

CITY OF LEESBURG  
MUNICIPAL POLICE OFFICERS' PENSION TRUST FUND  
ACTUARIAL VALUATION  
AS OF OCTOBER 1, 2022  
CONTRIBUTIONS APPLICABLE TO THE  
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2024  
GASB 67/68 DISCLOSURE INFORMATION  
AS OF SEPTEMBER 30, 2022



**FOSTER & FOSTER**  
ACTUARIES AND CONSULTANTS

December 12, 2022

Board of Trustees  
City of Leesburg  
Police Officers' Pension Board

Re: City of Leesburg Municipal Police Officers' Pension Trust Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Leesburg Municipal Police Officers' Pension Trust Fund. 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 Chapters 112 and 185, 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 City of Leesburg, 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.

Additionally, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models that apply the funding and accounting rules to generate the results. All internally developed models are reviewed as part of the valuation process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

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, 2021. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ending September 30, 2022 using generally accepted actuarial principles. 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 City of Leesburg, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Municipal Police Officers' Pension Trust Fund. 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:   
Patrick T. Donlan, EA, ASA, MAAA  
Enrolled Actuary #20-6595

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

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Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Leesburg Municipal Police Officers' Pension Trust Fund, performed as of October 1, 2022, 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, 2024.

The contribution requirements, compared with those set forth in the October 1, 2021 actuarial valuation report, are as follows:

Valuation Date Applicable to Fiscal Year Ending	10/1/2022 <u>9/30/2024</u>	10/1/2021 <u>9/30/2023</u>
Minimum Required Contribution % of Projected Annual Payroll	24.35%	23.62%
Member Contributions (Est.) % of Projected Annual Payroll	7.65%	7.65%
City And State Required Contribution % of Projected Annual Payroll	16.70%	15.97%
State Contribution (Est.) <sup>1</sup> % of Projected Annual Payroll	\$260,615 6.12%	\$260,615 6.12%
City Required Contribution <sup>2</sup> % of Projected Annual Payroll	10.58%	9.85%

<sup>1</sup> Represents the amount received in calendar 2022. As per a Mutual Consent Agreement between the Membership and the City, all State Monies received each year will be available to offset the City's required contribution.

<sup>2</sup> The required contribution from the combination of City and State sources for the year ending September 30, 2024, is 16.70% of the actual payroll realized in that year. As a budgeting tool, the City may contribute 10.58% of each Member's Salary and then make a one-time adjustment to account for the actual State Monies received. Please note that a shortfall contribution of \$2,151.97 is due in addition to the above stated requirements for the fiscal year ending September 30, 2023.

As you can see, the Minimum Required Contribution shows an increase when compared to the results determined in the October 1, 2021 actuarial valuation. The increase is attributable to unfavorable actuarial experience as described in the next paragraph.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an investment return of 5.12% (Actuarial Asset Basis) which fell short of the 6.80% assumption and unfavorable retirement experience. These losses were offset in part by a gain associated with inactive mortality experience.

## CHANGES SINCE PRIOR VALUATION

### Plan Changes

There have been no changes in benefits since the prior valuation.

### Actuarial Assumption/Method Changes

There have been no assumption or method changes since the prior valuation.



## CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1) Contribution Determined as of October 1, 2021	10.11%
(2) Summary of Contribution Impact by component:	
Change in State Contribution Percentage	-0.26%
Change in Normal Cost Rate	-0.09%
Change in Administrative Expense Percentage	0.04%
Payroll Change Effect on UAAL Amortization	-0.18%
Investment Return (Actuarial Asset Basis)	1.09%
Salary Increases	0.07%
Active Decrements	0.32%
Inactive Mortality	-0.33%
UAAL Amortization Impact from Contribution Policy	-0.23%
Assumption Change	0.00%
Other	<u>0.04%</u>
Total Change in Contribution	0.47%
(3) Contribution Determined as of October 1, 2022	10.58%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2022</u>	<u>10/1/2021</u>
A. Participant Data		
Actives	62	63
Service Retirees	31	28
DROP Retirees	4	7
Beneficiaries	1	1
Disability Retirees	3	3
Terminated Vested	<u>13</u>	<u>12</u>
 Total	 114	 114
 Payroll Under Assumed Ret. Age	 4,255,968	 4,143,912
Annual Rate of Payments to:		
Service Retirees	1,014,479	811,402
DROP Retirees	198,594	382,024
Beneficiaries	30,985	30,985
Disability Retirees	79,112	79,112
Terminated Vested	32,938	32,938
 B. Assets		
Actuarial Value (AVA) <sup>1</sup>	27,230,722	26,623,784
Market Value (MVA) <sup>1</sup>	24,061,503	29,322,935
 C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	16,238,209	15,245,186
Disability Benefits	519,936	514,613
Death Benefits	182,852	182,207
Vested Benefits	1,484,316	1,455,013
Refund of Contributions	344,981	341,095
Service Retirees	11,030,814	8,409,769
DROP Retirees <sup>1</sup>	2,989,381	5,754,021
Beneficiaries	281,206	289,219
Disability Retirees	1,077,962	1,084,133
Terminated Vested	<u>405,776</u>	<u>374,402</u>
 Total	 34,555,433	 33,649,658

C. Liabilities - (Continued)	<u>10/1/2022</u>	<u>10/1/2021</u>
Present Value of Future Salaries	30,293,806	30,176,614
Present Value of Future Member Contributions	2,317,476	2,308,511
Normal Cost (Retirement)	412,514	405,599
Normal Cost (Disability)	36,850	35,845
Normal Cost (Death)	11,263	11,024
Normal Cost (Vesting)	92,796	91,663
Normal Cost (Refunds)	55,977	52,815
Total Normal Cost	<u>609,400</u>	<u>596,946</u>
Present Value of Future Normal Costs	4,194,404	4,176,982
Accrued Liability (Retirement)	13,275,720	12,294,979
Accrued Liability (Disability)	257,325	253,944
Accrued Liability (Death)	101,443	101,016
Accrued Liability (Vesting)	832,584	806,877
Accrued Liability (Refunds)	108,818	104,316
Accrued Liability (Inactives) <sup>1</sup>	15,785,139	15,911,544
Total Actuarial Accrued Liability (EAN AL)	<u>30,361,029</u>	<u>29,472,676</u>
Unfunded Actuarial Accrued Liability (UAAL)	3,130,307	2,848,892
Funded Ratio (AVA / EAN AL)	89.7%	90.3%

D. Actuarial Present Value of Accrued Benefits	<u>10/1/2022</u>	<u>10/1/2021</u>
Vested Accrued Benefits		
Inactives <sup>1</sup>	15,785,139	15,911,544
Actives	7,269,362	6,618,491
Member Contributions	<u>2,764,630</u>	<u>2,608,318</u>
Total	25,819,131	25,138,353
Non-vested Accrued Benefits	<u>507,274</u>	<u>414,582</u>
Total Present Value Accrued Benefits (PVAB)	26,326,405	25,552,935
Funded Ratio (MVA / PVAB)	91.4%	114.8%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	850,137	
Benefits Paid	(1,754,610)	
Interest	1,677,943	
Other	<u>0</u>	
Total	773,470	

Valuation Date	10/1/2022	10/1/2021
Applicable to Fiscal Year Ending	<u>9/30/2024</u>	<u>9/30/2023</u>

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll <sup>2</sup>	14.81	14.90
Administrative Expenses (with interest) % of Total Annual Payroll <sup>2</sup>	1.63	1.59
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 22 years (as of 10/1/2022, with interest) % of Total Annual Payroll <sup>2</sup>	7.91	7.13
Minimum Required Contribution % of Total Annual Payroll <sup>2</sup>	24.35	23.62
Expected Member Contributions % of Total Annual Payroll <sup>2</sup>	7.65	7.65
Expected City and State Contribution % of Total Annual Payroll <sup>2</sup>	16.70	15.97

F. Past Contributions

Plan Years Ending:	<u>9/30/2022</u>
Total Required Contribution	1,082,669
City and State Requirement	741,689
Actual Contributions Made:	
Members (excluding buyback)	340,981
City	481,074
State	<u>260,615</u>
Total	1,082,670

G. Net Actuarial (Gain)/Loss 482,479

<sup>1</sup> The asset values and liabilities include accumulated DROP Plan Balances as of 9/30/2022 and 9/30/2021.

<sup>2</sup> Contributions developed as of 10/1/2022 are expressed as a percentage of total annual payroll at 10/1/2022 of \$4,255,968.

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

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2022	3,130,307
2023	2,995,540
2024	2,851,609
2029	2,041,398
2034	1,108,229
2039	193,456
2044	0

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

	<u>Actual</u>	<u>Assumed</u>
Year Ended 9/30/2022	6.64%	5.33%
Year Ended 9/30/2021	7.56%	5.43%
Year Ended 9/30/2020	3.43%	5.38%
Year Ended 9/30/2019	4.29%	5.36%
Year Ended 9/30/2018	2.17%	5.39%

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

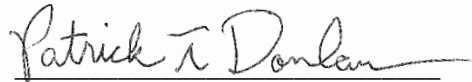
	<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
Year Ended 9/30/2022	-15.64%	5.12%	6.80%
Year Ended 9/30/2021	21.00%	9.78%	7.00%
Year Ended 9/30/2020	9.10%	8.75%	7.40%
Year Ended 9/30/2019	5.68%	8.02%	7.65%
Year Ended 9/30/2018	8.60%	6.22%	7.65%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2022	\$4,255,968
	10/1/2012	3,621,679
(b) Total Increase		17.51%
(c) Number of Years		10.00
(d) Average Annual Rate		1.63%

## 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 copies of the report to the following offices to comply with Chapter 112, Florida Statutes:

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

Mr. Steve Bardin  
Municipal Police and Fire  
Pension Trust Funds  
Division of Retirement  
Post Office Box 3010  
Tallahassee, FL 32315-3010

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2021	\$2,848,892
(2)	Sponsor Normal Cost developed as of October 1, 2021	279,937
(3)	Expected administrative expenses for the year ended September 30, 2022	63,602
(4)	Expected interest on (1), (2) and (3)	214,923
(5)	Sponsor contributions to the System during the year ended September 30, 2022	741,689
(6)	Expected interest on (5)	17,837
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2022 (1)+(2)+(3)+(4)-(5)-(6)	2,647,828
(8)	Change to UAAL due to Assumption Change	0
(9)	Change to UAAL due to Actuarial (Gain)/Loss	482,479
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2022	3,130,307

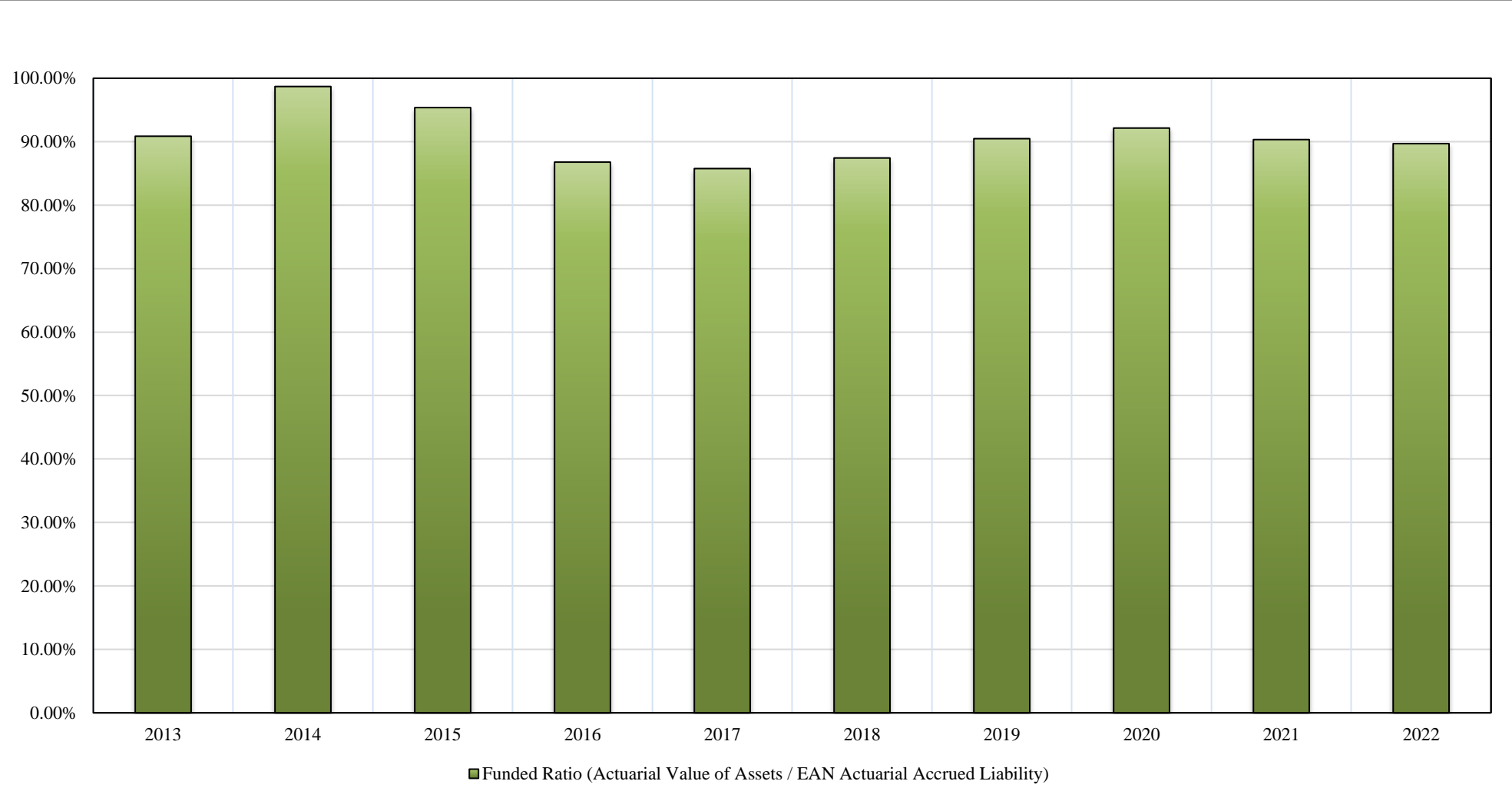
Type of <u>Base</u>	Date <u>Established</u>	Years <u>Remaining</u>	10/1/2022 <u>Amount</u>	Amortization <u>Amount</u>
"B"	10/1/1998	6	192,125	37,508
"C"	10/1/2001	9	(653,843)	(93,168)
"D"	10/1/2003	11	(32,977)	(4,077)
"E"	10/1/2004	12	199,480	23,266
Method Change	10/1/2008	6	144,806	28,270
Assum Changes	10/1/2010	8	240,332	37,394
Benefit Change	10/1/2012	20	(138,146)	(12,021)
Assum Changes	10/1/2012	10	25,062	3,310
Benefit Change	10/1/2012	20	188,091	16,367
Benefit Change	10/1/2014	22	334,700	27,864
Assum Changes	10/1/2016	14	477,345	50,495
Assum Changes	10/1/2019	17	578,106	54,677
Asmp/Mthd Change	10/1/2020	18	638,416	58,571
Asmp/Mthd Change	10/1/2021	14	454,331	48,061
Actuarial Loss	10/1/2022	15	482,479	48,976
			3,130,307	325,493



## DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2021	\$2,848,892
(2) Expected UAAL as of October 1, 2022	2,647,828
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	440,066
Salary Increases	27,580
Active Decrements	129,033
Inactive Mortality	(135,223)
Other	<u>21,023</u>
Increase in UAAL due to (Gain)/Loss	482,479
Assumption Changes	0
(4) Actual UAAL as of October 1, 2022	\$3,130,307

# HISTORY OF FUNDING PROGRESS



Mortality Rate

*Healthy Active Lives:*

**Female:** PubS.H-2010 (Below Median) for Employees, set forward one year.

**Male:** PubS.H-2010 (Below Median) for Employees, set forward one year.

*Healthy Retiree Lives:*

**Female:** PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

**Male:** PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

*Beneficiary Lives:*

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

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

*Disabled Lives:*

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

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, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

75% of active deaths are assumed to be service-incurred.

Interest Rate

6.80% 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	Rate
0	12.00%
1-14	5.00%
15+	4.50%

Projected salary at retirement is increased individually to account for non-regular compensation. This is based on the results of the December 3, 2021 experience study

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

\$67,111 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Amortization Method

New UAAL amortization bases are amortized over 15 years.

Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Funding Method

Entry Age Normal Actuarial Cost Method. The following loads are applied for determining the minimum required contribution:

Interest - a half year, based on current 6.80% assumption.

Salary - None.

Retirement Age

<u>Years After Normal Eligibility</u>	<u>Probability of Retirement</u>
0	75%
1+	100%

This is based on the results of the December 3, 2021 experience study.

Early Retirement

Commencing at eligibility for Early Retirement Members are assumed to retire with an immediate benefit at the rate of 10% per year. This is based on the results of the December 3, 2021 experience study.

Disability Rate

See sample rates in the table (1207) below.

<u>Age</u>	<u>% Becoming Disabled During the Year</u>
20	0.07%
30	0.11%
40	0.19%
50	0.51%

This was supported by the December 3, 2021 experience study. It is assumed that 75% of disablements are service related.

Termination Rate

<u>Service</u>	<u>Rate</u>
0-4	13.0%
5 - 9	9.0%
10 – 14	8.0%
15+	2.0%

This is based on the results of the December 3, 2021 experience study.

Asset Valuation

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.

## 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 decreased from 205.9% on October 1, 2012 to 151.2% on October 1, 2022, indicating that the plan has been maturing 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 52.0%. 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 increased from 83.9% on October 1, 2012 to 89.7% on October 1, 2022.
- 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, decreased from -0.8% on October 1, 2012 to -3.1% on October 1, 2022. The current Net Cash Flow Ratio of -3.1% indicates that contributions are not currently covering 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>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2017</u>	<u>10/1/2012</u>
<u>Support Ratio</u>				
Total Actives	62	63	62	70
Total Inactives <sup>1</sup>	41	41	37	34
Actives / Inactives <sup>1</sup>	151.2%	153.7%	167.6%	205.9%
 <u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	24,061,503	29,322,935	19,714,939	14,260,248
Total Annual Payroll	4,541,629	4,402,127	4,163,495	3,621,679
MVA / Total Annual Payroll	529.8%	666.1%	473.5%	393.7%
 <u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	15,785,139	15,911,544	10,743,973	6,957,150
Total Accrued Liability (EAN)	30,361,029	29,472,676	23,162,934	16,675,374
Inactive AL / Total AL	52.0%	54.0%	46.4%	41.7%
 <u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	27,230,722	26,623,784	19,865,821	13,985,699
Total Accrued Liability (EAN)	30,361,029	29,472,676	23,162,934	16,675,374
AVA / Total Accrued Liability (EAN)	89.7%	90.3%	85.8%	83.9%
 <u>Net Cash Flow Ratio</u>				
Net Cash Flow <sup>2</sup>	(738,239)	(64,074)	(195,098)	(112,860)
Market Value of Assets (MVA)	24,061,503	29,322,935	19,714,939	14,260,248
Ratio	-3.1%	-0.2%	-1.0%	-0.8%

<sup>1</sup> Excludes terminated participants awaiting a refund of member contributions.

<sup>2</sup> Determined as total contributions minus benefit payments and administrative expenses.

PARTIAL HISTORY OF PREMIUM TAX REFUNDS

Received During <u>Fiscal Year</u>	<u>Amount</u>	<u>Increase from Previous Year</u>
1998	166,718.18	_____%
1999	118,410.85	-29.0%
2000	114,627.92	-3.2%
2001	120,045.31	4.7%
2002	137,612.65	14.6%
2003	159,149.65	15.7%
2004	166,624.90	4.7%
2005	184,093.15	10.5%
2006	184,827.50	0.4%
2007	184,093.15	-0.4%
2008	184,093.15	0.0%
2009	170,126.72	-7.6%
2010	159,138.64	-6.5%
2011	161,436.95	1.4%
2012	155,518.07	-3.7%
2013	155,996.52	0.3%
2014	160,225.10	2.7%
2015	168,105.42	4.9%
2016	183,761.35	9.3%
2017	182,473.16	-0.7%
2018	199,426.22	9.3%
2019	213,640.66	7.1%
2020	227,475.29	6.5%
2021	242,701.64	6.7%
2022	260,614.75	7.4%

STATEMENT OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2022

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	644,794.00	644,794.00
Cash	154.42	154.42
Total Cash and Equivalents	644,948.42	644,948.42
Receivables:		
Member Contributions in Transit	12,347.82	12,347.82
City Contributions in Transit	17,541.12	17,541.12
Additional City Contributions	2,151.97	2,151.97
Total Receivable	32,040.91	32,040.91
Investments:		
Fixed Income	7,865,889.45	6,849,790.93
Equities	12,615,716.47	13,668,666.92
Pooled/Common/Commingled Funds:		
Equity	1,719,687.52	2,866,962.52
Total Investments	22,201,293.44	23,385,420.37
Total Assets	22,878,282.77	24,062,409.70
<u>LIABILITIES</u>		
Payables:		
Administrative Expenses	906.30	906.30
Total Liabilities	906.30	906.30
NET POSITION RESTRICTED FOR PENSIONS	22,877,376.47	24,061,503.40

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2022  
Market Value Basis

ADDITIONS

Contributions:

Member	340,980.62
City	481,073.81
State	260,614.75

Total Contributions 1,082,669.18

Investment Income:

Net Realized Gain (Loss)	250,084.66
Unrealized Gain (Loss)	(5,934,139.86)
Net Increase in Fair Value of Investments	(5,684,055.20)
Interest & Dividends	1,203,271.73
Less Investment Expense <sup>1</sup>	(42,408.44)

Net Investment Income (4,523,191.91)

Total Additions (3,440,522.73)

DEDUCTIONS

Distributions to Members:

Benefit Payments	1,028,504.40
Lump Sum DROP Distributions	665,526.40
Refunds of Member Contributions	60,579.33

Total Distributions 1,754,610.13

Administrative Expense 66,298.48

Total Deductions 1,820,908.61

Net Increase in Net Position (5,261,431.34)

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year 29,322,934.74

End of the Year 24,061,503.40

<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION  
September 30, 2022

Actuarial Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year over a five year period. In the first year, 20% of the gain or loss is recognized. In the second year 40%, in the third year 60%, in the fourth year 80%, and in the fifth year 100% of the gain or loss is recognized. The actuarial investment gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Plan Year Ending	Gain/(Loss)	<u>Gains/Losses Not Yet Recognized</u>				
		Amounts Not Yet Recognized by Valuation Year				
		2022	2023	2024	2025	2026
09/30/2021	3,373,939	2,024,363	1,349,575	674,787	0	0
09/30/2022	(6,491,978)	(5,193,582)	(3,895,186)	(2,596,790)	(1,298,394)	0
Total		(3,169,219)	(2,545,611)	(1,922,003)	(1,298,394)	0

Development of Investment Gain/Loss

Market Value of Assets, 09/30/2021	29,322,935
Contributions Less Benefit Payments & Admin Expenses	(740,391)
Expected Investment Earnings*	1,968,786
Actual Net Investment Earnings	(4,523,192)
2022 Actuarial Investment Gain/(Loss)	<u>(6,491,978)</u>

\*Expected Investment Earnings = 0.068 \* (29,322,935 - 0.5 \* 740,391)

Development of Actuarial Value of Assets

(1) Market Value of Assets, 09/30/2022	24,061,503
(2) Gains/(Losses) Not Yet Recognized	(3,169,219)
(3) Actuarial Value of Assets, 09/30/2022, (1) - (2)	<u>27,230,722</u>
(A) 09/30/2021 Actuarial Assets:	26,623,784
(I) Net Investment Income:	
1. Interest and Dividends	1,203,272
2. Realized Gain (Loss)	250,085
3. Unrealized Gain (Loss)	(5,934,140)
4. Change in Actuarial Value	5,868,370
5. Investment Expenses	(42,408)
Total	<u>1,345,178</u>
(B) 09/30/2022 Actuarial Assets, excluding Shortfall Contribution:	27,228,570
Actuarial Assets Rate of Return = 2I/(A+B-I):	5.12%
Market Value of Assets Rate of Return:	-15.64%
10/01/2022 Limited Actuarial Assets:	27,230,722
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(440,066)

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
 SEPTEMBER 30, 2022  
 Actuarial Asset Basis

REVENUES

Contributions:		
Member	340,980.62	
City	481,073.81	
State	260,614.75	
 Total Contributions		 1,082,669.18
Earnings from Investments:		
Interest & Dividends	1,203,271.73	
Net Realized Gain (Loss)	250,084.66	
Unrealized Gain (Loss)	(5,934,139.86)	
Change in Actuarial Value	5,868,370.00	
 Total Earnings and Investment Gains		 1,387,586.53

EXPENDITURES

Distributions to Members:		
Benefit Payments	1,028,504.40	
Lump Sum DROP Distributions	665,526.40	
Refunds of Member Contributions	60,579.33	
 Total Distributions		 1,754,610.13
Expenses:		
Investment related <sup>1</sup>	42,408.44	
Administrative	66,298.48	
 Total Expenses		 108,706.92
 Change in Net Assets for the Year		 606,938.66
 Net Assets Beginning of the Year		 26,623,783.74
 Net Assets End of the Year <sup>2</sup>		 27,230,722.40

<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

<sup>2</sup>Net Assets may be limited for actuarial consideration.

DEFERRED RETIREMENT OPTION PLAN ACTIVITY  
October 1, 2021 to September 30, 2022

Beginning of the Year Balance	657,636.13
Plus Additions	297,756.94
Investment Return Earned	(1,066.22)
Less Distributions	(665,526.40)
End of the Year Balance	288,800.45

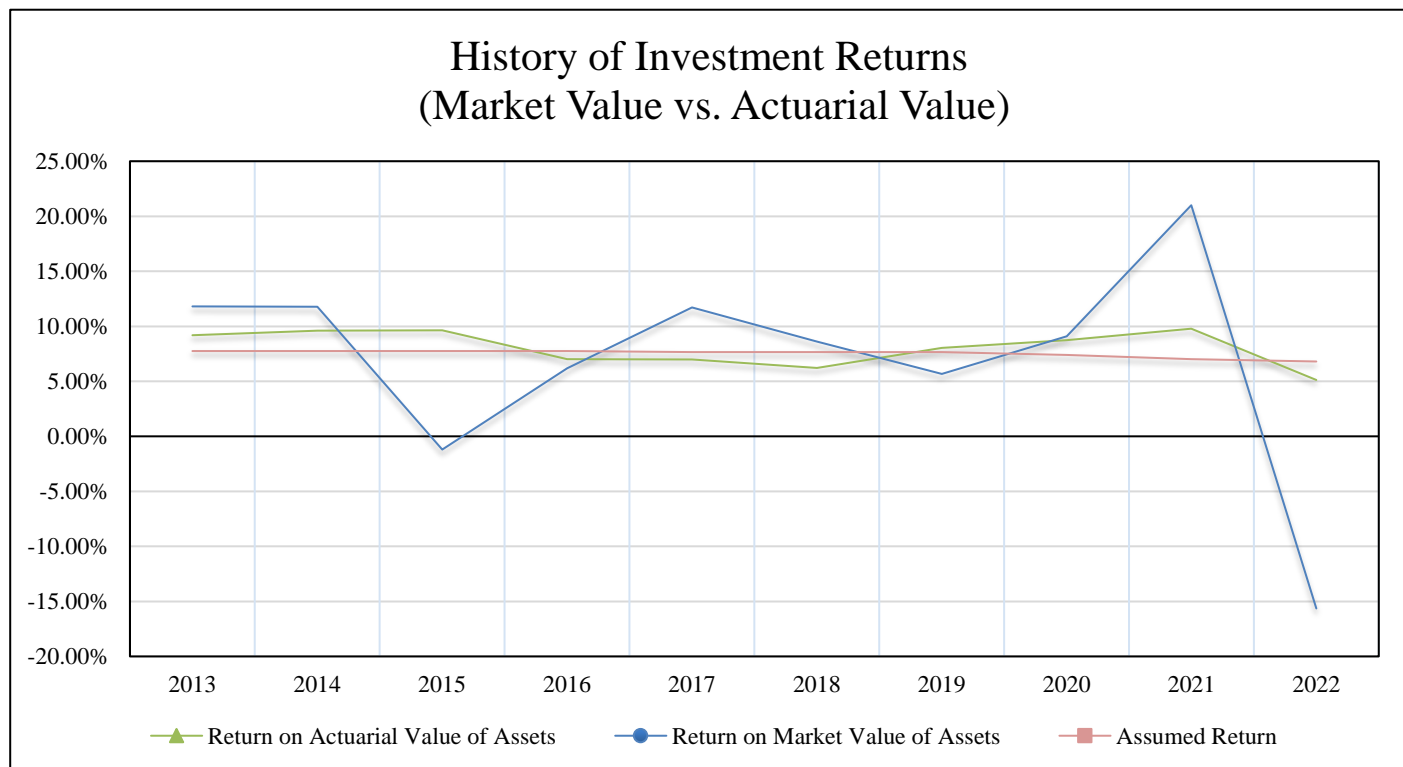
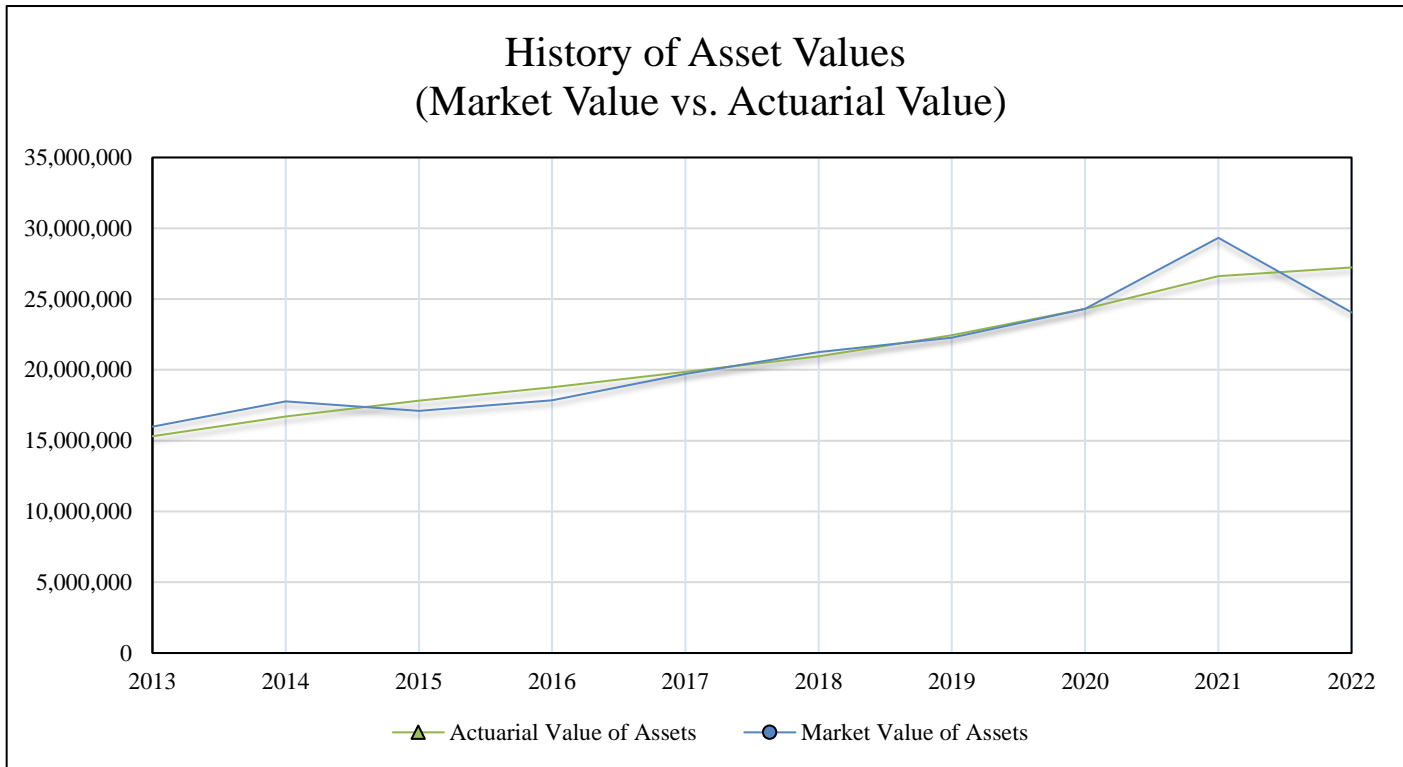
Note: Investment Return Earned is based on available data through June 30, 2022.  
Investment Return Earned includes earnings for the Quarter ending September 30, 2021.



RECONCILIATION OF CITY SHORTFALL/(PREPAID) CONTRIBUTION  
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2022

(1)	Total Required Contribution Rate	24.29%
(2)	Pensionable Payroll Derived from Member Contributions	\$4,457,263.01
(3)	Total Required Contribution (1) x (2)	1,082,669.18
(4)	Less Actual Member Contributions	(340,980.62)
(5)	Less Allowable State Contribution	<u>(260,614.75)</u>
(6)	Equals Required City Contribution for Fiscal 2022	481,073.81
(7)	Plus 2021 Shortfall Contribution	798.74
(8)	Less Actual City Contributions	<u>(479,720.58)</u>
(9)	Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2022	\$2,151.97

# HISTORY OF ASSET VALUES AND INVESTMENT RETURNS



STATISTICAL DATA

	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2020</u>	<u>10/1/2019</u>
<u>Actives</u>				
Number	62	63	62	66
Average Current Age	38.5	38.1	38.5	38.8
Average Age at Employment	28.4	28.4	28.4	28.9
Average Past Service	10.1	9.7	10.1	9.9
Average Annual Salary	\$73,252	\$69,875	\$67,586	\$66,755
<u>Service Retirees</u>				
Number	31	28	29	30
Average Current Age	67.6	68.8	68.5	67.2
Average Annual Benefit	\$32,725	\$28,979	\$28,985	\$28,478
<u>DROP Retirees</u>				
Number	4	7	4	2
Average Current Age	56.0	55.1	54.6	54.2
Average Annual Benefit	\$49,649	\$54,575	\$58,129	\$55,997
<u>Beneficiaries</u>				
Number	1	1	1	1
Average Current Age	74.0	73.0	72.0	71.0
Average Annual Benefit	\$30,985	\$30,985	\$30,985	\$30,985
<u>Disability Retirees</u>				
Number	3	3	2	2
Average Current Age	48.8	47.8	47.2	46.2
Average Annual Benefit	\$26,371	\$26,371	\$26,374	\$26,374
<u>Terminated Vested</u>				
Number	13	12	14	10
Average Current Age <sup>1</sup>	57.1	56.1	52.1	48.7
Average Annual Benefit <sup>1</sup>	\$16,469	\$16,469	\$16,975	\$19,181

<sup>1</sup> The Average Current Age and Average Annual Benefit exclude 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	1	1		1	1							4
25 - 29	4	2	3			2						11
30 - 34	1	1	1	1		7						11
35 - 39		2	1	1	2	2	2					10
40 - 44					1	1	3	2				7
45 - 49						1	1	2	4			8
50 - 54							1		4	3		8
55 - 59							1					1
60 - 64								1				1
65+									1			1
<b>Total</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>3</b>	<b>4</b>	<b>13</b>	<b>8</b>	<b>5</b>	<b>9</b>	<b>3</b>	<b>0</b>	<b>62</b>

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2021	63
b. Terminations	
i. Vested (partial or full) with deferred annuity	0
ii. Vested in refund of member contributions only	(3)
iii. Refund of member contributions or full lump sum distribution received	(3)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. DROP	<u>0</u>
g. Continuing participants	56
h. New entrants / Rehires	<u>6</u>
i. Total active life participants in valuation	62

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

	Service Retirees, Vested Receiving <u>Benefits</u>	DROP <u>Benefits</u>	Receiving Death <u>Benefits</u>	Receiving Disability <u>Benefits</u>	Vested (Deferred Annuity)	Vested (Due Refund)	<u>Total</u>
a. Number prior valuation	28	7	1	3	2	10	51
Retired	4	(3)	0	0	0	0	1
DROP	0	0	0	0	0	0	0
Vested (Deferred Annuity)	0	0	0	0	0	0	0
Vested (Due Refund)	0	0	0	0	0	3	3
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	(1)	0	0	0	0	0	(1)
Disabled	0	0	0	0	0	0	0
Refund of Contributions	0	0	0	0	0	(2)	(2)
Rehires	0	0	0	0	0	0	0
Expired Annuities	0	0	0	0	0	0	0
Data Corrections	0	0	0	0	0	0	0
b. Number current valuation	31	4	1	3	2	11	52

SUMMARY OF CURRENT PLAN  
(Through Ordinance No. 19-1)

<u>Eligibility</u>	Full-time sworn police officers.
<u>Salary</u>	Reportable W-2 compensation, less Christmas bonuses, but including lump sum payment of accrued sick leave, accrued annual leave, or accrued compensatory leave, plus all tax deferred (IRC Section 414(h)(2) and IRC Section 457 contributions) and tax exempt (IRC Section 125) items of income. Effective January 22, 2013, Salary shall not include more than 300 hours of overtime per year. Additionally, Salary will include the lesser of the amount of unused sick and annual leave time accrued as of January 22, 2013, or the actual amount of sick and vacation leave time for which the retiree receives payment at the time of retirement.
<u>Average Final Compensation</u>	Average of Salary paid during the 5 best years of the last 10 years of Credited Service. (The best 4 years for any Member eligible for Normal Retirement as of January 27, 2014.)
<u>Credited Service</u>	Years and fractional parts of years of service with the City as a Police Officer.
<u>Normal Retirement</u>	
Date	Earlier of 1.) Age 52 (Age 50 for Members eligible for Normal Retirement as of October 1, 2015 under the prior provisions) and the completion of 25 Years of Credited Service, or 2.) Age 55 and the completion of 10 years of Credited Service.
Benefit	3.00% of Average Final Compensation times Credited Service prior to May 27, 2003; 2.00% for each year between May 27, 2003 and September 30, 2009; 2.5% for each year of Credited Service between October 1, 2009 and September 30, 2015; and 3.00% for each year of Credited Service thereafter.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Age 50 (Age 45 for Members who will be eligible for Early Retirement as of October 1, 2015 under the prior provisions) and completion of 10 years of Credited Service.

Benefit	Accrued benefit, reduced 3.0% per year from what would have been the Normal Retirement Date had the member remained employed.
<u>Disability Benefit</u>	
Eligibility	Total and permanent; Medical proof required. 10 years of Credited Service required for non-service incurred disability benefit.
Exclusions	Disability resulting from the use of drugs, illegal participation in riots, service in military, etc.
<u>Benefit</u>	
Service Connected	Greater of accrued benefit or 50% of Average Final Compensation.
Non-Service Connected	Greater of accrued benefit or 25% of Average Final Compensation.
<u>Pre-Retirement Death Benefit</u>	
Service Connected	Beneficiary receives a monthly benefit which can be provided by the greater of: 1.) present value of Member's accrued benefit, or 2.) lesser of 24 times the Member's Average Final Compensation, or 100 times the Member's anticipated normal retirement benefit.
Non-Service Connected	If less than 10 years of service, beneficiary receives a refund of Member contributions; otherwise, same as service connected benefits.
<u>Death After Retirement</u>	
	Benefit payable in accordance with optional form of pension selected at time of retirement.
<u>Vesting (Termination of Employment)</u>	
Less than 10 years	Refund of Member Contributions.
10 years or more	Accrued pension payable on a reduced basis at Normal (unreduced) or Early (reduced) Retirement Date.
<u>Member Contributions</u>	
	7.65% of Salary.
<u>City Contributions</u>	
	Amount required after State premium tax refunds in order to pay current costs and amortize unfunded past service cost, as provided in Part VII, Chapter 112, Florida Statutes.

Board of Trustees

- 1.) Two City residents appointed by the City Commission,
- 2.) Two Police Officers elected by a majority of Police Officers and
- 3.) A fifth Member elected by the Board and appointed (as a ministerial duty) by the City Commission.

Deferred Retirement Option Plan

Eligibility	Satisfaction of Normal Retirement requirements.
Participation	Not to exceed 60 months.
Rate of Return	Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter.
Form of Distribution	Cash lump sum (options available) at termination of employment.



STATEMENT OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2022

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Short Term Investments	644,794
Cash	154
Total Cash and Equivalents	644,948
Receivables:	
Member Contributions in Transit	12,348
City Contributions in Transit	17,541
Additional City Contributions	2,152
Total Receivable	32,041
Investments:	
Fixed Income	6,849,791
Equities	13,668,667
Pooled/Common/Commingled Funds:	
Equity	2,866,962
Total Investments	23,385,420
Total Assets	24,062,409
<u>LIABILITIES</u>	
Payables:	
Administrative Expenses	906
Total Liabilities	906
NET POSITION RESTRICTED FOR PENSIONS	24,061,503

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2022  
Market Value Basis

ADDITIONS

## Contributions:

Member	340,980
City	481,074
State	260,615

Total Contributions		1,082,669
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## Investment Income:

Net Increase in Fair Value of Investments	(5,684,055)
Interest & Dividends	1,203,272
Less Investment Expense <sup>1</sup>	(42,409)

Net Investment Income		(4,523,192)
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Total Additions		(3,440,523)
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DEDUCTIONS

## Distributions to Members:

Benefit Payments	1,028,504
Lump Sum DROP Distributions	665,527
Refunds of Member Contributions	60,579

Total Distributions		1,754,610
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Administrative Expense		66,299
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Total Deductions		1,820,909
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Net Increase in Net Position		(5,261,432)
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## NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		29,322,935
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End of the Year		24,061,503
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<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

**NOTES TO THE FINANCIAL STATEMENTS**  
(For the Year Ended September 30, 2022)

*Plan Administration*

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees. The Board consists of 5 Trustees, 2 of whom are legal residents and are appointed by the City Council, 2 of whom are full-time Police Officers who are elected by a majority of the members of the Plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees. Each Trustee serves a two year term.

*Plan Membership as of October 1, 2021:*

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	39
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	12
Active Plan Members	63
	114

*Benefits Provided*

The Plan provides retirement, termination, disability and death benefits. A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the City of Leesburg Municipal Police Officers' Pension Trust Fund prepared by Foster & Foster Actuaries and Consultants.

*Contributions*

Member Contributions: 7.65% of Salary.  
City Contributions: Amount required after State premium tax refunds in order to pay current costs and amortize unfunded past service cost, as provided in Part VII, Chapter 112, Florida Statutes.

*Investment Policy:*

The following was the Board's adopted asset allocation policy as of September 30, 2022:

Asset Class	Target Allocation
Domestic Equity	45.0%
International Equity	15.0%
Broad Market Fixed Income	20.0%
Global Fixed Income	5.0%
TIPS	5.0%
Private Real Estate	10.0%
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, 2022, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was -15.64 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.

Participation: Not to exceed 60 months.

Rate of Return: Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter.

The DROP balance as September 30, 2022 is \$288,800<sup>1</sup>.

<sup>1</sup> Investment Return Earned is based on available data through June 30, 2022.

Investment Return Earned includes earnings for the Quarter ending September 30, 2021.

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the Sponsor on September 30, 2022 were as follows:

Total Pension Liability	\$ 29,900,930
Plan Fiduciary Net Position	<u>\$ (24,061,503)</u>
Sponsor's Net Pension Liability	<u>\$ 5,839,427</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	80.47%

*Actuarial Assumptions:*

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2021 updated to September 30, 2022 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	Service based
Discount Rate	6.80%
Investment Rate of Return	6.80%

*Mortality Rate Healthy Active Lives:*

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

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

*Mortality Rate Healthy Retiree Lives:*

Female: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward 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:*

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

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, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

75% of active deaths are assumed to be service-incurred.

The most recent actuarial experience study used to review the other significant assumptions was dated December 3, 2021.

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 2022 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.

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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, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return<sup>1</sup></u>
Domestic Equity	7.50%
International Equity	8.50%
Broad Market Fixed Income	2.50%
Global Fixed Income	3.50%
TIPS	2.50%
Private Real Estate	4.50%

<sup>1</sup> Source: AndCo Consulting

*Discount Rate:*

The Discount Rate used to measure the Total Pension Liability was 6.80 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 <u>5.80%</u>	Current Discount Rate <u>6.80%</u>	1% Increase <u>7.80%</u>
Sponsor's Net Pension Liability	\$ 9,568,359	\$ 5,839,427	\$ 2,754,829

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

	09/30/2022	09/30/2021
Total Pension Liability		
Service Cost	622,092	687,968
Interest	1,902,284	1,871,051
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	901,181	(509,406)
Changes of assumptions	-	636,013
Benefit Payments, including Refunds of Employee Contributions	(1,754,610)	(993,948)
Net Change in Total Pension Liability	1,670,947	1,691,678
Total Pension Liability - Beginning	28,229,983	26,538,305
Total Pension Liability - Ending (a)	<u>\$ 29,900,930</u>	<u>\$ 28,229,983</u>
Plan Fiduciary Net Position		
Contributions - Employer	481,074	436,251
Contributions - State	260,615	242,702
Contributions - Employee	340,980	318,845
Net Investment Income	(4,523,192)	5,073,633
Benefit Payments, including Refunds of Employee Contributions	(1,754,610)	(993,948)
Administrative Expense	(66,299)	(67,924)
Net Change in Plan Fiduciary Net Position	(5,261,432)	5,009,559
Plan Fiduciary Net Position - Beginning	29,322,935	24,313,376
Plan Fiduciary Net Position - Ending (b)	<u>\$ 24,061,503</u>	<u>\$ 29,322,935</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 5,839,427</u>	<u>\$ (1,092,952)</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	80.47%	103.87%
Covered Payroll	\$ 4,457,263	\$ 4,167,910
Net Pension Liability as a percentage of Covered Payroll	131.01%	-26.22%

**Notes to Schedule:***Changes of assumptions:*

For measurement date 09/30/2021, the Board approved the following assumption changes based on the December 3, 2021 actuarial experience study:

1. Decrease in investment return assumption from 7.0% to 6.8% per year, net of investment related expenses.
2. Increase the expected individual salary increases from 7.0% to 12.0% for the first year of employment and reduce the expectation in years 1-4 from 7.0% to 5.0% per year.
3. Update the expected rate of Early Retirement to be 10% per year, regardless of Credited Service and the expected rate of Normal Retirement to be 75% at first eligibility and 100% beginning one year after first eligibility.
4. Switch to an entirely service-based assumption for expected turnover rates, with 13% for each of the first 5 years of employment, 9% for the next 5 years of employment, 8% for the next 5 years of employment and 2% per year beginning at 15 years of employment.

**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
09/30/2022	\$ 741,689	\$ 741,689	\$ -	\$ 4,457,263	16.64%
09/30/2021	\$ 678,953	\$ 678,953	\$ -	\$ 4,167,910	16.29%

Notes to Schedule

Valuation Date: 10/01/2020

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, 2020 Actuarial Valuation for the City of Leesburg Municipal Police Officers' Pension Trust Fund 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
09/30/2022	-15.64%
09/30/2021	21.00%



**NOTES TO THE FINANCIAL STATEMENTS**  
(For the Year Ended September 30, 2022)

*Plan Description*

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees.

The Board consists of 5 Trustees, 2 of whom are legal residents and are appointed by the City Council, 2 of whom are full-time Police Officers who are elected by a majority of the members of the Plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees. Each Trustee serves a two year term.

Each person employed by the City Police Department as a full-time Police Officer becomes a Member of the Plan as a condition of his employment. All Members are therefore eligible for all plan benefits as provided for in the plan document and by applicable law.

*Plan Membership as of October 1, 2021:*

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	39
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	12
Active Plan Members	63
	114
	114

*Benefits Provided*

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

A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the City of Leesburg Municipal Police Officers' Pension Trust Fund prepared by Foster & Foster Actuaries and Consultants.

*Contributions*

Member Contributions: 7.65% of Salary.

City Contributions: Amount required after State premium tax refunds in order to pay current costs and amortize unfunded past service cost, as provided in Part VII, Chapter 112, Florida Statutes.

**Net Pension Liability**

The measurement date is September 30, 2022.

The measurement period for the pension expense was October 1, 2021 to September 30, 2022.

The reporting period is October 1, 2021 through September 30, 2022.

The Sponsor's Net Pension Liability was measured as of September 30, 2022.

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, 2021 updated to September 30, 2022 using the following actuarial assumptions:

Inflation	2.50%	
Salary Increases	Service based	
Discount Rate	6.80%	
Investment Rate of Return	6.80%	

*Mortality Rate Healthy Active Lives:*

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

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

*Mortality Rate Healthy Retiree Lives:*

Female: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward 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:*

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

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, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

75% of active deaths are assumed to be service-incurred.

The most recent actuarial experience study used to review the other significant assumptions was dated December 3, 2021.

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 2022 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, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return <sup>1</sup>
Domestic Equity	45.0%	7.50%
International Equity	15.0%	8.50%
Broad Market Fixed Income	20.0%	2.50%
Global Fixed Income	5.0%	3.50%
TIPS	5.0%	2.50%
Private Real Estate	10.0%	4.50%
Total	100.0%	

<sup>1</sup> Source: AndCo Consulting

*Discount Rate:*

The Discount Rate used to measure the Total Pension Liability was 6.80 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)
Balances at September 30, 2021	\$ 28,229,983	\$ 29,322,935	\$ (1,092,952)
Changes for a Year:			
Service Cost	622,092	-	622,092
Interest	1,902,284	-	1,902,284
Differences between Expected and Actual Experience	901,181	-	901,181
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - Employer	-	481,074	(481,074)
Contributions - State	-	260,615	(260,615)
Contributions - Employee	-	340,980	(340,980)
Net Investment Income	-	(4,523,192)	4,523,192
Benefit Payments, including Refunds of Employee Contributions	(1,754,610)	(1,754,610)	-
Administrative Expense	-	(66,299)	66,299
Net Changes	1,670,947	(5,261,432)	6,932,379
Balances at September 30, 2022	\$ 29,900,930	\$ 24,061,503	\$ 5,839,427

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

	Current		
	1% Decrease	Discount Rate	1% Increase
	5.80%	6.80%	7.80%
Sponsor's Net Pension Liability	\$ 9,568,359	\$ 5,839,427	\$ 2,754,829

*Pension Plan Fiduciary Net Position.*

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

**PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED  
INFLOWS OF RESOURCES RELATED TO PENSIONS**

For the year ended September 30, 2022, the Sponsor will recognize a Pension Expense of \$1,126,234.

On September 30, 2022, 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	720,944	744,870
Changes of assumptions	683,863	-
Net difference between Projected and Actual Earnings on Pension Plan investments	3,104,705	-
Total	\$ 4,509,512	\$ 744,870

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:			
2023		\$	808,928
2024		\$	673,210
2025		\$	803,858
2026		\$	1,478,646
2027		\$	-
Thereafter		\$	-

**Payable to the Pension Plan**

On September 30, 2022, the Sponsor reported a payable of \$2,152 for the outstanding amount of contributions of the Pension Plan required for the year ended September 30, 2022.

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

	<u>09/30/2022</u>	<u>09/30/2021</u>
Total Pension Liability		
Service Cost	622,092	687,968
Interest	1,902,284	1,871,051
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	901,181	(509,406)
Changes of assumptions	-	636,013
Benefit Payments, including Refunds of Employee Contributions	<u>(1,754,610)</u>	<u>(993,948)</u>
Net Change in Total Pension Liability	1,670,947	1,691,678
Total Pension Liability - Beginning	28,229,983	26,538,305
Total Pension Liability - Ending (a)	<u><u>\$ 29,900,930</u></u>	<u><u>\$ 28,229,983</u></u>
Plan Fiduciary Net Position		
Contributions - Employer	481,074	436,251
Contributions - State	260,615	242,702
Contributions - Employee	340,980	318,845
Net Investment Income	(4,523,192)	5,073,633
Benefit Payments, including Refunds of Employee Contributions	(1,754,610)	(993,948)
Administrative Expense	<u>(66,299)</u>	<u>(67,924)</u>
Net Change in Plan Fiduciary Net Position	(5,261,432)	5,009,559
Plan Fiduciary Net Position - Beginning	29,322,935	24,313,376
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 24,061,503</u></u>	<u><u>\$ 29,322,935</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 5,839,427</u></u>	<u><u>\$ (1,092,952)</u></u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	80.47%	103.87%
Covered Payroll	\$ 4,457,263	\$ 4,167,910
Net Pension Liability as a percentage of Covered Payroll	131.01%	-26.22%

**Notes to Schedule:***Changes of assumptions:*

For measurement date 09/30/2021, the Board approved the following assumption changes based on the December 3, 2021 actuarial experience study:

1. Decrease in investment return assumption from 7.0% to 6.8% per year, net of investment related expenses.
2. Increase the expected individual salary increases from 7.0% to 12.0% for the first year of employment and reduce the expectation in years 1-4 from 7.0% to 5.0% per year.
3. Update the expected rate of Early Retirement to be 10% per year, regardless of Credited Service and the expected rate of Normal Retirement to be 75% at first eligibility and 100% beginning one year after first eligibility.
4. Switch to an entirely service-based assumption for expected turnover rates, with 13% for each of the first 5 years of employment, 9% for the next 5 years of employment, 8% for the next 5 years of employment and 2% per year beginning at 15 years of employment.

**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
09/30/2022	\$ 741,689	\$ 741,689	\$ -	\$ 4,457,263	16.64%
09/30/2021	\$ 678,953	\$ 678,953	\$ -	\$ 4,167,910	16.29%

Notes to Schedule

Valuation Date: 10/01/2020

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, 2020 Actuarial Valuation for the City of Leesburg Municipal Police Officers' Pension Trust Fund 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.**

**COMPONENTS OF PENSION EXPENSE**  
**FISCAL YEAR SEPTEMBER 30, 2022**

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ (1,092,952)	\$ 4,121,464	\$ 1,338,272	\$ -
Total Pension Liability Factors:				
Service Cost	622,092	-	-	622,092
Interest	1,902,284	-	-	1,902,284
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	901,181	-	901,181	-
Current year amortization of experience difference	-	(415,854)	(253,707)	(162,147)
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	(410,633)	410,633
Benefit Payments, including Refunds of Employee Contributions	(1,754,610)	-	-	-
Net change	<u>1,670,947</u>	<u>(415,854)</u>	<u>236,841</u>	<u>2,772,862</u>
Plan Fiduciary Net Position:				
Contributions - Employer	481,074	-	-	-
Contributions - State	260,615	-	-	-
Contributions - Employee	340,980	-	-	(340,980)
Projected Net Investment Income	1,968,859	-	-	(1,968,859)
Difference between projected and actual earnings on Pension Plan investments	(6,492,051)	-	6,492,051	-
Current year amortization	-	(786,652)	(1,383,564)	596,912
Benefit Payments, including Refunds of Employee Contributions	(1,754,610)	-	-	-
Administrative Expenses	(66,299)	-	-	66,299
Net change	<u>(5,261,432)</u>	<u>(786,652)</u>	<u>5,108,487</u>	<u>(1,646,628)</u>
Ending Balance	<u>\$ 5,839,427</u>	<u>\$ 2,918,958</u>	<u>\$ 6,683,600</u>	<u>\$ 1,126,234</u>



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)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ 6,492,051	5	\$ 1,298,411	\$ 1,298,410	\$ 1,298,410	\$ 1,298,410	\$ 1,298,410	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ (3,373,939)	5	\$ (674,788)	\$ (674,788)	\$ (674,788)	\$ (674,788)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ (374,312)	5	\$ (74,862)	\$ (74,862)	\$ (74,862)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 425,767	5	\$ 85,153	\$ 85,153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ (185,010)	5	\$ (37,002)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 596,912	\$ 633,913	\$ 548,760	\$ 623,622	\$ 1,298,410	\$ -	\$ -	\$ -	\$ -	\$ -

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)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2021	\$ 636,013	4	\$ 159,003	\$ 159,003	\$ 159,003	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ 571,135	5	\$ 114,227	\$ 114,227	\$ 114,227	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 687,014	5	\$ 137,403	\$ 137,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 410,633	\$ 410,633	\$ 273,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2022	\$ 901,181	5	\$ 180,237	\$ 180,236	\$ 180,236	\$ 180,236	\$ 180,236	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ (509,406)	4	\$ (127,352)	\$ (127,352)	\$ (127,352)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ (1,008,318)	5	\$ (201,664)	\$ (201,664)	\$ (201,664)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ (434,190)	5	\$ (86,838)	\$ (86,838)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ 367,350	5	\$ 73,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ (162,147)	\$ (235,618)	\$ (148,780)	\$ 180,236	\$ 180,236	\$ -	\$ -	\$ -	\$ -	\$ -