679	-	2,561,936	-	75,530	193,273
2042	193,273	-	2,546,355	-	-	-

\*All DROP Balances paid in 2021.

Number of Years Expected Benefit Payments Sustained: 21.08

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.40% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

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

Table 3  
Hypothetical Assumptions: Discount Rate = 9.40%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2021	30,407,612	-	2,588,149	-	2,736,673	30,556,136
2022	30,556,136	-	2,033,684	-	2,776,694	31,299,146
2023	31,299,146	-	2,111,383	-	2,842,885	32,030,648
2024	32,030,648	-	2,153,476	-	2,909,668	32,786,840
2025	32,786,840	-	2,257,000	-	2,975,884	33,505,724
2026	33,505,724	-	2,246,578	-	3,043,949	34,303,095
2027	34,303,095	-	2,312,518	-	3,115,803	35,106,380
2028	35,106,380	-	2,363,485	-	3,188,916	35,931,811
2029	35,931,811	-	2,418,314	-	3,263,929	36,777,426
2030	36,777,426	-	2,472,175	-	3,340,886	37,646,137
2031	37,646,137	-	2,475,911	-	3,422,369	38,592,595
2032	38,592,595	-	2,496,895	-	3,510,350	39,606,050
2033	39,606,050	-	2,518,914	-	3,604,580	40,691,716
2034	40,691,716	-	2,539,464	-	3,705,666	41,857,918
2035	41,857,918	-	2,553,030	-	3,814,652	43,119,540
2036	43,119,540	-	2,567,267	-	3,932,575	44,484,848
2037	44,484,848	-	2,576,399	-	4,060,485	45,968,934
2038	45,968,934	-	2,573,785	-	4,200,112	47,595,261
2039	47,595,261	-	2,575,187	-	4,352,921	49,372,995
2040	49,372,995	-	2,570,514	-	4,520,247	51,322,728
2041	51,322,728	-	2,561,936	-	4,703,925	53,464,717
2042	53,464,717	-	2,546,355	-	4,906,005	55,824,367
2043	55,824,367	-	2,524,289	-	5,128,849	58,428,927
2044	58,428,927	-	2,499,700	-	5,374,833	61,304,060
2045	61,304,060	-	2,465,308	-	5,646,712	64,485,464
2046	64,485,464	-	2,423,147	-	5,947,746	68,010,063
2047	68,010,063	-	2,374,193	-	6,281,359	71,917,229
2048	71,917,229	-	2,319,715	-	6,651,193	76,248,707
2049	76,248,707	-	2,258,813	-	7,061,214	81,051,108
2050	81,051,108	-	2,192,680	-	7,515,748	86,374,176
2051	86,374,176	-	2,121,689	-	8,019,453	92,271,940
2052	92,271,940	-	2,046,541	-	8,577,375	98,802,774
2053	98,802,774	-	1,967,808	-	9,194,974	106,029,940
2054	106,029,940	-	1,885,887	-	9,878,178	114,022,231
2055	114,022,231	-	1,801,818	-	10,633,404	122,853,817
2056	122,853,817	-	1,716,033	-	11,467,605	132,605,389
2057	132,605,389	-	1,628,848	-	12,388,351	143,364,892
2058	143,364,892	-	1,540,381	-	13,403,902	155,228,413
2059	155,228,413	-	1,450,964	-	14,523,276	168,300,725
2060	168,300,725	-	1,360,891	-	15,756,306	182,696,140
2061	182,696,140	-	1,270,560	-	17,113,721	198,539,301
2062	198,539,301	-	1,180,418	-	18,607,215	215,966,098
2063	215,966,098	-	1,090,965	-	20,249,538	235,124,671
2064	235,124,671	-	1,002,821	-	22,054,586	256,176,436
2065	256,176,436	-	916,579	-	24,037,506	279,297,363
2066	279,297,363	-	832,854	-	26,214,808	304,679,317
2067	304,679,317	-	752,152	-	28,604,505	332,531,670
2068	332,531,670	-	674,884	-	31,226,257	363,083,043
2069	363,083,043	-	601,400	-	34,101,540	396,583,183

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

Table 3  
Hypothetical Assumptions: Discount Rate = 9.40%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2070	396,583,183	-	532,003	-	37,253,815	433,304,995
2071	433,304,995	-	466,953	-	40,708,723	473,546,765
2072	473,546,765	-	406,530	-	44,494,289	517,634,524
2073	517,634,524	-	351,080	-	48,641,144	565,924,588
2074	565,924,588	-	300,804	-	53,182,773	618,806,557
2075	618,806,557	-	255,798	-	58,155,794	676,706,553
2076	676,706,553	-	215,984	-	63,600,265	740,090,834
2077	740,090,834	-	181,109	-	69,560,026	809,469,751
2078	809,469,751	-	150,875	-	76,083,065	885,401,941
2079	885,401,941	-	124,969	-	83,221,909	968,498,881
2080	968,498,881	-	103,047	-	91,034,052	1,059,429,886
2081	1,059,429,886	-	84,747	-	99,582,426	1,158,927,565
2082	1,158,927,565	-	69,675	-	108,935,916	1,267,793,806
2083	1,267,793,806	-	57,423	-	119,169,919	1,386,906,302
2084	1,386,906,302	-	47,575	-	130,366,956	1,517,225,683
2085	1,517,225,683	-	39,734	-	142,617,347	1,659,803,296
2086	1,659,803,296	-	33,536	-	156,019,934	1,815,789,694
2087	1,815,789,694	-	28,651	-	170,682,885	1,986,443,928
2088	1,986,443,928	-	24,810	-	186,724,563	2,173,143,681
2089	2,173,143,681	-	21,785	-	204,274,482	2,377,396,378
2090	2,377,396,378	-	19,390	-	223,474,348	2,600,851,336
2091	2,600,851,336	-	17,470	-	244,479,204	2,845,313,070
2092	2,845,313,070	-	15,908	-	267,458,681	3,112,755,843
2093	3,112,755,843	-	14,615	-	292,598,362	3,405,339,590
2094	3,405,339,590	-	13,530	-	320,101,286	3,725,427,346
2095	3,725,427,346	-	12,606	-	350,189,578	4,075,604,318
2096	4,075,604,318	-	11,811	-	383,106,251	4,458,698,758
2097	4,458,698,758	-	11,121	-	419,117,161	4,877,804,798
2098	4,877,804,798	-	10,512	-	458,513,157	5,336,307,443
2099	5,336,307,443	-	9,965	-	501,612,431	5,837,909,909
2100	5,837,909,909	-	9,464	-	548,763,087	6,386,663,532
2101	6,386,663,532	-	8,997	-	600,345,949	6,987,000,484
2102	6,987,000,484	-	8,550	-	656,777,644	7,643,769,578
2103	7,643,769,578	-	8,111	-	718,513,959	8,362,275,426
2104	8,362,275,426	-	7,672	-	786,053,529	9,148,321,283
2105	9,148,321,283	-	7,228	-	859,941,861	10,008,255,916
2106	10,008,255,916	-	6,777	-	940,775,738	10,949,024,877
2107	10,949,024,877	-	6,315	-	1,029,208,042	11,978,226,604
2108	11,978,226,604	-	5,846	-	1,125,953,026	13,104,173,784
2109	13,104,173,784	-	5,373	-	1,231,792,083	14,335,960,494
2110	14,335,960,494	-	4,901	-	1,347,580,056	15,683,535,649
2111	15,683,535,649	-	4,436	-	1,474,252,143	17,157,783,356
2112	17,157,783,356	-	3,976	-	1,612,831,449	18,770,610,829
2113	18,770,610,829	-	3,521	-	1,764,437,252	20,535,044,560
2114	20,535,044,560	-	3,075	-	1,930,294,044	22,465,335,529
2115	22,465,335,529	-	2,644	-	2,111,741,415	24,577,074,300
2116	24,577,074,300	-	2,236	-	2,310,244,879	26,887,316,943
2117	26,887,316,943	-	1,855	-	2,527,407,705	29,414,722,793
2118	29,414,722,793	-	1,507	-	2,764,983,872	32,179,705,158



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

Table 3  
Hypothetical Assumptions: Discount Rate = 9.40%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2119	32,179,705,158	-	1,196	-	3,024,892,229	35,204,596,191
2120	35,204,596,191	-	925	-	3,309,231,998	38,513,827,264
2121	38,513,827,264	-	697	-	3,620,299,730	42,134,126,297
2122	42,134,126,297	-	510	-	3,960,607,848	46,094,733,635
2123	46,094,733,635	-	360	-	4,332,904,945	50,427,638,220
2124	50,427,638,220	-	246	-	4,740,197,981	55,167,835,955
2125	55,167,835,955	-	162	-	5,185,776,572	60,353,612,365
2126	60,353,612,365	-	102	-	5,673,239,558	66,026,851,821
2127	66,026,851,821	-	62	-	6,206,524,068	72,233,375,827
2128	72,233,375,827	-	36	-	6,789,937,326	79,023,313,117
2129	79,023,313,117	-	20	-	7,428,191,432	86,451,504,529
2130	86,451,504,529	-	11	-	8,126,441,425	94,577,945,943
2131	94,577,945,943	-	6	-	8,890,326,918	103,468,272,855
2132	103,468,272,855	-	3	-	9,726,017,648	113,194,290,500
2133	113,194,290,500	-	1	-	10,640,263,307	123,834,553,806
2134	123,834,553,806	-	1	-	11,640,448,058	135,475,001,863
2135	135,475,001,863	-	-	-	12,734,650,175	148,209,652,038

\*All DROP Balances paid in 2021.

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 9.40% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2023

Valuation Date: 10/1/2021

	ACTUAL	HYPOTHETICAL	
	7.40%	5.40%	9.40%
Investment Rate of Return:	7.40%	5.40%	9.40%
Minimum Required Contribution (Fixed \$)	\$1,030,708	\$1,830,219	\$345,189
Minimum Required Contribution (% of Payroll)	51.0%	90.6%	17.2%
Expected Member Contribution	142,348	140,975	143,720
Expected State Money	326,634	326,634	326,634
Expected Sponsor Contribution (Fixed \$)	\$561,726	\$1,362,610	\$0
Expected Sponsor Contribution (% of Payroll)	27.2%	66.8%	0.0%

**ASSETS**

Actuarial Value <sup>1</sup>	27,584,798	27,584,798	27,584,798
Market Value <sup>1</sup>	30,407,612	30,407,612	30,407,612

**LIABILITIES**

Present Value of Benefits			
Active Members			
Retirement Benefits	12,404,024	17,479,732	9,332,844
Disability Benefits	66,226	99,046	46,924
Death Benefits	23,506	33,162	17,265
Vested Benefits	459,422	748,123	301,457
Refund of Contributions	77,611	84,050	71,920
Service Retirees	14,129,085	17,651,923	11,675,588
DROP Retirees <sup>1</sup>	5,248,504	6,645,458	4,336,115
Beneficiaries	273,618	286,077	262,103
Disability Retirees	746,506	963,353	607,848
Terminated Vested	1,767,307	2,246,052	1,441,918
Share Plan Balances <sup>1</sup>	0	0	0
Total:	35,195,809	46,236,976	28,093,982
Present Value of Future Salaries	15,730,867	18,181,462	13,859,164
Present Value of Future Member Contributions	1,069,699	1,236,339	942,423
Total Normal Cost	401,860	635,827	263,503
Present Value of Future Normal Costs (Entry Age Normal)	2,778,084	5,009,434	1,624,651
Total Actuarial Accrued Liability (EAN) <sup>1</sup>	32,417,725	41,227,542	26,469,331
Unfunded Actuarial Accrued Liability (UAAL)	4,832,927	13,642,744	(1,115,467)

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2023

	Valuation Date: 10/1/2021		
	ACTUAL	HYPOTHETICAL	
Investment Rate of Return:	7.40%	5.40%	9.40%
<b><u>PENSION COST</u></b>			
Normal Cost <sup>2</sup>	438,107	686,493	290,041
Administrative Expenses <sup>2</sup>	41,233	40,836	41,631
Payment Required To Amortize UAAL <sup>2</sup>	551,368	1,102,890	13,517
Minimum Required Contribution	\$1,030,708	\$1,830,219	\$345,189

<sup>1</sup> The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2021.

<sup>2</sup> Contributions developed as of 10/1/2021 displayed above have been adjusted to account for assumed salary increase and interest components.