

City of Vero Beach Firefighters Relief and Pension 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



May 11, 2023

Board of Trustees
City of Vero Beach Firefighters
Relief and Pension Fund
Vero Beach, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the City of Vero Beach Firefighters Relief and Pension Fund (Plan) 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 Pension Fund and those designated or approved by the Board. This report may be provided to parties other than the Fund 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 Plan Administrator and the City concerning Retirement 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 audit the data. We are not responsible for the accuracy or completeness of the information provided by the Plan Administrator and 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 December 16, 2022, 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.

Jeffrey Amrose and Trisha Amrose 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 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.

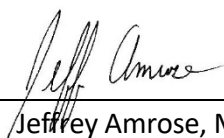
This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations 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 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), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By



Jeffrey Amrose, MAAA
Enrolled Actuary No. 23-6599
Senior Consultant & Actuary

By



Trisha Amrose, MAAA
Enrolled Actuary No. 23-8010
Consultant & Actuary



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CH. 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,	2022
1. Total Pension Liability	
a. Service Cost	\$ -
b. Interest	402,221
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	39,301
e. Assumption Changes	-
f. Benefit Payments	(737,262)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	(295,740)
i. Total Pension Liability - Beginning	7,072,322
j. Total Pension Liability - Ending	\$ 6,776,582
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - State	167,180
c. Contributions - Non-Employer Contributing Entity	-
d. Contributions - Member	-
e. Net Investment Income	(899,917)
f. Benefit Payments	(737,262)
g. Contribution Refunds	-
h. Administrative Expense	(24,718)
i. Other	-
j. Net Change in Plan Fiduciary Net Position	(1,494,717)
k. Plan Fiduciary Net Position - Beginning	7,994,577
l. Plan Fiduciary Net Position - Ending	\$ 6,499,860
3. Net Pension Liability / (Asset)	276,722
Certain Key Assumptions	
Valuation Date	10/01/2021
Measurement Date	09/30/2022
Investment Return Assumption	6.00%
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation



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

Fiscal year ending September 30,	<u>2022</u>
1. Total Pension Liability	
a. Service Cost	\$ -
b. Interest	402,221
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	39,301
e. Assumption Changes	-
f. Benefit Payments	(737,262)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>(295,740)</u>
i. Total Pension Liability - Beginning	<u>7,072,322</u>
j. Total Pension Liability - Ending	<u>\$ 6,776,582</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - State	167,180
c. Contributions - Non-Employer Contributing Entity	-
d. Contributions - Member	-
e. Net Investment Income	(899,917)
f. Benefit Payments	(737,262)
g. Contribution Refunds	-
h. Administrative Expense	(24,718)
i. Other	-
j. Net Change in Plan Fiduciary Net Position	<u>(1,494,717)</u>
k. Plan Fiduciary Net Position - Beginning	<u>7,994,577</u>
l. Plan Fiduciary Net Position - Ending	<u>\$ 6,499,860</u>
3. Net Pension Liability / (Asset)	276,722
Certain Key Assumptions	
Valuation Date	10/01/2021
Measurement Date	09/30/2022
Investment Return Assumption	6.00%
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation



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

Fiscal year ending September 30,	2022
1. Total Pension Liability	
a. Service Cost	\$ -
b. Interest	315,054
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(737,262)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	(422,208)
i. Total Pension Liability - Beginning	8,244,984
j. Total Pension Liability - Ending	\$ 7,822,776
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - State	167,180
c. Contributions - Non-Employer Contributing Entity	-
d. Contributions - Member	-
e. Net Investment Income	(899,917)
f. Benefit Payments	(737,262)
g. Contribution Refunds	-
h. Administrative Expense	(24,718)
i. Other	-
j. Net Change in Plan Fiduciary Net Position	(1,494,717)
k. Plan Fiduciary Net Position - Beginning	7,994,577
l. Plan Fiduciary Net Position - Ending	\$ 6,499,860
3. Net Pension Liability / (Asset)	1,322,916
Certain Key Assumptions	
Valuation Date	10/01/2021
Measurement Date	09/30/2022
Investment Return Assumption	4.00%
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation



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	\$ -
b. Interest	468,617
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(737,262)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	(268,645)
i. Total Pension Liability - Beginning	6,226,338
j. Total Pension Liability - Ending	\$ 5,957,693
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - State	167,180
c. Contributions - Non-Employer Contributing Entity	-
d. Contributions - Member	-
e. Net Investment Income	(899,917)
f. Benefit Payments	(737,262)
g. Contribution Refunds	-
h. Administrative Expense	(24,718)
i. Other	-
j. Net Change in Plan Fiduciary Net Position	(1,494,717)
k. Plan Fiduciary Net Position - Beginning	7,994,577
l. Plan Fiduciary Net Position - Ending	\$ 6,499,860
3. Net Pension Liability / (Asset)	(542,167)
Certain Key Assumptions	
Valuation Date	10/01/2021
Measurement Date	09/30/2022
Investment Return Assumption	8.00%
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation



Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions from Plan's most recent actuarial valuation

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2023	6,499,860	367,858	737,780	6,129,938
2024	6,129,938	346,208	719,618	5,756,528
2025	5,756,528	324,393	699,961	5,380,960
2026	5,380,960	302,492	678,838	5,004,614
2027	5,004,614	280,589	656,278	4,628,925
2028	4,628,925	258,766	632,331	4,255,360
2029	4,255,360	237,110	607,045	3,885,425
2030	3,885,425	215,711	580,469	3,520,667
2031	3,520,667	194,660	552,662	3,162,665
2032	3,162,665	174,048	523,715	2,812,998
2033	2,812,998	153,967	493,770	2,473,195
2034	2,473,195	134,501	463,019	2,144,677
2035	2,144,677	115,731	431,657	1,828,751
2036	1,828,751	97,729	399,885	1,526,595
2037	1,526,595	80,558	367,911	1,239,242
2038	1,239,242	64,276	335,951	967,567
2039	967,567	48,927	304,249	712,245
2040	712,245	34,543	273,054	473,734
2041	473,734	21,145	242,646	252,233
2042	252,233	8,734	213,317	47,650
2043	47,650	-	185,362	-
2044	-	-	159,074	-
2045	-	-	134,697	-
2046	-	-	112,407	-
2047	-	-	92,302	-
2048	-	-	74,454	-

Number of years for which current market value of assets are 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:** 20.25

Certain Key Assumptions

Valuation Investment return assumption 6.00%
 Valuation Mortality Table FRS Mortality Rates from 7/1/21 FRS Valuation

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	6,499,860	367,858	737,780	6,129,938
2024	6,129,938	346,208	719,618	5,756,528
2025	5,756,528	324,393	699,961	5,380,960
2026	5,380,960	302,492	678,838	5,004,614
2027	5,004,614	280,589	656,278	4,628,925
2028	4,628,925	258,766	632,331	4,255,360
2029	4,255,360	237,110	607,045	3,885,425
2030	3,885,425	215,711	580,469	3,520,667
2031	3,520,667	194,660	552,662	3,162,665
2032	3,162,665	174,048	523,715	2,812,998
2033	2,812,998	153,967	493,770	2,473,195
2034	2,473,195	134,501	463,019	2,144,677
2035	2,144,677	115,731	431,657	1,828,751
2036	1,828,751	97,729	399,885	1,526,595
2037	1,526,595	80,558	367,911	1,239,242
2038	1,239,242	64,276	335,951	967,567
2039	967,567	48,927	304,249	712,245
2040	712,245	34,543	273,054	473,734
2041	473,734	21,145	242,646	252,233
2042	252,233	8,734	213,317	47,650
2043	47,650	-	185,362	-
2044	-	-	159,074	-
2045	-	-	134,697	-
2046	-	-	112,407	-
2047	-	-	92,302	-
2048	-	-	74,454	-

Number of years for which current market value of assets are 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:** 20.25

Certain Key Assumptions

Valuation Investment return assumption 6.00%
 Valuation Mortality Table FRS Mortality Rates from 7/1/21 FRS Valuation

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	6,499,860	245,239	737,780	6,007,319
2024	6,007,319	225,900	719,618	5,513,601
2025	5,513,601	206,545	699,961	5,020,185
2026	5,020,185	187,231	678,838	4,528,578
2027	4,528,578	168,018	656,278	4,040,318
2028	4,040,318	148,966	632,331	3,556,953
2029	3,556,953	130,137	607,045	3,080,045
2030	3,080,045	111,592	580,469	2,611,168
2031	2,611,168	93,393	552,662	2,151,899
2032	2,151,899	75,602	523,715	1,703,786
2033	1,703,786	58,276	493,770	1,268,292
2034	1,268,292	41,471	463,019	846,744
2035	846,744	25,237	431,657	440,324
2036	440,324	9,615	399,885	50,054
2037	50,054	-	367,911	-
2038	-	-	335,951	-
2039	-	-	304,249	-
2040	-	-	273,054	-
2041	-	-	242,646	-
2042	-	-	213,317	-
2043	-	-	185,362	-
2044	-	-	159,074	-
2045	-	-	134,697	-
2046	-	-	112,407	-
2047	-	-	92,302	-
2048	-	-	74,454	-

Number of years for which current market value of assets are 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:** 14.08

Certain Key Assumptions

Valuation Investment return assumption 4.00%
 Valuation Mortality Table FRS Mortality Rates from 7/1/21 FRS Valuation

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	6,499,860	490,478	737,780	6,252,558
2024	6,252,558	471,420	719,618	6,004,360
2025	6,004,360	452,350	699,961	5,756,749
2026	5,756,749	433,386	678,838	5,511,297
2027	5,511,297	414,653	656,278	5,269,672
2028	5,269,672	396,281	632,331	5,033,622
2029	5,033,622	378,408	607,045	4,804,985
2030	4,804,985	361,180	580,469	4,585,696
2031	4,585,696	344,749	552,662	4,377,783
2032	4,377,783	329,274	523,715	4,183,342
2033	4,183,342	314,917	493,770	4,004,489
2034	4,004,489	301,838	463,019	3,843,308
2035	3,843,308	290,198	431,657	3,701,849
2036	3,701,849	280,153	399,885	3,582,117
2037	3,582,117	271,853	367,911	3,486,059
2038	3,486,059	265,447	335,951	3,415,555
2039	3,415,555	261,074	304,249	3,372,380
2040	3,372,380	258,868	273,054	3,358,194
2041	3,358,194	258,950	242,646	3,374,498
2042	3,374,498	261,427	213,317	3,422,608
2043	3,422,608	266,394	185,362	3,503,640
2044	3,503,640	273,928	159,074	3,618,494
2045	3,618,494	284,092	134,697	3,767,889
2046	3,767,889	296,935	112,407	3,952,417
2047	3,952,417	312,501	92,302	4,172,616
2048	4,172,616	330,831	74,454	4,428,993

Number of years for which current market value of assets are 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:** 999.99

Certain Key Assumptions

Valuation Investment return assumption 8.00%
 Valuation Mortality Table FRS Mortality Rates from 7/1/21 FRS Valuation

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

	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. Assumed Dates of Employer Contributions	Quarterly	Quarterly	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 0	\$ 0	\$ 79,478	\$ 0
E. Employer Normal Cost	20,153	20,153	20,153	20,153
F. Employer ADC if Paid on Valuation Date: D + E	20,153	20,153	99,631	20,153
G. Employer ADC Adjusted for Frequency of Payments	20,892	20,892	102,085	21,131
H. Employer ADC Adjusted for Frequency of Payments as % of Covered Payroll	N/A	N/A	N/A	N/A
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	0.00 %	0.00 %	0.00 %	0.00 %
J. Covered Payroll for Contribution Year	0	0	0	0
K. Employer ADC for Contribution Year: H x J	20,892	20,892	102,085	21,131
L. Estimated Credit for State Revenue in Contribution Year	167,180	167,180	167,180	167,180
M. Net Employer ADC in Contribution Year	0	0	0	0
N. Net Employer ADC as % of Covered Payroll in Contribution Year: M ÷ J	N/A	N/A	N/A	N/A
O. Expected Member Contribution	0	0	0	0
P. Total Contribution (Including Members) in Contribution Year	20,892	20,892	102,085	21,131
Q. Total Contribution as % of Covered Payroll in Contribution Year: P ÷ J	N/A	N/A	N/A	N/A
R. Certain Key Assumptions				
Investment Return Assumption	6.00%	6.00%	4.00%	8.00%
Mortality Table	FRS Mortality Rates from 7/1/21 FRS Valuation	FRS Mortality Rates from 7/1/21 FRS Valuation	FRS Mortality Rates from 7/1/21 FRS Valuation	FRS Mortality Rates from 7/1/21 FRS Valuation

