CITY OF GAINESVILLE
GENERAL EMPLOYEES PENSION 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

September 5, 2023

Board of Trustees
City of Gainesville
General Employees' Pension Board

Re: City of Gainesville General Employees Pension Plan

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Gainesville General Employees Pension 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 Chapter 112, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuations, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

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

In conducting the valuations, we have relied on personnel, plan design, and asset information supplied by the 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 General Employees Pension 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: ______________________	By: ______________________
Joseph L. Griffin, ASA, EA, MAAA Enrolled Actuary #23-6938	Amanda M. Brown, ASA, EA, MAAA Enrolled Actuary #23-8780

Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Gainesville General Employees Pension 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 Applicable to Fiscal Year Ending	10/1/2022 9/30/2024	10/1/2021 9/30/2023
Minimum Required Contribution		
% of Projected Annual Payroll	12.11%	10.09%
Member Contributions (Est.)		
% of Projected Annual Payroll	5.00%	5.00%
City Required Contribution		
% of Projected Annual Payroll	7.11%	5.09%

As you can see, the Minimum Required Contribution reflects an increase compared to the results determined in the October 1, 2021 actuarial valuation report. The increase is largely attributable to unfavorable investment returns.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. The main source of actuarial loss was due to an investment return of -5.54% (Actuarial Asset Basis) which fell short of the 7.75% assumption. There was no significant gain or loss on the plan’s liability.

CHANGES SINCE PRIOR VALUATION

Plan Changes

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

Actuarial Assumption/Method Changes

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

CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1) Contribution Determined as of October 1, 2021	5.09%
(2) Summary of Contribution Impact by component:	
Change in Normal Cost Rate	-0.10%
Change in Administrative Expense Percentage	-0.03%
Plan Liability Experience	0.00%
Investment Return (Actuarial Asset Basis)	2.15%
Other	0.00%
Total Change in Contribution	2.02%
(3) Contribution Determined as of October 1, 2022	7.11%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	10/1/2022	10/1/2021
A. Participant Data		
Actives	1,644	1,676
Service Retirees	1,273	1,233
DROP Retirees	45	34
Beneficiaries	153	147
Disability Retirees	36	39
Terminated Vested	529	475
Total	3,680	3,604
Payroll Under Assumed Ret. Age	$108,726,089	$111,687,715
Annual Rate of Payments to:		
Service Retirees	35,711,290	33,837,260
DROP Retirees	2,044,408	1,549,563
Beneficiaries	2,721,952	2,643,594
Disability Retirees	256,101	241,446
Terminated Vested	3,818,271	3,265,043
B. Assets		
Actuarial Value (AVA) [1]	625,015,101	692,370,620
Market Value (MVA) [1]	520,845,918	692,370,620
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	233,175,420	244,363,972
Disability Benefits	7,252,729	7,445,617
Death Benefits	2,564,853	2,681,795
Vested Benefits	10,683,138	10,547,825
Refund of Contributions	1,205,688	1,207,750
Service Retirees	406,857,618	389,772,942
DROP Retirees [1]	32,189,912	25,222,977
Beneficiaries	26,638,902	25,817,238
Disability Retirees	2,067,971	1,935,233
Terminated Vested	17,304,488	14,867,805
Total	739,940,719	723,863,154

C. Liabilities - (Continued)	10/1/2022	10/1/2021
Present Value of Future Salaries	909,371,828	927,050,958
Present Value of Future Member Contributions	45,468,591	46,352,548
Normal Cost (Retirement)	7,890,334	8,223,645
Normal Cost (Disability)	521,590	536,180
Normal Cost (Death)	121,284	126,403
Normal Cost (Vesting)	903,569	911,791
Normal Cost (Refunds)	456,336	466,740
Total Normal Cost	9,893,113	10,264,759
Present Value of Future Normal Costs	79,344,971	81,772,663
Accrued Liability (Retirement)	170,594,602	179,522,657
Accrued Liability (Disability)	2,949,703	3,063,300
Accrued Liability (Death)	1,578,489	1,658,343
Accrued Liability (Vesting)	2,871,924	2,734,735
Accrued Liability (Refunds)	(2,457,861)	(2,504,739)
Accrued Liability (Inactives) [1]	485,058,891	457,616,195
Total Actuarial Accrued Liability (EAN AL)	660,595,748	642,090,491
Unfunded Actuarial Accrued Liability (UAAL)	35,580,647	(50,280,129)
Funded Ratio (AVA / EAN AL)	94.6%	107.8%

D. Actuarial Present Value of Accrued Benefits

	10/1/2022	10/1/2021
Vested Accrued Benefits		
Inactives [1]	485,058,891	457,616,195
Actives	62,931,993	63,792,646
Member Contributions	37,946,526	39,620,876
Total	585,937,410	561,029,717
Non-vested Accrued Benefits	25,315,669	27,224,587
Total Present Value Accrued Benefits (PVAB)	611,253,079	588,254,304
Funded Ratio (MVA / PVAB)	85.2%	117.7%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	19,227,759	
Benefits Paid	(40,258,669)	
Interest	44,029,685	
Other	0	
Total	22,998,775	

Valuation Date	10/1/2022	10/1/2021
Applicable to Fiscal Year Ending	9/30/2024	9/30/2023
E. Pension Cost		
Normal Cost (with interest)		
% of Total Annual Payroll [2]	9.45	9.55
Administrative Expenses (with interest)		
% of Total Annual Payroll [2]	0.51	0.54
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 30 years (as of 10/1/2022, with interest)		
% of Total Annual Payroll [2]	2.15	(2.63)
Minimum Required Contribution		
% of Total Annual Payroll [2]	12.11	10.09
Expected Member Contributions		
% of Total Annual Payroll [2]	5.00	5.00
Expected City Contribution		
% of Total Annual Payroll [2]	7.11	5.09

F. Past Contributions

Plan Years Ending:	9/30/2022
Total Required Contribution	10,883,310
City Requirement	5,551,544
Actual Contributions Made:	
Members (excluding buyback)	5,331,766
City	5,551,544
Total	10,883,310

G. Net Actuarial (Gain)/Loss	89,880,375

[1] The asset values and liabilities include accumulated DROP 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 10/1/2022 of $108,726,089.

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

Year	Projected Unfunded Actuarial Accrued Liability
2022	35,580,647
2023	35,917,014
2024	36,206,817
2031	36,375,177
2038	31,454,905
2045	24,518,985
2052	0

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

		Actual	Assumed
Year Ended	9/30/2022	3.58%	3.98%
Year Ended	9/30/2021	11.52%	3.93%
Year Ended	9/30/2020	6.87%	3.90%
Year Ended	9/30/2019	5.93%	3.96%
Year Ended	9/30/2018	4.08%	3.96%

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

		Market Value	Actuarial Value	Assumed
Year Ended	9/30/2022	-21.23%	-5.54%	7.75%
Year Ended	9/30/2021	25.77%	10.92%	7.90%
Year Ended	9/30/2020	4.18%	6.02%	7.90%
Year Ended	9/30/2019	-0.64%	8.45%	7.90%
Year Ended	9/30/2018	12.63%	10.84%	8.00%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2022	$108,726,089
	10/1/2012	74,750,454
(b) Total Increase		45.45%
(c) Number of Years		10.00
(d) Average Annual Rate		3.82%

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 a copy of the report to the following office to comply with Chapter 112 Florida Statutes:

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

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

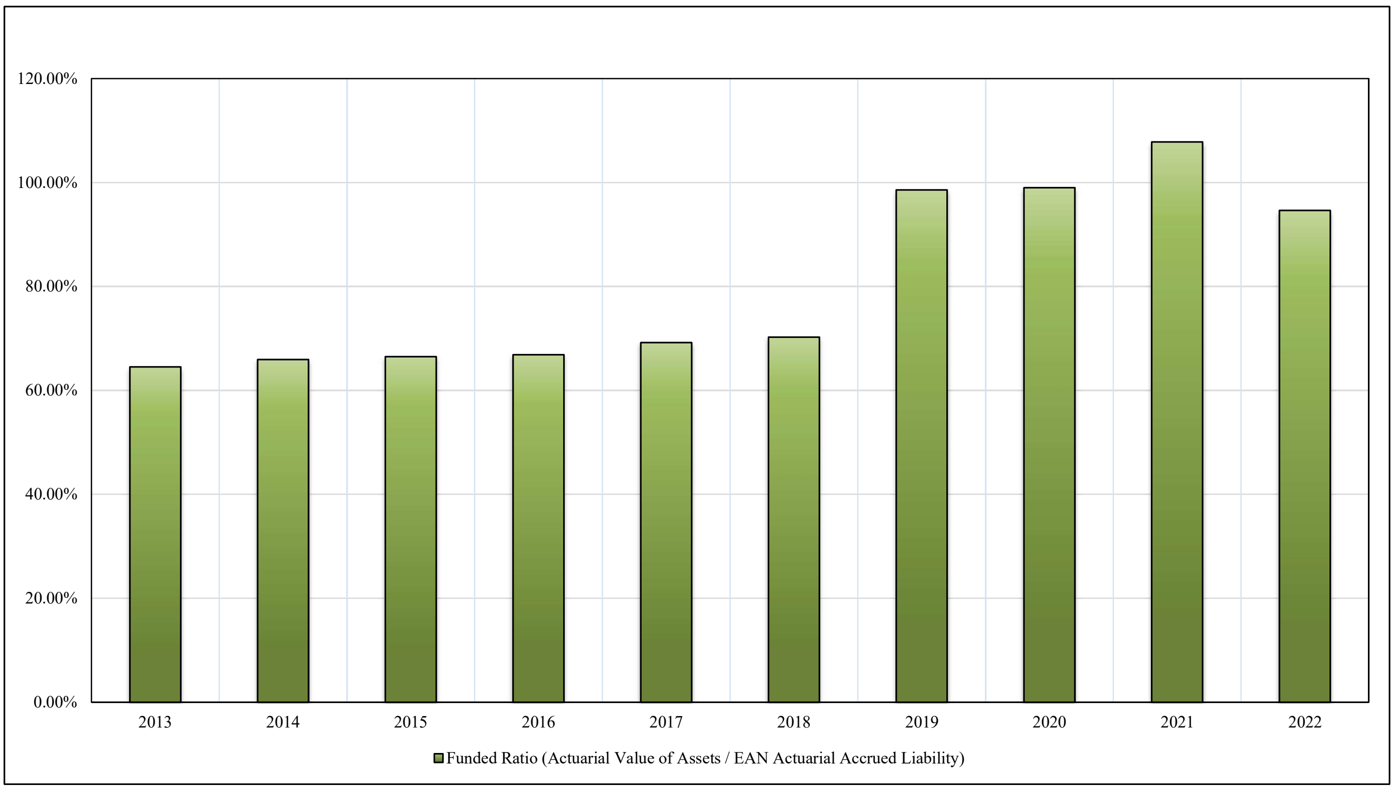
(1)	Unfunded Actuarial Accrued Liability as of October 1, 2021	($50,280,129)
(2)	Sponsor Normal Cost developed as of October 1, 2021	4,680,373
(3)	Expected administrative expenses for the year ended September 30, 2022	578,267
(4)	Expected interest on (1), (2) and (3)	(3,511,573)
(5)	Sponsor contributions to the System during the year ended September 30, 2022	5,551,544
(6)	Expected interest on (5)	215,122
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2022 (1)+(2)+(3)+(4)-(5)-(6)	(54,299,728)
(8)	Change to UAAL due to Actuarial (Gain)/Loss	89,880,375
(9)	Unfunded Actuarial Accrued Liability as of October 1, 2022	35,580,647

Type of Base	Date Established	Years Remaining	10/1/2022 Amount	Amortization Amount
2004 Fresh Start	10/1/2004	12	486,694	51,347
Actuarial Loss	10/1/2006	14	370,353	34,883
Actuarial Gain	10/1/2007	15	(135,227)	(12,129)
Actuarial Loss	10/1/2008	16	1,053,870	90,402
Actuarial Loss	10/1/2009	17	2,231,710	183,776
Assumption Change	10/1/2009	17	1,777,179	146,346
Actuarial Loss	10/1/2010	18	68,829	5,459
Assumption Change	10/1/2010	18	(509,860)	(40,438)
Actuarial Loss	10/1/2011	19	2,195,675	168,219
Assumption Change	10/1/2011	19	(512,066)	(39,231)
Actuarial Loss	10/1/2012	20	1,361,556	101,027
Actuarial Gain	10/1/2013	21	(121,535)	(8,754)
Assumption Change	10/1/2013	21	264,058	19,020
Actuarial Gain	10/1/2014	22	(709,667)	(49,728)
Assumption Change	10/1/2014	22	980,712	68,721
Actuarial Gain	10/1/2015	23	(270,954)	(18,505)
Assumption Change	10/1/2015	23	274,446	18,744
Actuarial Gain	10/1/2016	24	(700,305)	(46,698)
Assumption Change	10/1/2016	24	1,126,701	75,131
Actuarial Gain	10/1/2017	25	(924,096)	(60,259)
Assumption Change	10/1/2017	25	311,402	20,306
Actuarial Gain	10/1/2018	26	(227,413)	(14,523)
Assump Change	10/1/2018	26	325,517	20,787
Actuarial Gain	10/1/2019	27	(131,489)	(8,234)
Assump Change	10/1/2020	28	490,295	30,144
Actuarial Gain	10/1/2020	28	(2,969,788)	(182,588)
Actuarial Gain	10/1/2021	29	(5,790,453)	(349,919)
Asmp/Mthd Change	10/1/2021	29	(54,615,872)	(3,300,457)
Actuarial Loss	10/1/2022	30	89,880,375	5,344,143
			35,580,647	2,246,992

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1)	Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2021	($50,280,129)
(2)	Expected UAAL as of October 1, 2022	(54,299,728)
(3)	Summary of Actuarial (Gain)/Loss, by component:	
	Investment Return (Actuarial Asset Basis)	90,003,414
	Salary Increases	(244,328)
	Active Decrements	(2,042,933)
	Inactive Mortality	(1,500,918)
	New Entrants/Rehires	2,805,617
	Other, including contribution timing	859,523
	Increase in UAAL due to (Gain)/Loss	89,880,375
	Assumption Changes	0
(4)	Actual UAAL as of October 1, 2022	$35,580,647

HISTORY OF FUNDING PROGRESS



ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:
Female: PubG.H-2010 for Employees.
Male: PubG.H-2010 for Employees, set back one year.

Healthy Retiree Lives:
Female: PubG.H-2010 for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.

Beneficiary Lives:
Female: PubG.H-2010 for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.

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

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 non-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

$536,056 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Salary Increase Rate

Salaries are assumed to increase annual based on years of service as shown in the table below:

Service	Rate
Less than 7	5.0%
7 – 11	4.0%
More than 11	3.0%

Marital Assumptions

100% of active members are assumed to be married with males 2 years older than females.

ACTUARIAL ASSUMPTIONS AND METHODS (CONTINUED)

<u>Payroll Growth</u>	3.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.
<u>Amortization Method</u>	New UAAL amortization bases 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.
<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 - None.
<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>Vacation Payout upon Termination</u>	The final year of earnings is increased at termination for vacation payouts based on the following:

Service	Rate
< 7	2.0%
7 – 12	4.0%
13 – 17	6.0%
18 – 23	8.0%
> 24	10.0%

Final earnings are not adjusted for PTO employees.

<u>Accumulated Sick Leave</u>	Service at termination was increased by 0.15 years for employees in the paid-time-off (PTO) program and 0.25 years for all other employees to recognize any accumulated unused sick leave.

ACTUARIAL ASSUMPTIONS AND METHODS (CONTINUED)

Termination Rates

For members with less than 5 years of service

Service	Males	Females
0	14.0%	22.0%
1	12.0%	16.0%
2	8.0%	13.0%
3	6.0%	11.0%
4	5.0%	10.0%

For members with at least 5 years of service

Age	Males	Females
< 30	4.0%	7.0%
30 – 34	3.0%	5.0%
35 – 39	2.5%	4.0%
40 – 64	2.0%	3.0%
65+	0.0%	0.0%

Non-vested members are assumed to withdraw their contributions and vested members are assumed to commence an annuity at age 65.

Retirement Rates

Hired Before October 2, 2007

	Years of Service					
Age	10–14	15–19	20	21–24	25–26	27+
< 57	0.0%	7.5%	20.0%	5.0%	10.0%	25.0%
57 – 59	0.0%	7.5%	30.0%	7.5%	10.0%	25.0%
60 – 64	0.0%	7.5%	30.0%	30.0%	10.0%	25.0%
65+	33.0%	33.0%	50.0%	30.0%	20.0%	100.0%

Hired October 2, 2007 Through October 1, 2012

	Years of Service				
Age	10–14	15–24	25	26–29	30+
< 57	0.0%	5.0%	20.0%	10.0%	25.0%
57 – 59	0.0%	5.0%	30.0%	10.0%	25.0%
60 – 64	0.0%	5.0%	30.0%	10.0%	25.0%
65+	33.0%	33.0%	50.0%	20.0%	100.0%

Hired On or After October 2, 2012

	Years of Service			
Age	10–14	15–19	20–29	30+
< 57	0.0%	5.0%	5.0%	25.0%
57 – 59	0.0%	5.0%	5.0%	25.0%
60 – 61	0.0%	5.0%	5.0%	25.0%
62	0.0%	7.5%	15.0%	50.0%
63 – 64	0.0%	5.0%	5.0%	50.0%
65+	33.0%	33.0%	33.0%	100.0%

ACTUARIAL ASSUMPTIONS AND METHODS (CONTINUED)

Disability Rates

Sample rates of disability are shown below:

Age	Male	Female
25	0.0300%	0.0100%
30	0.0580%	0.0250%
35	0.0730%	0.0480%
40	0.1020%	0.0750%
45	0.1880%	0.1650%
50	0.3130%	0.2850%
55	0.5230%	0.4780%
60	0.6860%	0.5990%
65	0.2390%	0.1500%

33.3% of disablements are assumed to be service related and 30% of all disablements are assumed to qualify for Social Security benefits.

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 decreased from 89.7% on October 1, 2016 to 82.7% on October 1, 2022, indicating that the plan has been maturing during the period.

- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 73.4%. 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 66.9% on October 1, 2016 to 94.6% 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 -4.6% on October 1, 2016 to -5.7% on October 1, 2022. The current Net Cash Flow Ratio of -5.7% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

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

PLAN MATURITY MEASURES AND OTHER RISK METRICS

	10/1/2022	10/1/2021	10/1/2019	10/1/2016
Support Ratio				
Total Actives	1,644	1,676	1,640	1,519
Total Inactives [1]	1,989	1,899	1,784	1,694
Actives / Inactives [1]	82.7%	88.3%	91.9%	89.7%
Asset Volatility Ratio				
Market Value of Assets (MVA)	520,845,918	692,370,620	573,959,357	357,298,271
Total Annual Payroll	108,903,362	111,868,899	95,709,008	87,219,116
MVA / Total Annual Payroll	478.3%	618.9%	599.7%	409.7%
Accrued Liability (AL) Ratio				
Inactive Accrued Liability	485,058,891	457,616,195	422,957,960	382,997,223
Total Accrued Liability (EAN)	660,595,748	642,090,491	585,183,622	526,326,537
Inactive AL / Total AL	73.4%	71.3%	72.3%	72.8%
Funded Ratio				
Actuarial Value of Assets (AVA)	625,015,101	692,370,620	576,852,603	352,075,915
Total Accrued Liability (EAN)	660,595,748	642,090,491	585,183,622	526,326,537
AVA / Total Accrued Liability (EAN)	94.6%	107.8%	98.6%	66.9%
Net Cash Flow Ratio				
Net Cash Flow [2]	(29,853,986)	(29,999,605)	(14,489,753)	(16,495,754)
Market Value of Assets (MVA)	520,845,918	692,370,620	573,959,357	357,298,271
Ratio	-5.7%	-4.3%	-2.5%	-4.6%

[1] Excludes terminated participants awaiting a refund of member contributions.

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

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

ASSETS	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	11,025,317	11,025,317
Total Cash and Equivalents	11,025,317	11,025,317
Receivables:		
Due from other funds	4,306,591	4,306,591
Investment Income	586,900	586,900
Total Receivable	4,893,491	4,893,491
Investments:		
U. S. Bonds and Bills	1,502,185	1,437,126
Federal Agency Guaranteed Securities	1,955,044	1,929,052
Corporate Bonds	1,363,321	1,319,102
MLP/Alternative	12,147,564	33,952,534
Equities	430,208,520	466,816,186
Total Investments	447,176,634	505,454,000
Total Assets	463,095,442	521,372,808
LIABILITIES		
Payables:		
Accounts Payable	279,183	279,183
Due to Other Funds	247,707	247,707
Total Liabilities	526,890	526,890
NET POSITION RESTRICTED FOR PENSIONS	462,568,552	520,845,918

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

<u>ADDITIONS</u>		
Contributions:		
Member	5,331,766	
City	5,551,544	
Employee - Through DROP	1,635,764	
Total Contributions		12,519,074
Investment Income:		
Net Increase in Fair Value of Investments	(159,524,377)	
Interest & Dividends	18,272,612	
Less Investment Expense[1]	(2,827,183)	
Net Investment Income		(144,078,948)
Total Additions		(131,559,874)
<u>DEDUCTIONS</u>		
Distributions to Members:		
Benefit Payments - Regular Pension	37,563,357	
Retiree DROP Monthly Additions	1,635,764	
Benefit Payments - Disability Pension	213,696	
Lump Sum DROP Distributions	1,552,660	
Refunds of Member Contributions	928,956	
Total Distributions		41,894,433
Administrative Expense		478,627
Total Deductions		42,373,060
Net Increase in Net Position		(173,932,934)
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		692,370,620
Adjustment to beginning of year		2,408,232
End of the Year		520,845,918

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

ACTUARIAL ASSET VALUATION
September 30, 2022

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

Gains/(Losses) Not Yet Recognized

Plan Year		Amounts Not Yet Recognized by Valuation Year				
Ending	Gain/(Loss)	2022	2023	2024	2025	2026
09/30/2022	(196,398,698)	(157,118,958)	(117,839,218)	(78,559,478)	(39,279,738)	0
Total		(157,118,958)	(117,839,218)	(78,559,478)	(39,279,738)	0

Development of Investment Gain/(Loss)

Market Value of Assets, 09/30/2021, net of DROP Balance	688,029,377
Contributions Less Benefit Payments & Admin Expenses	(29,853,986)
Expected Investment Earnings*	52,187,020
Actual Net Investment Earnings	(144,211,678)
2022 Actuarial Investment Gain/(Loss)	(196,398,698)

*Expected Investment Earnings = 688,029,377 * 0.0775 + [(29,853,986) * [1+0.0775]^0.5 - (29,853,986)]

Development of Actuarial Value of Assets

(1) Market Value of Assets, 09/30/2022	520,845,918
(2) Gains/(Losses) Not Yet Recognized	(157,118,958)
(3) Actuarial Value of Assets, 09/30/2022, (1) - (2)	677,964,876
(4) Limited Actuarial Value of Assets, 09/30/2022	625,015,101
(A) 09/30/2021 Actuarial Assets, including DROP Balances:	692,370,620
(I) Net Investment Income:	
1. Interest and Dividends	18,272,612
2. Unrealized Gains (Losses)	(159,524,377)
3. Change in Actuarial Value	106,577,415
4. Investment Expenses	(2,827,183)
Total	(37,501,533)
(B) 09/30/2022 Actuarial Assets, including DROP Balances:	625,015,101
Actuarial Assets Rate of Return = 2I/(A+B-I):	-5.54%
Market Value of Assets Rate of Return:	-21.23%
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(90,003,414)

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

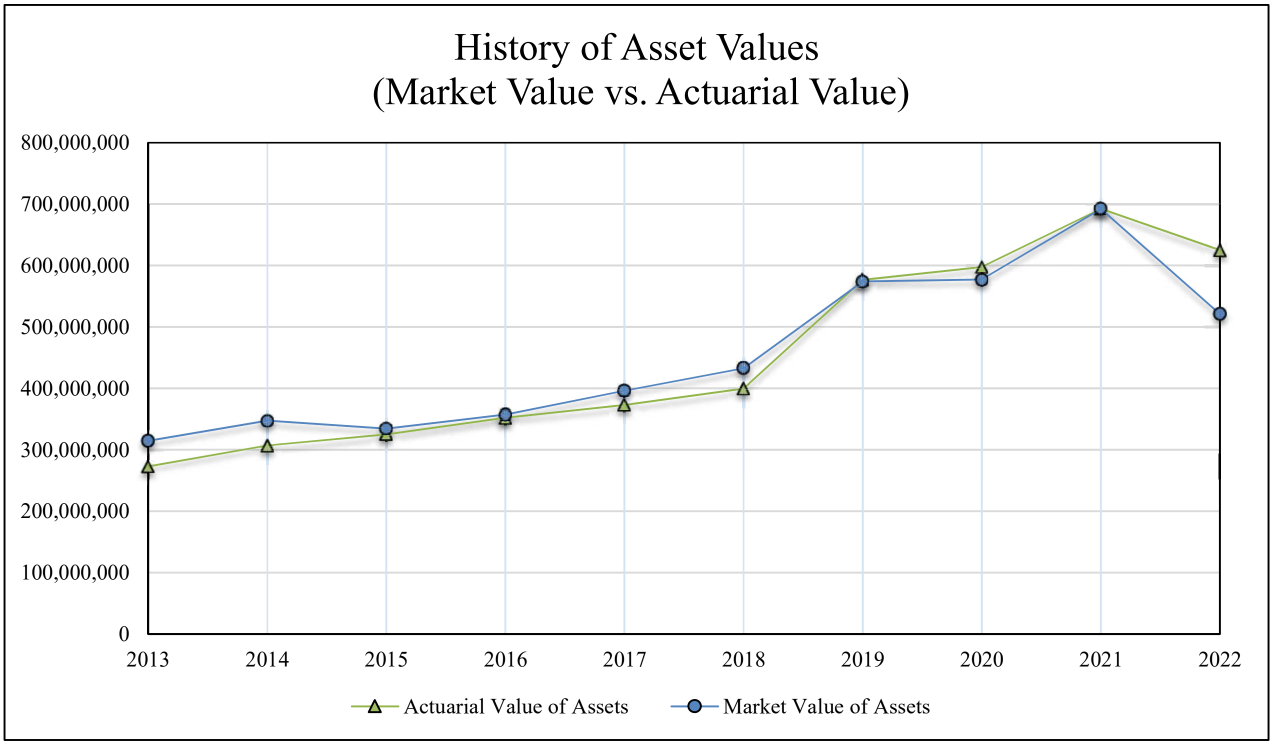
REVENUES		
Contributions:		
Member	5,331,766	
City	5,551,544	
Employee - Through DROP	1,635,764	
Total Contributions		12,519,074
Earnings from Investments:		
Interest & Dividends	18,272,612	
Net Increase in Fair Value of Investments	(159,524,377)	
Change in Actuarial Value	106,577,415	
Total Earnings and Investment Gains		(34,674,350)
EXPENDITURES		
Distributions to Members:		
Benefit Payments - Regular Pension	37,563,357	
Retiree DROP Monthly Additions	1,635,764	
Benefit Payments - Disability Pension	213,696	
Lump Sum DROP Distributions	1,552,660	
Refunds of Member Contributions	928,956	
Total Distributions		41,894,433
Expenses:		
Investment related[1]	2,827,183	
Administrative	478,627	
Total Expenses		3,305,810
Change in Net Assets for the Year		(67,355,519)
Net Assets Beginning of the Year		692,370,620
Net Assets End of the Year[2]		625,015,101

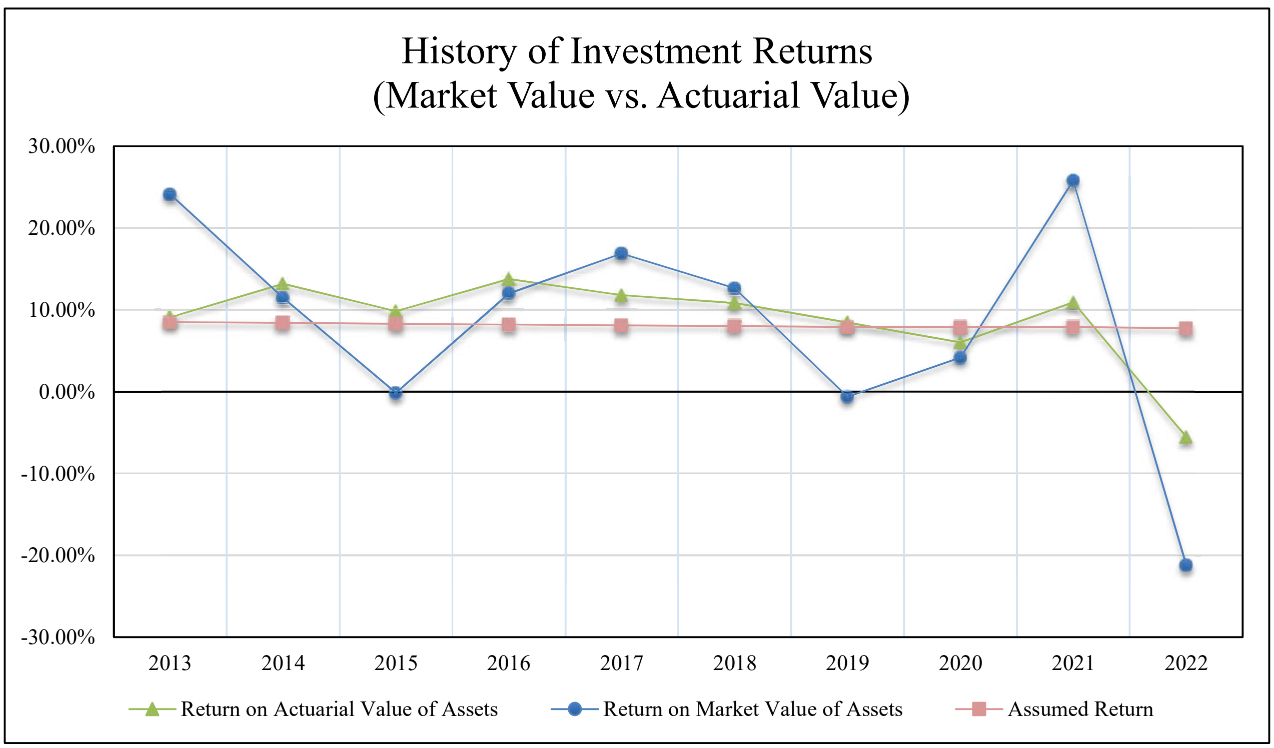
[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.
[2]Net Assets may be limited for actuarial consideration.

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

Beginning of the Year Balance	4,341,243
Plus Additions	1,635,764
Investment Return Earned	132,730
Less Distributions	(1,552,660)
End of the Year Balance	4,557,077

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS





STATISTICAL DATA

	10/1/2022	10/1/2021	10/1/2020	10/1/2019
Actives				
Number	1,644	1,676	1,680	1,640
Average Current Age	46.2	46.3	46.2	46.2
Average Age at Employment	37.5	37.3	37.1	37.0
Average Past Service	8.7	9.0	9.1	9.2
Average Annual Salary	$66,243	$66,748	$60,880	$58,359
Service Retirees				
Number	1,273	1,233	1,201	1,175
Average Current Age	69.0	68.8	68.4	67.9
Average Annual Benefit	$28,053	$27,443	$27,041	$26,543
DROP Retirees				
Number	45	34	33	36
Average Current Age	58.9	59.1	59.9	59.3
Average Annual Benefit	$45,431	$45,575	$43,463	$44,983
Beneficiaries				
Number	153	147	135	128
Average Current Age	72.0	72.5	73.5	72.8
Average Annual Benefit	$17,791	$17,984	$17,566	$17,208
Disability Retirees				
Number	36	39	39	37
Average Current Age	64.6	65.1	64.8	63.9
Average Annual Benefit	$7,114	$6,191	$5,416	$5,486
Terminated Vested				
Number	529	475	431	427
Average Current Age [1]	51.2	51.4	52.0	50.2
Average Annual Benefit [1]	$7,922	$7,321	$7,212	$7,030

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

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19	1											1
20 - 24	36	10	7	2	1							56
25 - 29	33	19	19	10	17	11						109
30 - 34	40	22	13	10	10	31	10					136
35 - 39	31	26	15	24	14	42	29	14				195
40 - 44	35	24	24	12	17	39	35	42	23			251
45 - 49	19	13	17	16	8	31	32	33	18	9		196
50 - 54	23	12	17	13	9	39	30	43	37	10	2	235
55 - 59	17	19	15	16	10	35	38	46	25	10	4	235
60 - 64	8	9	1	12	7	28	23	27	21	5	2	143
65+	8	6	4	3	5	16	12	16	12	3	2	87
Total	251	160	132	118	98	272	209	221	136	37	10	1,644

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2021	1,676
b. Terminations	
i. Vested (partial or full) with deferred annuity	(57)
ii. Vested in refund of member contributions only	(26)
iii. Refund of member contributions or full lump sum distribution received	(135)
c. Deaths	
i. Beneficiary receiving benefits	(2)
ii. No future benefits payable	(3)
d. Disabled	(2)
e. Retired	(62)
f. DROP	(14)
g. Continuing participants	1,375
h. New entrants / Rehires	269
i. Total active life participants in valuation	1,644

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

	Service Retirees, Vested Receiving Benefits	DROP Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
a. Number prior valuation	1,233	34	147	39	446	29	1,928
Retired	75	(3)			(10)		62
DROP		14					14
Vested (Deferred Annuity)					57		57
Vested (Due Refund)						26	26
Hired/Terminated in Same Year					1	18	19
Death, With Survivor	(11)		14		(1)		2
Death, No Survivor	(25)		(9)	(3)	(3)	(1)	(41)
Disabled				2			2
Refund of Contributions					(1)	(21)	(22)
Rehires					(6)	(3)	(9)
Expired Annuities							0
Data Corrections	1		1	(2)	(1)	(1)	(2)
b. Number current valuation	1,273	45	153	36	482	47	2,036

SUMMARY OF CURRENT PLAN

Eligibility	Any full-time regular employee of the City or Gainesville Gas Company (excluding police officers and firefighters)
Credited Service	Credited Service means the total number of months of service with the City, expressed in terms of full and fractional years. Credited Service will include unused sick leave credits and personal critical leave bank (PLCB) credits. For service earned on or after October 1, 2012, no service shall be credited for unused sick leave or PLCB credits earned on or after October 1, 2012. In calculating credited service on or after October 1, 2012, the lesser number of months between the additional months of service credited for unused sick leave or PCLB credits earned on or before September 30, 2012 and months of unused sick leave or PCLB credits available to a member at the time of his or her retirement shall be used. Employees who previously chose to participate in the City's 457 plan or defined contribution plan and elect to transfer to this Plan may purchase Credited Service for periods of employment during which they participated in the previous plan.
Limited Participant Service	Service worked for the City as an eligible member of the plan will be counted for any purpose of the Plan, except for the purpose of determining the member's accrued benefit and vesting.
Earnings	Pay received by a member as compensation for services to the City, including vacation termination pay, overtime pay, longevity pay and certain other specified pay. For members with hire dates on or before October 1, 2012, no more than 300 hours of overtime pay earned after October 1, 2012 will be included, nor will termination vacation pay. For members with hire dates on or after October 2, 2012, no more than 150 hours of overtime pay earned after October 1, 2012 will be included, nor will termination vacation pay.
Final Average Earnings (FAE)	Final Average Earnings mean average earnings for the highest 36 consecutive months for those hired on or before October 1, 2007, highest 48 consecutive months for members hired from October 2, 2007 through October 1, 2012, and highest 60 consecutive months for members hired on or after October 2, 2012.

SUMMARY OF CURRENT PLAN (CONTINUED)

Monthly Accrued Benefit	For those hired on or before October 1, 2012: 2.0% times FAE times Credited Service For those hired after October 1, 2012: 1.8% times FAE times Credited Service For Gainesville Gas Company Employees: a monthly benefit payable for life starting at Normal Retirement Age, equal to: (i) the accrued benefit earned under Gainesville Gas Company Employees' Pension Plan ("predecessor plan") as of January 10, 1990; plus (ii) 2% of Final Average Earnings times Credited Service earned after January 10, 1990; plus (iii) for each year of service earned after January 10, 1990, an additional 2% of Final Average Earnings will be credited, not to exceed the service years earned under the accrued benefit formula under the predecessor plan; less (iv) for each year of predecessor plan service credited under (iii) above, the portion of the accrued benefit determined under (i) above based on such years.
Member Contributions	Members are required to contribute 5.0% of earnings.
Vesting	
Schedule	100% after 5 years of Credited Service.
Benefit Amount	Members that terminate employment with 5 or more years of Credited Service, the Monthly Accrued Benefit is payable unreduced at age 65. Members that terminate employment with less than 5 years of service will receive a refund of Member contributions without interest.
Normal Retirement	
Date	First day of the month coincident with or following the earlier of: (1) Age 65 with 10 years of Credited Service (2) 20 or more years of Credited Service for those hired on or before October 1, 2007 (3) 25 or more years of Credited Service for those hired from October 2, 2007 through October 1, 2012 (4) 30 or more years of Credited Service for those hired after October 1, 2012
Benefit	Monthly Accrued Benefit

SUMMARY OF CURRENT PLAN (CONTINUED)

Early Retirement	
Date	Age 55 with 15 or more years of Credited Service for those hired on or before October 1, 2012 Age 60 with 20 or more years of Credited Service for those hired after October 1, 2012
Benefit	Monthly Accrued Benefit reduced actuarially by 5.0% per year benefits commence prior to age 65.
Delayed Retirement	
Date	Termination of employment following eligibility for Normal Retirement.
Benefit	Monthly Accrued Benefit
Deferred Retirement Option Plan ("DROP")	
Eligibility	A Member who has earned at least 27 years of Credited Service.
Participation	Members may participate for a maximum of 60 months or the attainment of 35 years of service.
Rate of Return	DROP benefits accumulate with interest as follows: • For those who enter DROP on or before October 1, 2012 - 6.0% per year. • For those who enter DROP after October 1, 2012 - 2.25% per year. • For those who enter DROP on or after May 1, 2016 - One-time election for interest to accrue at (1) 2.25% per year or (2) a variable rate between 0.0% and 4.5% per year based on the plan's actual return for the previous plan year.
Distribution	Lump sum and/or rollover to qualified retirement plan(s) at termination of employment.
Death Benefits – Pre Retirement	
Pre-Retirement	
Eligibility	Death prior to retirement.
Benefit	If the Member dies prior to eligibility for normal or early retirement, the beneficiary will receive the member's contributions without interest. If Member dies subsequent to normal or early retirement, the beneficiary will receive the benefit payable in the form selected by the Member as though the Member had retired the day before his or her death. If no option is selected, beneficiaries of married members will receive the survivor portion of the joint and survivor option and beneficiaries of members not married receive contributions without interest.

SUMMARY OF CURRENT PLAN (CONTINUED)

<u>Death Benefits – Post Retirement</u>	Benefits payable to beneficiary in accordance with option selected at retirement provided that amounts contributed by members in excess of retirement benefits paid to the member under the normal form shall be paid to the beneficiary without interest.
<u>Disability</u>	
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.
Disability Benefit Percentage	
Service Incurred	The greater of 2.0% times Credited Service, but not less than 42%.
Non-Service Incurred	The greater of 2.0% times Credited Service, but not less than 25% of Final Average Earnings.
Disability Benefit	
Benefit Amount	Disability Benefit Percentage times FAE.
Offset	Disability Benefit Percentage (up to a maximum of 50%) times Social Security primary insurance amount (PIA).
Maximum	In no event shall the disability benefit payable by the city to a disabled employee exceed the lesser of $3,750.00 per month or an amount equal to his/her maximum benefit percent, less any reductions for offsets and the initially determined wage replacement benefit made to the employee under workers' compensation laws. The deductions for workers' compensation payments shall not be made if the board determines that the disability for which benefits are payable is not, directly or indirectly, related to the injury for which workers' compensation payments were made. Unless otherwise provided by law, the reduction attributable to workers' compensation payments shall not reduce the disability benefit below the amount which, when such is combined with Social Security disability and workers' compensation benefits received by the employee, equals 80 percent of the employee's AWW or 80 percent of the employee's ACE (on a weekly basis), whichever is greater. A disabled employee's maximum benefit percent will be 80 percent if the employee's disability is due to a job-related injury in the course of employment with the city resulting in payment of workers' compensation, and otherwise shall be 70 percent.

SUMMARY OF CURRENT PLAN (CONTINUED)

Normal Form of Payment	Life Annuity
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 66 2/3% Joint and Last Survivor 66 2/3% Joint and Survivor Social Security Option 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.
Cost of Living Adjustment ("COLA")	COLA's do not apply during the DROP period.
Retired Prior to October 1, 2000	2.0% increase each October 1st following age 62.
Hired On or Prior to October 1, 2012	
20 Years of Credited Service or More on October 1, 2012	If member subsequently retires with 25 years of Credited Service, 2.0% per year increase for retired members and their beneficiaries, commencing October 1 following member's age 60 If member subsequently retires with less than 25 years of Credited Service, 2.0% per year increase for retired members and their beneficiaries, commencing October 1 following member's age 62.
Less Than 20 Years of Credited Service on October 1, 2012	If member subsequently retires with at least 25 years of Credited Service, 2.0% per year increase for retired members and their beneficiaries commencing October 1 following member's age 65.
Hired After October 1, 2012	If member retires with at least 30 years of Credited Service, 2.0% per year increase for retired members and their beneficiaries commencing October 1 following the member's age 65.

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

ASSETS	MARKET VALUE
Cash and Cash Equivalents:	
Cash and Cash Equivalents with State Street	11,025,316
Total Cash and Equivalents	11,025,316
Receivables:	
Due from Other Funds	4,306,591
Dividend/interest Receivable	586,901
Total Receivable	4,893,492
Total Investments	505,454,000
Total Assets	521,372,808
LIABILITIES	
Payables:	
Accounts Payable	279,183
Due to Other Funds	247,707
Total Liabilities	526,890
NET POSITION RESTRICTED FOR PENSIONS	520,845,918

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

Market Value Basis

<u>ADDITIONS</u>		
Contributions:		
Employer	5,551,544	
Employee	5,331,766	
Total Contributions		10,883,310
Investment Income:		
Net Increase in Fair Value of Investments	(159,524,376)	
Interest & Dividends	18,272,612	
Less Investment Expense[1]	(2,827,183)	
Net Investment Income		(144,078,947)
Total Additions		(133,195,637)
<u>DEDUCTIONS</u>		
Distributions to Members:		
Benefit Payments - Regular Pension	37,563,357	
Benefit Payments - Disability Pension	213,696	
Refund of Contributions	928,956	
Retiree DROP Payouts & Rollovers	1,552,660	
Total Distributions		40,258,669
Administrative Expense		478,628
Total Deductions		40,737,297
Net Increase in Net Position		(173,932,934)
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		692,370,620
Adjustment to beginning of Year		2,408,232
End of the Year		520,845,918

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

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

Plan Administration

The Employees' Plan is a contributory defined benefit single-employer pension plan that covers all permanent employees of the City, except certain personnel who elected to participate in the Defined Contribution Plan and who were grandfathered into that plan, and police officers and firefighters who participate in the Consolidated Plan. Benefits and refunds of the defined benefit pension plan are recognized when due and payable in accordance with the terms of the plan. The costs of administering the plan, like other plan costs, are captured within the plan itself and financed through contribution and investment income, as appropriate.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,453
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	475
Active Plan Members	1,676
	3,604

Benefits Provided

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

A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the City of Gainesville General Employees Pension Plan prepared by Foster & Foster Actuaries and Consultants.

Contributions

Member Contributions: 5% of Earnings.

Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

Investment Policy:

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

Asset Class	Target Allocation
Domestic Equity	47.0%
International Equity	28.0%
Domestic Fixed Income	8.0%
Real Estate	12.0%
Alternative	5.0%
Total	100.0%

Concentrations:

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

Rate of Return:

For the year ended September 30, 2022, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was -20.77 percent.

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

<u>Deferred Retirement Option Program</u>

Eligibility: A member who has earned at least 27 years of Credited Service.

Participation: Members may participate for a maximum of 60 months or the attainment of 35 years of service.

Rate of Return: DROP benefits accumulate with interest as follows:

• For those who enter DROP on or before October 1, 2012 - 6.0% per year.

• For those who enter DROP after October 1, 2012 - 2.25% per year.

• For those who enter DROP on or after May 1, 2016 - One-time election for interest to accrue at (1) 2.25% per year or (2) a variable rate between 0.0% and 4.5% per year based on the plan's actual return for the previous plan year.

The DROP balance as September 30, 2022 is $4,557,077.

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	$ 661,070,407
Plan Fiduciary Net Position	$ (520,845,918)
Sponsor's Net Pension Liability	$ 140,224,489
Plan Fiduciary Net Position as a percentage of Total Pension Liability	78.79%

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: Pub.H-2010 for Employees.
Male: PubG.H-2010 for Employees, set back one year.
Mortality Rate Healthy Retiree Lives:
Female: PubG.H-2010 for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.
Mortality Rate Beneficiary Lives:
Female: PubG.H-2010 for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.
Mortality Rate Disabled Lives:
PubG.H-2010 for Disabled Retirees, set forward three years.

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

The 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 non-special-risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions is unknown.

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

For 2022 the inflation rate assumption of the investment advisor was 2.50%.

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

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return[1]
Domestic Equity	7.50%
International Equity	8.50%
Domestic Fixed Income	2.50%
Real Estate	4.50%
Alternative	6.99%

[1] Source: AndCo Consulting

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	$ 215,356,707	$ 140,224,489	$ 77,181,481

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	9,941,415	9,191,329
Interest	48,135,336	46,718,121
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	13,619,109	922,294
Changes of assumptions	10,137,250	574,399
Benefit Payments, including Refunds of Employee Contributions	(40,258,669)	(40,174,943)
Net Change in Total Pension Liability	41,574,441	17,231,200
Total Pension Liability - Beginning	619,495,966	602,264,766
Total Pension Liability - Ending (a)	$ 661,070,407	$ 619,495,966
Plan Fiduciary Net Position		
Contributions - Employer	5,551,544	5,461,714
Contributions - Employee	5,331,766	5,307,109
Net Investment Income	(144,078,947)	144,933,044
Benefit Payments, including Refunds of Employee Contributions	(40,258,669)	(40,174,943)
Administrative Expense	(478,628)	(593,485)
Net Change in Plan Fiduciary Net Position	(173,932,934)	114,933,439
Plan Fiduciary Net Position - Beginning	692,370,620	577,437,181
Adjustment to beginning of Year	2,408,232	-
Plan Fiduciary Net Position - Ending (b)	$ 520,845,918	$ 692,370,620
Net Pension Liability - Ending (a) - (b)	$ 140,224,489	$ (72,874,654)
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	78.79%	111.76%
Covered Payroll	$ 106,635,320	$ 106,142,180
Net Pension Liability as a percentage of Covered Payroll	131.50%	-68.66%

Note to Schedule of Changes in Net Pension Liaiblity and Related Ratios:

Changes of assumptions:

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the investment rate of return assumption from 7.90% to 7.75%.

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, 2020 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

SCHEDULE OF CITY CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2022	$ 5,551,544	$ 5,551,544	$ -	$ 106,635,320	5.21%
09/30/2021	$ 5,461,275	$ 5,461,714	$ (439)	$ 106,142,180	5.15%

<u>Notes to Schedule</u>

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 General Employees Pension 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	-20.77%
09/30/2021	25.46%

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

Plan Description
The Employees' Plan is a contributory defined benefit single-employer pension plan that covers all permanent employees of the City, except certain personnel who elected to participate in the Defined Contribution Plan and who were grandfathered into that plan, and police officers and firefighters who participate in the Consolidated Plan. Benefits and refunds of the defined benefit pension plan are recognized when due and payable in accordance with the terms of the plan. The costs of administering the plan, like other plan costs, are captured within the plan itself and financed through contribution and investment income, as appropriate.

All full-time, permanent employees of the City of Gainesville (except police officers and firefighters) or the Gainesville Gas Company are eligible for membership in the Plan upon date of hire.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,453
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	475
Active Plan Members	1,676
	3,604

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

A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the City of Gainesville General Employees Pension Plan prepared by Foster & Foster Actuaries and Consultants.

Contributions
Member Contributions: 5% of Earnings.

Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

Net Pension Liability

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

The Sponsor's Net Pension Liability was measured as of September 30, 2022.
The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

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

Inflation	2.50%
Salary Increases	Service based
Discount Rate	7.75%
Investment Rate of Return	7.75%

Mortality Rate Healthy Active Lives:
Female: Pub.H-2010 for Employees.
Male: PubG.H-2010 for Employees, set back one year.
Mortality Rate Healthy Retiree Lives:
Female: PubG.H-2010 for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.
Mortality Rate Beneficiary Lives:
Female: PubG.H-2010 for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.
Mortality Rate Disabled Lives:
PubG.H-2010 for Disabled Retirees, set forward three years.

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

The 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 non-special-risk employees, with appropriate adjustments made based on plan demographics.

The most recent actuarial experience study used to review the other significant assumptions is unknown.

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

For 2022 the inflation rate assumption of the investment advisor was 2.50%.

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

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return[1]
Domestic Equity	47.00%	7.50%
International Equity	28.00%	8.50%
Domestic Fixed Income	8.00%	2.50%
Real Estate	12.00%	4.50%
Alternative	5.00%	6.99%
Total	100.00%	

[1] Source: AndCo Consulting

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 (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2021	$ 619,495,966	$ 692,370,620	$ (72,874,654)
Adjustment to beginning of Year		2,408,232	(2,408,232)
Changes for a Year:			
Service Cost	9,941,415	-	9,941,415
Interest	48,135,336	-	48,135,336
Differences between Expected and Actual Experience	13,619,109	-	13,619,109
Changes of assumptions	10,137,250	-	10,137,250
Changes of benefit terms	-	-	-
Contributions - Employer	-	5,551,544	(5,551,544)
Contributions - Employee	-	5,331,766	(5,331,766)
Net Investment Income	-	(144,078,947)	144,078,947
Benefit Payments, including Refunds of Employee Contributions	(40,258,669)	(40,258,669)	-
Administrative Expense	-	(478,628)	478,628
Net Changes	41,574,441	(173,932,934)	215,507,375
Balances at September 30, 2022	$ 661,070,407	$ 520,845,918	$ 140,224,489

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

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Sponsor's Net Pension Liability	$ 215,356,707	$ 140,224,489	$ 77,181,481

Pension Plan Fiduciary Net Position.

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

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

For the year ended September 30, 2022, the Sponsor will recognize a Pension Expense of $32,665,735.
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	13,293,033	78,510
Changes of assumptions	10,043,187	-
Net difference between Projected and Actual Earnings on Pension Plan investments	111,364,405	-
Total	$ 134,700,625	$ 78,510

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	$ 36,574,172
2024	$ 26,682,233
2025	$ 23,640,024
2026	$ 43,766,292
2027	$ 3,959,394
Thereafter	$ -

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	9,941,415	9,191,329
Interest	48,135,336	46,718,121
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	13,619,109	922,294
Changes of assumptions	10,137,250	574,399
Benefit Payments, including Refunds of Employee Contributions	(40,258,669)	(40,174,943)
Net Change in Total Pension Liability	41,574,441	17,231,200
Total Pension Liability - Beginning	619,495,966	602,264,766
Total Pension Liability - Ending (a)	$ 661,070,407	$ 619,495,966
Plan Fiduciary Net Position		
Contributions - Employer	5,551,544	5,461,714
Contributions - Employee	5,331,766	5,307,109
Net Investment Income	(144,078,947)	144,933,044
Benefit Payments, including Refunds of Employee Contributions	(40,258,669)	(40,174,943)
Administrative Expense	(478,628)	(593,485)
Net Change in Plan Fiduciary Net Position	(173,932,934)	114,933,439
Plan Fiduciary Net Position - Beginning	692,370,620	577,437,181
Adjustment to beginning of Year	2,408,232	-
Plan Fiduciary Net Position - Ending (b)	$ 520,845,918	$ 692,370,620
Net Pension Liability - Ending (a) - (b)	$ 140,224,489	$ (72,874,654)
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	78.79%	111.76%
Covered Payroll	$ 106,635,320	$ 106,142,180
Net Pension Liability as a percentage of Covered Payroll	131.50%	-68.66%

Note to Schedule of Changes in Net Pension Liaiblity and Related Ratios:

Changes of assumptions:

For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the investment rate of return assumption from 7.90% to 7.75%.

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, 2020 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

SCHEDULE OF CITY CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
09/30/2022	$ 5,551,544	$ 5,551,544	$ -	$ 106,635,320	5.21%
09/30/2021	$ 5,461,275	$ 5,461,714	$ (439)	$ 106,142,180	5.15%

<u>Notes to Schedule</u>

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 General Employees Pension 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	$ (72,874,654)	$ 84,882,353	$ 31,111,284	$ -
Total Pension Liability Factors:				
Service Cost	9,941,415	-	-	9,941,415
Interest	48,135,336	-	-	48,135,336
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	13,619,109	-	13,619,109	-
Current year amortization of experience difference	-	(874,267)	(3,752,474)	2,878,207
Change in assumptions about future economic or demographic factors or other inputs	10,137,250	-	10,137,250	-
Current year amortization of change in assumptions	-	-	(3,951,352)	3,951,352
Benefit Payments, including Refunds of Employee Contributions	(40,258,669)	-	-	-
Net change	41,574,441	(874,267)	16,052,533	64,906,310
Plan Fiduciary Net Position:				
Contributions - Employer	5,551,544	-	-	-
Contributions - Employee	5,331,766	-	-	(5,331,766)
Projected Net Investment Income	53,708,297	-	-	(53,708,297)
Difference between projected and actual earnings on Pension Plan investments	(197,787,244)	-	197,787,244	-
Current year amortization	-	(23,629,282)	(49,950,142)	26,320,860
Benefit Payments, including Refunds of Employee Contributions	(40,258,669)	-	-	-
Administrative Expenses	(478,628)	-	-	478,628
Net change	(173,932,934)	(23,629,282)	147,837,102	(32,240,575)
Adjustment to beginning of Year	2,408,232	-	-	-
Ending Balance	$ 140,224,489	$ 60,378,804	$ 195,000,919	$ 32,665,735

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AMORTIZATION SCHEDULE - INVESTMENTS

Plan Year Ending	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
			Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments									
2022	$ 197,787,244	5	$ 39,557,448	$ 39,557,449	$ 39,557,449	$ 39,557,449	$ 39,557,449	$ -	$ -	$ -	$ -	$ -
2021	$ (100,500,491)	5	$ (20,100,098)	$ (20,100,098)	$ (20,100,098)	$ (20,100,098)	$ -	$ -	$ -	$ -	$ -	$ -
2020	$ 15,211,044	5	$ 3,042,209	$ 3,042,209	$ 3,042,209	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2019	$ 36,752,427	5	$ 7,350,485	$ 7,350,485	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2018	$ (17,645,916)	5	$ (3,529,184)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Pension Expense			$ 26,320,860	$ 29,850,045	$ 22,499,560	$ 19,457,351	$ 39,557,449	$ -	$ -	$ -	$ -	$ -

AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions								
			2022	2023	2024	2025	2026	2027	2028	2029	2030
2022	$ 10,137,250	6.0	$ 1,689,540	$ 1,689,542	$ 1,689,542	$ 1,689,542	$ 1,689,542	$ 1,689,542	$ -	$ -	$ -
2021	$ 574,399	6.0	$ 95,733	$ 95,733	$ 95,733	$ 95,733	$ 95,733	$ -	$ -	$ -	$ -
2019	$ 6,062,725	5.0	$ 1,212,545	$ 1,212,545	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2018	$ 5,721,214	4.8	$ 953,534	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Pension Expense			$ 3,951,352	$ 2,997,820	$ 1,785,275	$ 1,785,275	$ 1,785,275	$ 1,689,542	$ -	$ -	$ -

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	$ 13,619,109	6.0	$ 2,269,849	$ 2,269,852	$ 2,269,852	$ 2,269,852	$ 2,269,852	$ 2,269,852	$ -	$ -	$ -	$ -
2021	$ 922,294	6.0	$ 153,716	$ 153,716	$ 153,716	$ 153,716	$ 153,716	$ -	$ -	$ -	$ -	$ -
2020	$ (157,018)	6.0	$ (26,170)	$ (26,170)	$ (26,170)	$ (26,170)	$ -	$ -	$ -	$ -	$ -	$ -
2019	$ 6,644,543	5.0	$ 1,328,909	$ 1,328,909	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2018	$ (5,088,593)	4.8	$ (848,097)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Pension Expense			$ 2,878,207	$ 3,726,307	$ 2,397,398	$ 2,397,398	$ 2,423,568	$ 2,269,852	$ -	$ -	$ -	$ -