

**BONITA SPRINGS FIRE CONTROL AND RESCUE DISTRICT  
FIREFIGHTERS' RETIREMENT SYSTEM**

**SECTION 112.664, FLORIDA STATUTES COMPLIANCE  
DETERMINED AS OF THE  
OCTOBER 1, 2022 VALUATION DATE**



April 27, 2023

VIA E-MAIL

Ms. Lisa Gendron  
Bonita Springs Fire Control & Rescue District  
27701 Bonita Grande Drive  
Bonita Springs, FL 34135

Re: Bonita Springs Fire Control and Rescue District Firefighters' Retirement System  
Section 112.664, Florida Statutes Compliance

Dear Lisa:

Please find enclosed the annual disclosures that satisfy the October 1, 2022 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: 

Sara E. Carlson, ASA, EA, MAAA  
Enrolled Actuary #23-8546

Enclosures

cc via email: Scott R. Christiansen, Board Attorney  
cc via email: Anna-Marie Waller, Pension Administrator

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, 2022 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, 2022**

	ACTUAL	HYPOTHETICAL	
	7.50%	5.50%	9.50%
Discount Rate:			
<b><u>Total Pension Liability</u></b>			
Service Cost	2,637,779	4,317,882	1,659,945
Interest	8,656,459	8,265,579	8,720,168
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	508,400	849,837	263,375
Changes of Assumptions	-	-	-
Contributions - Buy Back	1,451	1,451	1,451
Benefit Payments, Including Refunds of Employee Contributions	(4,539,738)	(4,539,738)	(4,539,738)
Net Change in Total Pension Liability	7,264,351	8,895,011	6,105,201
Total Pension Liability - Beginning	115,051,542	148,235,250	92,401,163
Total Pension Liability - Ending (a)	<u>\$ 122,315,893</u>	<u>\$ 157,130,261</u>	<u>\$ 98,506,364</u>
<b><u>Plan Fiduciary Net Position</u></b>			
Contributions - Employer	5,218,506	5,218,506	5,218,506
Contributions - State	923,273	923,273	923,273
Contributions - Employee	738,702	738,702	738,702
Contributions - Buy Back	1,451	1,451	1,451
Net Investment Income	(16,497,462)	(16,497,462)	(16,497,462)
Benefit Payments, Including Refunds of Employee Contributions	(4,539,738)	(4,539,738)	(4,539,738)
Administrative Expenses	(83,028)	(83,028)	(83,028)
Net Change in Plan Fiduciary Net Position	(14,238,296)	(14,238,296)	(14,238,296)
Plan Fiduciary Net Position - Beginning	98,637,045	98,637,045	98,637,045
Plan Fiduciary Net Position - Ending (b)	<u>\$ 84,398,749</u>	<u>\$ 84,398,749</u>	<u>\$ 84,398,749</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 37,917,144</u>	<u>\$ 72,731,512</u>	<u>\$ 14,107,615</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
2022	84,398,749	-	9,253,824	-	5,982,888	81,127,813
2023	81,127,813	-	5,471,995	-	5,879,386	81,535,204
2024	81,535,204	-	5,852,663	-	5,895,665	81,578,206
2025	81,578,206	-	6,153,777	-	5,887,599	81,312,028
2026	81,312,028	-	6,748,887	-	5,845,319	80,408,460
2027	80,408,460	-	7,101,829	-	5,764,316	79,070,947
2028	79,070,947	-	7,524,893	-	5,648,138	77,194,192
2029	77,194,192	-	7,721,664	-	5,500,002	74,972,530
2030	74,972,530	-	8,111,208	-	5,318,769	72,180,091
2031	72,180,091	-	8,437,559	-	5,097,098	68,839,630
2032	68,839,630	-	8,732,992	-	4,835,485	64,942,123
2033	64,942,123	-	8,876,187	-	4,537,802	60,603,738
2034	60,603,738	-	9,120,620	-	4,203,257	55,686,375
2035	55,686,375	-	9,311,540	-	3,827,295	50,202,130
2036	50,202,130	-	9,409,795	-	3,412,292	44,204,627
2037	44,204,627	-	9,506,798	-	2,958,842	37,656,671
2038	37,656,671	-	9,604,860	-	2,464,068	30,515,879
2039	30,515,879	-	9,606,546	-	1,928,445	22,837,778
2040	22,837,778	-	9,599,145	-	1,352,865	14,591,498
2041	14,591,498	-	9,601,601	-	734,302	5,724,199
2042	5,724,199	-	9,566,596	-	-	-

\*All DROP Balances paid in 2022.

Number of Years Expected Benefit Payments Sustained: 20.60

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
2022	84,398,749	-	9,253,824	-	4,387,451	79,532,376
2023	79,532,376	-	5,471,995	-	4,223,801	78,284,182
2024	78,284,182	-	5,852,663	-	4,144,682	76,576,201
2025	76,576,201	-	6,153,777	-	4,042,462	74,464,886
2026	74,464,886	-	6,748,887	-	3,909,974	71,625,973
2027	71,625,973	-	7,101,829	-	3,744,128	68,268,272
2028	68,268,272	-	7,524,893	-	3,547,820	64,291,199
2029	64,291,199	-	7,721,664	-	3,323,670	59,893,205
2030	59,893,205	-	8,111,208	-	3,071,068	54,853,065
2031	54,853,065	-	8,437,559	-	2,784,886	49,200,392
2032	49,200,392	-	8,732,992	-	2,465,864	42,933,264
2033	42,933,264	-	8,876,187	-	2,117,234	36,174,311
2034	36,174,311	-	9,120,620	-	1,738,770	28,792,461
2035	28,792,461	-	9,311,540	-	1,327,518	20,808,439
2036	20,808,439	-	9,409,795	-	885,695	12,284,339
2037	12,284,339	-	9,506,798	-	414,202	3,191,743
2038	3,191,743	-	9,604,860	-	-	-

\*All DROP Balances paid in 2022.

Number of Years Expected Benefit Payments Sustained: 16.33

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
2022	84,398,749	-	9,253,824	-	7,578,325	82,723,250
2023	82,723,250	-	5,471,995	-	7,598,789	84,850,044
2024	84,850,044	-	5,852,663	-	7,782,753	86,780,134
2025	86,780,134	-	6,153,777	-	7,951,808	88,578,165
2026	88,578,165	-	6,748,887	-	8,094,354	89,923,632
2027	89,923,632	-	7,101,829	-	8,205,408	91,027,211
2028	91,027,211	-	7,524,893	-	8,290,153	91,792,471
2029	91,792,471	-	7,721,664	-	8,353,506	92,424,313
2030	92,424,313	-	8,111,208	-	8,395,027	92,708,132
2031	92,708,132	-	8,437,559	-	8,406,488	92,677,061
2032	92,677,061	-	8,732,992	-	8,389,504	92,333,573
2033	92,333,573	-	8,876,187	-	8,350,071	91,807,457
2034	91,807,457	-	9,120,620	-	8,288,479	90,975,316
2035	90,975,316	-	9,311,540	-	8,200,357	89,864,133
2036	89,864,133	-	9,409,795	-	8,090,127	88,544,465
2037	88,544,465	-	9,506,798	-	7,960,151	86,997,818
2038	86,997,818	-	9,604,860	-	7,808,562	85,201,520
2039	85,201,520	-	9,606,546	-	7,637,833	83,232,807
2040	83,232,807	-	9,599,145	-	7,451,157	81,084,819
2041	81,084,819	-	9,601,601	-	7,246,982	78,730,200
2042	78,730,200	-	9,566,596	-	7,024,956	76,188,560
2043	76,188,560	-	9,489,305	-	6,787,171	73,486,426
2044	73,486,426	-	9,362,962	-	6,536,470	70,659,934
2045	70,659,934	-	9,233,712	-	6,274,092	67,700,314
2046	67,700,314	-	9,057,087	-	6,001,318	64,644,545
2047	64,644,545	-	8,860,898	-	5,720,339	61,503,986
2048	61,503,986	-	8,642,362	-	5,432,366	58,293,990
2049	58,293,990	-	8,402,680	-	5,138,802	55,030,112
2050	55,030,112	-	8,136,082	-	4,841,397	51,735,427
2051	51,735,427	-	7,854,446	-	4,541,779	48,422,760
2052	48,422,760	-	7,558,091	-	4,241,153	45,105,822
2053	45,105,822	-	7,251,013	-	3,940,630	41,795,439
2054	41,795,439	-	6,933,864	-	3,641,208	38,502,783
2055	38,502,783	-	6,608,882	-	3,343,842	35,237,743
2056	35,237,743	-	6,281,788	-	3,049,201	32,005,156
2057	32,005,156	-	5,953,725	-	2,757,688	28,809,119
2058	28,809,119	-	5,624,760	-	2,469,690	25,654,049
2059	25,654,049	-	5,297,621	-	2,185,498	22,541,926
2060	22,541,926	-	4,973,486	-	1,905,242	19,473,682
2061	19,473,682	-	4,653,461	-	1,628,960	16,449,181
2062	16,449,181	-	4,338,797	-	1,356,579	13,466,963
2063	13,466,963	-	4,030,572	-	1,087,909	10,524,300
2064	10,524,300	-	3,729,737	-	822,646	7,617,209
2065	7,617,209	-	3,437,371	-	560,360	4,740,198

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 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
2066	4,740,198	-	3,154,759	-	300,468	1,885,907
2067	1,885,907	-	2,883,125	-	-	-

\*All DROP Balances paid in 2022.

Number of Years Expected Benefit Payments Sustained: 45.65

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, 2024

Valuation Date: 10/1/2022

	ACTUAL	HYPOTHETICAL	
	7.50%	5.50%	9.50%
Investment Rate of Return:	7.50%	5.50%	9.50%
Minimum Required Contribution (Fixed \$)	\$6,552,498	\$10,409,514	\$3,473,966
Minimum Required Contribution (% of Payroll)	62.6%	99.4%	33.2%
Expected Member Contribution	733,057	733,057	733,057
Expected State Money	923,273	923,273	923,273
Expected Sponsor Contribution (Fixed \$)	\$4,896,168	\$8,753,184	\$1,817,636
Expected Sponsor Contribution (% of Payroll)	46.8%	83.6%	17.4%

**ASSETS**

Actuarial Value <sup>1</sup>	95,814,146	95,814,146	95,814,146
Market Value <sup>1</sup>	84,398,749	84,398,749	84,398,749

**LIABILITIES**

Present Value of Benefits			
Active Members			
Retirement Benefits	77,389,265	117,173,004	53,834,727
Disability Benefits	841,530	1,194,700	620,452
Death Benefits	244,673	330,252	185,281
Vested Benefits	2,232,003	3,594,841	1,455,989
Refund of Contributions	128,205	134,844	122,209
Service Retirees	52,062,946	63,125,583	44,046,741
DROP Retirees <sup>1</sup>	8,969,199	10,184,797	8,112,142
Beneficiaries	1,074,410	1,381,390	889,508
Disability Retirees	2,081,305	2,603,687	1,722,573
Terminated Vested	946,648	1,266,363	734,138
Share Plan Balances <sup>1</sup>	0	0	0
Total:	145,970,184	200,989,461	111,723,760
Present Value of Future Salaries	91,385,699	102,709,413	82,246,047
Present Value of Future Member Contributions	6,396,999	7,189,659	5,757,223
Total Normal Cost	2,809,272	4,606,636	1,763,084
Present Value of Future Normal Costs (Entry Age Normal)	23,473,397	43,442,741	13,201,901
Total Actuarial Accrued Liability (EAN) <sup>1</sup>	122,496,787	157,546,720	98,521,859
Unfunded Actuarial Accrued Liability (UAAL)	26,682,641	61,732,574	2,707,713

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2024

Valuation Date: 10/1/2022

	ACTUAL	HYPOTHETICAL	
	7.50%	5.50%	9.50%
Investment Rate of Return:	7.50%	5.50%	9.50%
<b><u>PENSION COST</u></b>			
Normal Cost (with interest)	2,914,620	4,733,318	1,846,830
Administrative Expenses (with interest)	71,170	70,484	71,856
Payment Required To Amortize UAAL (with interest)	3,566,708	5,605,712	1,555,280
Minimum Required Contribution	\$6,552,498	\$10,409,514	\$3,473,966

<sup>1</sup> The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2022.