

CITY OF GAINESVILLE
CONSOLIDATED POLICE OFFICERS' AND
FIREFIGHTERS' RETIREMENT PLAN

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

June 23, 2023

Board of Trustees
City of Gainesville
Consolidated Police Officers' and Retirement Plan

Re: October 1, 2022 Actuarial Valuation

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan. 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, 175, 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 Gainesville, 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.

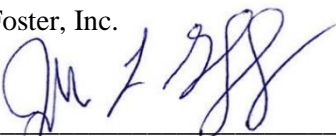
The undersigned are familiar with the immediate and long-term aspects of pension valuations, and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the 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 Gainesville, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Consolidated Police Officers' and Firefighters' Retirement Plan. 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:



Joseph L. Griffin, ASA, EA, MAAA
Enrolled Actuary #23-6938

By:



Amanda M. Brown, ASA, EA, MAAA
Enrolled Actuary #23-8780

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Gainesville Consolidated Police Officers' and Firefighters' Retirement Plan, 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	10/1/2022	10/1/2021
Applicable to Fiscal Year Ending	<u>9/30/2024</u>	<u>9/30/2023</u>
City Required Contribution (Firefighters)	\$ 715,692	\$ 640,426
% of Projected Annual Payroll	5.76%	5.57%
City Required Contribution (Police Officers)	\$ 1,310,982	\$ 1,298,768
% of Projected Annual Payroll	8.21%	8.28%
City Required Contribution (Total)	\$ 2,026,674	\$ 1,939,194
% of Projected Annual Payroll	7.13%	7.13%

The Minimum Required Contribution reflects a slight increase for Firefighters and a slight decrease for Police Officers compared to the results determined in the October 1, 2021 actuarial valuation report.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an investment return of -0.48% (Actuarial Asset Basis) which fell short of the 7.75% assumption and an average salary increase of 9.17% which exceeded the 3.91% assumption. There were no significant sources of actuarial gain.

CHANGES SINCE PRIOR VALUATION

Plan Changes

The plan was amended to extend participation in the Deferred Retirement Option Program (DROP) from 60 months to 96 months. The maximum years of service employed with the City for DROP members was also extended from 30 years to 33 years. Members currently in the DROP may extend the DROP period within 90 days of the effective date of the Ordinance. These changes do not apply to reverse DROP.

For Share Plan allocations after September 30, 2022, firefighters must have 10 years of credited service and be employed on September 30th to receive an annual allocation. These changes did not require a change in assumptions and did not impact the liabilities or contribution requirements.

Actuarial Assumption/Method Changes

The payroll growth assumption for determining amortization payments towards the Unfunded Actuarial Accrued Liability was increased from 0.61% to 1.56% per year to reflect the average annual increase in payroll over the previous 10-year period.

CONSOLIDATED TOTAL
COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2022</u>	<u>10/1/2021</u>
A. Participant Data		
Actives	390	389
Service Retirees	390	373
DROP Retirees	25	34
Beneficiaries	41	41
Disability Retirees	23	25
Terminated Vested	<u>38</u>	<u>42</u>
Total	907	904
Payroll Under Assumed Ret. Age	27,590,292	26,406,412
Annual Rate of Payments to:		
Service Retirees	16,908,898	15,859,300
DROP Retirees	1,183,007	1,738,314
Beneficiaries	964,092	913,619
Disability Retirees	447,010	474,098
Terminated Vested	457,359	418,917
B. Assets		
Actuarial Value (AVA) ¹	332,839,491	348,217,157
Market Value (MVA) ¹	277,850,564	348,217,157
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	119,875,946	112,329,628
Disability Benefits	5,852,619	5,693,769
Death Benefits	670,220	657,267
Vested Benefits	393,586	381,121
Refund of Contributions	700,693	686,297
Service Retirees	202,257,319	190,310,120
DROP Retirees ¹	20,197,793	28,372,745
Beneficiaries	9,053,971	8,826,392
Disability Retirees	4,621,020	4,862,069
Terminated Vested	2,620,566	2,684,772
Share Plan Balances ¹	2,905,925	2,504,332
Total	<u>369,149,658</u>	<u>357,308,512</u>

CONSOLIDATED TOTAL

C. Liabilities - (Continued)	<u>10/1/2022</u>	<u>10/1/2021</u>
Present Value of Future Salaries	233,257,089	226,213,796
Present Value of Future Member Contributions	19,096,475	18,463,472
Normal Cost (Retirement)	4,113,029	3,943,652
Normal Cost (Disability)	389,534	378,448
Normal Cost (Death)	39,846	38,675
Normal Cost (Vesting)	51,493	51,102
Normal Cost (Refunds)	<u>186,118</u>	<u>184,647</u>
Total Normal Cost	4,780,020	4,596,524
Present Value of Future Normal Costs	40,026,501	39,007,337
Accrued Liability (Retirement)	85,385,734	78,786,619
Accrued Liability (Disability)	2,634,124	2,541,706
Accrued Liability (Death)	335,134	329,355
Accrued Liability (Vesting)	(13,807)	(25,491)
Accrued Liability (Refunds)	(874,622)	(891,444)
Accrued Liability (Inactives) ¹	238,750,669	235,056,098
Share Plan Balances ¹	<u>2,905,925</u>	<u>2,504,332</u>
Total Actuarial Accrued Liability (EAN AL)	329,123,157	318,301,175
Unfunded Actuarial Accrued Liability (UAAL)	(3,716,334)	(29,915,982)
Funded Ratio (AVA / EAN AL)	101.1%	109.4%

CONSOLIDATED TOTAL

D. Actuarial Present Value of		
Accrued Benefits	<u>10/1/2022</u>	<u>10/1/2021</u>
Vested Accrued Benefits		
Inactives + Share Plan Balances ¹	241,656,594	237,560,430
Actives	34,013,707	27,820,426
Member Contributions	<u>18,185,477</u>	<u>17,342,597</u>
Total	293,855,778	282,723,453
Non-vested Accrued Benefits	<u>14,228,343</u>	<u>14,160,991</u>
Total Present Value		
Accrued Benefits (PVAB)	308,084,121	296,884,444
Funded Ratio (MVA / PVAB)	90.2%	117.3%
Increase (Decrease) in Present Value of		
Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	9,992,734	
Benefits Paid	(20,988,304)	
Interest	22,195,247	
Refund of Member Contributions	<u>0</u>	
Total	11,199,677	

CONSOLIDATED TOTAL

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)	\$5,114,203	\$4,917,878
% of Total Annual Payroll ²	18.00	18.08
Administrative Expenses (with interest)	369,630	372,817
% of Total Annual Payroll ²	1.30	1.37
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 30 years (as of 10/1/2020, with interest)	(263,691)	(2,398,332)
% of Total Annual Payroll ²	(0.93)	(8.82)
Minimum Required Contribution ³	5,483,833	5,290,695
% of Total Annual Payroll ^{2 3}	19.30	19.45
Expected Member Contributions	2,317,879	2,212,221
% of Total Annual Payroll ²	8.16	8.13
Expected State Contribution	1,139,280	1,139,280
% of Total Annual Payroll ²	4.01	4.19
Expected City Contribution	2,026,674	1,939,194
% of Total Annual Payroll ²	7.13	7.13

F. Past Contributions

Plan Years Ending:	<u>9/30/2022</u>
Total Required Contribution	5,341,444
City and State Requirement	3,008,500
Actual Contributions Made:	
Members (excluding buyback)	2,332,944
City	1,869,220
State	<u>1,139,280</u>
Total	5,341,444

G. Net Actuarial (Gain)/Loss 28,598,597

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

² Contributions developed as of 10/1/2022 are expressed as a percentage of total annual payroll at 4/1/2023 of \$28,418,001.

CONSOLIDATED TOTAL

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	(3,716,334) ¹

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

	<u>Actual</u>	<u>Assumed</u>
Year Ended 9/30/2022	9.17%	3.92%
Year Ended 9/30/2021	14.96%	3.97%
Year Ended 9/30/2020	12.43%	3.95%
Year Ended 9/30/2019	3.95%	4.00%
Year Ended 9/30/2018	3.72%	4.14%

(ii) 5 Year Comparison of Investment Returns on Market and Actuarial Values

	<u>Market</u>	<u>Actuarial</u>	<u>Assumed</u>
Year Ended 9/30/2022	-16.08%	-0.48%	7.75%
Year Ended 9/30/2021	23.06%	10.43%	7.90%
Year Ended 9/30/2020	6.65%	7.37%	7.90%
Year Ended 9/30/2019	1.67%	7.71%	7.90%
Year Ended 9/30/2018	10.53%	9.38%	8.00%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2022	\$27,966,930
	10/1/2012	\$23,953,977
(b) Total Increase		16.75%
(c) Number of Years		10
(d) Average Annual Rate		1.56%

¹ Based on current State law and the existing UAAL bases, the UAAL is projected to never be positive.

FIREFIGHTERS
COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2022</u>	<u>10/1/2021</u>
A. Participant Data		
Actives	172	163
Service Retirees	147	144
DROP Retirees	9	14
Beneficiaries	21	20
Disability Retirees	7	8
Terminated Vested	<u>6</u>	<u>11</u>
Total	362	360
Payroll Under Assumed Ret. Age	\$12,073,076	\$11,153,765
Annual Rate of Payments to:		
Service Retirees	6,863,283	6,443,731
DROP Retirees	485,090	810,476
Beneficiaries	529,237	485,575
Disability Retirees	148,513	159,899
Terminated Vested	72,131	67,213
B. Assets		
Actuarial Value (AVA) ¹	135,302,503	141,635,852
Market Value (MVA) ¹	112,860,056	141,635,852
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	52,125,765	47,564,735
Disability Benefits	2,533,969	2,358,789
Death Benefits	310,409	290,079
Vested Benefits	22,581	22,754
Refund of Contributions	281,738	261,591
Service Retirees	79,213,758	74,439,074
DROP Retirees ¹	8,950,899	13,517,992
Beneficiaries	5,006,760	4,707,917
Disability Retirees	1,564,718	1,666,203
Terminated Vested	385,867	455,965
Share Plan Balances ¹	<u>647,818</u>	<u>507,583</u>
Total	151,044,282	145,792,682

FIREFIGHTERS

C. Liabilities - (Continued)	<u>10/1/2022</u>	<u>10/1/2021</u>
Present Value of Future Salaries	106,812,864	99,829,107
Present Value of Future Member Contributions	9,613,158	8,984,620
Normal Cost (Retirement)	1,842,925	1,707,175
Normal Cost (Disability)	160,579	148,755
Normal Cost (Death)	18,207	16,800
Normal Cost (Vesting)	2,584	2,457
Normal Cost (Refunds)	<u>62,429</u>	<u>58,291</u>
Total Normal Cost	2,086,724	1,933,478
Present Value of Future Normal Costs	18,344,209	17,206,583
Accrued Liability (Retirement)	35,986,673	32,424,390
Accrued Liability (Disability)	1,084,962	1,003,453
Accrued Liability (Death)	144,235	134,911
Accrued Liability (Vesting)	1,742	2,794
Accrued Liability (Refunds)	(287,359)	(274,183)
Accrued Liability (Inactives) ¹	95,122,002	94,787,151
Share Plan Balances ¹	<u>647,818</u>	<u>507,583</u>
Total Actuarial Accrued Liability (EAN AL)	132,700,073	128,586,099
Unfunded Actuarial Accrued Liability (UAAL)	(2,602,430)	(13,049,753)
Funded Ratio (AVA / EAN AL)	102.0%	110.1%

FIREFIGHTERS

D. Actuarial Present Value of		
Accrued Benefits	<u>10/1/2022</u>	<u>10/1/2021</u>
Vested Accrued Benefits		
Inactives + Share Plan Balances ¹	95,769,820	95,294,734
Actives	13,689,821	10,712,512
Member Contributions	8,207,699	7,495,523
Total	<u>117,667,340</u>	<u>113,502,769</u>
Non-vested Accrued Benefits	<u>7,146,525</u>	<u>7,439,300</u>
Total Present Value		
Accrued Benefits (PVAB)	124,813,865	120,942,069
Funded Ratio (MVA / PVAB)	90.4%	117.1%
Increase (Decrease) in Present Value of		
Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	3,517,550	
Benefits Paid	(8,682,324)	
Interest	9,036,570	
Other	0	
Total	<u>3,871,796</u>	

FIREFIGHTERS

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)	\$2,232,612	\$2,068,652
% of Total Annual Payroll ²	17.95	18.01
Administrative Expenses (with interest)	\$183,173	\$186,647
% of Total Annual Payroll ²	1.47	1.62
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 30 years (as of 10/1/2022, with interest)	(\$187,586)	(\$1,046,132)
% of Total Annual Payroll ²	(1.51)	(9.11)
Minimum Required Contribution ³	\$2,415,785	\$2,255,299
% of Total Annual Payroll ^{2 3}	19.42	19.63
Expected Member Contributions	\$1,119,174	\$1,033,954
% of Total Annual Payroll ²	9.00	9.00
Expected State Contribution	\$580,919	\$580,919
% of Total Annual Payroll ²	4.67	5.06
Expected City Contribution	\$715,692	\$640,426
% of Total Annual Payroll ^{2 3}	5.76	5.57

F. Past Contributions

Plan Years Ending:	<u>9/30/2022</u>
Total Required Contribution	2,256,211
City and State Requirement	1,167,325
Actual Contributions Made:	
Members (excluding buyback)	1,088,886
City	586,406
State	<u>580,919</u>
Total	2,256,211

G. Net Actuarial (Gain)/Loss 11,465,830

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

² Contributions developed as of 10/1/2022 are expressed as a percentage of total annual payroll at 04/1/2024 of \$12,435,268.

³ Reflects normal cost minimum funding requirements of Chapter 112, Florida Statutes.

FIREFIGHTERS

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	(2,602,430) ¹

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2022	8.47%	3.43%
Year Ended	9/30/2021	13.28%	3.48%
Year Ended	9/30/2020	7.68%	3.49%
Year Ended	9/30/2019	6.34%	3.54%
Year Ended	9/30/2018	6.81%	3.50%

(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	-16.08%	-0.11%	7.75%
Year Ended	9/30/2021	23.06%	10.45%	7.90%
Year Ended	9/30/2020	6.65%	7.39%	7.90%
Year Ended	9/30/2019	1.67%	7.73%	7.90%
Year Ended	9/30/2018	10.53%	9.40%	8.00%

¹ Based on current State law and the existing UAAL bases, the UAAL is projected to never be positive.

POLICE OFFICERS
COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2022</u>	<u>10/1/2021</u>
A. Participant Data		
Actives	218	226
Service Retirees	243	229
DROP Retirees	16	20
Beneficiaries	20	21
Disability Retirees	16	17
Terminated Vested	<u>32</u>	<u>31</u>
Total	545	544
Payroll Under Assumed Ret. Age	\$15,517,216	\$15,252,647
Annual Rate of Payments to:		
Service Retirees	10,045,615	9,415,569
DROP Retirees	697,917	927,838
Beneficiaries	434,855	428,044
Disability Retirees	298,497	314,199
Terminated Vested	385,228	351,704
B. Assets		
Actuarial Value (AVA) ¹	197,536,988	206,581,305
Market Value (MVA) ¹	164,990,508	206,581,305
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	67,750,181	64,764,893
Disability Benefits	3,318,650	3,334,980
Death Benefits	359,811	367,188
Vested Benefits	371,005	358,367
Refund of Contributions	418,955	424,706
Service Retirees	123,043,561	115,871,046
DROP Retirees ¹	11,246,894	14,854,753
Beneficiaries	4,047,211	4,118,475
Disability Retirees	3,056,302	3,195,866
Terminated Vested	2,234,699	2,228,807
Share Plan Balances ¹	<u>2,258,107</u>	<u>1,996,749</u>
Total	218,105,376	211,515,830

POLICE OFFICERS

C. Liabilities - (Continued)	<u>10/1/2022</u>	<u>10/1/2021</u>
Present Value of Future Salaries	126,444,225	126,384,689
Present Value of Future Member Contributions	9,483,317	9,478,852
Normal Cost (Retirement)	2,270,104	2,236,477
Normal Cost (Disability)	228,955	229,693
Normal Cost (Death)	21,639	21,875
Normal Cost (Vesting)	48,909	48,645
Normal Cost (Refunds)	<u>123,689</u>	<u>126,356</u>
Total Normal Cost	2,693,296	2,663,046
Present Value of Future Normal Costs	21,682,292	21,800,754
Accrued Liability (Retirement)	49,399,061	46,362,229
Accrued Liability (Disability)	1,549,162	1,538,253
Accrued Liability (Death)	190,899	194,444
Accrued Liability (Vesting)	(15,549)	(28,285)
Accrued Liability (Refunds)	(587,263)	(617,261)
Accrued Liability (Inactives) ¹	143,628,667	140,268,947
Share Plan Balances ¹	<u>2,258,107</u>	<u>1,996,749</u>
Total Actuarial Accrued Liability (EAN AL)	196,423,084	189,715,076
Unfunded Actuarial Accrued Liability (UAAL)	(1,113,904)	(16,866,229)
Funded Ratio (AVA / EAN AL)	100.6%	108.9%

POLICE OFFICERS

D. Actuarial Present Value of	<u>10/1/2022</u>	<u>10/1/2021</u>
Accrued Benefits		
Vested Accrued Benefits		
Inactives + Share Plan Balances ¹	145,886,774	142,265,696
Actives	20,323,886	17,107,914
Member Contributions	9,977,778	9,847,074
Total	<u>176,188,438</u>	<u>169,220,684</u>
Non-vested Accrued Benefits	<u>7,081,818</u>	<u>6,721,691</u>
Total Present Value		
Accrued Benefits (PVAB)	183,270,256	175,942,375
Funded Ratio (MVA / PVAB)	90.0%	117.4%
Increase (Decrease) in Present Value of		
Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	6,475,184	
Benefits Paid	(12,305,980)	
Interest	13,158,677	
Other	0	
Total	<u>7,327,881</u>	

POLICE OFFICERS

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)	\$2,881,591	\$2,849,226
% of Total Annual Payroll ²	18.03	18.14
Administrative Expenses (with interest)	\$186,457	\$186,170
% of Total Annual Payroll ²	1.17	1.19
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 30 years (as of 10/1/2022, with interest)	(\$76,105)	(\$1,352,200)
% of Total Annual Payroll ²	(0.48)	(8.61)
Minimum Required Contribution ³	\$3,068,048	\$3,035,396
% of Total Annual Payroll ^{2 3}	19.20	19.33
Expected Member Contributions	\$1,198,705	\$1,178,267
% of Total Annual Payroll ²	7.50	7.50
Expected State Contribution	\$558,361	\$558,361
% of Total Annual Payroll ²	3.49	3.55
Expected City Contribution	\$1,310,982	\$1,298,768
% of Total Annual Payroll ^{2 3}	8.21	8.28

F. Past Contributions

Plan Years Ending:	<u>9/30/2022</u>
Total Required Contribution	3,085,233
City and State Requirement	1,841,175
Actual Contributions Made:	
Members (excluding buyback)	1,244,058
City	1,282,814
State	<u>558,361</u>
Total	3,085,233

G. Net Actuarial (Gain)/Loss 17,132,767

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

² Contributions developed as of 10/1/2022 are expressed as a percentage of total annual payroll at 04/1/2024 of \$15,982,732.

³ Reflects normal cost minimum funding requirements of Chapter 112, Florida Statutes.

POLICE OFFICERS

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	(1,113,904) ¹

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

		<u>Actual</u>	<u>Assumed</u>
Year Ended	9/30/2022	9.72%	4.31%
Year Ended	9/30/2021	16.23%	4.34%
Year Ended	9/30/2020	16.15%	4.31%
Year Ended	9/30/2019	2.32%	4.31%
Year Ended	9/30/2018	1.94%	4.51%

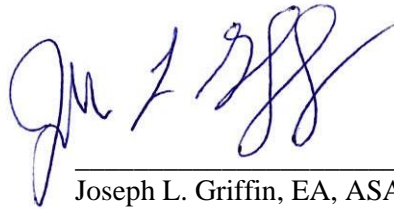
(ii) 5 Year Comparison of Investment Return on Market Value and Actuarial Value

		<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
Year Ended	9/30/2022	-16.08%	-0.73%	7.75%
Year Ended	9/30/2021	23.06%	10.41%	7.90%
Year Ended	9/30/2020	6.65%	7.36%	7.90%
Year Ended	9/30/2019	1.67%	7.69%	7.90%
Year Ended	9/30/2018	10.53%	9.37%	8.00%

¹ Based on current State law and the existing UAAL bases, the UAAL is projected to never be positive.

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.



Joseph L. Griffin, EA, ASA, MAAA
Enrolled Actuary #23-6938

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

CONSOLIDATED TOTAL
RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2021	(\$29,915,982)
(2)	Sponsor Normal Cost developed as of October 1, 2021	2,448,736
(3)	Expected administrative expenses for the year ended September 30, 2022	348,456
(4)	Expected interest on (1), (2) and (3)	(2,115,209)
(5)	Sponsor contributions to the System during the year ended September 30, 2022	3,008,500
(6)	Expected interest on (5)	72,432
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2022 (1)+(2)+(3)+(4)-(5)-(6)	(32,314,931)
(8)	Change to UAAL due to Actuarial (Gain)/Loss	28,598,597
(9)	Unfunded Actuarial Accrued Liability as of October 1, 2022	(3,716,334)

Type of Base	Date Established	Years Remaining	10/1/2022 Amount	Amortization Amount
Assum. Change	10/1/2003	11	\$136,535	\$16,396
Actuarial Loss	10/1/2003	11	88,105	10,580
Assum. Change	10/1/2004	12	(96,139)	(10,865)
Actuarial Loss	10/1/2004	12	57,175	6,462
Actuarial Gain	10/1/2005	13	(18,638)	(1,996)
Actuarial Gain	10/1/2006	14	(95,083)	(9,699)
Assum. Change	10/1/2007	15	(21,270)	(2,077)
Benefit Change	10/1/2007	15	173,340	16,927
Actuarial Gain	10/1/2007	15	(350,893)	(34,265)
Actuarial Loss	10/1/2008	16	206,145	19,352
Assum. Change	10/1/2009	17	102,342	9,270
Actuarial Loss	10/1/2009	17	775,854	70,275
Actuarial Loss	10/1/2010	18	453,477	39,757
Assum. Change	10/1/2010	18	24,514	2,149
Actuarial Loss	10/1/2011	19	847,546	72,127
Assum. Change	10/1/2011	19	(7,906)	(673)
Actuarial Loss	10/1/2012	20	113,696	9,415
Benefit Change	10/1/2012	20	(164,904)	(13,656)
Actuarial Gain	10/1/2013	21	(194,226)	(15,687)
Assum. Change	10/1/2013	21	153,284	12,379
Actuarial Gain	10/1/2014	22	(254,934)	(20,119)
Assum. Change	10/1/2014	22	159,846	12,616
Actuarial Loss	10/1/2015	23	29,870	2,307
Assum. Change	10/1/2015	23	164,154	12,683
Actuarial Loss	10/1/2016	24	173,799	13,167
Assum. Change	10/1/2016	24	312,035	23,640
Actuarial Gain	10/1/2017	25	(228,535)	(17,003)
Assum. Change	10/1/2017	25	271,497	20,199
Actuarial Gain	10/1/2018	26	(260,844)	(19,083)
Assum. Change	10/1/2018	26	183,642	13,435
Actuarial Loss	10/1/2019	27	3,560	257
Actuarial Gain	10/1/2020	28	(3,267,308)	(231,953)
Assump Change	10/1/2020	28	(4,951,057)	(351,487)
Actuarial Gain	10/1/2021	29	(284,955)	(19,959)
Assump Change	10/1/2021	29	(26,548,655)	(1,859,562)
Actuarial Loss	10/1/2022	30	28,598,597	1,978,231
			(3,716,334)	(246,460)

FIREFIGHTERS
RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2021	(\$13,049,753)
(2)	Sponsor Normal Cost developed as of October 1, 2021	929,639
(3)	Expected administrative expenses for the year ended September 30, 2022	174,451
(4)	Expected interest on (1), (2) and (3)	(932,549)
(5)	Sponsor contributions to the System during the year ended September 30, 2022	1,167,325
(6)	Expected interest on (5)	22,723
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2022 (1)+(2)+(3)+(4)-(5)-(6)	(14,068,260)
(8)	Change to UAAL due to Actuarial (Gain)/Loss	11,465,830
(9)	Unfunded Actuarial Accrued Liability as of October 1, 2022	(2,602,430)

Type of <u>Base</u>	Date <u>Established</u>	Years <u>Remaining</u>	10/1/2022 <u>Amount</u>	Amortization <u>Amount</u>
Assum. Change	10/1/2003	11	55,968	6,721
Actuarial Loss	10/1/2003	11	36,116	4,337
Assum. Change	10/1/2004	12	(39,409)	(4,454)
Actuarial Loss	10/1/2004	12	23,438	2,649
Actuarial Gain	10/1/2005	13	(7,639)	(818)
Actuarial Gain	10/1/2006	14	(38,976)	(3,976)
Assum. Change	10/1/2007	15	(8,719)	(851)
Benefit Change	10/1/2007	15	71,055	6,939
Actuarial Gain	10/1/2007	15	(143,838)	(14,046)
Actuarial Loss	10/1/2008	16	84,502	7,933
Assum. Change	10/1/2009	17	41,952	3,800
Actuarial Loss	10/1/2009	17	318,037	28,807
Actuarial Loss	10/1/2010	18	185,889	16,297
Assum. Change	10/1/2010	18	10,049	881
Actuarial Loss	10/1/2011	19	347,424	29,566
Assum. Change	10/1/2011	19	(3,242)	(276)
Actuarial Loss	10/1/2012	20	46,606	3,859
Benefit Change	10/1/2012	20	(9,213)	(763)
Actuarial Gain	10/1/2013	21	(40,484)	(3,270)
Assum. Change	10/1/2013	21	60,414	4,879
Actuarial Gain	10/1/2014	22	(10,142)	(800)
Assum. Change	10/1/2014	22	64,047	5,055
Actuarial Gain	10/1/2015	23	(31,005)	(2,396)
Assum. Change	10/1/2015	23	63,981	4,943
Actuarial Loss	10/1/2016	24	58,438	4,427
Assum. Change	10/1/2016	24	117,385	8,893
Actuarial Gain	10/1/2017	25	(119,118)	(8,862)
Assum. Change	10/1/2017	25	107,109	7,969
Actuarial Gain	10/1/2018	26	(98,465)	(7,204)
Assum. Change	10/1/2018	26	72,284	5,288
Actuarial Loss	10/1/2019	27	34,244	2,467
Actuarial Gain	10/1/2020	28	(1,470,406)	(104,387)
Assump Change	10/1/2020	28	(2,310,329)	(164,016)
Actuarial Gain	10/1/2021	29	(508,615)	(35,625)
Asmp/Mthd Change	10/1/2021	29	(11,027,598)	(772,412)
Actuarial Loss	10/1/2022	30	11,465,830	793,118
			(2,602,430)	(175,328)

POLICE OFFICERS
RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2021	(\$16,866,229)
(2)	Sponsor Normal Cost developed as of October 1, 2021	1,519,097
(3)	Expected administrative expenses for the year ended September 30, 2022	174,005
(4)	Expected interest on (1), (2) and (3)	(1,182,660)
(5)	Sponsor contributions to the System during the year ended September 30, 2022	1,841,175
(6)	Expected interest on (5)	49,709
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2022 (1)+(2)+(3)+(4)-(5)-(6)	(18,246,671)
(8)	Change to UAAL due to Actuarial (Gain)/Loss	17,132,767
(9)	Unfunded Actuarial Accrued Liability as of October 1, 2022	(1,113,904)

Type of Base	Date Established	Years Remaining	10/1/2022 Amount	Amortization Amount
Assum. Change	10/1/2003	11	80,567	9,675
Actuarial Loss	10/1/2003	11	51,989	6,243
Assum. Change	10/1/2004	12	(56,730)	(6,411)
Actuarial Loss	10/1/2004	12	33,737	3,813
Actuarial Gain	10/1/2005	13	(10,999)	(1,178)
Actuarial Gain	10/1/2006	14	(56,107)	(5,723)
Assum. Change	10/1/2007	15	(12,551)	(1,226)
Benefit Change	10/1/2007	15	102,285	9,988
Actuarial Gain	10/1/2007	15	(207,055)	(20,219)
Actuarial Loss	10/1/2008	16	121,643	11,419
Assum. Change	10/1/2009	17	60,390	5,470
Actuarial Loss	10/1/2009	17	457,817	41,468
Actuarial Loss	10/1/2010	18	267,588	23,460
Assum. Change	10/1/2010	18	14,465	1,268
Actuarial Loss	10/1/2011	19	500,122	42,561
Assum. Change	10/1/2011	19	(4,664)	(397)
Actuarial Loss	10/1/2012	20	67,090	5,556
Benefit Change	10/1/2012	20	(155,691)	(12,893)
Actuarial Gain	10/1/2013	21	(153,742)	(12,417)
Assum. Change	10/1/2013	21	92,870	7,500
Actuarial Gain	10/1/2014	22	(244,792)	(19,319)
Assum. Change	10/1/2014	22	95,799	7,561
Actuarial Loss	10/1/2015	23	60,875	4,703
Assum. Change	10/1/2015	23	100,173	7,740
Actuarial Loss	10/1/2016	24	115,361	8,740
Assum. Change	10/1/2016	24	194,650	14,747
Actuarial Gain	10/1/2017	25	(109,417)	(8,141)
Assum. Change	10/1/2017	25	164,388	12,230
Actuarial Gain	10/1/2018	26	(162,379)	(11,879)
Assum. Change	10/1/2018	26	111,358	8,147
Actuarial Gain	10/1/2019	27	(30,684)	(2,210)
Actuarial Gain	10/1/2020	28	(1,796,902)	(127,566)
Assump Change	10/1/2020	28	(2,640,728)	(187,471)
Actuarial Loss	10/1/2021	29	223,660	15,666
Asmp/Mthd Change	10/1/2021	29	(15,521,057)	(1,087,150)
Actuarial Loss	10/1/2022	30	17,132,767	1,185,113
			(1,113,904)	(71,132)

CONSOLIDATED TOTAL
DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2021	(\$29,915,982)
(2) Expected UAAL as of October 1, 2022	(32,314,931)
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	16,579,930
Salary Increases	2,706,235
Active Decrements	(665,616)
Inactive Mortality	(108,920)
Application of Actuarial Asset Corridor	11,330,789
Other	<u>(1,243,821)</u>
Increase in UAAL due to (Gain)/Loss	28,598,597
Assumption Changes	0
(4) Actual UAAL as of October 1, 2022	(\$3,716,334)

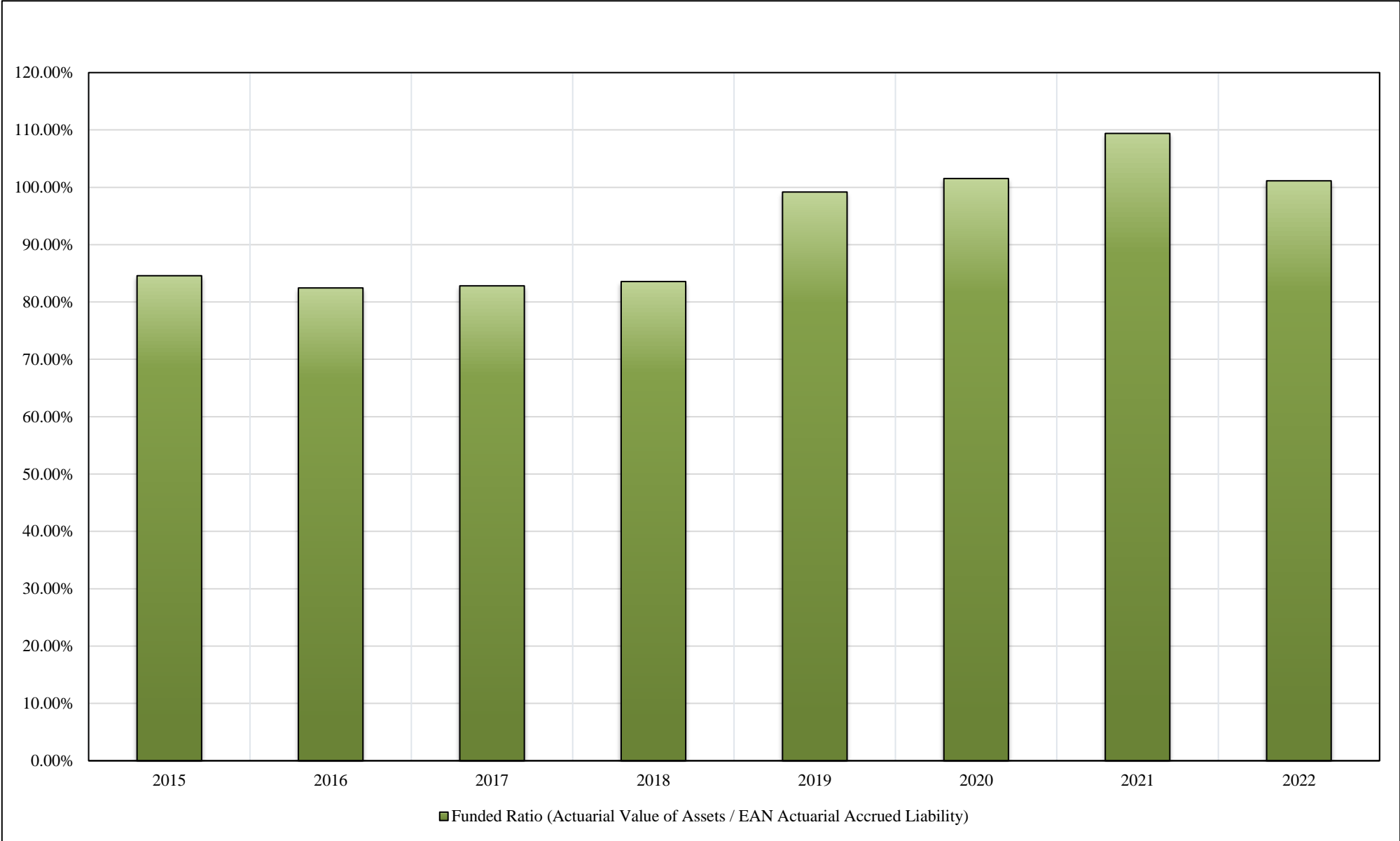
FIREFIGHTERS
 DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1)	Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2021	(\$13,049,753)
(2)	Expected UAAL as of October 1, 2022	(14,068,260)
(3)	Summary of Actuarial (Gain)/Loss, by component:	
	Investment Return (Actuarial Asset Basis)	6,656,113
	Salary Increases	1,162,743
	Active Decrements	(353,225)
	Inactive Mortality	(31,779)
	Application of Actuarial Asset Corridor	4,182,003
	Other	<u>(150,025)</u>
	Increase in UAAL due to (Gain)/Loss	11,465,830
	Assumption Changes	<u>0</u>
(4)	Actual UAAL as of October 1, 2022	(\$2,602,430)

POLICE OFFICERS
DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1)	Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2021	(\$16,866,229)
(2)	Expected UAAL as of October 1, 2022	(18,246,671)
(3)	Summary of Actuarial (Gain)/Loss, by component:	
	Investment Return (Actuarial Asset Basis)	9,923,817
	Salary Increases	1,543,492
	Active Decrements	(312,391)
	Inactive Mortality	(77,141)
	Application of Actuarial Asset Corridor	7,148,786
	Other	<u>(1,093,796)</u>
	Increase in UAAL due to (Gain)/Loss	17,132,767
	Assumption Changes	<u>0</u>
(4)	Actual UAAL as of October 1, 2022	(\$1,113,904)

HISTORY OF FUNDING PROGRESS



ACTUARIAL ASSUMPTIONS AND METHODS

The assumptions were set by the prior actuary based on an experience study conducted in 2017 reflecting plan experience for the six-year period ending September 30, 2015.

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 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 for Healthy Retirees, set forward one year.

Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees.

Male: PubG.H-2010 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.

Interest Rate

7.75% 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.

Administrative Expenses

\$345,477 annually, based on the average of actual non-investment related expenses incurred in the prior two fiscal years.

Marital Assumptions

90% of active members are assumed to be married with males 2 years older than females.

ACTUARIAL ASSUMPTIONS AND METHODS (CONTINUED)

Payroll Growth

3.0% per year for projecting aggregate payroll to the following fiscal year, and 1.56% (prior year 0.61%) for determining amortization payments towards 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.

Salary Increases

Rates of salary increases are shown below.

<u>Service</u>	<u>Firefighters</u>	<u>Police Officer</u>
0 – 4	5.0%	6.0%
5 – 9	4.0%	5.0%
10 – 14	3.0%	4.0%
15+	2.0%	3.0%

Termination Rates

Sample rates of termination are shown below.

<u>Service</u>	<u>Firefighters</u>	<u>Police Officers</u>
0 – 5	0.5%	0.7%
6 – 9	1.5%	3.5%
10 – 11	0.0%	2.5%
12+	0.0%	0.0%

Non vested members are assumed to withdraw their contributions and vested members are assumed to commence an annuity at age 55.

Retirement Rates

Rates of retirement are shown below.

<u>Service</u>	<u>Firefighters</u>	<u>Police Officers</u>
20	17.5%	25%
21 – 24	5.0%	5.0%
25	100%	100%

Firefighters who entered the plan on or after January 1, 2014 and Police Officers who are not eligible to retire by July 1, 2013 are assumed to retire at a rate of 1.0% per year once the sum of age and years of Credited Service is at least 70, with 100% assumed to retire upon reaching 25 years of Credited Service. In addition, all Members are assumed to retire no later than age 58.

Disability Rates

Sample rates of disability are shown below.

<u>Age</u>	<u>Disability Rate</u>
25	0.105%
30	0.144%
35	0.182%
40	0.308%
45	0.434%
50	0.854%
55	1.274%

100% of disablements are assumed to be service related.

ACTUARIAL ASSUMPTIONS AND METHODS (CONTINUED)

<u>State Contributions</u>	State premium tax revenue is assumed to be the same as the most recent distribution.
<u>Overtime Pay</u>	Overtime pay is assumed to equal to 6.5% of non-overtime related pensionable earnings in the years preceding retirement.
<u>Vacation Payout upon Termination</u>	Accumulated vacation that is payable upon termination of employment is assumed to be equal to the vacation balance as of July 1, 2013 for police officers and January 1, 2014 for firefighters.
<u>Accumulated Sick Leave</u>	Accumulated sick leave is assumed to increase benefit service according to the balance as of July 1, 2013 for police officers and January 1, 2014 for firefighters.
<u>Funding Method</u>	Entry Age Normal Actuarial Cost Method. The following loads are applied for determining the minimum required contribution: Interest - a half year, based on current 7.75% assumption. Salary - A full year, based on current 3.00% assumption.
<u>Asset Allocation Method</u>	Assets were allocated to police officers and firefighters separately as of October 1, 2012. The allocation was performed based on the accrued actuarial liability of each group (net of DROP accounts) with recognition that certain assets (DROP account and State Premium Tax Revenue) are already designated to each group. Future investment returns are allocated to each group such that the investment return as a percentage will be the same as the return on the total assets by taking into account the cash flow of each group separately.
<u>Actuarial Asset Method</u>	Assets are smoothed by recognizing investment gains or losses ratably over a five-year period. The investment gain or loss is determined based on the difference between the actual investment return for the year and the expected investment return by applying the assumed rate of return to the beginning of year market value of assets and cash flows during the year. The resulting asset value is constrained to no less than 80% nor greater than 120% of the market value of assets.
<u>Amortization Method</u>	Changes in Unfunded Liability are amortized over 30 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.

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.
- Payroll Growth: The plan's payroll growth assumption, if one is used, causes a predictable annual increase in the plan's amortization payment in order to produce an amortization payment that remains constant as a percentage of payroll if all assumptions are realized. If payroll increases less than the plan's payroll growth assumption, the plan's amortization payment can increase significantly as a percentage of payroll even if all assumptions other than the payroll growth assumption are realized.
- 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 increased from 85.5% on October 1, 2017 to 76.6% on October 1, 2022, indicating that the plan has experienced a significant growth in active population.
- 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 72.5%. 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 82.8% on October 1, 2017 to 101.1% 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 -3.9% on October 1, 2017 to -5.6% on October 1, 2022. The current Net Cash Flow Ratio of -5.6% 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.

CONSOLIDATED TOTAL
PLAN MATURITY MEASURES AND OTHER RISK METRICS

	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2019</u>	<u>10/1/2017</u>
<u>Support Ratio</u>				
Total Actives	390	389	391	396
Total Inactives ¹	509	500	498	463
Actives / Inactives ¹	76.6%	77.8%	78.5%	85.5%
<u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	277,850,564	348,217,157	290,738,332	240,184,925
Total Annual Payroll	28,805,938	27,508,120	24,710,307	25,263,376
MVA / Total Annual Payroll	964.6%	1,265.9%	1,176.6%	950.7%
<u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	238,750,669	235,056,098	231,600,170	210,252,070
Total Accrued Liability (EAN)	329,123,157	318,301,175	294,971,028	278,266,916
Inactive AL / Total AL	72.5%	73.8%	78.5%	75.6%
<u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	332,839,491	348,217,157	292,543,799	230,456,038
Total Accrued Liability (EAN)	329,123,157	318,301,175	294,971,028	278,266,916
AVA / Total Accrued Liability (EAN)	101.1%	109.4%	99.2%	82.8%
<u>Net Cash Flow Ratio</u>				
Net Cash Flow ²	(15,526,294)	(13,927,928)	(11,794,677)	(9,462,042)
Market Value of Assets (MVA)	277,850,564	348,217,157	290,738,332	240,184,925
Ratio	-5.6%	-4.0%	-4.1%	-3.9%

¹ Excludes terminated participants awaiting a refund of member contributions.

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

**FIREFIGHTERS
PLAN MATURITY MEASURES AND OTHER RISK METRICS**

	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2019</u>	<u>10/1/2017</u>
<u>Support Ratio</u>				
Total Actives	172	163	154	133
Total Inactives ¹	187	189	193	189
Actives / Inactives ¹	92.0%	86.2%	79.8%	70.4%
 <u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	112,860,056	141,635,852	120,062,772	98,557,944
Total Annual Payroll	12,636,025	11,693,756	10,083,025	8,574,191
MVA / Total Annual Payroll	893.2%	1,211.2%	1,190.7%	1,149.5%
 <u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	95,122,002	94,787,151	97,764,406	91,328,862
Total Accrued Liability (EAN)	132,700,073	128,586,099	121,783,667	115,770,786
Inactive AL / Total AL	71.7%	73.7%	80.3%	78.9%
 <u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	135,302,503	141,635,852	120,692,580	94,533,571
Total Accrued Liability (EAN)	132,700,073	128,586,099	121,783,667	115,770,786
AVA / Total Accrued Liability (EAN)	102.0%	110.1%	99.1%	81.7%
 <u>Net Cash Flow Ratio</u>				
Net Cash Flow ²	(6,492,869)	(6,433,820)	(5,577,819)	(3,680,008)
Market Value of Assets (MVA)	112,860,056	141,635,852	120,062,772	98,557,944
Ratio	-5.8%	-4.5%	-4.6%	-3.7%

¹ Excludes terminated participants awaiting a refund of member contributions.

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

**POLICE OFFICERS
PLAN MATURITY MEASURES AND OTHER RISK METRICS**

	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2019</u>	<u>10/1/2017</u>
<u>Support Ratio</u>				
Total Actives	218	226	237	263
Total Inactives ¹	322	311	305	274
Actives / Inactives ¹	67.7%	72.7%	77.7%	96.0%
 <u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	164,990,508	206,581,305	170,675,560	141,626,981
Total Annual Payroll	16,169,913	15,814,364	14,627,282	16,689,185
MVA / Total Annual Payroll	1,020.4%	1,306.3%	1,166.8%	848.6%
 <u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	143,628,667	140,268,947	133,835,764	118,923,208
Total Accrued Liability (EAN)	196,423,084	189,715,076	173,187,361	162,496,130
Inactive AL / Total AL	73.1%	73.9%	77.3%	73.2%
 <u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	197,536,988	206,581,305	171,851,219	135,922,467
Total Accrued Liability (EAN)	196,423,084	189,715,076	173,187,361	162,496,130
AVA / Total Accrued Liability (EAN)	100.6%	108.9%	99.2%	83.6%
 <u>Net Cash Flow Ratio</u>				
Net Cash Flow ²	(9,033,425)	(7,494,107)	(6,216,858)	(5,782,034)
Market Value of Assets (MVA)	164,990,508	206,581,305	170,675,560	141,626,981
Ratio	-5.5%	-3.6%	-3.6%	-4.1%

¹ Excludes terminated participants awaiting a refund of member contributions.

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

FIREFIGHTERS
EXCESS STATE MONIES RESERVE

Firefighters' Distribution			
Regular Distribution			
	<u>Actual</u> <u>State Contribution</u>	<u>Applicable</u> <u>"Frozen" Amount</u>	<u>Excess State</u> <u>Monies Reserve</u>
1998	\$310,569.70	\$310,569.70	\$0.00
1999	308,826.01	310,569.70	0.00
2000	340,476.79	310,569.70	29,907.09
2001	365,050.96	310,569.70	54,481.26
2002	386,831.39	310,569.70	76,261.69
2003	404,962.46	310,569.70	94,392.76
2004	420,900.88	310,569.70	110,331.18
2005	478,607.14	310,569.70	168,037.44
2006	539,517.35	310,569.70	228,947.65
2007	639,048.86	580,918.87	58,129.99
2008	653,591.00	580,918.87	72,672.13
2009	586,462.27	580,918.87	5,543.40
2010	566,345.69	580,918.87	0.00
2011	572,537.52	580,918.87	0.00
2012	578,012.52	580,918.87	0.00
2013	573,439.20	580,918.87	0.00
2014	616,730.22	580,918.87	35,811.35
2015	597,606.37	580,918.87	16,687.50
2016	554,610.96	580,918.87	0.00
2017	519,432.67	580,918.87	0.00
2018	573,771.90	580,918.87	0.00
2019	553,982.69	580,918.87	0.00
2020	646,766.57	580,918.87	65,847.70
2021	670,841.96	580,918.87	89,923.09
2022	671,610.17	580,918.87	<u>90,691.30</u>
Total Excess State Monies			1,197,665.53
Amount Allocated to Benefit Improvement:			<u>(1,197,665.53)</u>
Equals Current State Monies Reserve			\$0.00

POLICE OFFICERS
EXCESS STATE MONIES RESERVE

Police Officers' Distribution			
	Actual State Contribution	Applicable "Frozen" Amount	Excess State Monies Reserve
1998	\$485,156.16	\$485,156.16	\$0.00
1999	484,907.97	485,156.16	0.00
2000	479,761.05	485,156.16	0.00
2001	532,645.23	485,156.16	47,489.07
2002	577,629.43	485,156.16	92,473.27
2003	613,690.66	485,156.16	128,534.50
2004	599,120.94	485,156.16	113,964.78
2005	607,282.55	485,156.16	122,126.39
2006	632,775.65	485,156.16	147,619.49
2007	614,350.42	558,361.13	55,989.29
2008	641,820.00	558,361.13	83,458.87
2009	667,804.62	558,361.13	109,443.49
2010	614,258.14	558,361.13	55,897.01
2011	609,604.08	558,361.13	51,242.95
2012	599,909.03	558,361.13	41,547.90
2013	596,585.28	558,361.13	38,224.15
2014	643,264.53	558,361.13	84,903.40
2015	672,221.27	558,361.13	113,860.14
2016	688,129.56	558,361.13	129,768.43
2017	738,850.69	558,361.13	180,489.56
2018	792,532.36	558,361.13	234,171.23
2019	1,029,476.16	558,361.13	471,115.03
2020	911,505.90	558,361.13	353,144.77
2021	866,580.46	558,361.13	308,219.33
2022	914,921.22	558,361.13	356,560.09
Total Excess State Monies			3,320,243.14
Amount Allocated to Benefit Improvement:			(3,320,243.14)
Equals Current State Monies Reserve			\$0.00

FIREFIGHTERS
CITY CONTRIBUTIONS IN EXCESS OF MINIMUM REQUIREMENT
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2022

(1) City Required Contribution	\$1,167,325
(2) Less Allowable State Contribution	<u>(580,919)</u>
(3) Equals Required City Contribution for Fiscal 2022	586,406
(4) Less Actual City Contributions	<u>(586,406)</u>
(5) Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2022	0

POLICE OFFICERS
CITY CONTRIBUTIONS IN EXCESS OF MINIMUM REQUIREMENT
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2022

(1) City Required Contribution	\$1,841,175
(2) Less Allowable State Contribution	<u>(558,361)</u>
(3) Equals Required City Contribution for Fiscal 2022	1,282,814
(4) Less Actual City Contributions	<u>(1,282,814)</u>
(5) Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2022	0

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Equity in Pooled Cash	16,901,016
Cash	1,689,875
Fire State Contributions	671,610
Police State Contributions	914,921
Dividends Receivable	132,439
Investments, at Fair Value	257,950,429
 Total Assets	 278,260,290
 <u>LIABILITIES</u>	
Payables:	
Accounts Payable	409,726
 Total Liabilities	 409,726
 NET POSITION RESTRICTED FOR PENSIONS	 277,850,564

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

	<u>SEPTEMBER 30, 2022</u>	<u>SEPTEMBER 30, 2021</u>
<u>ADDITIONS</u>		
Contributions:		
Member	\$ 2,332,944	\$ 2,314,580
City	1,869,220	2,048,850
State	0	1,537,422
Total Contributions	\$ 4,202,164	\$ 5,900,852
Investment Income:		
Net Increase in Fair Value of Investments	\$ (58,165,889)	\$ 62,969,678
Interest & Dividends	5,050,874	4,256,195
Investment Income:	\$ (53,115,015)	\$ 67,225,873
Total Additions	\$ (48,912,851)	\$ 73,126,725
<u>DEDUCTIONS</u>		
Distributions to Members:		
Benefit Payments	\$ 17,713,252	\$ 17,182,687
Retiree DROP Payouts and Rollovers	2,897,441	2,066,315
Refunds of Member Contributions	377,611	215,510
Investment Expense	1,000,713	979,038
Administrative Expense	666,685	704,546
Transfer to Share Plan	779,683	1,397,801
Transfer to POB 2022	6,696	2,754
Total Deductions	\$ 23,442,081	\$ 22,548,651
Net Increase in Net Position	(72,354,932)	50,578,074
 <u>NET POSITION RESTRICTED FOR PENSIONS</u>		
Beginning of the Year	\$ 345,706,130	\$ 295,131,998
Adjustment to Beginning of Year ¹	\$ 6,910	\$ 2,754
Adjusted Beginning of Year	\$ 345,713,040	\$ 295,134,752
End of the Year	\$ 273,358,108	\$ 345,712,826
Receivable from State	1,586,531	0
Total Fund including Receivable from State	\$ 274,944,639	\$ 345,712,826
Share Plan Balance	2,905,925	2,504,332
Total Fund including Share Plan Balance	\$ 277,850,564	\$ 348,217,158
Rate of Investment Return	-16.08%	23.06%

¹ Includes \$214 to include ICMA DROP account balance.

CITY OF GAINESVILLE
CONSOLIDATED POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
Market Value Basis

<u>ADDITIONS</u>	<u>FIREFIGHTERS</u>	<u>POLICE OFFICERS</u>
Contributions:		
Member	\$ 1,088,886	\$ 1,244,058
City	586,406	1,282,814
State	0	0
Total Contributions	<u>\$ 1,675,292</u>	<u>\$ 2,526,872</u>
Investment Income:		
Net Increase in Fair Value of Investments	\$ (23,740,028)	\$ (34,425,861)
Interest & Dividends	2,061,481	2,989,393
Investment Income	<u>\$ (21,678,547)</u>	<u>\$ (31,436,468)</u>
Total Additions	\$ (20,003,255)	\$ (28,909,596)
<u>DEDUCTIONS</u>		
Distributions to Members:		
Benefit Payments	\$ 7,418,229	\$ 10,295,023
Lump Sum DROP Distributions	1,084,163	1,813,278
Refunds of Member Contributions	179,932	197,679
Investment Expense	408,434	592,279
Administrative Expense	327,447	339,238
Transfer to Share Plan	162,832	616,851
Transfer to POB 2022	3,348	3,348
Total Deductions	<u>\$ 9,584,385</u>	<u>\$ 13,857,696</u>
Net Increase in Net Position	\$ (29,587,640)	\$ (42,767,292)
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year	\$ 141,124,920	\$ 204,581,208
Adjustment to Beginning of Year ¹	3,348	3,564
Adjusted Beginning of Year	<u>\$ 141,128,268</u>	<u>\$ 204,584,772</u>
End of the Year	\$ 111,540,628	\$ 161,817,480
Receivable from State	<u>671,610</u>	<u>914,921</u>
Total Fund including Receivable from State	\$ 112,212,238	\$ 162,732,401
Share Plan Balance	<u>647,818</u>	<u>2,258,107</u>
Total Fund including Share Plan Balance	\$ 112,860,056	\$ 164,990,508
Rate of Investment Return	-16.08%	-16.08%

¹ Includes \$216 to include ICMA DROP account balance.

CITY OF GAINESVILLE
CONSOLIDATED POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
Actuarial Value Basis

	<u>FIREFIGHTERS</u>	<u>POLICE OFFICERS</u>		
A. Market Value of Assets Beginning of the Year	\$ 141,635,852	\$ 206,581,305		
B. Net Cash Flow				
1. Member Contributions	\$ 1,088,886	\$ 1,244,058		
2. City Contributions	586,406	1,282,814		
3. Transfer to POB 2022	(3,348)	(3,348)		
4. Distributions (Excluding Investment Expenses)	<u>(9,172,603)</u>	<u>(13,262,069)</u>		
5. Net Cash Flow During the Plan Year	(7,500,659)	(10,738,545)		
6. State Contributions (Made at Year End)	<u>671,610</u>	<u>914,921</u>		
7. Net Cash Flow (B5 + B6)	\$ (6,829,049)	\$ (9,823,624)		
C. Expected Return of 7.75% (A + B3 + (B5 - B3) / 2) * 0.0775	\$ 10,685,998	\$ 15,593,803		
D. Expected Market Value End of Year (A + B7 + C)	\$ 145,492,801	\$ 212,351,484		
E. Actual Market Value (MV) End of Year	\$ 112,212,238	\$ 162,732,401		
F. Gain/(Loss) on Market Value (E - D)	\$ (33,280,563)	\$ (49,619,083)		
G. Deferred Gains/(Losses) on Market Value of Assets				
<u>Fiscal Year Ending</u>	<u>Gain / (Loss)</u>	<u>Amount Deferred</u>	<u>Gain / (Loss)</u>	<u>Amount Deferred</u>
September 30, 2022	(\$33,280,563)	\$ (26,624,450)	(\$49,619,083)	\$ (39,695,266)
September 30, 2021	0	0	0	0
September 30, 2020	0	0	0	0
September 30, 2019	0	<u>0</u>	0	<u>0</u>
Total Deferred		\$ (26,624,450)		\$ (39,695,266)
H. Actuarial Value (AV) End of Year				
1. Preliminary AV end of year: (E - G)	\$ 138,836,688		\$ 202,427,667	
2. Upper corridor limit: 120% * E		134,654,685		195,278,881
3. Lower corridor limit: 80% * E		<u>89,769,791</u>		<u>130,185,921</u>
4. Actuarial value end of year	\$ 134,654,685		\$ 195,278,881	
I. Share Plan Balance	<u>647,818</u>		<u>2,258,107</u>	
J. Actuarial Value including Share Plan Balance ¹	\$ 135,302,503		\$ 197,536,988	
K. Rate of Investment Return on Actuarial Value	-0.11%		-0.73%	

CITY OF GAINESVILLE
CONSOLIDATED POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
RECONCILIATION OF DROP ACCOUNTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>SEPTEMBER 30, 2022</u>	<u>SEPTEMBER 30, 2021</u>
Market Value Beginning of the Year	\$ 4,129,778	\$ 4,997,192
<u>ADDITIONS</u>		
Contributions	\$ 1,598,906	\$ 1,387,524
Investment Income	309,106	0
Total Additions	\$ 1,908,012	\$ 1,387,524
<u>DEDUCTIONS</u>		
Benefit Payments	\$ (2,897,441)	\$ (2,066,315)
Investment Income	0	(188,623)
Total Deductions	\$ (2,897,441)	\$ (2,254,938)
Market Value of Assets End of the Year	\$ 3,140,349	\$ 4,129,778

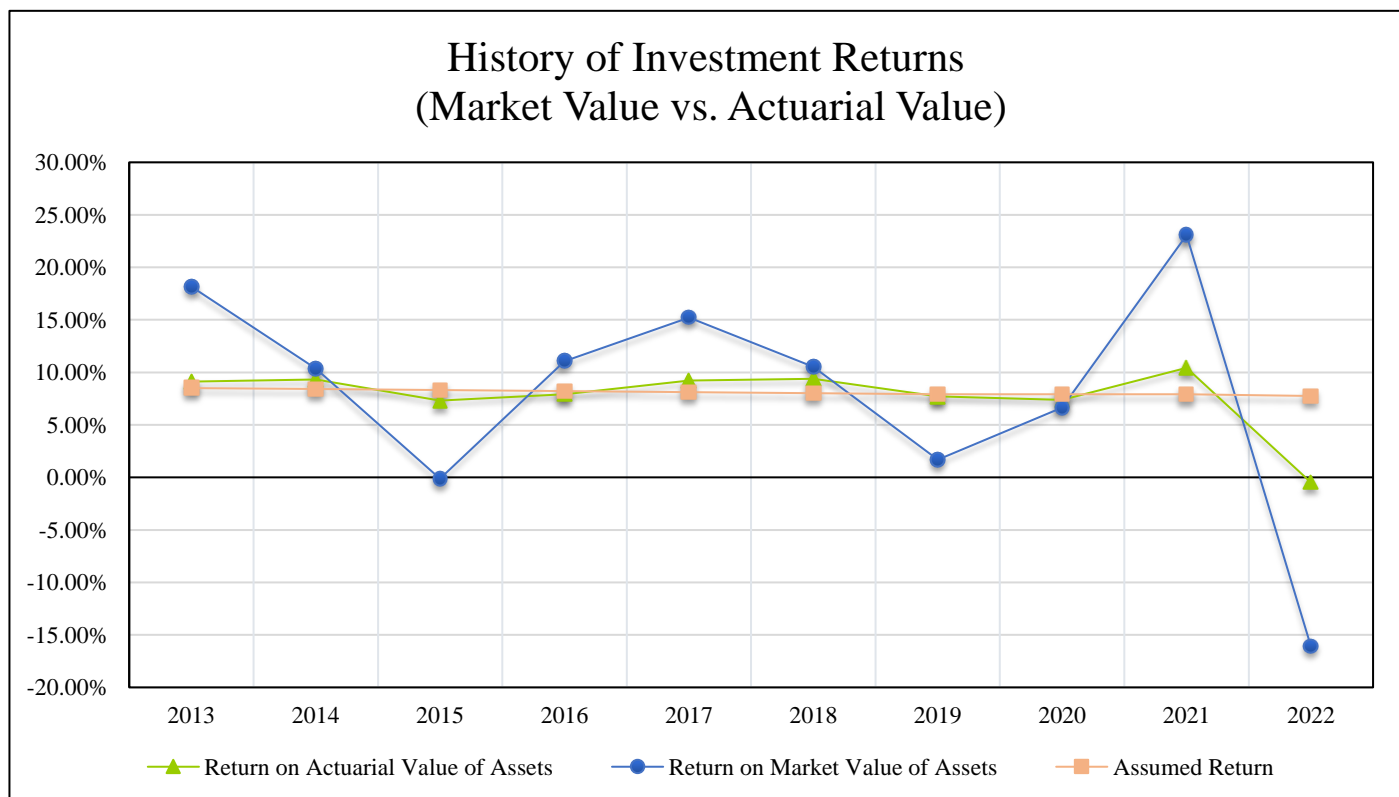
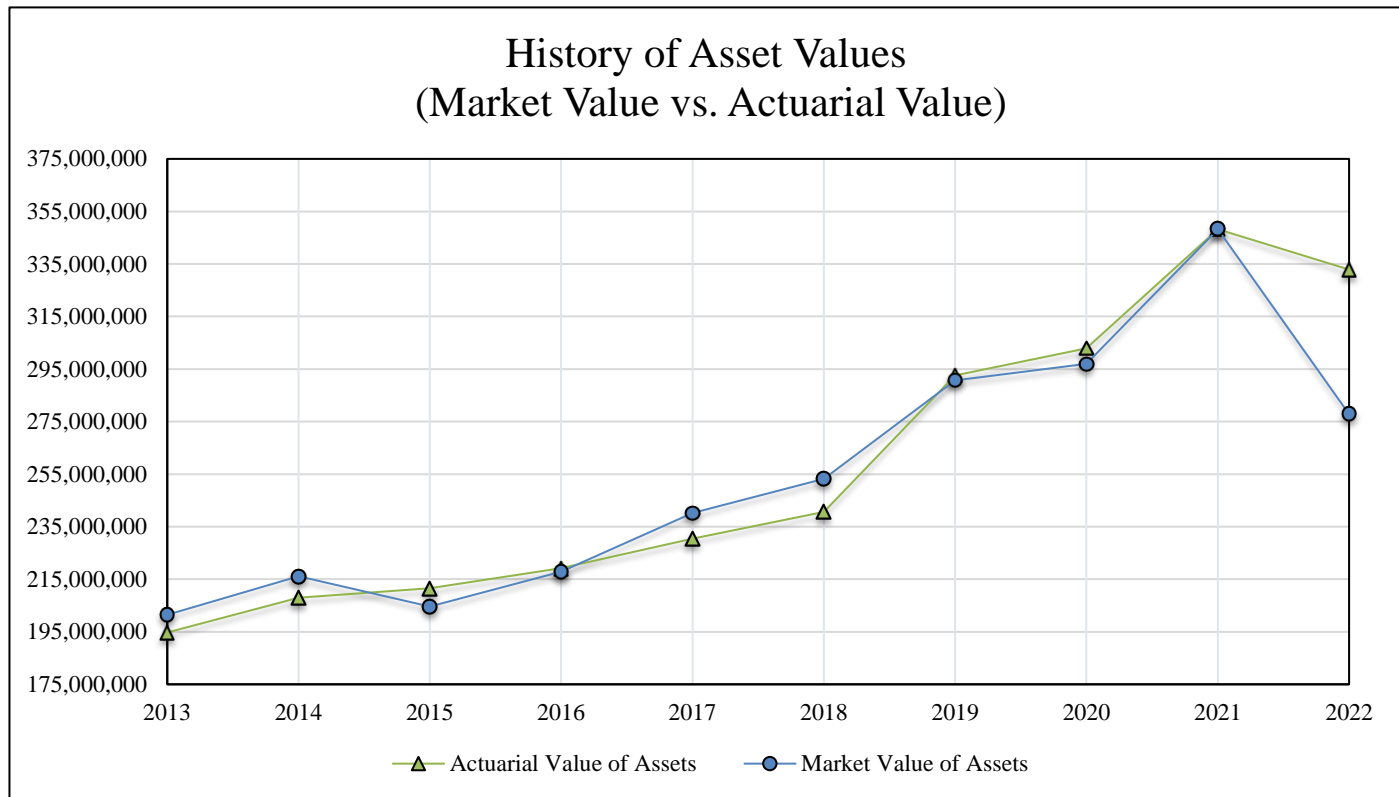
	<u>FIREFIGHTERS SEPTEMBER 30, 2022</u>	<u>POLICE OFFICERS SEPTEMBER 30, 2022</u>
Market Value Beginning of the Year	\$ 1,956,834	\$ 2,172,944
<u>ADDITIONS</u>		
Contributions	\$ 605,182	\$ 993,724
Investment Income	124,031	185,075
Total Additions	\$ 729,213	\$ 1,178,799
<u>DEDUCTIONS</u>		
Benefit Payments	\$ (1,084,163)	\$ (1,813,278)
Investment Income	0	0
Total Deductions	\$ (1,084,163)	\$ (1,813,278)
Market Value of Assets End of the Year	\$ 1,601,884	\$ 1,538,465

CITY OF GAINESVILLE
CONSOLIDATED POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
RECONCILIATION OF SHARE ACCOUNTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>SEPTEMBER 30, 2022</u>	<u>SEPTEMBER 30, 2021</u>
Market Value Beginning of the Year	\$ 2,504,332	\$ 1,783,811
<u>ADDITIONS</u>		
Contributions	\$ 779,683	\$ 1,397,801
Investment Income	<u>0</u>	<u>0</u>
Total Additions	\$ 779,683	\$ 1,397,801
<u>DEDUCTIONS</u>		
Share Plan Distributions	\$ (378,090)	\$ (677,280)
Expenses	<u>0</u>	<u>0</u>
Total Deductions	\$ (378,090)	\$ (677,280)
Market Value of Assets End of the Year	\$ 2,905,925	\$ 2,504,332

	<u>FIREFIGHTERS</u> <u>SEPTEMBER 30, 2022</u>	<u>POLICE OFFICERS</u> <u>SEPTEMBER 30, 2022</u>
Market Value Beginning of the Year	\$ 507,583	\$ 1,996,749
<u>ADDITIONS</u>		
Contributions	\$ 162,833	\$ 616,850
Investment Income	<u>0</u>	<u>0</u>
Total Additions	\$ 162,833	\$ 616,850
<u>DEDUCTIONS</u>		
Benefit Payments	\$ (22,598)	\$ (355,492)
Expenses	<u>0</u>	<u>0</u>
Total Deductions	\$ (22,598)	\$ (355,492)
Market Value of Assets End of the Year	\$ 647,818	\$ 2,258,107

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS



CONSOLIDATED TOTAL
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	390	389	410	391
Average Current Age	38.1	38.1	37.4	37.5
Average Age at Employment	28.1	28.2	28.1	28.1
Average Past Service	10.1	10.0	9.4	9.4
Average Annual Salary	\$73,861	\$70,715	\$63,061	\$59,940
<u>Service Retirees</u>				
Number	390	373	376	369
Average Current Age	66.4	66.4	66.1	65.8
Average Annual Benefit	\$43,356	\$42,518	\$41,883	\$40,291
<u>DROP Retirees</u>				
Number	25	34	28	39
Average Current Age	53.9	54.7	53.4	53.1
Average Annual Benefit	\$47,320	\$51,127	\$49,462	\$53,882
<u>Beneficiaries</u>				
Number	41	41	39	37
Average Current Age	75.6	75.0	74.8	74.1
Average Annual Benefit	\$23,515	\$22,283	\$21,728	\$20,868
<u>Disability Retirees</u>				
Number	23	25	26	26
Average Current Age	62.3	62.5	61.6	60.6
Average Annual Benefit	\$19,435	\$18,964	\$18,688	\$18,534
<u>Terminated Vested</u>				
Number	38	42	39	29
Average Current Age ¹	45.6	47.5	44.5	46.4
Average Annual Benefit ¹	\$15,246	\$16,684	\$12,740	\$14,013

¹ The Average Current Age and Average Annual Benefit exclude participants awaiting a refund of contributions.

CONSOLIDATED TOTAL
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	1											1
20 - 24	9	3	2	1		1						16
25 - 29	10	8	12	17	8	8						63
30 - 34	7	8	6	12	10	21	4					68
35 - 39	2		4	5	3	20	32	9				75
40 - 44	1	1	1	3		10	14	37	4			71
45 - 49			1		1	4	9	15	16			46
50 - 54						3	6	16	8	1		34
55 - 59				1		1	1	3	4	1	1	12
60 - 64						1			1	1		3
65+						1						1
Total	30	20	26	39	22	70	66	80	33	3	1	390

CONSOLIDATED TOTAL
VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2021	389
b. Terminations	
i. Vested (partial or full) with deferred benefits	(3)
ii. Vested in refund of member contributions only	(4)
iii. Refund of member contributions or full lump sum distribution received	(12)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(9)
f. DROP	<u>(3)</u>
g. Continuing participants	358
h. New entrants / rehires	<u>32</u>
i. Total active life participants in valuation	390

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
a. Number prior valuation	373	34	41	25	27	15	515
Retired	24	(12)			(3)		9
DROP		3					3
Vested (Deferred Annuity)					3		3
Vested (Due Refund)						4	4
Hired/Terminated in Same Year							0
Death, With Survivor	(1)		1				0
Death, No Survivor	(6)		(1)	(2)			(9)
Disabled							0
Refund of Contributions						(11)	(11)
Rehires					(1)		(1)
Expired Annuities							0
Data Corrections					4		4
b. Number current valuation	390	25	41	23	30	8	517

FIREFIGHTERS
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	172	163	167	154
Average Current Age	36.8	36.9	36.2	36.3
Average Age at Employment	27.3	27.4	27.5	27.6
Average Past Service	9.5	9.5	8.7	8.7
Average Annual Salary	\$73,465	\$71,741	\$65,030	\$63,887
<u>Service Retirees</u>				
Number	147	144	149	143
Average Current Age	68.6	68.5	68.0	67.9
Average Annual Benefit	\$46,689	\$44,748	\$44,274	\$41,790
<u>DROP Retirees</u>				
Number	9	14	11	21
Average Current Age	53.1	55.1	52.2	53.0
Average Annual Benefit	\$53,899	\$57,891	\$54,483	\$60,211
<u>Beneficiaries</u>				
Number	21	20	21	19
Average Current Age	76.3	75.5	75.4	75.2
Average Annual Benefit	\$25,202	\$24,279	\$24,638	\$23,572
<u>Disability Retirees</u>				
Number	7	8	8	8
Average Current Age	64.0	64.4	63.3	62.3
Average Annual Benefit	\$21,216	\$19,987	\$19,684	\$19,567
<u>Terminated Vested</u>				
Number	6	11	6	2
Average Current Age ¹	44.1	48.5	38.7	49.2
Average Annual Benefit ¹	\$24,044	\$22,404	\$10,820	\$16,482

¹ The Average Current Age and Average Annual Benefit exclude participants awaiting a refund of contributions.

FIREFIGHTERS
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	1											1
20 - 24	5	2		1								8
25 - 29	4	4	6	11	1	4						30
30 - 34	4	2	2	8	5	14						35
35 - 39	1			3	3	9	9	8				33
40 - 44				2		6	5	18	2			33
45 - 49						3	3	6	5			17
50 - 54								8	3			11
55 - 59									1	1		2
60 - 64									1	1		2
65+												0
Total	15	8	8	25	9	36	17	40	12	2	0	172

**FIREFIGHTERS
VALUATION PARTICIPANT RECONCILIATION**

1. Active lives

a. Number in prior valuation 10/1/2021	163
b. Terminations	
i. Vested (partial or full) with deferred annuity	(1)
ii. Vested in refund of member contributions only	(1)
iii. Refund of member contributions or full lump sum distribution received	(2)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. DROP	<u>(1)</u>
g. Continuing participants	157
h. New entrants / Rehires	<u>15</u>
i. Total active life participants in valuation	<u>172</u>

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) <u> </u>	Vested (Due Refund) <u> </u>	<u>Total</u>
a. Number prior valuation	144	14	20	8	3	8	197
Retired	8	(6)			(1)		1
DROP		1					1
Vested (Deferred Annuity)					1		1
Vested (Due Refund)						1	1
Hired/Terminated in Same Year							0
Death, With Survivor	(1)		1				0
Death, No Survivor	(4)			(1)			(5)
Disabled							0
Refund of Contributions						(6)	(6)
Rehires							0
Expired Annuities							0
Data Corrections							0
b. Number current valuation	147	9	21	7	3	3	190

POLICE OFFICERS
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	218	226	243	237
Average Current Age	39.2	39.0	38.3	38.3
Average Age at Employment	28.7	28.7	28.5	28.4
Average Past Service	10.5	10.3	9.8	9.9
Average Annual Salary	\$74,174	\$69,975	\$61,707	\$57,375
<u>Service Retirees</u>				
Number	243	229	227	226
Average Current Age	65.1	65.0	64.9	64.4
Average Annual Benefit	\$41,340	\$41,116	\$40,314	\$39,343
<u>DROP Retirees</u>				
Number	16	20	17	18
Average Current Age	54.4	54.4	54.2	53.3
Average Annual Benefit	\$43,620	\$46,392	\$46,213	\$46,498
<u>Beneficiaries</u>				
Number	20	21	18	18
Average Current Age	74.8	74.6	74.0	73.0
Average Annual Benefit	\$21,743	\$20,383	\$18,334	\$18,014
<u>Disability Retirees</u>				
Number	16	17	18	18
Average Current Age	61.6	61.6	60.8	59.8
Average Annual Benefit	\$18,656	\$18,482	\$18,246	\$18,075
<u>Terminated Vested</u>				
Number	32	31	33	27
Average Current Age ¹	45.8	47.1	45.5	46.2
Average Annual Benefit ¹	\$14,268	\$14,654	\$13,089	\$13,816

¹ The Average Current Age and Average Annual Benefit exclude participants awaiting a refund of contributions.

POLICE OFFICERS
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	4	1	2			1						8
25 - 29	6	4	6	6	7	4						33
30 - 34	3	6	4	4	5	7	4					33
35 - 39	1		4	2		11	23	1				42
40 - 44	1	1	1	1		4	9	19	2			38
45 - 49			1		1	1	6	9	11			29
50 - 54						3	6	8	5	1		23
55 - 59				1		1	1	3	3		1	10
60 - 64						1						1
65+						1						1
Total	15	12	18	14	13	34	49	40	21	1	1	218

POLICE OFFICERS
VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2021	226
b. Terminations	
i. Vested (partial or full) with deferred annuity	(2)
ii. Vested in refund of member contributions only	(3)
iii. Refund of member contributions or full lump sum distribution received	(10)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(8)
f. DROP	(2)
g. Continuing participants	201
h. New entrants / Rehires	17
i. Total active life participants in valuation	218

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)	<u>Total</u>
a. Number prior valuation	229	20	21	17	24	7	318
Retired	16	(6)			(2)		8
DROP		2					2
Vested (Deferred Annuity)					2		2
Vested (Due Refund)						3	3
Hired/Terminated in Same Year							0
Death, With Survivor							0
Death, No Survivor	(2)		(1)	(1)			(4)
Disabled							0
Refund of Contributions						(5)	(5)
Rehires					(1)		(1)
Expired Annuities							0
Data Corrections					4		4
b. Number current valuation	243	16	20	16	27	5	327

SUMMARY OF CURRENT PLAN

Eligibility

Any full-time regular employee who is certified as a firefighter as a condition of employment in accordance with the provisions of F.S. § 633.35, and whose duty it is to extinguish fires, to protect life, and to protect property, or any full-time regular employee who is certified or required to be certified as a law enforcement officer in compliance with F.S. § 943.14, who is vested with authority to bear arms and make arrests, and whose primary responsibility is the prevention and detection of crime or the enforcement of the penal, criminal, traffic, or highway laws of the state.

Member Contributions

Members are required to contribute 7.5% of gross pay. Effective with the first full pay period following January 1, 2014, firefighters contribute 9.0% of gross pay.

State Contributions

State premium tax revenue under Chapter 175/185 received annually is used to offset required contributions. Chapter 185 premium tax revenue up to \$558,361.13 will be used to offset annual required contributions with excess amounts going to the Supplemental Retirement Program. Chapter 175 premium tax revenue up to \$580,918.87 will be used to offset annual required contributions with excess amounts reserved for extra benefits.

Credited Service

Credited Service means the total number of months of service with the City, expressed in terms of full and fractional years, where a member earns one month of service for at least 10 days of service within each month beginning on the day of the month corresponding to the member's date of employment. Credited Service will include unused sick leave credits, any authorized leave of absence up to 90 days, and military service as required by Federal law.

Unused sick leave will be limited to the lesser of the number of credits at retirement and the credits earned as of July 1, 2013 for police officers and credits earned as of January 1, 2014 for firefighters.

Limited Participant Service

Service worked for the City as an ineligible member of the plan will be counted for any purpose of the Plan, except for the purpose of determining the member's accrued benefit.

Gross Pay

Types of compensation, at the discretion of the City, which will have member contribution deducted, provided that such types of compensation will also be included for determining Earnings.

SUMMARY OF CURRENT PLAN (CONTINUED)

Earnings

Earnings include base pay (including all paid leaves), overtime pay, working out of classification pay, longevity pay, Florida city firefighters supplemental education incentive payments, Florida police officer educational salary incentive payments, police security overtime pay, special assignment pay, special duty assignment pay, paramedic certification pay, stand-by pay, call-back pay, acting out of classification pay, and termination vacation pay, except as provided for by collective bargaining agreements. In addition, for those employees who become a member of the plan on or after October 1, 1996, earnings are limited to \$150,000 per year (as indexed).

Effective July 1, 2013 for police officers and January 1, 2014 for firefighters, overtime is limited to 300 hours per year. In addition, accumulated vacation pay included in earnings will be the lesser of the number of credited hours at retirement and the number of hours as of July 1, 2013 for police officers and the number of hours as of January 1, 2014 for firefighters.

Final Average Earnings (FAE)

Final Average Earnings mean average earnings for the highest 36 consecutive months, or highest 48 consecutive months for police officers who become members on or after July 1, 2013.

Monthly Accrued Benefit

Final average earnings multiplied by a percentage per year of credited service as follows:

<u>Date</u>	<u>Firefighters</u>	<u>Police Officers</u>
Prior to October 1, 2005	2.5%	2.5%
October 1, 2005 to July 1, 2013	2.625%	2.625%
July 1, 2013 to January 1, 2014	2.625%	2.5%
After January 1, 2014	2.5%	2.5%

Normal Retirement

Date

First day of the month coincident with or following the earlier of:

- (1) 20 years of service
- (2) Age 55 with 10 or more years of service
- (3) Age plus service equal 70

For police officers who become participants on or after July 1, 2013, and firefighters who become participants on or after January 1, 2014, item (1) above is equal to 25 years of service.

Benefit

Monthly Accrued Benefit

Normal Form of Payment

Ten Year Certain & Life

SUMMARY OF CURRENT PLAN (CONTINUED)

Vesting

Schedule	100% after 10 years of Credited Service.
Benefit Amount	Members that terminate employment with 10 or more years of service, the Monthly Accrued Benefit is payable unreduced at age 55. The benefit can be commenced at age 50, actuarially reduced, but not to exceed 3.0% per year prior to age 55. Members that terminate employment with less than 10 years of service will be eligible to receive a refund of Member contributions without interest. Members may voluntarily leave contributions in the Plan for a period of five years after separation and receive service credit upon rehire within the five-year period. After five years, Member contributions will automatically be refunded without interest.

Optional Forms of Payment

Actuarial Equivalence	Interest rate: 9.5% Mortality Table: 1994 Group Annuity Mortality Basic Table-Unisex 50/50
Form of Payment	Life Annuity, 100% Joint and Last Survivor, 75% Joint and Last Survivor, 66 2/3% Joint and Last Survivor, 66 2/3% Joint and Survivor, 50% Joint and Last Survivor Joint and Last Survivor reduces upon death of the Member or Beneficiary. Joint and Survivor reduces only upon death of the Member. All forms above guarantee the Member will receive the Member's contributions.

Disability

Eligibility	
Service Incurred	Permanent and totally disabled in the line of duty.
Non-Service Incurred	Permanent and totally disabled not in the line of duty after completion of 5 years of credited service.
Benefit	
Service Incurred	The greater of the Monthly Accrued Benefit and 42% of Final Average Earnings.
Non-Service Incurred	The greater of the Monthly Accrued Benefit and 25% of Final Average Earnings.

SUMMARY OF CURRENT PLAN (CONTINUED)

Death Benefits

Pre-Retirement

Eligibility

Death prior to retirement.

Benefit

If the Member has less than 10 years of service upon death, the beneficiary will receive the member's contributions without interest. If the Member has 10 or more years of service, the beneficiary will receive the member's accrued benefit payable at normal or early retirement in the form of benefit chosen by the beneficiary.

Post-Retirement

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

Deferred Retirement Option Plan ("DROP")

Eligibility

A Member who has earned at least 25 years of service or age plus service equal 70.

Participation

Members may participate for 96 months but must cease at the conclusion of a total of 33 years of regular employment with the City.

Rate of Return

DROP benefits accumulate with interest at 4.5% per year for police officers and 65% of the assumed rate of return on investments for firefighters.

Distribution

Lump sum and/or rollover to qualified retirement plan(s) at termination of employment.

Reverse DROP

Members can select a date in the past for participation in the DROP. Reverse DROP members may participate for 60 months, but the end of the DROP period and termination of employment must occur no later than a total of 30 years of regular employment with the City.

Cost of Living Adjustment ("COLA")

Firefighters

- (1) Retired after October 1, 1999 with less than 20 years of service with age plus service at least 70 receive a 2.0% increase each October 1st following age 62.
- (2) Retired prior to October 1, 1999 receive a 2.0% increase each October 1st following age 62.
- (3) Retired after October 1, 1999 with at least 25 years of service receive a 2.0% increase each October 1st following age 55.
- (4) Retired after October 1, 1999 with at least 20 years but less than 25 years of service receive a 2.0% increase each October 1st following age 62.

SUMMARY OF CURRENT PLAN (CONTINUED)

Cost of Living Adjustment (continued)

Police Officers

- (1) Retired prior to October 1, 1999 receive a 2.0% increase each October 1st following age 62.
- (2) Retired after October 1, 1999, had at least 20 years of service on July 1, 2013, and retired with at least 25 years of service receive a 2.0% increase each October 1st following age 55.
- (3) Retired after October 1, 1999, had at least 20 years of service on July 1, 2013, and retired with less than 25 years of service receive a 2.0% increase each October 1st following age 62.
- (4) Retired after October 1, 1999, had less than 20 years of service on July 1, 2013, and retired with at least 25 years of service receive a 1.0% increase each October 1st following age 55, increasing to 2.0% each October 1st following age 62.

Members who are receiving a disability retirement after October 1, 1999 receive a 2.0% increase each October 1st following attainment of age 62.

Supplemental Retirement Program

Firefighters

Effective February 1, 2017, firefighters hired on or after October 1, 1998 are eligible to participate in the Supplemental Retirement Program, which includes full-time active, retired, and beneficiaries of firefighters who died in the line of duty or while in the military.

The initial allocation was based on a pro rata distribution of excess State premium tax revenues for plan years 1999 through 2006. Subsequent annual allocations will be pro rata based on State premium tax revenue received annually in excess of \$580,918.87. For allocations after September 30, 2022, firefighters must have 10 years of credited service and be employed on September 30th to receive an annual allocation.

Police Officers

Effective July 1, 2013, police officers hired on or after October 1, 2000 are eligible to participate in the Supplemental Retirement Program, which includes full-time active, retired, and beneficiaries of police officers who died in the line of duty or while in the military.

The initial allocation was based on a pro rata distribution of excess State premium tax revenues for plan years 2001 through 2012. Subsequent annual allocations will be pro rata based on State premium tax revenue received annually in excess of \$558,361.13.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Cash and Cash Equivalents	1,689,875
Equity in Pooled Cash	11,512,870
 Total Cash and Equivalents	 13,202,745
 Receivables:	
Miscellaneous Receivable	1,718,971
Due to/from Other Funds	5,388,145
 Total Receivables	 7,107,116
 Total Investments	 257,950,429
 Total Assets	 278,260,290
 <u>LIABILITIES</u>	
Payables:	
Accounts Payable	409,726
 Total Liabilities	 409,726
 NET POSITION RESTRICTED FOR PENSIONS	 277,850,564

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

ADDITIONS

Contributions:

Employer	1,869,220
Employee	2,332,944
Employee - Through DROP	1,598,906
State - Ins Tax Premiums	2,033,782

Total Contributions 7,834,852

Investment Income:

Net Increase in Fair Value of Investments	(58,165,891)
Interest & Dividends	5,050,874
Less Investment Expense ¹	(1,000,713)

Net Investment Income (54,115,730)

Total Additions (46,280,878)

DEDUCTIONS

Distributions to Members:

Benefit Payments	17,249,915
Retiree DROP Payouts and Rollovers	2,897,441
Wages and Fringe Benefits	76,960
Employee Disability	463,337
Retiree DROP Payments	1,598,906
Refund of Contributions	377,611
Share Plan Distributions	1,157,773

Total Distributions 23,821,943

Administrative Expense 589,725

Other: Transfers to POB/Other Funds (325,736)

Total Deductions 24,085,932

Net Increase in Net Position (70,366,810)

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year	348,217,158
Adjustment to beginning of year	216

End of the Year 277,850,564

¹Investment 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 Board of Trustees of the Consolidated Plan. The five-member Consolidated Board of Trustees is responsible for the overall administration of the Plan and the investment of Plan assets. The Consolidated Board of Trustees is comprised of two City appointees, one police officer who is a member of the Plan, one firefighter who is a member of the Plan, and a fifth member appointed by the other four Trustees. The Police Trustee is a police officer elected by active Police members and the Fire Trustee is a firefighter elected by active Fire members. Employees in the DROP or reverse DROP are not eligible to vote for the Trustee from their area, but are eligible to be elected as a Trustee of the Plan. The fifth member is selected by the other four Trustees and is then, through a ministerial function, confirmed by the City Commission. The Chair of the Board is the designated agent for the service of legal process.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	473
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	42
Active Plan Members	389
	904

Benefits Provided

The Plan provides retirement, disability, termination and death benefits. A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the City of Gainesville Consolidated Police Officers and Firefighters Retirement Plan prepared by Foster & Foster Actuaries and Consultants.

Contributions

Member Contributions:

Members are required to contribute 7.5% of gross pay. Effective with the first full pay period following January 1, 2014, firefighters contribute 9.0% of gross pay.

State Contributions:

State premium tax revenue under Chapter 175/185 received annually is used to offset required contributions. Chapter 185 premium tax revenue up to \$558,361.13 will be used to offset annual required contributions with excess amounts going to the Supplemental Retirement Program. Chapter 175 premium tax revenue up to \$580,918.87 will be used to offset annual required contributions with excess amounts reserved for extra benefits.

Investment Policy:

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

Asset Class	Target Allocation
Large Cap Equity	35.00%
Small Cap Equity	15.00%
International Equity	20.00%
Securitized Credit	5.00%
High Yield	7.50%
Real Estate	17.50%
Total	100.00%

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.

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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 -15.40 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 ("DROP"):

Eligibility: A Member who has earned at least 25 years of service or age plus service equal 70.

Participation: Members may participate for a maximum of 60 months.

Rate of Return: DROP benefits accumulate with interest at 4.5% per year for police officers and 5.5% per year for firefighters.

Distribution: Lump sum and/or rollover to qualified retirement plan(s) at termination of employment.

Reverse DROP: Members can select a date in the past for participation in the DROP.

The DROP balance as September 30, 2022 is \$3,140,135.

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	\$ 325,278,628
Plan Fiduciary Net Position	<u>\$ (277,850,564)</u>
Sponsor's Net Pension Liability	<u>\$ 47,428,064</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	85.42%

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	7.75%
Investment Rate of Return	7.75%

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.
 50% of all deaths are assumed to be in the line of duty.

Mortality Rate Healthy Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.
 Male: PubS.H-2010 for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:

Female: PubG.H.-2010 for Healthy Retirees.
 Male: PubS.H-2010 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. This assumption sufficiently accomodates future mortality improvements.

The assumed rates of mortality were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in the July 1, 2021 FRS actuarial valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions was conducted by the prior actuary Conduent in 2017.

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 geometric 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	Long Term Expected Real Rate of Return ¹
Large Cap Equity	7.1%
Small Cap Equity	7.0%
International Equity	7.6%
Securitized Credit	5.0%
High Yield	5.7%
Real Estate	6.2%

¹ Source: Willis Towers Watson.

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.75 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 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Sponsor's Net Pension Liability	\$ 85,646,856	\$ 47,428,064	\$ 15,698,079

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	4,443,944	4,235,165
Interest	23,638,461	23,425,956
Share Plan Allocation	447,251	398,142
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	7,955,203	159,551
Changes of assumptions	5,128,200	(4,514,316)
Benefit Payments, including Refunds of Employee Contributions	(22,223,037)	(20,223,626)
Net Change in Total Pension Liability	19,390,022	3,480,872
Total Pension Liability - Beginning	305,888,606	302,407,734
Total Pension Liability - Ending (a)	<u>\$ 325,278,628</u>	<u>\$ 305,888,606</u>
Plan Fiduciary Net Position		
Contributions - Employer	1,869,220	2,048,850
Contributions - State	2,033,782	1,537,422
Contributions - Employee	2,332,944	2,314,580
Net Investment Income	(54,115,730)	66,246,836
Benefit Payments, including Refunds of Employee Contributions	(22,223,037)	(20,223,626)
Administrative Expense	(589,725)	(622,712)
Other	325,736	(2,754)
Net Change in Plan Fiduciary Net Position	(70,366,810)	51,298,596
Plan Fiduciary Net Position - Beginning	348,217,158	296,918,562
Adjustment to beginning of year	216	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 277,850,564</u>	<u>\$ 348,217,158</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 47,428,064</u>	<u>\$ (42,328,552)</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	85.42%	113.84%
Covered Payroll	\$ 28,686,181	\$ 28,654,045
Net Pension Liability as a percentage of Covered Payroll	165.33%	-147.72%

Notes to Schedule:*Changes of assumptions:*

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the rate of return assumption from 7.90% to 7.75% per year compounded annually, net of investment related expenses.

For measurement date 09/30/2021, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

SCHEDULE OF CITY CONTRIBUTIONS
Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined City Contribution	City Contributions in relation to the Actuarially Determined City Contributions	Contribution Deficiency (Excess)	Covered Payroll	City Contributions as a percentage of Covered Payroll
09/30/2022	\$ 1,869,220	\$ 1,869,220	\$ -	\$ 28,686,181	6.52%
09/30/2021	\$ 2,048,850	\$ 2,048,850	\$ -	\$ 28,654,045	7.15%

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 Gainesville Consolidated Police Officers and Firefighters Retirement Plan 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	-15.40%
09/30/2021	17.80%

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 Board of Trustees of the Consolidated Plan. The five-member Consolidated Board of Trustees is responsible for the overall administration of the Plan and the investment of Plan assets. The Consolidated Board of Trustees is comprised of two City appointees, one police officer who is a member of the Plan, one firefighter who is a member of the Plan, and a fifth member appointed by the other four Trustees. The Police Trustee is a police officer elected by active Police members and the Fire Trustee is a firefighter elected by active Fire members. Employees in the DROP or reverse DROP are not eligible to vote for the Trustee from their area, but are eligible to be elected as a Trustee of the Plan. The fifth member is selected by the other four Trustees and is then, through a ministerial function, confirmed by the City Commission. The Chair of the Board is the designated agent for the service of legal process.

Eligible is any full-time regular employee who is certified as a firefighter as a condition of employment in accordance with the provisions of F.S. § 633.35, and whose duty it is to extinguish fires, to protect life, and to protect property, or any full-time regular employee who is certified or required to be certified as a law enforcement officer in compliance with F.S. § 943.14, who is vested with authority to bear arms and make arrests, and whose primary responsibility is the prevention and detection of crime or the enforcement of the penal, criminal, traffic, or highway laws of the state.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	473
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	42
Active Plan Members	389
	904
	904

Benefits Provided

The Plan provides retirement, disability, termination and death benefits. A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the City of Gainesville Consolidated Police Officers and Firefighters Retirement Plan prepared by Foster & Foster Actuaries and Consultants.

Contributions

Member Contributions:

Members are required to contribute 7.5% of gross pay. Effective with the first full pay period following January 1, 2014, firefighters contribute 9.0% of gross pay.

State Contributions:

State premium tax revenue under Chapter 175/185 received annually is used to offset required contributions. Chapter 185 premium tax revenue up to \$558,361.13 will be used to offset annual required contributions with excess amounts going to the Supplemental Retirement Program. Chapter 175 premium tax revenue up to \$580,918.87 will be used to offset annual required contributions with excess amounts reserved for extra benefits.

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	7.75%
Investment Rate of Return	7.75%

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.

50% of all deaths are assumed to be in the line of duty.

Mortality Rate Healthy Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:

Female: PubG.H.-2010 for Healthy Retirees.

Male: PubS.H-2010 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.

The assumed rates of mortality were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in the July 1, 2021 FRS actuarial valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions was conducted by the prior actuary Conduent in 2017.

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 geometric 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 ¹
Large Cap Equity	35.00%	7.10%
Small Cap Equity	15.00%	7.00%
International Equity	20.00%	7.60%
Securitized Credit	5.00%	5.00%
High Yield	7.50%	5.70%
Real Estate	17.50%	6.20%
Total	100.00%	

¹ Source: Willis Towers Watson.

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Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.75 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 as of September 30, 2021	\$ 305,888,606	\$ 348,217,158	\$ (42,328,552)
Adjustment to beginning of year		216	(216)
Changes for a Year:			
Service Cost	4,443,944	-	4,443,944
Interest	23,638,461	-	23,638,461
Share Plan Allocation	447,251	-	447,251
Differences between Expected and Actual Experience	7,955,203	-	7,955,203
Changes of assumptions	5,128,200	-	5,128,200
Changes of benefit terms	-	-	-
Contributions - Employer	-	1,869,220	(1,869,220)
Contributions - State	-	2,033,782	(2,033,782)
Contributions - Employee	-	2,332,944	(2,332,944)
Contributions - Buy Back	-	-	-
Net Investment Income	-	(54,115,730)	54,115,730
Benefit Payments, including Refunds of Employee Contributions	(22,223,037)	(22,223,037)	-
Administrative Expense	-	(589,725)	589,725
Other Changes	-	325,736	(325,736)
Net Changes	19,390,022	(70,366,810)	89,756,832
Balances as of September 30, 2022	\$ 325,278,628	\$ 277,850,564	\$ 47,428,064

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

	Current Discount		
	1% Decrease	Rate	1% Increase
	6.75%	7.75%	8.75%
Sponsor's Net Pension Liability	\$ 85,646,856	\$ 47,428,064	\$ 15,698,079

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**
FISCAL YEAR SEPTEMBER 30, 2022

For the year ended September 30, 2022, the Sponsor will recognize a Pension Expense of \$10,679,735.

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	6,721,371	348,764
Changes of assumptions	4,949,189	3,009,544
Net difference between Projected and Actual Earnings on Pension Plan investments	42,582,151	-
Total	\$ 54,252,711	\$ 3,358,308

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		\$ 13,489,849
2024		9,827,250
2025		9,492,397
2026		18,084,907
2027		-
Thereafter		-

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 2 Fiscal Years

Measurement Date	09/30/2022	09/30/2021
Total Pension Liability		
Service Cost	4,443,944	4,235,165
Interest	23,638,461	23,425,956
Share Plan Allocation	447,251	398,142
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	7,955,203	159,551
Changes of assumptions	5,128,200	(4,514,316)
Benefit Payments, including Refunds of Employee Contributions	(22,223,037)	(20,223,626)
Net Change in Total Pension Liability	19,390,022	3,480,872
Total Pension Liability - Beginning	305,888,606	302,407,734
Total Pension Liability - Ending (a)	\$ 325,278,628	\$ 305,888,606
Plan Fiduciary Net Position		
Contributions - Employer	1,869,220	2,048,850
Contributions - State	2,033,782	1,537,422
Contributions - Employee	2,332,944	2,314,580
Net Investment Income	(54,115,730)	66,246,836
Benefit Payments, including Refunds of Employee Contributions	(22,223,037)	(20,223,626)
Administrative Expense	(589,725)	(622,712)
Other	325,736	(2,754)
Net Change in Plan Fiduciary Net Position	(70,366,810)	51,298,596
Plan Fiduciary Net Position - Beginning	348,217,158	296,918,562
Adjustment to beginning of year	216	-
Plan Fiduciary Net Position - Ending (b)	\$ 277,850,564	\$ 348,217,158
Net Pension Liability - Ending (a) - (b)	\$ 47,428,064	\$ (42,328,552)
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	85.42%	113.84%
Covered Payroll	\$ 28,686,181	\$ 28,654,045
Net Pension Liability as a percentage of Covered Payroll	165.33%	-147.72%

Notes to Schedule:*Changes of assumptions:*

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the rate of return assumption from 7.90% to 7.75% per year compounded annually, net of investment related expenses.

For measurement date 09/30/2021, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

SCHEDULE OF CITY CONTRIBUTIONS
Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined City Contribution	City Contributions in relation to the Actuarially Determined City Contributions	Contribution Deficiency (Excess)	Covered Payroll	City Contributions as a percentage of Covered Payroll
09/30/2022	\$ 1,869,220	\$ 1,869,220	\$ -	\$ 28,686,181	6.52%
09/30/2021	\$ 2,048,850	\$ 2,048,850	\$ -	\$ 28,654,045	7.15%

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 Gainesville Consolidated Police Officers and Firefighters Retirement Plan 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	\$ (42,328,552)	\$ 40,485,757	\$ 10,434,059	\$ -
Total Pension Liability Factors:				
Service Cost	4,443,944	-	-	4,443,944
Interest	23,638,461	-	-	23,638,461
Share Plan Allocation	447,251	-	-	447,251
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	7,955,203	-	7,955,203	-
Current year amortization of experience difference	-	(697,798)	(1,832,096)	1,134,298
Change in assumptions about future economic or demographic factors or other inputs	5,128,200	-	5,128,200	-
Current year amortization of change in assumptions	-	(752,386)	(2,643,185)	1,890,799
Benefit Payments, including Refunds of Employee Contributions	(22,223,037)	-	-	-
Net change	<u>19,390,022</u>	<u>(1,450,184)</u>	<u>8,608,122</u>	<u>31,554,753</u>
Plan Fiduciary Net Position:				
Contributions - Employer	1,869,220	-	-	-
Contributions - State	2,033,782	-	-	(2,033,782)
Contributions - Employee	2,332,944	-	-	(2,332,944)
Contributions - Buy Back	-	-	-	-
Projected Net Investment Income	26,854,371	-	-	(26,854,371)
Difference between projected and actual earnings on Pension Plan investments	(80,970,101)	-	80,970,101	-
Current year amortization	-	(9,648,896)	(19,731,202)	10,082,306
Benefit Payments, including Refunds of Employee Contributions	(22,223,037)	-	-	-
Administrative Expenses	(589,725)	-	-	589,725
Other	325,736	-	-	(325,736)
Net change	<u>(70,366,810)</u>	<u>(9,648,896)</u>	<u>61,238,899</u>	<u>(20,874,802)</u>
Adjustment to beginning of year	216	-	-	(216)
Ending Balance	<u><u>\$ 47,428,064</u></u>	<u><u>\$ 29,386,677</u></u>	<u><u>\$ 80,281,080</u></u>	<u><u>\$ 10,679,735</u></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	\$ 80,970,101	5	\$ 16,194,021	\$ 16,194,020	\$ 16,194,020	\$ 16,194,020	\$ 16,194,020	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ (43,380,616)	5	\$ (8,676,123)	\$ (8,676,123)	\$ (8,676,123)	\$ (8,676,123)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ 1,486,293	5	\$ 297,259	\$ 297,259	\$ 297,259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 16,199,612	5	\$ 3,239,922	\$ 3,239,922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ (4,863,873)	5	\$ (972,773)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 10,082,306	\$ 11,055,078	\$ 7,815,156	\$ 7,517,897	\$ 16,194,020	\$ -	\$ -	\$ -	\$ -	\$ -

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
2022	\$ 5,128,200	5.0	\$ 1,025,640	\$ 1,025,640	\$ 1,025,640	\$ 1,025,640	\$ 1,025,640	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ (4,514,316)	6.0	\$ (752,386)	\$ (752,386)	\$ (752,386)	\$ (752,386)	\$ (752,386)	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 3,102,805	5.1	\$ 608,393	\$ 608,393	\$ 60,839	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ 4,612,282	5.2	\$ 886,977	\$ 177,397	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ 2,158,450	5.3	\$ 122,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 1,890,799	\$ 1,059,044	\$ 334,093	\$ 273,254	\$ 273,254	\$ -	\$ -	\$ -	\$ -	\$ -

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	\$ 7,955,203	5.0	\$ 1,591,039	\$ 1,591,041	\$ 1,591,041	\$ 1,591,041	\$ 1,591,041	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ 159,551	6.0	\$ 26,592	\$ 26,592	\$ 26,592	\$ 26,592	\$ 26,592	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ 501,678	6.0	\$ 83,613	\$ 83,613	\$ 83,613	\$ 83,613	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ (1,185,483)	5.1	\$ (232,448)	\$ (232,448)	\$ (23,245)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ (2,419,821)	5.2	\$ (465,350)	\$ (93,071)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ 2,311,687	5.3	\$ 130,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 1,134,298	\$ 1,375,727	\$ 1,678,001	\$ 1,701,246	\$ 1,617,633	\$ -	\$ -	\$ -	\$ -	\$ -