

BONITA SPRINGS FIRE CONTROL AND RESCUE DISTRICT
GENERAL EMPLOYEES' RETIREMENT SYSTEM

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2020

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2022

GASB 67/68 DISCLOSURE INFORMATION
AS OF SEPTEMBER 30, 2020



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

November 17, 2020

Board of Trustees
Bonita Springs Fire Control and Rescue District
General Employees' Pension Board

Re: Bonita Springs Fire Control and Rescue District General Employees' Retirement System

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Bonita Springs Fire Control and Rescue District General Employees' Retirement System. Included are the related results for GASB Statements No. 67 and No. 68. The funding valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. The calculation of the liability for GASB results was performed for the purpose of satisfying the requirements of GASB Statements No. 67 and No. 68. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuations have been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflect laws and regulations issued to date pursuant to the provisions of Chapter 112, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuations, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

The funding percentages and unfunded accrued liability as measured based on the actuarial value of assets will differ from similar measures based on the market value of assets. These measures, as provided, are appropriate for determining the adequacy of future contributions, but may not be appropriate for the purpose of settling a portion or all of its liabilities. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuations, we did not perform an analysis of the potential range of such future measurements.

In conducting the valuations, we have relied on personnel, plan design, and asset information supplied by the Bonita Springs Fire Control and Rescue District, financial reports prepared by the custodian bank, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of October 1, 2020. It is our opinion that the assumptions used for this purpose are internally consistent, reasonable, and comply with the requirements under GASB No. 67 and No. 68.


The undersigned are familiar with the immediate and long-term aspects of pension valuations, and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.


To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the Bonita Springs Fire Control and Rescue District, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the General Employees' Retirement System. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By: 
Kevin H. Peng, ASA, EA, MAAA
Enrolled Actuary #20-7783

By: 
Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #20-6595

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Enclosures

TABLE OF CONTENTS

Section	Title	Page
I	Introduction	
	a. Summary of Report	6
	b. Changes Since Prior Valuation	8
	c. Contribution Impact of Annual Changes	9
	d. Comparative Summary of Principal Valuation Results	10
II	Valuation Information	
	a. Reconciliation of Unfunded Actuarial Accrued Liabilities	16
	b. Detailed Actuarial (Gain)/Loss Analysis	17
	c. Actuarial Assumptions and Methods	18
	d. Glossary	21
	e. Discussion of Risk	23
III	Trust Fund	26
IV	Member Statistics	
	a. Statistical Data	36
	b. Age and Service Distribution	37
	c. Valuation Participant Reconciliation	38
V	Summary of Current Plan	39
VI	Governmental Accounting Standards Board Statements No. 67 and No. 68 Disclosure Information	41

SUMMARY OF REPORT

The regular annual actuarial valuation of the Bonita Springs Fire Control and Rescue District General Employees' Retirement System, performed as of October 1, 2020, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ending September 30, 2022.

The contribution requirements, compared with those set forth in the March 25, 2020 actuarial impact statement, are as follows:

Valuation Date Applicable to Fiscal Year Ending	10/1/2020 <u>9/30/2022</u>	10/1/2018 <u>9/30/2020</u>
Minimum Required Contribution % of Projected Annual Payroll	26.6%	30.3%
Member Contributions (Est.) % of Projected Annual Payroll	7.0%	7.0%
District Required Contribution ² % of Projected Annual Payroll	19.6%	23.3%

¹ Please note that the District has access to a prepaid contribution of \$15,259.83 that is available to offset a portion of the above stated requirements for the fiscal year ending September 30, 2021. The District is required by Resolution to contribute a minimum of 15.0% of Members' Salaries.

As you can see, the Minimum Required Contribution shows a decrease when compared to the results determined in the March 25, 2020 actuarial impact statement. The decrease is partially attributable to an increase in payroll, which reduces the relatively fixed costs when expressed as a percentage of payroll and partially attributable to the assumption and method changes described on page 8. The decrease was offset in part by net unfavorable actuarial experience during the past two years.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included lower than expected non-retirement turnover and inactive mortality experience. These losses were offset in part by gains associated with a two year rolling average investment return of 7.82% (Market Value Basis) which exceeded the 7.60% assumption and favorable salary increase experience.

CHANGES SINCE PRIOR VALUATION

Plan Changes

Resolution No. 19-08-02 was adopted October 14, 2019. This resolution allowed DROP Members to take advantage of the Partial Lump Sum Optional Form of Payment. This change did not immediately affect the funding requirements.

Resolution No. 20-05-03 was adopted on June 8, 2020. This resolution allowed Part Time Employees to participate in the Plan. The impact of this change on the funding requirements is found in our Actuarial Impact Statement dated March 25, 2020.

Actuarial Assumption/Method Changes

As mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019 actuarial valuation for non-special risk lives.

In addition, as approved by the Board of Trustees, the Investment Return Assumption is being reduced from 7.60% to 7.40%, net of investment related expenses, in conjunction with this report.

Lastly, in conjunction with this actuarial valuation, a "fresh-start" of the actuarial asset value has been implemented to be equal to the market value of assets. Effective October 1, 2020, the asset valuation method is such that all assets are valued at market value with an adjustment to uniformly spread investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period. The fresh-start in conjunction with the change to the actuarial asset method has been implemented in order to align with the investment gain-loss recognition required by GASB and to eliminate necessary periodic adjustments that exist with the prior actuarial asset method.

CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1) Contribution Determined as of October 1, 2018	23.3%
(2) Summary of Contribution Impact by component:	
Change in Normal Cost Rate	0.6%
Change in Administrative Expense Percentage	0.1%
Payroll Change Effect on UAAL Amortization	-2.6%
Investment Return (Actuarial Asset Basis)	-0.5%
Salary Increases	-0.2%
Active Decrements	1.2%
Inactive Mortality	0.4%
Assumption and Method Changes	-1.5%
Other ¹	<u>-1.2%</u>
Total Change in Contribution	-3.7%
(3) Contribution Determined as of October 1, 2020	19.6%

¹ The primary source of this "other" change in the funding requirements is that the actual pensionable payroll was more than expected for fiscal 2019 and fiscal 2020. This larger payroll produced more than expected contributions as a dollar amount, which reduced the Unfunded Actuarial Accrued Liability.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Asmp/Mthd <u>10/1/2020</u>	Old Asmp/Mthd <u>10/1/2020</u>	<u>10/1/2018</u>
A. Participant Data			
Actives	16	16	13
Service Retirees	9	9	9
DROP Retirees	1	1	0
Beneficiaries	0	0	0
Disability Retirees	1	1	1
Terminated Vested	<u>0</u>	<u>0</u>	<u>2</u>
Total	27	27	25
Total Annual Payroll	\$962,887	\$962,887	\$765,388
Payroll Under Assumed Ret. Age	962,887	962,887	652,122
Annual Rate of Payments to:			
Service Retirees	151,912	151,912	147,997
DROP Retirees	26,849	26,849	0
Beneficiaries	0	0	0
Disability Retirees	27,643	27,643	27,643
Terminated Vested	0	0	6,771
B. Assets			
Actuarial Value (AVA) ¹	4,228,633	4,024,065	3,316,379
Market Value (MVA) ¹	4,228,633	4,228,633	3,511,424
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	3,161,535	3,096,767	2,497,227
Disability Benefits	67,622	63,060	40,808
Death Benefits	11,568	15,369	10,647
Vested Benefits	180,086	178,440	132,993
Refund of Contributions	33,292	33,188	14,106
Service Retirees	1,688,523	1,676,523	1,703,512
DROP Retirees ¹	410,559	409,267	0
Beneficiaries	0	0	0
Disability Retirees	283,442	271,088	280,091
Terminated Vested	<u>0</u>	<u>0</u>	<u>32,669</u>
Total	5,836,627	5,743,702	4,712,053

C. Liabilities - (Continued)	New Asmp/Mthd <u>10/1/2020</u>	Old Asmp/Mthd <u>10/1/2020</u>	<u>10/1/2018</u>
Present Value of Future Salaries	6,337,943	6,257,064	4,334,897
Present Value of Future Member Contributions	443,656	437,994	303,443
Normal Cost (Retirement)	150,460	145,894	99,449
Normal Cost (Disability)	4,854	4,531	2,898
Normal Cost (Death)	851	1,204	819
Normal Cost (Vesting)	7,511	7,417	4,112
Normal Cost (Refunds)	8,408	8,398	2,862
Total Normal Cost	<u>172,084</u>	<u>167,444</u>	<u>110,140</u>
Present Value of Future Normal Costs	1,097,061	1,051,855	733,190
Accrued Liability (Retirement)	2,181,329	2,160,084	1,830,673
Accrued Liability (Disability)	34,583	32,672	20,447
Accrued Liability (Death)	6,153	7,800	5,255
Accrued Liability (Vesting)	127,846	127,281	103,948
Accrued Liability (Refunds)	7,131	7,132	2,268
Accrued Liability (Inactives) ¹	<u>2,382,524</u>	<u>2,356,878</u>	<u>2,016,272</u>
Total Actuarial Accrued Liability (EAN AL)	<u>4,739,566</u>	<u>4,691,847</u>	<u>3,978,863</u>
Unfunded Actuarial Accrued Liability (UAAL)	510,933	667,782	662,484
Funded Ratio (AVA / EAN AL)	89.2%	85.8%	83.3%

D. Actuarial Present Value of Accrued Benefits	New Asmp/Mthd <u>10/1/2020</u>	Old Asmp/Mthd <u>10/1/2020</u>	<u>10/1/2018</u>
Vested Accrued Benefits			
Inactives ¹	2,382,524	2,356,878	2,016,272
Actives	1,016,500	1,005,642	823,673
Member Contributions	<u>448,974</u>	<u>448,974</u>	<u>402,097</u>
Total	3,847,998	3,811,494	3,242,042
Non-vested Accrued Benefits	<u>251,912</u>	<u>246,663</u>	<u>175,151</u>
Total Present Value Accrued Benefits (PVAB)	4,099,910	4,058,157	3,417,193
Funded Ratio (MVA / PVAB)	103.1%	104.2%	102.8%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	41,753	0	
Plan Experience	0	533,015	
Benefits Paid	0	(382,402)	
Interest	0	490,351	
Other	<u>0</u>	<u>0</u>	
Total	41,753	640,964	

	New Asmp/Mthd	Old Asmp/Mthd	
Valuation Date	10/1/2020	10/1/2020	10/1/2018
Applicable to Fiscal Year Ending	<u>9/30/2022</u>	<u>9/30/2022</u>	<u>9/30/2020</u>

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll ²	18.5	18.1	17.5
Administrative Expenses (with interest) % of Total Annual Payroll ²	2.2	2.2	2.1
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 16 years (as of 10/1/2020, with interest) % of Total Annual Payroll ²	5.9	7.8	10.7
Minimum Required Contribution % of Total Annual Payroll ²	26.6	28.1	30.3
Expected Member Contributions % of Total Annual Payroll ²	7.0	7.0	7.0
Expected District Contribution % of Total Annual Payroll ²	19.6	21.1	23.3

F. Past Contributions

Plan Years Ending:	<u>9/30/2020</u>	<u>9/30/2019</u>
Total Required Contribution	317,106	242,043
District Requirement	246,786	179,058
Actual Contributions Made:		
Members (excluding buyback)	70,321	62,985
District	<u>246,786</u>	<u>179,058</u>
Total	317,107	242,043

G. Net Actuarial (Gain)/Loss

204,892

¹ The asset values and liabilities include accumulated DROP Plan Balances as of 9/30/2020 and 9/30/2018.

² Contributions developed as of 10/1/2020 are expressed as a percentage of total annual payroll at 10/1/2020 of \$962,887.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2020	510,933
2021	489,537
2022	466,558
2026	356,325
2029	250,340
2033	68,645
2036	0

I. (i) 5 Year Comparison of Actual and Assumed Salary Increases

	<u>Actual</u>	<u>Assumed</u>
Year Ended 9/30/2020	6.74%	6.72%
Year Ended 9/30/2019	8.45%	6.35%
Year Ended 9/30/2018	6.74%	6.41%
Year Ended 9/30/2017	11.56%	6.27%
Year Ended 9/30/2016	11.75%	6.00%

(ii) 5 Year Comparison of Investment Return on Market Value and Actuarial Value


	<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
Year Ended 9/30/2020	11.17%	8.75%	7.60%
Year Ended 9/30/2019	4.57%	7.58%	7.60%
Year Ended 9/30/2018	7.58%	6.26%	7.80%
Year Ended 9/30/2017	11.85%	6.89%	7.80%
Year Ended 9/30/2016	6.45%	6.53%	8.00%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2020	\$962,887
	10/1/2010	751,274
(b) Total Increase		28.17%
(c) Number of Years		10.00
(d) Average Annual Rate		2.51%

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation was 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, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.



Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #20-6595

Please let us know when the report is approved by the Board and unless otherwise directed we will provide a copy of the report to the following office to comply with Chapter 112 Florida Statutes:

Mr. Keith Brinkman
Bureau of Local
Retirement Systems
Post Office Box 9000
Tallahassee, FL 32315-9000

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1) Unfunded Actuarial Accrued Liability as of October 1, 2018	\$662,484
(2) Sponsor Normal Cost developed as of October 1, 2018	64,491
(3) Expected administrative expenses for the year ended September 30, 2019	12,933
(4) Expected interest on (1), (2) and (3)	55,742
(5) Sponsor contributions to the System during the year ended September 30, 2019	179,058
(6) Expected interest on (5)	7,076
(7) Expected Unfunded Actuarial Accrued Liability as of September 30, 2020 (1)+(2)+(3)+(4)-(5)-(6)	609,516
(8) Sponsor Normal Cost developed as of October 1, 2019	46,813
(9) Expected administrative expenses for the year ended September 30, 2020	12,933
(10) Expected interest on (7), (8) and (9)	50,372
(11) Sponsor contributions to the System during the year ended September 30, 2020	246,786
(12) Expected interest on (11)	9,958
(13) Expected Unfunded Actuarial Accrued Liability as of September 30, 2020 (7)+(8)+(9)+(10)-(11)-(12)	462,890
(14) Change to UAAL due to Assumption and Method Changes	(156,849)
(15) Change to UAAL due to Actuarial (Gain)/Loss	204,892
(16) Unfunded Actuarial Accrued Liability as of October 1, 2020	510,933

Type of Base	Date Established	Years Remaining	10/1/2020 Amount	Amortization Amount
Initial Base	10/1/2016	16	208,078	21,056
Actuarial Loss	10/1/2018	13	193,626	22,063
Assump Change	10/1/2018	13	61,186	6,972
Actuarial Loss	10/1/2020	15	204,892	21,478
Asmp/Mthd Change	10/1/2020	15	(156,849)	(16,442)
			510,933	55,127

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2018	\$662,484
(2) Expected UAAL as of October 1, 2020	462,890
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	(41,285)
Salary Increases	(19,912)
Active Decrements	107,458
Inactive Mortality	32,623
Other	<u>126,008</u>
Increase in UAAL due to (Gain)/Loss	204,892
Assumption and Method Changes	<u>(156,849)</u>
(4) Actual UAAL as of October 1, 2020	\$510,933

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:

Female: PubG.H-2010 (Below Median) for Employees. Prior year assumption: RP2000 Generational, 100% White Collar, Scale BB.

Male: PubG.H-2010 (Below Median) for Employees, set back one year. Prior year assumption: RP2000 Generational, 50% White Collar / 50% Blue Collar, Scale BB.

Healthy Retiree Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees. Prior year assumption: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year. Prior year assumption: RP2000 Generational, 50% Annuitant White Collar / 50% Annuitant Blue Collar, Scale BB.

Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees. Prior year assumption: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year. Prior year assumption: RP2000 Generational, 50% Annuitant White Collar / 50% Annuitant Blue Collar, Scale BB.

Disabled Lives:

PubG.H-2010 for Disabled Retirees, set forward three years.

Prior year assumption (Female): 100% RP2000 Disabled Female set forward two years.

Prior year assumption (Male): 100% RP2000 Disabled Male set back four years.

All rates are projected generationally with Mortality Improvement Scale MP-2018.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2019 FRS valuation report for non-special risk employees. We feel this assumption sufficiently accommodates future mortality improvements.

Interest Rate

7.40% (prior year 7.60%) per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Salary Increases

Service	Increase
<1	10.0%
1-4	7.5%
5+	5.5%

This is based on the experience study dated August 2, 2016.

Payroll Growth

0.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

Administrative Expenses

\$20,183 annually, based on the average of actual expenses incurred in the prior two fiscal years. Previously, the actual expense in the prior fiscal year was used. Using a two-year average results in a less volatile estimate than the prior method.

Amortization Method

New UAAL amortization amounts are established according to the following amortization periods:

- Experience: 15 Years.
- Assumption/Method Changes: 15 Years.
- Benefit Changes: 15 Years.

Disability Rate

Table (1202), sample rates below.

Age	Disability Rate
20	0.05%
30	0.06%
40	0.12%
50	0.43%

Retirement Age

Age	Retirement Rate
50	25.0%
51-54	5.0%
55	25.0%
56-59	50.0%
60	50.0%
61-64	50.0%
65+	100.0%

This is based on the experience study dated August 2, 2016.

Termination Rate

Table 1305 for service <7 and half of table 1305 for service after 7 years. See table below for sample rates.

Service	Age	Termination Rate
<7	<30	16.2%
	30-34	15.0%
	35-39	9.8%
	40-44	7.3%
	45+	0.8%
7+	<30	7.6%
	30-34	7.5%
	35-39	5.0%
	40-44	3.4%
	45+	1.9%

This is based on the experience study dated August 2, 2016.

Actuarial Cost Method

Entry Age Normal Cost Method

Asset Valuation Method

All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period. Previously, the prior actuarial value of assets were brought forward utilizing the historical geometric 4-year average market value return.

GLOSSARY

Actuarial Value of Assets is the asset value used in the valuation to determine contribution requirements. It represents the plan's Market Value of Assets (see below), with adjustments according to the plan's Actuarial Asset Method. These adjustments produce a "smoothed" value that is likely to be less volatile from year to year than the Market Value of Assets.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals:

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

Market Value of Assets is the fair market value of plan assets as of the valuation date. This amount may be adjusted to produce an Actuarial Value of Assets for plan funding purposes.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded. Under the Entry Age Normal cost method, it is determined for each participant as the present value of future benefits, determined as of the Member's entry age, amortized as a level percentage of compensation over the anticipated number of years of participation, determined as of the entry age.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current plan participants.

Total Annual Payroll is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

Unfunded Actuarial Accrued Liability (UAAL) is the difference between the actuarial accrued liability (described above) and the Actuarial Value of Assets. Under the Entry Age Normal Actuarial Cost Method, an actuarial gain or loss, based on actual versus expected UAAL, is determined in conjunction with each valuation of the plan.

DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined using various actuarial assumptions. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.
- Salary Increases: When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.
- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, closed plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature closed plans with a substantial inactive liability. Similarly, mature closed plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled “Plan Maturity Measures and Other Risk Metrics”. Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has stayed about the same from October 1, 2014 to October 1, 2020, indicating that the plan's maturity level has not significantly changed during the period.
- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 50.3%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan. Please note Chapter 112, Florida Statutes, requires that the plan sponsor contributes the minimum required contribution; thus, there is minimal solvency risk to the plan.
- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has stayed approximately the same from October 1, 2014 to October 1, 2020.
- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, stayed approximately the same from October 1, 2014 to October 1, 2020. The current Net Cash Flow Ratio of 2.8% indicates that contributions are generally in excess of the plan's benefit payments and administrative expenses.

It is important to note that the actuary has identified the risks in this section as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

PLAN MATURITY MEASURES AND OTHER RISK METRICS

	<u>10/1/2014</u>	<u>10/1/2016</u>	<u>10/1/2018</u>	<u>10/1/2020</u>
<u>Support Ratio</u>				
Total Actives	11	13	13	16
Total Inactives ¹	8	8	10	11
Actives / Inactives ¹	137.5%	162.5%	130.0%	145.5%
<u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	2,799,546	2,908,958	3,511,424	4,228,633
Total Annual Payroll	526,980	737,428	765,388	962,887
MVA / Total Annual Payroll	531.2%	394.5%	458.8%	439.2%
<u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	1,727,323	1,607,499	2,016,272	2,382,524
Total Accrued Liability (EAN)	2,859,932	3,325,371	3,978,863	4,739,566
Inactive AL / Total AL	60.4%	48.3%	50.7%	50.3%
<u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	2,570,666	2,924,349	3,316,379	4,228,633
Total Accrued Liability (EAN)	2,859,932	3,325,371	3,978,863	4,739,566
AVA / Total Accrued Liability (EAN)	89.9%	87.9%	83.3%	89.2%
<u>Net Cash Flow Ratio</u>				
Net Cash Flow ²	51,809	(129,695)	(24,015)	116,535
Market Value of Assets (MVA)	2,799,546	2,908,958	3,511,424	4,228,633
Ratio	1.9%	-4.5%	-0.7%	2.8%

¹ Excludes terminated participants awaiting a refund of member contributions.

² Determined as total contributions minus benefit payments and administrative expenses.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2019

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	54,407.98	54,407.98
Total Cash and Equivalents	54,407.98	54,407.98
Receivables:		
Investment Income	1,290.85	1,290.85
Total Receivable	1,290.85	1,290.85
Investments:		
Mutual Funds:		
Fixed Income	1,221,568.75	1,250,914.26
Equity	1,987,262.31	2,401,097.58
Total Investments	3,208,831.06	3,652,011.84
Total Assets	3,264,529.89	3,707,710.67
<u>LIABILITIES</u>		
Prepaid District Contribution	15,260.06	15,260.06
Total Liabilities	15,260.06	15,260.06
NET POSITION RESTRICTED FOR PENSIONS	3,249,269.83	3,692,450.61

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2019
Market Value Basis

ADDITIONS

Contributions:			
Member		62,985.18	
District		179,057.87	
Total Contributions			242,043.05
Investment Income:			
Net Realized Gain (Loss)	6,919.27		
Unrealized Gain (Loss)	14,217.85		
Net Increase in Fair Value of Investments		21,137.12	
Interest & Dividends		156,667.94	
Less Investment Expense ¹		(16,625.00)	
Net Investment Income			161,180.06
Total Additions			403,223.11

DEDUCTIONS

Distributions to Members:			
Benefit Payments		175,639.56	
Lump Sum DROP Distributions		0.00	
Refunds of Member Contributions		19,453.50	
Total Distributions			195,093.06
Administrative Expense			27,103.06
Total Deductions			222,196.12
Net Increase in Net Position			181,026.99
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			3,511,423.62
End of the Year			3,692,450.61

¹Investment related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2019

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return ¹	
09/30/2016	6.45%	
09/30/2017	11.85%	
09/30/2018	7.58%	
09/30/2019	4.57%	
Annualized Rate of Return for prior four (4) years:		7.58%
(A) 10/01/2018 Actuarial Assets:		\$3,316,378.99
(I) Net Investment Income:		
1. Interest and Dividends	156,667.94	
2. Realized Gains (Losses)	6,919.27	
3. Unrealized Gains (Losses)	14,217.85	
4. Change in Actuarial Value	90,941.60	
5. Investment Related Expenses	(16,625.00)	
Total		252,121.66
(B) 10/01/2019 Actuarial Assets:		\$3,588,347.58
Actuarial Asset Rate of Return = 2I/(A+B-I):		7.58%
10/01/2019 Limited Actuarial Assets:		\$3,588,347.58
10/01/2019 Market Value of Assets:		\$3,692,450.61
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)		(\$665.23)

¹Market Value Basis, net of investment related expenses.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 SEPTEMBER 30, 2019
 Actuarial Asset Basis

REVENUES

Contributions:		
Member	62,985.18	
District	179,057.87	
Total Contributions		242,043.05
Earnings from Investments:		
Interest & Dividends	156,667.94	
Net Realized Gain (Loss)	6,919.27	
Unrealized Gain (Loss)	14,217.85	
Change in Actuarial Value	90,941.60	
Total Earnings and Investment Gains		268,746.66

EXPENDITURES

Distributions to Members:		
Benefit Payments	175,639.56	
Lump Sum DROP Distributions	0.00	
Refunds of Member Contributions	19,453.50	
Total Distributions		195,093.06
Expenses:		
Investment related ¹	16,625.00	
Administrative	27,103.06	
Total Expenses		43,728.06
Change in Net Assets for the Year		271,968.59
Net Assets Beginning of the Year		3,316,378.99
Net Assets End of the Year²		3,588,347.58

¹Investment related expenses include investment advisory, custodial and performance monitoring fees.

²Net Assets may be limited for actuarial consideration.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2020

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	128,521.13	128,521.13
Total Cash and Equivalents	128,521.13	128,521.13
Investments:		
Mutual Funds:		
Fixed Income	1,448,751.59	1,527,493.74
Equity	1,974,838.12	2,587,877.60
Total Investments	3,423,589.71	4,115,371.34
Total Assets	3,552,110.84	4,243,892.47
 <u>LIABILITIES</u>		
Prepaid District Contribution	15,259.83	15,259.83
Total Liabilities	15,259.83	15,259.83
 NET POSITION RESTRICTED FOR PENSIONS	 3,536,851.01	 4,228,632.64

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020
Market Value Basis

ADDITIONS

Contributions:		
Member		70,320.66
District		246,785.56
Total Contributions		317,106.22
Investment Income:		
Net Realized Gain (Loss)	21,786.67	
Unrealized Gain (Loss)	248,600.85	
Net Increase in Fair Value of Investments		270,387.52
Interest & Dividends		167,133.89
Less Investment Expense ¹		(17,875.00)
Net Investment Income		419,646.41
Total Additions		736,752.63

DEDUCTIONS

Distributions to Members:		
Benefit Payments		177,584.16
Lump Sum DROP Distributions		0.00
Lump Sum PLOP Distributions		0.00
Refunds of Member Contributions		9,724.58
Total Distributions		187,308.74
Administrative Expense		13,261.86
Total Deductions		200,570.60
Net Increase in Net Position		536,182.03
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		3,692,450.61
End of the Year		4,228,632.64

¹Investment related expenses include investment advisory, custodial and performance monitoring fees.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 SEPTEMBER 30, 2020
 Actuarial Asset Basis

REVENUES

Contributions:		
Member	70,320.66	
District	246,785.56	
Total Contributions		317,106.22
Earnings from Investments:		
Interest & Dividends	167,133.89	
Net Realized Gain (Loss)	21,786.67	
Unrealized Gain (Loss)	248,600.85	
Change in Actuarial Value	(100,464.42)	
Total Earnings and Investment Gains		337,056.99

EXPENDITURES

Distributions to Members:		
Benefit Payments	177,584.16	
Lump Sum DROP Distributions	0.00	
Lump Sum PLOP Distributions	0.00	
Refunds of Member Contributions	9,724.58	
Total Distributions		187,308.74
Expenses:		
Investment related ¹	17,875.00	
Administrative	13,261.86	
Total Expenses		31,136.86
Change in Net Assets for the Year		435,717.61
Net Assets Beginning of the Year		3,588,347.58
Net Assets End of the Year²		4,024,065.19

¹Investment related expenses include investment advisory, custodial and performance monitoring fees.

²Net Assets may be limited for actuarial consideration. Due to the asset method change, the Actuarial Value of Assets reflected in this valuation is \$4,228,632.64.

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2020

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return ¹	
09/30/2017	11.85%	
09/30/2018	7.58%	
09/30/2019	4.57%	
09/30/2020	11.17%	
Annualized Rate of Return for prior four (4) years:		8.75%
(A) 10/01/2019 Actuarial Assets:		\$3,588,347.58
(I) Net Investment Income:		
1. Interest and Dividends	167,133.89	
2. Realized Gain (Loss)	21,786.67	
3. Unrealized Gain (Loss)	248,600.85	
4. Change in Actuarial Value	(100,464.42)	
5. Investment Related Expenses	(17,875.00)	
Total		319,181.99
(B) 10/01/2020 Actuarial Assets:		\$4,024,065.19
Actuarial Asset Rate of Return = 2I/(A+B-I):		8.75%
10/01/2020 Limited Actuarial Assets:		\$4,024,065.19
10/01/2020 Market Value of Assets:		\$4,228,632.64
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)		\$41,949.63

¹Market Value Basis, net of investment related expenses.

DEFERRED RETIREMENT OPTION PLAN ACTIVITY
October 1, 2019 to September 30, 2020

Beginning of the Year Balance	0.00
Plus Additions	94,334.49
Investment Return Earned	496.36
Less Distributions	0.00
End of the Year Balance	94,830.85

RECONCILIATION OF DISTRICT'S SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2020

(1) Total Required Contribution Rate (Fiscal 2019)	26.9%
(2) 2019 Pensionable Payroll Derived from Member Contributions	\$899,788.29
(3) Total Fiscal 2019 Required Contribution (1) x (2)	242,043.05
(4) Less Actual 2019 Member Contributions	(62,985.18)
(5) Equals Required District Contribution for Fiscal 2019	179,057.87
(6) Less Prepaid Contribution	(7,161.48)
(7) Less Actual 2019 District Contributions	(187,156.45)
(8) Equals District's Shortfall/(Prepaid) Contribution as of September 30, 2019	(15,260.06)
(9) District Contribution Rate (Fiscal 2020) ¹	23.3%
(10) 2020 Pensionable Payroll Derived from Member Contributions	1,004,572.72
(11) Equals Required District Contribution for Fiscal 2020 (9) X (10)	246,785.56
(12) Less 2019 Prepaid Contribution	(15,260.06)
(13) Less Actual District Contributions	<u>(246,785.33)</u>
(14) Equals District's Shortfall/(Prepaid) Contribution as of September 30, 2020	(\$15,259.83)

¹ Part time employees were added during fiscal 2020 which changed the funding requirements part way through the year. The District Required Contribution for the first part of the year was 25.1% and the for the second part of the year was 23.3%. The Pensionable Payroll for the first part of the year was \$706,673.33 and for the second part of the year was \$297,899.39.

STATISTICAL DATA

	<u>10/1/2014</u>	<u>10/1/2016</u>	<u>10/1/2018</u>	<u>10/1/2020</u>
<u>Actives</u>				
Number	11	13	13	16
Average Current Age	47.0	47.0	49.5	45.8
Average Age at Employment	37.8	38.0	41.9	38.8
Average Past Service	9.2	9.0	7.6	7.0
Average Annual Salary	\$58,553	\$56,725	\$58,876	\$60,180
<u>Service Retirees</u>				
Number	6	7	9	9
Average Current Age	63.2	65.0	66.5	68.4
Average Annual Benefit	\$12,533	\$15,775	\$16,444	\$16,879
<u>DROP Retirees</u>				
Number	1	0	0	1
Average Current Age	61.9	N/A	N/A	73.7
Average Annual Benefit	\$31,710	N/A	N/A	\$26,849
<u>Beneficiaries</u>				
Number	0	0	0	0
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
<u>Disability Retirees</u>				
Number	1	1	1	1
Average Current Age	47.1	49.1	51.1	53.1
Average Annual Benefit	\$27,643	\$27,643	\$27,643	\$27,643
<u>Terminated Vested</u>				
Number	0	0	2	0
Average Current Age ¹	N/A	N/A	N/A	N/A
Average Annual Benefit ²	N/A	N/A	N/A	N/A

¹ Effective 10/1/2018, the Average Current Age excludes participants awaiting a refund of contributions.

² The Average Annual Benefit excludes participants awaiting a refund of contributions.

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19												0
20 - 24												0
25 - 29		1	1									2
30 - 34			1									1
35 - 39	1					1	1	1				4
40 - 44				1								1
45 - 49						1			1			2
50 - 54				1			1	1				3
55 - 59			1									1
60 - 64							1					1
65+	1											1
Total	2	1	3	2	0	2	3	2	1	0	0	16

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2018	13
b. Terminations	
i. Vested (partial or full) with deferred annuity	0
ii. Vested in refund of member contributions only	0
iii. Refund of member contributions or full lump sum distribution received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	0
f. DROP	<u>(1)</u>
g. Continuing participants	12
h. New entrants	<u>4</u>
i. Total active life participants in valuation	16

2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving	DROP Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
	<u>Benefits</u>	<u>Benefits</u>	<u>Benefits</u>	<u>Benefits</u>	<u>Annuitiy)</u>	<u>Refund)</u>	<u>Total</u>
a. Number prior valuation	9	0	0	1	0	2	12
Retired	0	0	0	0	0	0	0
DROP	0	1	0	0	0	0	1
Vested (Deferred Annuity)	0	0	0	0	0	0	0
Vested (Due Refund)	0	0	0	0	0	0	0
Hired/Terminated in Same Year	0	0	0	0	0	0	0
Death, With Survivor	0	0	0	0	0	0	0
Death, No Survivor	0	0	0	0	0	0	0
Disabled	0	0	0	0	0	0	0
Refund of Contributions	0	0	0	0	0	(1)	(1)
Rehires	0	0	0	0	0	(1)	(1)
Expired Annuities	0	0	0	0	0	0	0
Data Corrections	0	0	0	0	0	0	0
b. Number current valuation	9	1	0	1	0	0	11

SUMMARY OF CURRENT PLAN
THROUGH RESOLUTION NO. 20-05-03

<u>Credited Service</u>	Total years and fractional parts of years of contributing employment with the District as a General Employee. Part-time service included as of June 8, 2020.
<u>Salary</u>	Regular pay for services rendered, not including overtime, incentive or any other non-regular compensation.
<u>Average Final Compensation</u>	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination.
<u>Member Contributions</u>	7.0% of Salary
<u>District Contributions</u>	Remaining amount required in order to fund to actuarial soundness. District has a minimum contribution of 15.0% of Salaries.
<u>Normal Retirement</u>	
Date	Earlier of: 1) Age 55 and 7 years of Credited Service, or 2) 25 years of Credited Service, regardless of age.
Benefit	2.48% of Average Final Compensation times Credited Service.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Earlier of 1.) Age 50 and 7 Years of Credited Service, or 2.) 20 years of Credited Service, regardless of age.
Benefit	Accrued benefit, reduced 7.0% per year.
<u>Cost of Living Adjustment (COLA)</u>	
	Normal and Early Retirees and their Beneficiaries receive a 1.35% increase in their benefits each October 1 st following retirement (the first adjustment will be a prorated amount of 1.35%).

Vesting

Schedule 100% after 7 years of Credited Service.

Disability

Eligibility

Service Incurred Covered from Date of Employment.

Non-Service Incurred 7 years of Credited Service.

Exclusions Disability resulting from use of drugs, illegal participation in riots, service in military, etc.

Benefit Benefit accrued to date of disability.

Duration Payable for life with 10 years certain (options available) or until recovery (as determined by the Board).

Death Benefits

Pre-Retirement

Vested Monthly accrued benefit payable to designated beneficiary for 10 years at Member's Normal or Early (reduced) Retirement Date.

Non-Vested Refund of accumulated contributions without interest.

Post-Retirement Benefits payable to beneficiary in accordance with option selected at retirement.

Deferred Retirement Option Plan

Eligibility Satisfaction of Normal Retirement requirements (earlier of (1) Age 55 with 7 years of Credited Service, or (2) 25 years of Credited Service).

Participation Not to exceed 60 months.

Rate of Return At the Member's election: (1) 6.5% annual rate, or (2) actual net rate of investment return (total return net of brokerage commissions, management fees, and transaction costs), credited each fiscal quarter. One change between the above is allowed.

Form of Distribution Cash lump sum (options available) at termination of employment.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2020

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Short Term Investments	128,521
Total Cash and Equivalents	128,521
Total Receivable	0
Investments:	
Mutual Funds:	
Fixed Income	1,527,494
Equity	2,587,877
Total Investments	4,115,371
Total Assets	4,243,892
Total Liabilities	0
NET POSITION RESTRICTED FOR PENSIONS	4,243,892

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020
Market Value Basis

ADDITIONS

Contributions:

Member	70,321	
District	246,784	
Total Contributions		317,105
Investment Income:		
Net Increase in Fair Value of Investments	270,388	
Interest & Dividends	167,134	
Less Investment Expense ¹	(17,875)	
Net Investment Income		419,647
Total Additions		736,752

DEDUCTIONS

Distributions to Members:

Benefit Payments	177,584	
Lump Sum DROP Distributions	0	
Refunds of Member Contributions	9,725	
Total Distributions		187,309
Administrative Expense		13,262
Total Deductions		200,571
Net Increase in Net Position		536,181

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		3,707,711
End of the Year		4,243,892

¹Investment related expenses include investment advisory, custodial and performance monitoring fees.

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended September 30, 2020)

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees. The Board shall consist of five Trustees, one of whom, unless otherwise prohibited by law, shall be a legal resident of the District, who shall be appointed by the Bonita Springs Fire Control and Rescue District Board of Commissioners, one of whom shall be a union Member of the System who shall be elected by a majority of the union Members of the System, one of whom shall be a non-union Member of the System who shall be elected by a majority of the non-union Members of the system and one of whom shall be an at-large Trustee of the System, who shall be elected by a majority of all union and non-union General Employees who are Members of the System. The fifth Trustee shall be chosen by a majority of the previous four Trustees.

Plan Membership as of October 1, 2020:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	11
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	16
	27

Benefits Provided

The Plan provides retirement, termination, disability and death benefits.

A summary of the benefit provisions can be found in the October 1, 2020 Actuarial Valuation Report for the Bonita Springs Fire Control and Rescue District General Employees' Retirement System prepared by Foster & Foster Actuaries and Consultants.

Incorporated are the benefit changes for measurement date September 30, 2020 as noted under the Notes to Schedule of Changes in Net Pension Liability and Related Ratios.

Contributions

Member Contributions: 7.0% of Salary.

District Contributions: Remaining amount required in order to fund to actuarial soundness. District has a minimum contribution of 15.0% of Salaries.

Investment Policy:

The following was the Board's adopted asset allocation policy as of September 30, 2020:

Asset Class	Target Allocation
Domestic Equity	45.0%
International Equity	15.0%
Domestic Fixed Income	30.0%
Global Fixed Income	5.0%
GTAA	5.0%
Total	100.0%

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's Fiduciary Net Position.

Rate of Return:

For the year ended September 30, 2020, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 11.17 percent.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program

Eligibility: Satisfaction of Normal Retirement requirements (earlier of (1) Age 55 with 7 years of Credited Service, or (2) 25 years of Credited Service).

Participation: Not to exceed 60 months.

Rate of Return: At the Member's election: (1) 6.5% annual rate, or (2) actual net rate of investment return (total return net of brokerage commissions, management fees, and transaction costs), credited each fiscal quarter. One change between the above is allowed.

The DROP balance as September 30, 2020 is \$94,831.

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the Sponsor on September 30, 2020 were as follows:

Total Pension Liability	\$ 4,686,742
Plan Fiduciary Net Position	<u>\$ (4,243,892)</u>
Sponsor's Net Pension Liability	<u>\$ 442,850</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	90.55%

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2020 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	Service based
Discount Rate	7.40%
Investment Rate of Return	7.40%

Mortality Rate Healthy Active Lives:

Female: PubG.H-2010 (Below Median) for Employees.

Male: PubG.H-2010 (Below Median) for Employees, set back one year.

Mortality Rate Healthy Retiree Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Mortality Rate Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Mortality Rate Disabled Lives:

PubG.H-2010 for Disabled Retirees, set forward three years.

All rates are projected generationally with Mortality Improvement Scale MP-2018.

The above described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate risk and collar adjustments made based on plan demographics. We feel this assumption sufficiently accommodates future mortality improvements.

The most recent actuarial experience study used to review the other significant assumptions was dated August 2, 2016.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2020 the inflation rate assumption of the investment advisor was 2.50%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2020 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return ¹
Domestic Equity	7.50%
International Equity	8.50%
Domestic Fixed Income	2.50%
Global Fixed Income	3.50%
GTAA	3.50%

¹ Source: AndCo Consulting

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Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.40 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	1% Decrease	Current Discount Rate	1% Increase
	6.40%	7.40%	8.40%
Sponsor's Net Pension Liability	\$ 911,795	\$ 442,850	\$ (120,084)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 2 Fiscal Years

	09/30/2020	09/30/2019
Total Pension Liability		
Service Cost	163,039	103,392
Interest	320,171	299,546
Changes of benefit terms	23,250	-
Differences between Expected and Actual Experience	177,861	-
Changes of assumptions	46,340	-
Benefit Payments, including Refunds of Employee Contributions	(187,309)	(195,093)
Net Change in Total Pension Liability	543,352	207,845
Total Pension Liability - Beginning	4,143,390	3,935,545
Total Pension Liability - Ending (a)	<u>\$ 4,686,742</u>	<u>\$ 4,143,390</u>
Plan Fiduciary Net Position		
Contributions - Employer	246,784	187,157
Contributions - Employee	70,321	62,985
Net Investment Income	419,647	161,180
Benefit Payments, including Refunds of Employee Contributions	(187,309)	(195,093)
Administrative Expense	(13,262)	(27,103)
Net Change in Plan Fiduciary Net Position	536,181	189,126
Plan Fiduciary Net Position - Beginning	3,707,711	3,518,585
Plan Fiduciary Net Position - Ending (b)	<u>\$ 4,243,892</u>	<u>\$ 3,707,711</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 442,850</u>	<u>\$ 435,679</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	90.55%	89.48%
Covered Payroll	\$ 1,004,573	\$ 899,788
Net Pension Liability as a percentage of Covered Payroll	44.08%	48.42%

Notes to Schedule:*Changes of benefit terms:*

For measurement date 09/30/2020, amounts reported as changes of benefit terms resulted from the following:
Resolution No. 20-05-03 was adopted on June 8, 2020. This resolution allowed Part Time Employees to participate in the Plan.

Changes of assumptions:

For measurement date 09/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019 actuarial valuation for non-special-risk lives, with appropriate risk and collar adjustments made based on plan demographics.

In addition, as approved by the Board of Trustees, the Investment Return Assumption is being reduced from 7.60% to 7.40%, net of investment related expenses.

SCHEDULE OF CONTRIBUTIONS
Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2020	\$ 246,786	\$ 246,784	\$ 2	\$ 1,004,573	24.57%
09/30/2019	\$ 179,058	\$ 187,157	\$ (8,099)	\$ 899,788	20.80%

Notes to Schedule

Valuation Date: 10/01/2018

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates can be found in the October 1, 2018 Actuarial Valuation for the Bonita Springs Fire Control and Rescue District General Employees' Retirement System prepared by Foster & Foster Actuaries and Consultants.

SCHEDULE OF INVESTMENT RETURNS
Last 2 Fiscal Years

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
09/30/2020	11.17%
09/30/2019	4.57%

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended September 30, 2021)

Plan Description

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees. The Board shall consist of five Trustees, one of whom, unless otherwise prohibited by law, shall be a legal resident of the District, who shall be appointed by the Bonita Springs Fire Control and Rescue District Board of Commissioners, one of whom shall be a union Member of the System who shall be elected by a majority of the union Members of the System, one of whom shall be a non-union Member of the System who shall be elected by a majority of the non-union Members of the system and one of whom shall be an at-large Trustee of the System, who shall be elected by a majority of all union and non-union General Employees who are Members of the System. The fifth Trustee shall be chosen by a majority of the previous four Trustees. All General Employees as of the Effective Date, except the current Human Resources Manager, and all future new General Employees, shall become Members of this System as a condition of employment.

Plan Membership as of October 1, 2020:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	11
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	16
	27

Benefits Provided

The Plan provides retirement, termination, disability and death benefits. A summary of the benefit provisions can be found in the October 1, 2020 Actuarial Valuation Report for the Bonita Springs Fire Control and Rescue District General Employees' Retirement System prepared by Foster & Foster Actuaries and Consultants. Incorporated are the benefit changes for measurement date September 30, 2020 as noted under the Notes to Schedule of Changes in Net Pension Liability and Related Ratios.

Contributions

Member Contributions: 7.0% of Salary.
District Contributions: Remaining amount required in order to fund to actuarial soundness. District has a minimum contribution of 15.0% of Salaries.

Net Pension Liability

The measurement date is September 30, 2020.
The measurement period for the pension expense was October 1, 2019 to September 30, 2020.
The reporting period is October 1, 2020 through September 30, 2021.

The Sponsor's Net Pension Liability was measured as of September 30, 2020.
The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2020 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	Service based
Discount Rate	7.40%
Investment Rate of Return	7.40%

Mortality Rate Healthy Active Lives:

Female: PubG.H-2010 (Below Median) for Employees.
 Male: PubG.H-2010 (Below Median) for Employees, set back one year.

Mortality Rate Healthy Retiree Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.
 Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Mortality Rate Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.
 Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Mortality Rate Disabled Lives:

PubG.H-2010 for Disabled Retirees, set forward three years.

All rates are projected generationally with Mortality Improvement Scale MP-2018.

The above described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman’s July 1, 2019 FRS valuation report for special risk employees, with appropriate risk and collar adjustments made based on plan demographics. We feel this assumption sufficiently accommodates future mortality improvements.

The most recent actuarial experience study used to review the other significant assumptions was dated August 2, 2016.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

For 2020 the inflation rate assumption of the investment advisor was 2.50%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return ¹
Domestic Equity	45.0%	7.50%
International Equity	15.0%	8.50%
Domestic Fixed Income	30.0%	2.50%
Global Fixed Income	5.0%	3.50%
GTAA	5.0%	3.50%
Total	100.0%	

¹ Source: AndCo Consulting

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.40 percent.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Reporting Period Ending September 30, 2020	\$ 4,143,390	\$ 3,707,711	\$ 435,679
Changes for a Year:			
Service Cost	163,039	-	163,039
Interest	320,171	-	320,171
Differences between Expected and Actual Experience	177,861	-	177,861
Changes of assumptions	46,340	-	46,340
Changes of benefit terms	23,250	-	23,250
Contributions - Employer	-	246,784	(246,784)
Contributions - Employee	-	70,321	(70,321)
Net Investment Income	-	419,647	(419,647)
Benefit Payments, including Refunds of Employee Contributions	(187,309)	(187,309)	-
Administrative Expense	-	(13,262)	13,262
Net Changes	543,352	536,181	7,171
Reporting Period Ending September 30, 2021	\$ 4,686,742	\$ 4,243,892	\$ 442,850

Sensitivity of the Net Pension Liability to changes in the Discount Rate.

	Current Discount		
	1% Decrease	Rate	1% Increase
	6.40%	7.40%	8.40%
Sponsor's Net Pension Liability	\$ 911,795	\$ 442,850	\$ (120,084)

Pension Plan Fiduciary Net Position.

Detailed information about the pension Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

**FINAL PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED
INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2020**

For the year ended September 30, 2020, the Sponsor has recognized a Pension Expense of \$294,847.

On September 30, 2020, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	56,786	16,727
Changes of assumptions	25,532	-
Net difference between Projected and Actual Earnings on Pension Plan investments	42,262	-
Employer contributions subsequent to the measurement date	246,784	-
Total	\$ 371,364	\$ 16,727

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date has been recognized as a reduction of the Net Pension Liability in the year ended September 30, 2020.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:		
2021	\$	69,976
2022	\$	(4,361)
2023	\$	20,779
2024	\$	21,459
2025	\$	-
Thereafter	\$	-

**PRELIMINARY PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND
DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS
FISCAL YEAR SEPTEMBER 30, 2021**

For the year ended September 30, 2021, the Sponsor will recognize a Pension Expense of \$251,319.

On September 30, 2021, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	142,288	-
Changes of assumptions	37,072	-
Net difference between Projected and Actual Earnings on Pension Plan investments	-	68,871
Employer contributions subsequent to the measurement date	TBD	-
Total	TBD	\$ 68,871

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended September 30, 2021.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:		
2022	\$	13,792
2023	\$	38,932
2024	\$	39,612
2025	\$	18,153
2026	\$	-
Thereafter	\$	-

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 2 Fiscal Years

Reporting Period Ending	09/30/2021	09/30/2020
Measurement Date	<u>09/30/2020</u>	<u>09/30/2019</u>
Total Pension Liability		
Service Cost	163,039	103,392
Interest	320,171	299,546
Changes of benefit terms	23,250	-
Differences between Expected and Actual Experience	177,861	-
Changes of assumptions	46,340	-
Benefit Payments, including Refunds of Employee Contributions	<u>(187,309)</u>	<u>(195,093)</u>
Net Change in Total Pension Liability	543,352	207,845
Total Pension Liability - Beginning	<u>4,143,390</u>	<u>3,935,545</u>
Total Pension Liability - Ending (a)	<u>\$ 4,686,742</u>	<u>\$ 4,143,390</u>
Plan Fiduciary Net Position		
Contributions - Employer	246,784	187,157
Contributions - Employee	70,321	62,985
Net Investment Income	419,647	161,180
Benefit Payments, including Refunds of Employee Contributions	(187,309)	(195,093)
Administrative Expense	<u>(13,262)</u>	<u>(27,103)</u>
Net Change in Plan Fiduciary Net Position	536,181	189,126
Plan Fiduciary Net Position - Beginning	<u>3,707,711</u>	<u>3,518,585</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 4,243,892</u>	<u>\$ 3,707,711</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 442,850</u>	<u>\$ 435,679</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	90.55%	89.48%
Covered Payroll	\$ 1,004,573	\$ 899,788
Net Pension Liability as a percentage of Covered Payroll	44.08%	48.42%

Notes to Schedule:*Changes of benefit terms:*

For measurement date 09/30/2020, amounts reported as changes of benefit terms resulted from the following:
Resolution No. 20-05-03 was adopted on June 8, 2020. This resolution allowed Part Time Employees to participate in the Plan.

Changes of assumptions:

For measurement date 09/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019 actuarial valuation for non-special-risk lives, with appropriate risk and collar adjustments made based on plan demographics.

In addition, as approved by the Board of Trustees, the Investment Return Assumption is being reduced from 7.60% to 7.40%, net of investment related expenses.

SCHEDULE OF CONTRIBUTIONS
Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2020	\$ 246,786	\$ 246,784	\$ 2	\$ 1,004,573	24.57%
09/30/2019	\$ 179,058	\$ 187,157	\$ (8,099)	\$ 899,788	20.80%

Notes to Schedule

Valuation Date: 10/01/2018

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates can be found in the October 1, 2018 Actuarial Valuation for the Bonita Springs Fire Control and Rescue District General Employees' Retirement System prepared by Foster & Foster Actuaries and Consultants.

EXPENSE DEVELOPMENT AND AMORTIZATION SCHEDULES

The following information is not required to be disclosed but is provided for informational purposes.

FINAL COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2020

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 416,960	\$ 111,594	\$ 495,575	\$ -
Employer Contributions made after 09/30/2019	-	-	246,784	-
Total Pension Liability Factors:				
Service Cost	103,392	-	-	103,392
Interest	299,546	-	-	299,546
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	-	-	-	-
Current year amortization of experience difference	-	(16,727)	(97,873)	81,146
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	(62,708)	62,708
Benefit Payments, including Refunds of Employee Contributions	(195,093)	-	-	-
Net change	<u>207,845</u>	<u>(16,727)</u>	<u>86,203</u>	<u>546,792</u>
Plan Fiduciary Net Position:				
Contributions - Employer	187,157	-	(187,157)	-
Contributions - Employee	62,985	-	-	(62,985)
Projected Net Investment Income	268,474	-	-	(268,474)
Difference between projected and actual earnings on Pension Plan investments	(107,294)	-	107,294	-
Current year amortization	-	(25,820)	(78,231)	52,411
Benefit Payments, including Refunds of Employee Contributions	(195,093)	-	-	-
Administrative Expenses	(27,103)	-	-	27,103
Net change	<u>189,126</u>	<u>(25,820)</u>	<u>(158,094)</u>	<u>(251,945)</u>
Ending Balance	<u>\$ 435,679</u>	<u>\$ 69,047</u>	<u>\$ 423,684</u>	<u>\$ 294,847</u>

PRELIMINARY COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2021

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 435,679	\$ 69,047	\$ 423,684	\$ -
Employer Contributions made after 09/30/2020	-	-	TBD*	-
Total Pension Liability Factors:				
Service Cost	163,039	-	-	163,039
Interest	320,171	-	-	320,171
Changes in benefit terms	23,250	-	-	23,250
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	177,861	-	177,861	-
Current year amortization of experience difference	-	(16,727)	(92,359)	75,632
Change in assumptions about future economic or demographic factors or other inputs	46,340	-	46,340	-
Current year amortization of change in assumptions	-	-	(34,800)	34,800
Benefit Payments, including Refunds of Employee Contributions	(187,309)	-	-	-
Net change	<u>543,352</u>	<u>(16,727)</u>	<u>97,042</u>	<u>616,892</u>
Plan Fiduciary Net Position:				
Contributions - Employer	246,784	-	(246,784)	-
Contributions - Employee	70,321	-	-	(70,321)
Projected Net Investment Income	286,214	-	-	(286,214)
Difference between projected and actual earnings on Pension Plan investments	133,433	133,433	-	-
Current year amortization	-	(52,505)	(30,205)	(22,300)
Benefit Payments, including Refunds of Employee Contributions	(187,309)	-	-	-
Administrative Expenses	(13,262)	-	-	13,262
Net change	<u>536,181</u>	<u>80,928</u>	<u>(276,989)</u>	<u>(365,573)</u>
Ending Balance	<u>\$ 442,850</u>	<u>\$ 133,248</u>	<u>TBD</u>	<u>\$ 251,319</u>

* Employer Contributions subsequent to the measurement date made after September 30, 2020 but made on or before September 30, 2021 need to be added.

AMORTIZATION SCHEDULE - INVESTMENTS

Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments

Plan Year Ending	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
2020	\$ (133,433)	5	\$ -	\$ (26,685)	\$ (26,687)	\$ (26,687)	\$ (26,687)	\$ (26,687)	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 107,294	5	\$ 21,458	\$ 21,459	\$ 21,459	\$ 21,459	\$ 21,459	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ (3,402)	5	\$ (680)	\$ (680)	\$ (680)	\$ (680)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (125,702)	5	\$ (25,140)	\$ (25,140)	\$ (25,140)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ 43,732	5	\$ 8,746	\$ 8,746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	\$ 240,137	5	\$ 48,027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 52,411	\$ (22,300)	\$ (31,048)	\$ (5,908)	\$ (5,228)	\$ (26,687)	\$ -	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions

Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
2020	\$ 46,340	5	\$ -	\$ 9,268	\$ 9,268	\$ 9,268	\$ 9,268	\$ 9,268	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ 43,486	3	\$ 14,495	\$ 14,496	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ 44,142	4	\$ 11,036	\$ 11,036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ 148,708	4	\$ 37,177	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 62,708	\$ 34,800	\$ 9,268	\$ 9,268	\$ 9,268	\$ 9,268	\$ -	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - EXPERIENCE

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Plan Year Ending	Differences Between Expected and Actual Experience	Recognition Period (Years)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
2020	\$ 177,861	5	\$ -	\$ 35,573	\$ 35,572	\$ 35,572	\$ 35,572	\$ 35,572	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ 170,358	3	\$ 56,786	\$ 56,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (66,906)	4	\$ (16,727)	\$ (16,727)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ 164,346	4	\$ 41,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 81,146	\$ 75,632	\$ 35,572	\$ 35,572	\$ 35,572	\$ 35,572	\$ -	\$ -	\$ -	\$ -	\$ -