

CITY OF BARTOW
MUNICIPAL POLICE OFFICERS' RETIREMENT TRUST FUND

SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2023 VALUATION DATE



June 11, 2024

VIA E-MAIL

Ms. Siera Feketa, Plan Administrator
City of Bartow
Municipal Police Officers' Retirement Trust Fund
2503 Del Prado Blvd. S., Suite 502
Cape Coral, FL 33904

Re: City of Bartow Municipal Police Officers' Retirement Trust Fund
Section 112.664, Florida Statutes Compliance

Dear Siera:

Please find enclosed the annual disclosures that satisfy the October 1, 2023 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.

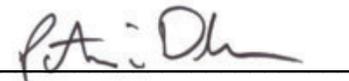
In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should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

Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #23-6595

Enclosures

cc via email: Ron Cohen, 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, 2023 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, 2023

	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
Discount Rate:	7.50%	5.50%	9.50%
<u>Total Pension Liability</u>			
Service Cost	582,965	899,326	395,006
Interest	1,915,715	1,790,665	1,973,182
Share Plan Allocation	41,261	41,261	41,261
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	582,046	944,374	352,061
Changes of Assumptions	-	-	-
Contributions - Buy Back	9,749	9,749	9,749
Benefit Payments, Including Refunds of Employee Contributions	(1,607,426)	(1,607,426)	(1,607,426)
Net Change in Total Pension Liability	1,524,310	2,077,949	1,163,833
Total Pension Liability - Beginning	25,763,612	32,461,930	21,179,049
Total Pension Liability - Ending (a)	<u>\$ 27,287,922</u>	<u>\$ 34,539,879</u>	<u>\$ 22,342,882</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	735,439	735,439	735,439
Contributions - State	196,950	196,950	196,950
Contributions - Employee	112,113	112,113	112,113
Contributions - Buy Back	9,749	9,749	9,749
Net Investment Income	2,000,964	2,000,964	2,000,964
Benefit Payments, Including Refunds of Employee Contributions	(1,607,426)	(1,607,426)	(1,607,426)
Administrative Expenses	(82,214)	(82,214)	(82,214)
Net Change in Plan Fiduciary Net Position	1,365,575	1,365,575	1,365,575
Plan Fiduciary Net Position - Beginning	20,167,179	20,167,179	20,167,179
Plan Fiduciary Net Position - Ending (b)	<u>\$ 21,532,754</u>	<u>\$ 21,532,754</u>	<u>\$ 21,532,754</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 5,755,168</u>	<u>\$ 13,007,125</u>	<u>\$ 810,128</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Discount Rate = 7.50%

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
2023	21,532,638	-	2,164,712	-	1,533,771	20,901,697
2024	20,901,697	-	1,825,140	-	1,499,185	20,575,742
2025	20,575,742	-	1,858,113	-	1,473,501	20,191,130
2026	20,191,130	-	1,876,729	-	1,443,957	19,758,358
2027	19,758,358	-	1,910,903	-	1,410,218	19,257,673
2028	19,257,673	-	1,956,145	-	1,370,970	18,672,498
2029	18,672,498	-	1,975,075	-	1,326,372	18,023,795
2030	18,023,795	-	1,988,572	-	1,277,213	17,312,436
2031	17,312,436	-	2,026,683	-	1,222,432	16,508,185
2032	16,508,185	-	2,057,933	-	1,160,941	15,611,193
2033	15,611,193	-	2,089,754	-	1,092,474	14,613,913
2034	14,613,913	-	2,123,546	-	1,016,411	13,506,778
2035	13,506,778	-	2,138,712	-	932,807	12,300,873
2036	12,300,873	-	2,153,946	-	841,793	10,988,720
2037	10,988,720	-	2,156,097	-	743,300	9,575,923
2038	9,575,923	-	2,151,448	-	637,515	8,061,990
2039	8,061,990	-	2,143,670	-	524,262	6,442,582
2040	6,442,582	-	2,130,893	-	403,285	4,714,974
2041	4,714,974	-	2,108,042	-	274,571	2,881,503
2042	2,881,503	-	2,081,941	-	138,040	937,602
2043	937,602	-	2,046,083	-	-	-

*All DROP and Share Balances paid in 2023.

Number of Years Expected Benefit Payments Sustained: 20.46

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.50% 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 = 5.50%

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
2023	21,532,638	-	2,164,712	-	1,124,766	20,492,692
2024	20,492,692	-	1,825,140	-	1,076,907	19,744,459
2025	19,744,459	-	1,858,113	-	1,034,847	18,921,193
2026	18,921,193	-	1,876,729	-	989,056	18,033,520
2027	18,033,520	-	1,910,903	-	939,294	17,061,911
2028	17,061,911	-	1,956,145	-	884,611	15,990,377
2029	15,990,377	-	1,975,075	-	825,156	14,840,458
2030	14,840,458	-	1,988,572	-	761,539	13,613,425
2031	13,613,425	-	2,026,683	-	693,005	12,279,747
2032	12,279,747	-	2,057,933	-	618,793	10,840,607
2033	10,840,607	-	2,089,754	-	538,765	9,289,618
2034	9,289,618	-	2,123,546	-	452,531	7,618,603
2035	7,618,603	-	2,138,712	-	360,209	5,840,100
2036	5,840,100	-	2,153,946	-	261,972	3,948,126
2037	3,948,126	-	2,156,097	-	157,854	1,949,883
2038	1,949,883	-	2,151,448	-	-	-

*All DROP and Share Balances paid in 2023.

Number of Years Expected Benefit Payments Sustained: 15.91

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.50% 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 = 9.50%

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
2023	21,532,638	-	2,164,712	-	1,942,777	21,310,703
2024	21,310,703	-	1,825,140	-	1,937,823	21,423,386
2025	21,423,386	-	1,858,113	-	1,946,961	21,512,234
2026	21,512,234	-	1,876,729	-	1,954,518	21,590,023
2027	21,590,023	-	1,910,903	-	1,960,284	21,639,404
2028	21,639,404	-	1,956,145	-	1,962,826	21,646,085
2029	21,646,085	-	1,975,075	-	1,962,562	21,633,572
2030	21,633,572	-	1,988,572	-	1,960,732	21,605,732
2031	21,605,732	-	2,026,683	-	1,956,277	21,535,326
2032	21,535,326	-	2,057,933	-	1,948,104	21,425,497
2033	21,425,497	-	2,089,754	-	1,936,159	21,271,902
2034	21,271,902	-	2,123,546	-	1,919,962	21,068,318
2035	21,068,318	-	2,138,712	-	1,899,901	20,829,507
2036	20,829,507	-	2,153,946	-	1,876,491	20,552,052
2037	20,552,052	-	2,156,097	-	1,850,030	20,245,985
2038	20,245,985	-	2,151,448	-	1,821,175	19,915,712
2039	19,915,712	-	2,143,670	-	1,790,168	19,562,210
2040	19,562,210	-	2,130,893	-	1,757,193	19,188,510
2041	19,188,510	-	2,108,042	-	1,722,776	18,803,244
2042	18,803,244	-	2,081,941	-	1,687,416	18,408,719
2043	18,408,719	-	2,046,083	-	1,651,639	18,014,275
2044	18,014,275	-	2,004,337	-	1,616,150	17,626,088
2045	17,626,088	-	1,960,906	-	1,581,335	17,246,517
2046	17,246,517	-	1,915,426	-	1,547,436	16,878,527
2047	16,878,527	-	1,868,014	-	1,514,729	16,525,242
2048	16,525,242	-	1,817,503	-	1,483,567	16,191,306
2049	16,191,306	-	1,764,186	-	1,454,375	15,881,495
2050	15,881,495	-	1,710,011	-	1,427,517	15,599,001
2051	15,599,001	-	1,655,433	-	1,403,272	15,346,840
2052	15,346,840	-	1,600,475	-	1,381,927	15,128,292
2053	15,128,292	-	1,545,035	-	1,363,799	14,947,056
2054	14,947,056	-	1,488,784	-	1,349,253	14,807,525
2055	14,807,525	-	1,432,121	-	1,338,689	14,714,093
2056	14,714,093	-	1,375,040	-	1,332,524	14,671,577
2057	14,671,577	-	1,317,231	-	1,331,231	14,685,577
2058	14,685,577	-	1,258,884	-	1,335,333	14,762,026
2059	14,762,026	-	1,199,341	-	1,345,424	14,908,109
2060	14,908,109	-	1,138,654	-	1,362,184	15,131,639
2061	15,131,639	-	1,077,115	-	1,386,343	15,440,867
2062	15,440,867	-	1,014,722	-	1,418,683	15,844,828
2063	15,844,828	-	951,565	-	1,460,059	16,353,322
2064	16,353,322	-	887,983	-	1,511,386	16,976,725
2065	16,976,725	-	824,344	-	1,573,633	17,726,014
2066	17,726,014	-	761,082	-	1,647,820	18,612,752
2067	18,612,752	-	698,695	-	1,735,023	19,649,080
2068	19,649,080	-	637,743	-	1,836,370	20,847,707
2069	20,847,707	-	578,712	-	1,953,043	22,222,038
2070	22,222,038	-	522,013	-	2,086,298	23,786,323
2071	23,786,323	-	467,982	-	2,237,472	25,555,813
2072	25,555,813	-	416,908	-	2,407,999	27,546,904
2073	27,546,904	-	369,041	-	2,599,426	29,777,289

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 3
Hypothetical Assumptions: Discount Rate = 9.50%

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
2074	29,777,289	-	324,586	-	2,813,425	32,266,128
2075	32,266,128	-	283,715	-	3,051,806	35,034,219
2076	35,034,219	-	246,512	-	3,316,541	38,104,248
2077	38,104,248	-	213,020	-	3,609,785	41,501,013
2078	41,501,013	-	183,199	-	3,933,894	45,251,708
2079	45,251,708	-	156,923	-	4,291,458	49,386,243
2080	49,386,243	-	133,982	-	4,685,329	53,937,590
2081	53,937,590	-	114,109	-	5,118,651	58,942,132
2082	58,942,132	-	96,998	-	5,594,895	64,440,029
2083	64,440,029	-	82,328	-	6,117,892	70,475,593
2084	70,475,593	-	69,773	-	6,691,867	77,097,687
2085	77,097,687	-	59,033	-	7,321,476	84,360,130
2086	84,360,130	-	49,842	-	8,011,845	92,322,133
2087	92,322,133	-	41,971	-	8,768,609	101,048,771
2088	101,048,771	-	35,217	-	9,597,960	110,611,514
2089	110,611,514	-	29,414	-	10,506,697	121,088,797
2090	121,088,797	-	24,435	-	11,502,275	132,566,637
2091	132,566,637	-	20,172	-	12,592,872	145,139,337
2092	145,139,337	-	16,534	-	13,787,452	158,910,255
2093	158,910,255	-	13,443	-	15,095,836	173,992,648
2094	173,992,648	-	10,828	-	16,528,787	190,510,607
2095	190,510,607	-	8,630	-	18,098,098	208,600,075
2096	208,600,075	-	6,796	-	19,816,684	228,409,963
2097	228,409,963	-	5,278	-	21,698,696	250,103,381
2098	250,103,381	-	4,037	-	23,759,629	273,858,973
2099	273,858,973	-	3,038	-	26,016,458	299,872,393
2100	299,872,393	-	2,245	-	28,487,771	328,357,919
2101	328,357,919	-	1,627	-	31,193,925	359,550,217
2102	359,550,217	-	1,154	-	34,157,216	393,706,279
2103	393,706,279	-	800	-	37,402,059	431,107,538
2104	431,107,538	-	541	-	40,955,190	472,062,187
2105	472,062,187	-	357	-	44,845,891	516,907,721
2106	516,907,721	-	229	-	49,106,223	566,013,715
2107	566,013,715	-	142	-	53,771,296	619,784,869
2108	619,784,869	-	86	-	58,879,558	678,664,341
2109	678,664,341	-	51	-	64,473,110	743,137,400
2110	743,137,400	-	29	-	70,598,052	813,735,423
2111	813,735,423	-	16	-	77,304,864	891,040,271
2112	891,040,271	-	9	-	84,648,825	975,689,087
2113	975,689,087	-	5	-	92,690,463	1,068,379,545
2114	1,068,379,545	-	2	-	101,496,057	1,169,875,600
2115	1,169,875,600	-	1	-	111,138,182	1,281,013,781
2116	1,281,013,781	-	1	-	121,696,309	1,402,710,089
2117	1,402,710,089	-	-	-	133,257,458	1,535,967,547

*All DROP and Share Balances paid in 2023.

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 9.50% 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, 2025

Valuation Date: 10/1/2023

	ACTUAL	HYPOTHETICAL	HYPOTHETICAL
Investment Rate of Return:	7.50%	5.50%	9.50%
Minimum Required Contribution (Fixed \$)	\$1,198,689	\$1,996,088	\$608,579
Minimum Required Contribution (% of Payroll)	43.3%	72.2%	22.0%
Expected Member Contribution	110,635	110,635	110,635
Expected State Money	155,689	155,689	155,689
Expected Sponsor Contribution (Fixed \$)	\$932,365	\$1,729,764	\$342,255
Expected Sponsor Contribution (% of Payroll)	33.7%	62.6%	12.4%

ASSETS

Actuarial Value ¹	24,317,439	24,317,439	24,317,439
Market Value ¹	21,532,638	21,532,638	21,532,638

LIABILITIES

Present Value of Benefits

Actives

Retirement Benefits	7,355,243	11,687,221	4,888,141
Disability Benefits	1,104,460	1,499,973	847,713
Death Benefits	42,504	57,518	32,154
Vested Benefits	847,005	1,393,598	539,037
Refund of Contributions	61,273	63,280	59,404
Service Retirees	18,307,955	22,690,258	15,253,817
DROP Retirees ¹	1,428,453	1,806,126	1,181,274
Beneficiaries	1,311,830	1,563,272	1,127,013
Disability Retirees	1,078,835	1,319,130	908,535
Terminated Vested	650,576	865,580	512,494
Share Plan Balances ¹	160,462	160,462	160,462
Total:	32,348,596	43,106,418	25,510,044

Present Value of Future Salaries	20,415,445	22,719,846	18,530,321
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Present Value of Future Member Contributions	816,618	908,794	741,213
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Total Normal Cost	690,964	1,029,855	485,766
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Present Value of Future Normal Costs (Entry Age Normal)	4,644,847	7,967,882	2,867,681
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Total Actuarial Accrued Liability (EAN) ¹	27,703,749	35,138,536	22,642,363
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Unfunded Actuarial Accrued Liability (UAAL)	3,386,310	10,821,097	(1,675,076)
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ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2025

Valuation Date: 10/1/2023

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.50%	5.50%	9.50%
<u>PENSION COST</u>			
Normal Cost (with interest)	716,875	1,058,176	508,840
Administrative Expenses (with interest)	98,787	97,834	99,739
Payment Required To Amortize UAAL (with interest)	<u>383,027</u>	<u>840,078</u>	<u>(66,331)</u>
Minimum Required Contribution ²	\$1,198,689	\$1,996,088	\$608,579

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2023.

² Reflects normal cost minimum funding requirements of Chapter 112, Florida Statutes.