

CITY OF TITUSVILLE  
GENERAL EMPLOYEES' PENSION PLAN

SECTION 112.664, FLORIDA STATUTES COMPLIANCE  
DETERMINED AS OF THE  
OCTOBER 1, 2019 VALUATION DATE



May 28, 2020

VIA E-MAIL

Ms. Julie Enright, Plan Administrator  
City of Titusville  
Post Office Box 2806  
Titusville, FL 32781-2806

Re: City of Titusville General Employees' Pension Plan  
Section 112.664, Florida Statutes Compliance

Dear Julie:

Please find enclosed the annual disclosures that satisfy the October 1, 2019 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: \_\_\_\_\_

  
Douglas H. Lozen, EA, MAAA  
Enrolled Actuary #20-7778

Enclosures

cc via email: Pedro Herrera, Board Attorney  
cc via email: Jessica A. De la Torre Vila, Legal Assistant

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, 2019 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, 2019

	ACTUAL	HYPOTHETICAL	
	7.75% RP-2000 Generational	5.75% RP-2000 Generational	9.75% RP-2000 Generational
<u>Total Pension Liability</u>			
Service Cost	997,001	1,470,733	705,183
Interest	4,836,266	4,428,558	5,070,027
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	399,357	604,473	243,709
Changes of Assumptions	-	-	-
Contributions - Buy Back	24,202	24,202	24,202
Benefit Payments, Including Refunds of Employee Contributions	(4,499,667)	(4,499,667)	(4,499,667)
Net Change in Total Pension Liability	1,757,159	2,028,299	1,543,454
Total Pension Liability - Beginning	63,656,264	77,797,499	53,544,924
Total Pension Liability - Ending (a)	<u>\$ 65,413,423</u>	<u>\$ 79,825,798</u>	<u>\$ 55,088,378</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	2,628,066	2,628,066	2,628,066
Contributions - Employee	323,634	323,634	323,634
Contributions - Buy Back	24,202	24,202	24,202
Net Investment Income	1,620,007	1,620,007	1,620,007
Benefit Payments, Including Refunds of Employee Contributions	(4,499,667)	(4,499,667)	(4,499,667)
Administrative Expenses	(116,965)	(116,965)	(116,965)
Net Change in Plan Fiduciary Net Position	(20,723)	(20,723)	(20,723)
Plan Fiduciary Net Position - Beginning	61,691,922	61,691,922	61,691,922
Plan Fiduciary Net Position - Ending (b)	<u>\$ 61,671,199</u>	<u>\$ 61,671,199</u>	<u>\$ 61,671,199</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 3,742,224</u>	<u>\$ 18,154,599</u>	<u>\$ (6,582,821)</u>

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

Table 1  
Plan Assumptions: 7.75% and RP-2000 Generational Mortality

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
2019	61,671,199	-	5,188,367	-	4,578,469	61,061,301
2020	61,061,301	-	5,219,626	-	4,529,990	60,371,665
2021	60,371,665	-	5,246,396	-	4,475,506	59,600,775
2022	59,600,775	-	5,300,404	-	4,413,669	58,714,040
2023	58,714,040	-	5,318,207	-	4,344,258	57,740,091
2024	57,740,091	-	5,378,032	-	4,266,458	56,628,517
2025	56,628,517	-	5,426,098	-	4,178,449	55,380,868
2026	55,380,868	-	5,426,217	-	4,081,751	54,036,402
2027	54,036,402	-	5,396,079	-	3,978,723	52,619,046
2028	52,619,046	-	5,351,534	-	3,870,604	51,138,116
2029	51,138,116	-	5,324,779	-	3,756,869	49,570,206
2030	49,570,206	-	5,286,898	-	3,636,824	47,920,132
2031	47,920,132	-	5,227,937	-	3,511,228	46,203,423
2032	46,203,423	-	5,142,306	-	3,381,501	44,442,618
2033	44,442,618	-	5,080,597	-	3,247,430	42,609,451
2034	42,609,451	-	4,993,080	-	3,108,751	40,725,122
2035	40,725,122	-	4,877,364	-	2,967,199	38,814,957
2036	38,814,957	-	4,766,899	-	2,823,442	36,871,500
2037	36,871,500	-	4,636,010	-	2,677,896	34,913,386
2038	34,913,386	-	4,506,677	-	2,531,154	32,937,863
2039	32,937,863	-	4,367,027	-	2,383,462	30,954,298
2040	30,954,298	-	4,215,524	-	2,235,607	28,974,381
2041	28,974,381	-	4,058,413	-	2,088,251	27,004,219
2042	27,004,219	-	3,897,006	-	1,941,818	25,049,031
2043	25,049,031	-	3,734,397	-	1,796,592	23,111,226
2044	23,111,226	-	3,567,117	-	1,652,894	21,197,003
2045	21,197,003	-	3,395,842	-	1,511,179	19,312,340
2046	19,312,340	-	3,224,669	-	1,371,750	17,459,421
2047	17,459,421	-	3,050,141	-	1,234,912	15,644,192
2048	15,644,192	-	2,879,859	-	1,100,830	13,865,163
2049	13,865,163	-	2,709,961	-	969,539	12,124,741
2050	12,124,741	-	2,533,906	-	841,479	10,432,314
2051	10,432,314	-	2,363,768	-	716,908	8,785,454
2052	8,785,454	-	2,193,172	-	595,887	7,188,169
2053	7,188,169	-	2,026,936	-	478,539	5,639,772
2054	5,639,772	-	1,866,329	-	364,762	4,138,205
2055	4,138,205	-	1,713,173	-	254,325	2,679,357
2056	2,679,357	-	1,564,780	-	147,015	1,261,592
2057	1,261,592	-	1,424,311	-	-	-

Number of Years Expected Benefit Payments Sustained: 38.89

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.75% 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: 5.75% and RP-2000 Generational Mortality

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
2019	61,671,199	-	5,188,367	-	3,396,928	59,879,760
2020	59,879,760	-	5,219,626	-	3,293,022	57,953,156
2021	57,953,156	-	5,246,396	-	3,181,473	55,888,233
2022	55,888,233	-	5,300,404	-	3,061,187	53,649,016
2023	53,649,016	-	5,318,207	-	2,931,920	51,262,729
2024	51,262,729	-	5,378,032	-	2,792,988	48,677,685
2025	48,677,685	-	5,426,098	-	2,642,967	45,894,554
2026	45,894,554	-	5,426,217	-	2,482,933	42,951,270
2027	42,951,270	-	5,396,079	-	2,314,561	39,869,752
2028	39,869,752	-	5,351,534	-	2,138,654	36,656,872
2029	36,656,872	-	5,324,779	-	1,954,683	33,286,776
2030	33,286,776	-	5,286,898	-	1,761,991	29,761,869
2031	29,761,869	-	5,227,937	-	1,561,004	26,094,936
2032	26,094,936	-	5,142,306	-	1,352,618	22,305,248
2033	22,305,248	-	5,080,597	-	1,136,485	18,361,136
2034	18,361,136	-	4,993,080	-	912,214	14,280,270
2035	14,280,270	-	4,877,364	-	680,891	10,083,797
2036	10,083,797	-	4,766,899	-	442,770	5,759,668
2037	5,759,668	-	4,636,010	-	197,896	1,321,554
2038	1,321,554	-	4,506,677	-	-	-

Number of Years Expected Benefit Payments Sustained: 19.29

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.75% 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: 9.75% and RP-2000 Generational Mortality

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
2019	61,671,199	-	5,188,367	-	5,760,009	62,242,841
2020	62,242,841	-	5,219,626	-	5,814,220	62,837,435
2021	62,837,435	-	5,246,396	-	5,870,888	63,461,927
2022	63,461,927	-	5,300,404	-	5,929,143	64,090,666
2023	64,090,666	-	5,318,207	-	5,989,577	64,762,036
2024	64,762,036	-	5,378,032	-	6,052,119	65,436,123
2025	65,436,123	-	5,426,098	-	6,115,500	66,125,525
2026	66,125,525	-	5,426,217	-	6,182,711	66,882,019
2027	66,882,019	-	5,396,079	-	6,257,938	67,743,878
2028	67,743,878	-	5,351,534	-	6,344,141	68,736,485
2029	68,736,485	-	5,324,779	-	6,442,224	69,853,930
2030	69,853,930	-	5,286,898	-	6,553,022	71,120,054
2031	71,120,054	-	5,227,937	-	6,679,343	72,571,460
2032	72,571,460	-	5,142,306	-	6,825,030	74,254,184
2033	74,254,184	-	5,080,597	-	6,992,104	76,165,691
2034	76,165,691	-	4,993,080	-	7,182,742	78,355,353
2035	78,355,353	-	4,877,364	-	7,401,875	80,879,864
2036	80,879,864	-	4,766,899	-	7,653,400	83,766,365
2037	83,766,365	-	4,636,010	-	7,941,215	87,071,570
2038	87,071,570	-	4,506,677	-	8,269,778	90,834,671
2039	90,834,671	-	4,367,027	-	8,643,488	95,111,132
2040	95,111,132	-	4,215,524	-	9,067,829	99,963,437
2041	99,963,437	-	4,058,413	-	9,548,587	105,453,611
2042	105,453,611	-	3,897,006	-	10,091,748	111,648,353
2043	111,648,353	-	3,734,397	-	10,703,663	118,617,619
2044	118,617,619	-	3,567,117	-	11,391,321	126,441,823
2045	126,441,823	-	3,395,842	-	12,162,530	135,208,511
2046	135,208,511	-	3,224,669	-	13,025,627	145,009,469
2047	145,009,469	-	3,050,141	-	13,989,729	155,949,057
2048	155,949,057	-	2,879,859	-	15,064,640	168,133,838
2049	168,133,838	-	2,709,961	-	16,260,939	181,684,816
2050	181,684,816	-	2,533,906	-	17,590,742	196,741,652
2051	196,741,652	-	2,363,768	-	19,067,077	213,444,961
2052	213,444,961	-	2,193,172	-	20,703,967	231,955,756
2053	231,955,756	-	2,026,936	-	22,516,873	252,445,693
2054	252,445,693	-	1,866,329	-	24,522,472	275,101,836
2055	275,101,836	-	1,713,173	-	26,738,912	300,127,575
2056	300,127,575	-	1,564,780	-	29,186,156	327,748,951
2057	327,748,951	-	1,424,311	-	31,886,088	358,210,728
2058	358,210,728	-	1,292,198	-	34,862,551	391,781,081
2059	391,781,081	-	1,168,591	-	38,141,687	428,754,177
2060	428,754,177	-	1,052,840	-	41,752,206	469,453,543
2061	469,453,543	-	945,782	-	45,725,614	514,233,375
2062	514,233,375	-	847,204	-	50,096,453	563,482,624
2063	563,482,624	-	756,549	-	54,902,674	617,628,749
2064	617,628,749	-	673,368	-	60,185,976	677,141,357
2065	677,141,357	-	597,388	-	65,992,160	742,536,129
2066	742,536,129	-	528,365	-	72,371,515	814,379,279
2067	814,379,279	-	465,934	-	79,379,265	893,292,610
2068	893,292,610	-	409,614	-	87,076,061	979,959,057
2069	979,959,057	-	359,107	-	95,528,502	1,075,128,452
2070	1,075,128,452	-	314,261	-	104,809,704	1,179,623,895

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

Table 3  
Hypothetical Assumptions: 9.75% and RP-2000 Generational Mortality

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
2071	1,179,623,895	-	274,572	-	114,999,944	1,294,349,267
2072	1,294,349,267	-	239,617	-	126,187,372	1,420,297,022
2073	1,420,297,022	-	208,882	-	138,468,777	1,558,556,917
2074	1,558,556,917	-	181,849	-	151,950,434	1,710,325,502
2075	1,710,325,502	-	158,215	-	166,749,023	1,876,916,310
2076	1,876,916,310	-	137,472	-	182,992,638	2,059,771,476
2077	2,059,771,476	-	119,183	-	200,821,909	2,260,474,202
2078	2,260,474,202	-	102,991	-	220,391,214	2,480,762,425
2079	2,480,762,425	-	88,727	-	241,870,011	2,722,543,709
2080	2,722,543,709	-	76,151	-	265,444,299	2,987,911,857
2081	2,987,911,857	-	65,013	-	291,318,237	3,279,165,081
2082	3,279,165,081	-	55,145	-	319,715,907	3,598,825,843
2083	3,598,825,843	-	46,357	-	350,883,260	3,949,662,746
2084	3,949,662,746	-	38,628	-	385,090,235	4,334,714,353
2085	4,334,714,353	-	31,909	-	422,633,094	4,757,315,538
2086	4,757,315,538	-	26,113	-	463,836,992	5,221,126,417
2087	5,221,126,417	-	21,158	-	509,058,794	5,730,164,053
2088	5,730,164,053	-	16,984	-	558,690,167	6,288,837,236
2089	6,288,837,236	-	13,482	-	613,160,973	6,901,984,727
2090	6,901,984,727	-	10,574	-	672,942,995	7,574,917,148
2091	7,574,917,148	-	8,190	-	738,554,023	8,313,462,981
2092	8,313,462,981	-	6,265	-	810,562,335	9,124,019,051
2093	9,124,019,051	-	4,728	-	889,591,627	10,013,605,950
2094	10,013,605,950	-	3,531	-	976,326,408	10,989,928,827
2095	10,989,928,827	-	2,609	-	1,071,517,933	12,061,444,151
2096	12,061,444,151	-	1,913	-	1,175,990,711	13,237,432,949
2097	13,237,432,949	-	1,387	-	1,290,649,645	14,528,081,207
2098	14,528,081,207	-	996	-	1,416,487,869	15,944,568,080
2099	15,944,568,080	-	706	-	1,554,595,353	17,499,162,727
2100	17,499,162,727	-	494	-	1,706,168,342	19,205,330,575
2101	19,205,330,575	-	340	-	1,872,519,714	21,077,849,949
2102	21,077,849,949	-	230	-	2,055,090,359	23,132,940,078
2103	23,132,940,078	-	152	-	2,255,461,650	25,388,401,576
2104	25,388,401,576	-	99	-	2,475,369,149	27,863,770,626
2105	27,863,770,626	-	64	-	2,716,717,633	30,580,488,195
2106	30,580,488,195	-	40	-	2,981,597,597	33,562,085,752
2107	33,562,085,752	-	25	-	3,272,303,360	36,834,389,087
2108	36,834,389,087	-	15	-	3,591,352,935	40,425,742,007
2109	40,425,742,007	-	9	-	3,941,509,845	44,367,251,843
2110	44,367,251,843	-	5	-	4,325,807,054	48,693,058,892
2111	48,693,058,892	-	3	-	4,747,573,242	53,440,632,131
2112	53,440,632,131	-	2	-	5,210,461,633	58,651,093,762
2113	58,651,093,762	-	1	-	5,718,481,642	64,369,575,403
2114	64,369,575,403	-	1	-	6,276,033,602	70,645,609,004
2115	70,645,609,004	-	-	-	6,887,946,878	77,533,555,882

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 9.75% 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, 2021

Valuation Date: 10/1/2019

	ACTUAL	HYPOTHETICAL	
	7.75% RP-2000 Generational	5.75% RP-2000 Generational	9.75% RP-2000 Generational
Minimum Required Contribution (Fixed \$)	\$2,029,042	\$3,573,144	\$735,237
Minimum Required Contribution (% of Payroll)	15.0%	26.5%	5.5%
Expected Member Contribution	350,305	346,933	353,677
Expected Sponsor Contribution (Fixed \$)	\$1,678,737	\$3,226,211	\$381,560
Expected Sponsor Contribution (% of Payroll)	12.5%	24.0%	3.0%

**ASSETS**

Actuarial Value <sup>1</sup>	62,315,479	62,315,479	62,315,479
Market Value <sup>1</sup>	61,671,199	61,671,199	61,671,199

**LIABILITIES**

Present Value of Benefits			
Active Members			
Retirement Benefits	22,648,467	31,461,508	17,093,926
Disability Benefits	434,547	582,286	335,879
Death Benefits	146,471	212,676	106,585
Vested Benefits	602,236	1,076,098	364,903
Refund of Contributions	253,924	266,007	242,992
Service Retirees	42,742,223	50,760,025	36,822,445
DROP Retirees <sup>1</sup>	0	0	0
Beneficiaries	2,068,397	2,449,974	1,788,110
Disability Retirees	107,423	121,128	96,457
Terminated Vested	2,847,611	3,769,297	2,236,727
Total:	71,851,299	90,698,999	59,088,024
Present Value of Future Salaries	81,534,970	90,081,462	74,596,193
Present Value of Future Member Contributions	2,038,374	2,252,037	1,864,905
Total Normal Cost	961,564	1,444,303	667,613
Present Value of Future Normal Costs (Entry Age Normal)	5,464,961	9,328,740	3,397,070
Total Actuarial Accrued Liability <sup>1</sup>	66,386,338	81,370,259	55,690,954
Unfunded Actuarial Accrued Liability (UAAL)	4,070,859	19,054,780	(6,624,525)

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2021

Valuation Date: 10/1/2019

	ACTUAL	HYPOTHETICAL	
	7.75% RP-2000 Generational	5.75% RP-2000 Generational	9.75% RP-2000 Generational
<b><u>PENSION COST</u></b>			
Normal Cost <sup>2</sup>	1,048,866	1,560,267	735,237
Administrative Expenses <sup>2</sup>	112,334	111,253	113,415
Payment Required To Amortize UAAL <sup>2</sup>	867,842	1,901,624	(196,701)
Minimum Required Contribution	\$2,029,042	\$3,573,144	\$735,237 <sup>3</sup>

<sup>1</sup> The asset values and liabilities include accumulated DROP Balances as of 9/30/2019.

<sup>2</sup> Contributions developed as of 10/1/2019 displayed above have been adjusted to account for assumed salary increase and interest components.

<sup>3</sup> Per Florida Statutes, the Minimum Required Contribution may be no less than the Normal Cost.