

March 27, 2019

VIA EMAIL

Susy Pita, Plan Administrator  
Firefighters' Pension Trust Fund Board  
City of Lake Wales  
21629 Stirling Pass  
Leesburg, FL 34748

Re: City of Lake Wales Firefighters' Pension Plan and Trust Fund  
Section 112.664, Florida Statutes Compliance

Dear Susy:

Please find enclosed the annual disclosures that satisfy the October 1, 2018 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.

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: 

Patrick T. Donlan, EA, ASA, MAAA  
Enrolled Actuary #17-6595

Enclosures

cc via email: Ken Harrison, Board Attorney

CITY OF LAKE WALES  
FIREFIGHTERS' PENSION PLAN AND TRUST FUND

SECTION 112.664, FLORIDA STATUTES  
COMPLIANCE

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.

By: Patrick T. Donlan Date: March 27, 2019

Patrick T. Donlan, EA, ASA, MAAA  
Enrolled Actuary #17-6595



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, 2018 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.



## 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
2018	8,899,628	-	628,552	-	665,365	8,936,441
2019	8,936,441	-	639,170	-	667,806	8,965,077
2020	8,965,077	-	641,366	-	669,941	8,993,652
2021	8,993,652	-	818,450	-	665,293	8,840,495
2022	8,840,495	-	851,404	-	652,146	8,641,237
2023	8,641,237	-	868,982	-	636,023	8,408,278
2024	8,408,278	-	901,958	-	616,691	8,123,011
2025	8,123,011	-	934,636	-	593,316	7,781,691
2026	7,781,691	-	993,094	-	564,599	7,353,196
2027	7,353,196	-	999,923	-	531,126	6,884,399
2028	6,884,399	-	1,018,119	-	494,089	6,360,369
2029	6,360,369	-	1,037,995	-	452,706	5,775,080
2030	5,775,080	-	1,027,643	-	407,748	5,155,185
2031	5,155,185	-	1,004,887	-	360,587	4,510,885
2032	4,510,885	-	989,647	-	311,245	3,832,483
2033	3,832,483	-	979,061	-	259,079	3,112,501
2034	3,112,501	-	984,509	-	203,069	2,331,061
2035	2,331,061	-	990,918	-	142,259	1,482,402
2036	1,482,402	-	991,581	-	76,462	567,283
2037	567,283	-	972,182	-	-	-

\*All Share Balances paid in 2018.

Number of Years Expected Benefit Payments Sustained: 19.58

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.**









