

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT
FIREFIGHTERS' PENSION TRUST FUND

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2022

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2024

GASB 67/68 DISCLOSURE INFORMATION
AS OF SEPTEMBER 30, 2022



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

January 17, 2023

Board of Trustees
East Lake Tarpon Special Fire Control District
Firefighters' Pension Board

Re: East Lake Tarpon Special Fire Control District Firefighters' Pension Trust Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the East Lake Tarpon Special Fire Control District Firefighters' Pension Trust Fund. Included are the related results for GASB Statements No. 67 and No. 68. The funding valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. The calculation of the liability for GASB results was performed for the purpose of satisfying the requirements of GASB Statements No. 67 and No. 68. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuations have been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflect laws and regulations issued to date pursuant to the provisions of Chapters 112 and 175, 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 East Lake Tarpon Special Fire Control District, financial reports prepared by the custodian bank, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

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 East Lake Tarpon Special Fire Control District, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Firefighters' Pension Trust Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

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

Respectfully submitted,

Foster & Foster, Inc.

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

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

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Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the East Lake Tarpon Special Fire Control District Firefighters' Pension Trust Fund, performed as of October 1, 2022, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ending September 30, 2024.

The contribution requirements, compared with those set forth in the October 25, 2022 actuarial impact statement, are as follows:

Valuation Date Applicable to Fiscal Year Ending	10/1/2022 <u>9/30/2024</u>	10/1/2021 <u>9/30/2023</u>
Minimum Required Contribution % of Projected Annual Payroll	42.9%	41.1%
Member Contributions (Est.) % of Projected Annual Payroll	7.0%	7.0%
District And State Required Contribution % of Projected Annual Payroll	35.9%	34.1%
State Contribution (Est.) ¹ % of Projected Annual Payroll	\$335,632 10.9%	\$335,632 10.9%
District Required Contribution ² % of Projected Annual Payroll	25.0%	23.2%

¹ Represents the amount received in calendar 2022. As per Resolution No. 2022-01, all State Monies received for calendar year 2021 and thereafter will be available to offset the District's required contribution unless the plan has a funded ratio of less than 75%. In the case, all State Monies received in excess of \$258,650 will be allocated to the Share Plan.

² The required contribution from the combination of District and State sources for the year ending September 30, 2024, is 35.9% of the actual payroll realized in that year. As a budgeting tool, the District may contribute 25.0% of each Member's Salary and then make a one-time adjustment to account for the actual State Monies received.

As you can see, the Minimum Required Contribution shows an increase when compared to the results determined in the October 25, 2022 actuarial impact statement. The increase is attributable to unfavorable actuarial experience as described in the next paragraph.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an investment return of 4.94% (Actuarial Asset Basis) which fell short of the 7.25% assumption, an average salary increase of 8.11% which exceeded the 5.18% assumption, and less turnover than expected. There were no significant sources of actuarial gain.

CHANGES SINCE PRIOR VALUATION

Plan Changes

Resolution No. 2022-01 was adopted on January 24, 2022. This Resolution provided the following benefit changes:

- 1.) Increase the benefit accrual rate for service on and after February 1, 2022 from 3.00% to 4.00% of Average Final Compensation for each year of Credited Service. Service prior to February 1, 2022 would receive the 3.00% benefit accrual rate. The previous Resolution No. 2021-06 and the October 1, 2021 actuarial valuation report reflected January 1, 2022 as the effective date of the increase in the accrual rate. Please note that if the Funded Ratio drops below 75%, then the benefit accrual rate drops back to 3.0% for the period of time the Funded Ratio is below 75%.
- 2.) Increase the Member Contribution Rate effective February 1, 2022 from 5.0% to 7.0% of Salary. The previous Resolution No. 2021-06 and the October 1, 2021 actuarial valuation report had January 1, 2022 as the effective date of the increase in the Member Contribution Rate. Please note that if the Funded Ratio drops below 75%, then the Member Contribution Rate drops back to 5.0% for the period of time the Funded Ratio is below 75%.
- 3.) Provide that all State Monies received beginning with the amounts received for calendar 2021, which will be received in 2022, will be available by the District to offset their annual funding requirement and no future State Monies will be allocated to the Share Plan besides the time the Funded Ratio is below 75%.

Please refer to the October 25, 2022, Actuarial Impact Statement for details regarding the impact on plan finding and liabilities for the above changes.

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	22.6%
<i>(As set forth in the October 25, 2022 Actuarial Impact Statement)</i>	
(2) Summary of Contribution Impact by component:	
Change in State Contribution Percentage	0.6%
Change in Normal Cost Rate	-0.7%
Change in Administrative Expense Percentage	-0.6%
Payroll Change Effect on UAAL Amortization	-0.6%
Investment Return (Actuarial Asset Basis)	2.1%
Salary Increases	1.3%
Active Decrements	0.6%
Inactive Mortality	0.3%
UAAL Amortization Impact from Contribution Policy	-0.1%
Assumption Change	0.0%
Interest Crediting on Share Plan Balances	-0.8%
Other	<u>0.3%</u>
Total Change in Contribution	2.4%
(3) Contribution Determined as of October 1, 2022	25.0%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	<u>10/1/2022</u>	<u>10/1/2021</u>
A. Participant Data		
Actives	37	37
Service Retirees	19	19
DROP Retirees	2	2
Beneficiaries	1	1
Disability Retirees	3	3
Terminated Vested	<u>8</u>	<u>7</u>
 Total	 70	 69
 Payroll Under Assumed Ret. Age	 3,085,127	 2,921,423
Annual Rate of Payments to:		
Service Retirees	1,018,148	1,015,942
DROP Retirees	105,644	105,644
Beneficiaries	30,360	30,360
Disability Retirees	97,350	97,350
Terminated Vested	112,836	85,605
 B. Assets		
Actuarial Value (AVA) ¹	22,247,534	21,170,299
Market Value (MVA) ¹	19,196,335	23,196,938
 C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	15,505,048	13,699,641
Disability Benefits	222,515	215,780
Death Benefits	69,733	63,892
Vested Benefits	1,825,418	1,657,747
Refund of Contributions	31,039	44,397
Service Retirees	11,678,478	11,811,921
DROP Retirees ¹	1,774,127	1,656,073
Beneficiaries	364,484	367,216
Disability Retirees	1,131,700	1,142,981
Terminated Vested	1,010,564	702,545
Share Plan Balances ¹	<u>608,901</u>	<u>737,793</u>
 Total	 34,222,007	 32,099,986

C. Liabilities - (Continued)	<u>10/1/2022</u>	<u>10/1/2021</u>
Present Value of Future Salaries	29,161,399	27,565,499
Present Value of Future Member Contributions	2,041,298	1,929,585
Normal Cost (Retirement)	552,368	536,704
Normal Cost (Disability)	13,820	15,649
Normal Cost (Death)	3,494	3,445
Normal Cost (Vesting)	96,263	94,128
Normal Cost (Refunds)	9,497	10,911
Total Normal Cost	<u>675,442</u>	<u>660,837</u>
Present Value of Future Normal Costs	6,468,848	6,169,989
Accrued Liability (Retirement)	10,140,717	8,601,907
Accrued Liability (Disability)	91,109	82,380
Accrued Liability (Death)	37,102	32,368
Accrued Liability (Vesting)	909,585	787,978
Accrued Liability (Refunds)	6,392	6,835
Accrued Liability (Inactives) ¹	15,959,353	15,680,736
Share Plan Balances ¹	608,901	737,793
Total Actuarial Accrued Liability (EAN AL)	<u>27,753,159</u>	<u>25,929,997</u>
Unfunded Actuarial Accrued Liability (UAAL)	5,505,625	4,759,698
Funded Ratio (AVA / EAN AL)	80.2%	81.6%

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	16,568,254	16,418,529
Actives	5,130,773	4,493,352
Member Contributions	<u>1,310,422</u>	<u>1,141,006</u>
Total	23,009,449	22,052,887
Non-vested Accrued Benefits	<u>441,074</u>	<u>413,293</u>
Total Present Value		
Accrued Benefits (PVAB)	23,450,523	22,466,180
Funded Ratio (MVA / PVAB)	81.9%	103.3%
Increase (Decrease) in Present Value of		
Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	540,654	
Benefits Paid	(1,143,652)	
Interest	1,587,341	
Other	<u>0</u>	
Total	984,343	

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

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll ²	22.7	23.4
Administrative Expenses (with interest) % of Total Annual Payroll ²	2.7	3.3
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 29 years (as of 10/1/2022, with interest) % of Total Annual Payroll ²	17.5	14.4
Minimum Required Contribution % of Total Annual Payroll ²	42.9	41.1
Expected Member Contributions % of Total Annual Payroll ²	7.0	7.0
Expected District and State Contribution % of Total Annual Payroll ²	35.9	34.1

F. Past Contributions

Plan Years Ending:	<u>9/30/2022</u>
District and State Requirement	1,016,008
Actual Contributions Made:	
District	704,150
State	<u>335,632</u>
Total	1,039,782

G. Net Actuarial (Gain)/Loss 881,766

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 10/1/2022 of \$3,085,127.

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	5,505,625
2023	5,345,647
2024	5,168,088
2031	3,199,095
2038	1,017,663
2044	285,254
2051	0

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

	<u>Actual</u>	<u>Assumed</u>
Year Ended 9/30/2022	8.11%	5.18%
Year Ended 9/30/2021	6.07%	5.17%
Year Ended 9/30/2020	4.82%	5.17%
Year Ended 9/30/2019	4.54%	5.13%
Year Ended 9/30/2018	8.16%	5.16%

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

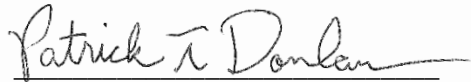
	<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
Year Ended 9/30/2022	-17.47%	4.94%	7.25%
Year Ended 9/30/2021	20.71%	10.13%	7.50%
Year Ended 9/30/2020	8.72%	8.70%	7.65%
Year Ended 9/30/2019	3.71%	8.28%	7.65%
Year Ended 9/30/2018	8.01%	7.30%	7.65%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2022	\$3,085,127
	10/1/2012	2,057,194
(b) Total Increase		49.97%
(c) Number of Years		10.00
(d) Average Annual Rate		4.14%

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.



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

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

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

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

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

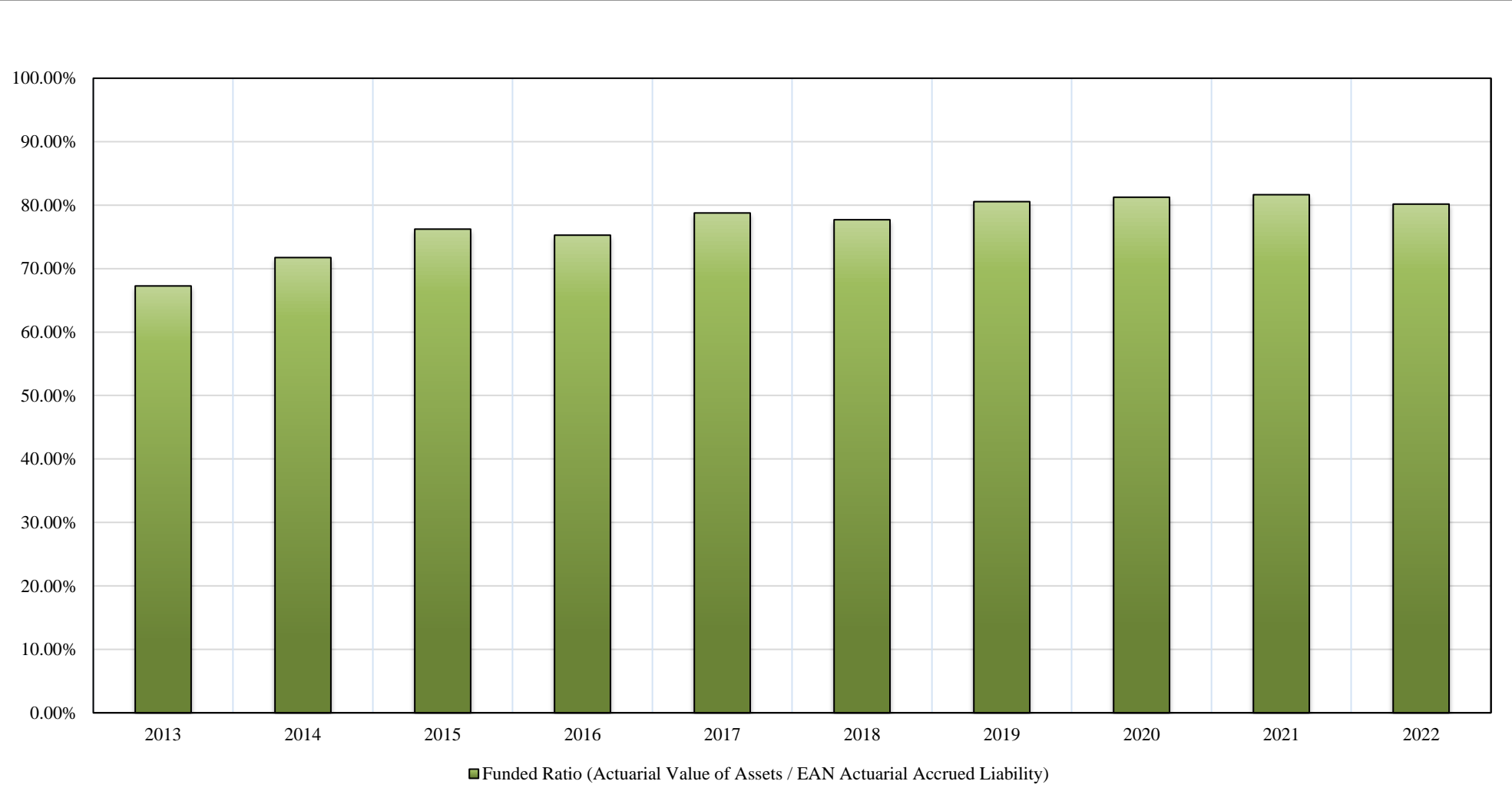
(1)	Unfunded Actuarial Accrued Liability as of October 1, 2021	\$4,759,698
(2)	Sponsor Normal Cost developed as of October 1, 2021	456,337
(3)	Expected administrative expenses for the year ended September 30, 2022	93,769
(4)	Expected interest on (1), (2) and (3)	381,562
(5)	Sponsor contributions to the System during the year ended September 30, 2022	1,039,782
(6)	Expected interest on (5)	27,725
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2022 (1)+(2)+(3)+(4)-(5)-(6)	4,623,859
(8)	Change to UAAL due to Assumption Change	0
(9)	Change to UAAL due to Actuarial (Gain)/Loss	881,766
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2022	5,505,625

Type of <u>Base</u>	<u>Date</u> <u>Established</u>	<u>Years</u> <u>Remaining</u>	<u>10/1/2022</u> <u>Amount</u>	<u>Amortization</u> <u>Amount</u>
Initial UAAL	1/1/2002	19	1,382,071	117,773
Benefits Change	10/1/2003	11	447,646	53,802
Benefits Change	10/1/2004	12	159,339	18,023
Benefits Change	10/1/2006	14	354,094	36,155
Method Change	10/1/2008	6	(477,540)	(91,848)
Benefits Change	10/1/2008	16	875,037	82,241
Benefits Change	10/1/2009	17	111,517	10,113
Assumption Change	10/1/2010	8	230,313	35,110
Assumption Change	10/1/2012	10	148,249	19,085
Assumption Change	10/1/2016	14	334,370	34,141
Assumption Change	10/1/2017	15	2,651	259
Actuarial Loss	10/1/2018	6	402,065	77,331
Benefits Change	10/1/2018	26	(1,506)	(110)
Actuarial Gain	10/1/2019	7	(242,155)	(41,045)
Actuarial Loss	10/1/2020	8	21,171	3,227
Asmp/Mthd Change	10/1/2020	18	(192,164)	(16,869)
Benefits Change	10/1/2020	28	620,608	44,138
Actuarial Gain	10/1/2021	9	(222,228)	(30,944)
Assumption Change	10/1/2021	19	678,437	57,813
Benefits Change	10/1/2021	29	(8,116)	(570)
Actuarial Loss	10/1/2022	10	881,766	113,514
			5,505,625	521,339

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2021	\$4,759,698
(2) Expected UAAL as of October 1, 2022	4,623,859
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	489,202
Salary Increases	306,517
Active Decrements	141,692
Inactive Mortality	80,196
Interest Crediting on Share Plan Balances	(182,382)
Other	<u>46,541</u>
Increase in UAAL due to (Gain)/Loss	881,766
Assumption Changes	0
(4) Actual UAAL as of October 1, 2022	\$5,505,625

HISTORY OF FUNDING PROGRESS



ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:

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

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

Healthy Retiree Lives:

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

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

Beneficiary Lives:

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

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

Disabled Lives:

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

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

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

Interest Rate

7.25% 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.

Increases in Pensionable Earnings

See table later in this section. This assumption is based on an experience study dated January 16, 2018.

Payroll Growth

1.07% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

Administrative Expenses

\$81,174 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Amortization Method

New UAAL amortization bases are amortized over the following amortization periods:

Experience: 10 Years.

Assumption/Method Changes: 20 Years.

Benefit Changes: 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.

Retirement Age

75% at first eligibility for Normal Retirement, 25% at each of the next 2 years after first eligibility, and 100% at 3 or more years after first eligibility.

This assumption is based on an experience study dated January 16, 2018.

Early Retirement

It is assumed that members who are eligible for Early Retirement (age 50) will retire at the rate of 5.00% per year.

This assumption is based on an experience study dated January 16, 2018.

Disability Rate

See table later in this section for sample rates (Table 1201). It is assumed that 90% of disablements are service related. This assumption was developed from those used by other plans containing Florida municipal Firefighters.

Termination Rate

See table later in this section. This assumption is based on an experience study dated January 16, 2018.

Funding Method

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

Interest - a half year, based on current 7.25% assumption.

Salary - None.

Asset Valuation Method

All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.

Assumption Tables

<u>% Terminating During the Year</u>		<u>% Becoming Disabled During the Year</u>		<u>Salary Scale</u>	
<u>Service</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Service</u>	<u>Rate</u>
0-4	6.5%	20	0.03%	0-9	5.50%
5+	3.0%	25	0.03%	10-19	5.00%
		30	0.04%	20+	4.50%
		35	0.05%		
		40	0.07%		
		45	0.10%		
		50	0.18%		
		55	0.36%		
		60	0.90%		
		65	2.22%		

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 309.1% on October 1, 2012 to 119.4% 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 57.5%. 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 58.5% on October 1, 2012 to 80.2% 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 6.8% on October 1, 2012 to 0.2% on October 1, 2022. The current Net Cash Flow Ratio of 0.2% indicates that contributions are generally covering the plan's benefit payments and administrative expenses.

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

PLAN MATURITY MEASURES AND OTHER RISK METRICS

	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2017</u>	<u>10/1/2012</u>
<u>Support Ratio</u>				
Total Actives	37	37	36	34
Total Inactives ¹	31	30	23	11
Actives / Inactives ¹	119.4%	123.3%	156.5%	309.1%
<u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	19,196,335	23,196,938	16,037,239	9,001,382
Total Annual Payroll	3,085,127	2,921,423	2,543,754	2,057,194
MVA / Total Annual Payroll	622.2%	794.0%	630.5%	437.6%
<u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	15,959,353	15,680,736	11,518,259	5,342,629
Total Accrued Liability (EAN)	27,753,159	25,929,997	19,465,095	14,507,491
Inactive AL / Total AL	57.5%	60.5%	59.2%	36.8%
<u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	22,247,534	21,170,299	15,332,097	8,481,803
Total Accrued Liability (EAN)	27,753,159	25,929,997	19,465,095	14,507,491
AVA / Total Accrued Liability (EAN)	80.2%	81.6%	78.8%	58.5%
<u>Net Cash Flow Ratio</u>				
Net Cash Flow ²	30,293	(112,545)	285,344	609,385
Market Value of Assets (MVA)	19,196,335	23,196,938	16,037,239	9,001,382
Ratio	0.2%	-0.5%	1.8%	6.8%

¹ Excludes terminated participants awaiting a refund of member contributions.

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

PARTIAL HISTORY OF PREMIUM TAX REFUNDS

<u>Received During Fiscal Year</u>	<u>Amount</u>	<u>Increase from Previous Year</u>
2002	16,551.72	_____ %
2003	85,142.86	414.4%
2004	104,692.65	23.0%
2005	113,705.84	8.6%
2006	146,046.12	28.4%
2007	156,035.68	6.8%
2008	257,719.28	65.2%
2009	352,338.84	36.7%
2010	265,648.55	-24.6%
2011	282,778.29	6.4%
2012	300,992.81	6.4%
2013	293,523.11	-2.5%
2014	334,430.39	13.9%
2015	351,570.51	5.1%
2016	348,780.90	-0.8%
2017	319,145.04	-8.5%
2018	313,577.89	-1.7%
2019	323,635.33	3.2%
2020	336,065.00	3.8%
2021	329,447.08	-2.0%
2022	335,631.73	1.9%

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	616,924.95	616,924.95
Cash	997.10	997.10
Total Cash and Equivalents	617,922.05	617,922.05
Receivables:		
Investment Income	18,169.21	18,169.21
Total Receivable	18,169.21	18,169.21
Investments:		
U. S. Bonds and Bills	862,715.03	783,943.40
Federal Agency Guaranteed Securities	184,393.86	168,981.24
Corporate Bonds	1,160,323.46	1,042,871.50
Stocks	3,427,391.24	3,835,558.06
Mutual Funds:		
Fixed Income	4,038,937.84	3,460,710.55
Equity	6,896,482.54	7,054,980.29
Pooled/Common/Commingled Funds:		
Real Estate	958,003.45	2,213,199.00
Total Investments	17,528,247.42	18,560,244.04
Total Assets	18,164,338.68	19,196,335.30
<u>LIABILITIES</u>		
Total Liabilities	0.00	0.00
NET POSITION RESTRICTED FOR PENSIONS	18,164,338.68	19,196,335.30

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

ADDITIONS

Contributions:

Member	189,678.99
Buy-Back	22,632.17
District	704,149.92
State	335,631.73

Total Contributions 1,252,092.81

Investment Income:

Net Realized Gain (Loss)	1,363,562.56
Unrealized Gain (Loss)	(5,851,721.26)
Net Increase in Fair Value of Investments	(4,488,158.70)
Interest & Dividends	542,083.59
Less Investment Expense ¹	(84,819.43)

Net Investment Income (4,030,894.54)

Total Additions (2,778,801.73)

DEDUCTIONS

Distributions to Members:

Benefit Payments	1,143,652.08
Lump Sum DROP Distributions	0.00
Lump Sum Share Distributions	0.00
Refunds of Member Contributions	0.00

Total Distributions 1,143,652.08

Administrative Expense 78,148.42

Total Deductions 1,221,800.50

Net Increase in Net Position (4,000,602.23)

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year 23,196,937.53

End of the Year 19,196,335.30

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

ACTUARIAL ASSET VALUATION
September 30, 2022

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

Plan Year Ending	Gain/(Loss)	<u>Gains/Losses Not Yet Recognized</u>				
		Amounts Not Yet Recognized by Valuation Year				
		2022	2023	2024	2025	2026
09/30/2021	2,533,299	1,519,979	1,013,319	506,659	0	0
09/30/2022	(5,713,972)	(4,571,178)	(3,428,384)	(2,285,590)	(1,142,796)	0
Total		(3,051,199)	(2,415,065)	(1,778,931)	(1,142,796)	0

Development of Investment Gain/Loss

Market Value of Assets, including Prepaid Contributions, 09/30/2021	23,202,475
Contributions Less Benefit Payments & Admin Expenses	24,755
Expected Investment Earnings*	1,683,077
Actual Net Investment Earnings	(4,030,895)
2022 Actuarial Investment Gain/(Loss)	<u>(5,713,972)</u>

*Expected Investment Earnings = $0.0725 * (23,202,475 + 0.5 * 24,755)$

Development of Actuarial Value of Assets

(1) Market Value of Assets, 09/30/2022	19,196,335
(2) Gains/(Losses) Not Yet Recognized	(3,051,199)
(3) Actuarial Value of Assets, 09/30/2022, (1) - (2)	<u>22,247,534</u>
(A) 09/30/2021 Actuarial Assets, including Prepaid Contributions:	21,175,836
(I) Net Investment Income:	
1. Interest and Dividends	542,084
2. Realized Gain (Loss)	1,363,563
3. Unrealized Gain (Loss)	(5,851,721)
4. Change in Actuarial Value	5,077,838
5. Investment Expenses	(84,819)
Total	<u>1,046,943</u>
(B) 09/30/2022 Actuarial Assets:	22,247,534
Actuarial Assets Rate of Return = $2I/(A+B-I)$:	4.94%
Market Value of Assets Rate of Return:	-17.47%
10/01/2022 Limited Actuarial Assets:	22,247,534
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(489,202)

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

REVENUES

Contributions:		
Member	189,678.99	
Buy-Back	22,632.17	
District	704,149.92	
State	335,631.73	
 Total Contributions		 1,252,092.81
Earnings from Investments:		
Interest & Dividends	542,083.59	
Net Realized Gain (Loss)	1,363,562.56	
Unrealized Gain (Loss)	(5,851,721.26)	
Change in Actuarial Value	5,077,838.00	
 Total Earnings and Investment Gains		 1,131,762.89

EXPENDITURES

Distributions to Members:		
Benefit Payments	1,143,652.08	
Lump Sum DROP Distributions	0.00	
Lump Sum Share Distributions	0.00	
Refunds of Member Contributions	0.00	
 Total Distributions		 1,143,652.08
Expenses:		
Investment related ¹	84,819.43	
Administrative	78,148.42	
 Total Expenses		 162,967.85
 Change in Net Assets for the Year		 1,077,235.77
 Net Assets Beginning of the Year		 21,170,298.53
 Net Assets End of the Year ²		 22,247,534.30

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

²Net Assets may be limited for actuarial consideration.

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

Beginning of the Year Balance	216,462.57
Plus Additions	105,643.56
Investment Return Earned	17,753.82
Less Distributions	0.00
End of the Year Balance	339,859.95

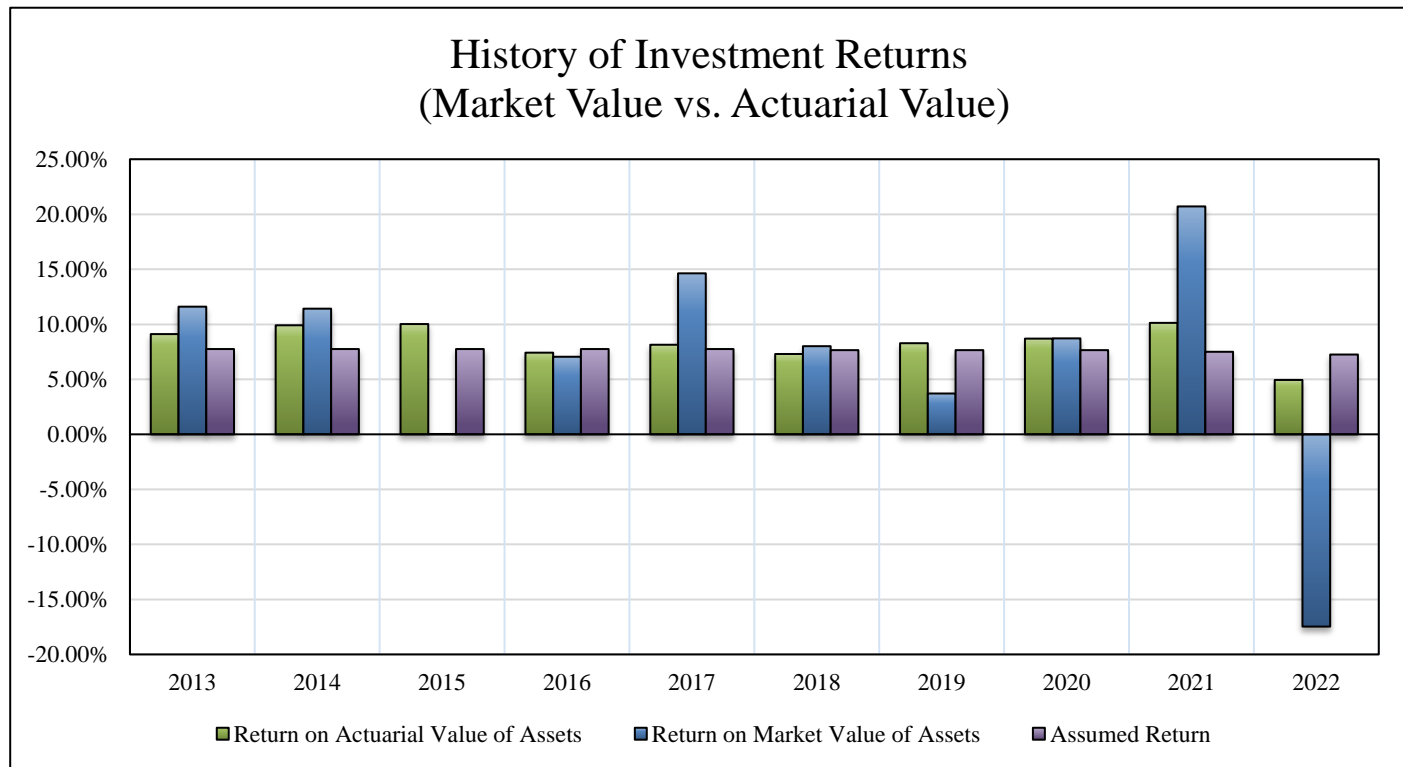
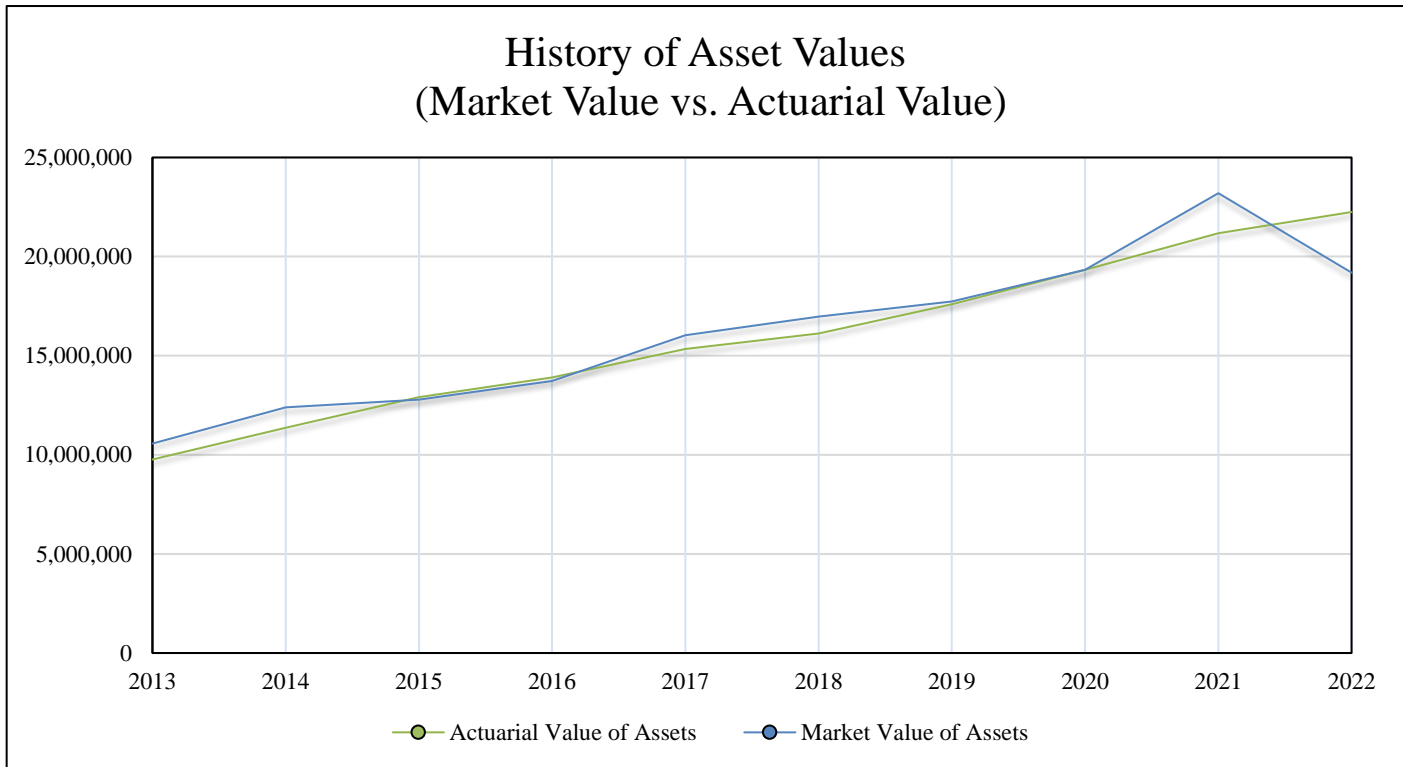
SUPPLEMENTAL CHAPTER 175 SHARE PLAN ACTIVITY
October 1, 2021 through September 30, 2022

9/30/2021 Balance	737,793.09
Prior Year Adjustment	0.00
Plus Additions	0.00
Investment Return Earned (Est.)	(128,892.00)
Administrative Fees (Est.)	0.00
Less Distributions	0.00
9/30/2022 Balance (Est.)	608,901.09

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

(1)	District and State Required Contribution Rate	33.5%
(2)	Pensionable Payroll Derived from Member Contributions	\$3,032,860.71
(3)	District and State Required Contribution (1) x (2)	1,016,008.34
(4)	Less Allowable State Contribution	<u>(335,631.73)</u>
(5)	Equals Required District Contribution for Fiscal 2022	680,376.61
(6)	Less 2021 Prepaid Contribution	0.00
(7)	Less Actual District Contributions	<u>(704,149.92)</u>
(8)	District Contributions in Excess of Minimum Requirement Applied to Reduce Unfunded Actuarial Accrued Liability as of September 30, 2022	(\$23,773.31)

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS



STATISTICAL DATA

	<u>10/1/2022</u>	<u>10/1/2021</u>	<u>10/1/2020</u>	<u>10/1/2019</u>
<u>Actives</u>				
Number	37	37	35	38
Average Current Age	39.0	38.9	38.9	39.0
Average Age at Employment	28.7	29.5	29.5	28.8
Average Past Service	10.3	9.4	9.4	10.2
Average Annual Salary	\$83,382	\$78,957	\$76,902	\$76,990
<u>Service Retirees</u>				
Number	19	19	17	14
Average Current Age	61.3	60.3	59.6	59.2
Average Annual Benefit	\$53,587	\$53,471	\$52,369	\$53,245
<u>DROP Retirees</u>				
Number	2	2	3	2
Average Current Age	57.8	56.8	57.7	58.3
Average Annual Benefit	\$52,822	\$52,822	\$62,028	\$25,726
<u>Beneficiaries</u>				
Number	1	1	1	1
Average Current Age	57.1	56.1	55.1	54.1
Average Annual Benefit	\$30,360	\$30,360	\$30,360	\$30,360
<u>Disability Retirees</u>				
Number	3	3	3	2
Average Current Age	52.5	51.5	50.5	54.7
Average Annual Benefit	\$32,450	\$32,450	\$32,450	\$28,057
<u>Terminated Vested</u>				
Number	8	7	8	9
Average Current Age ¹	53.1	50.2	49.2	49.7
Average Annual Benefit ¹	\$18,806	\$17,121	\$17,121	\$23,628

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												0
20 - 24												0
25 - 29				1	1	1						3
30 - 34	1	3		1		4						9
35 - 39						7	2	2				11
40 - 44								4				4
45 - 49					1	2			1			4
50 - 54			1					1	1	2		5
55 - 59									1			1
60 - 64												0
65+												0
Total	1	3	1	2	2	14	2	7	3	2	0	37

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2021	37
b. Terminations	
i. Vested (partial or full) with deferred annuity	(1)
ii. Vested in refund of member contributions only	0
iii. Refund of member contributions or full lump sum distribution received	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	0
f. DROP	<u>0</u>
g. Continuing participants	36
h. New entrants / Rehires	<u>1</u>
i. Total active life participants in valuation	<u>37</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)	Vested (Due Refund)	<u>Total</u>
a. Number prior valuation	19	2	1	3	5	2	32
Retired	0	0	0	0	0	0	0
DROP	0	0	0	0	0	0	0
Vested (Deferred Annuity)	0	0	0	0	1	0	1
Vested (Due Refund)	0	0	0	0	0	0	0
Hired/Terminated in Same Year	0	0	0	0	0	0	0
Death, With Survivor	0	0	0	0	0	0	0
Death, No Survivor	0	0	0	0	0	0	0
Disabled	0	0	0	0	0	0	0
Refund of Contributions	0	0	0	0	0	0	0
Rehires	0	0	0	0	0	0	0
Expired Annuities	0	0	0	0	0	0	0
Data Corrections	0	0	0	0	0	0	0
b. Number current valuation	19	2	1	3	6	2	33

SUMMARY OF CURRENT PLAN
(Through Resolution No. 2022-01)

<u>Latest Amendment Date</u>	January 24, 2022.
<u>Credited Service</u>	Total years and fractional parts of years of employment with the District as a Firefighter.
<u>Salary</u>	Fixed monthly remuneration for services rendered.
<u>Average Final Compensation</u>	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination.
<u>Member Contributions</u>	5.00% of Salary. Effective February 1, 2022, the member contribution increases to 7.00% of Salary. If the Funded Ratio will drop below 75%, the Member contribution rate will revert to 5.00%, until the funded ratio equals or exceeds 75%, at which time, the Member contribution rate will increase back to 7.00%.
<u>District and State Contributions</u>	Remaining amount required in order to fund to actuarial soundness as provided in Part VII of Chapter 112, Florida Statutes.
<u>Normal Retirement</u>	
Date	Earlier of: 1) Age 52 and 25 years of Credited Service, or 2) age 55 and 10 years of Credited Service.
Benefit	3.00% of Average Final Compensation times Credited Service. Effective February 1, 2022, the multiplier increases to 4.00%. Service prior to February 1, 2022 would receive the 3.00% benefit accrual rate. If the Funded Ratio will drop below 75%, the multiplier will revert to 3.00%, until the funded ratio equals or exceeds 75%, at which time, the multiplier will increase back to 4.00%.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
Cost of Living Adjustments	Firefighters who retire on or after October 1, 2009 under <u>Normal Retirement</u> will receive automatic annual increases in their benefit of 0.65% beginning on the October 1 st following 5 years of retirement.

Early Retirement

Eligibility	Age 50 and 10 Years of Credited Service.
Benefit	Accrued benefit, reduced 3.00% per year.

Vesting

Schedule	100% after 7 years of Credited Service (Contributions rolled over from the old Plan vest according the old Plan's provisions).
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Disability

Eligibility	
Service Incurred	Covered from Date of Employment.
Non-Service Incurred	10 years of Credited Service.
Exclusions	Disability resulting from use of drugs, illegal participation in riots, service in military, etc.
Benefit	Benefit accrued to date of disability but not less than 42% of Average Final Compensation for service-incurred disability.
Duration	Payable for life with 10 years certain (options available) or until recovery (as determined by the Board).

Death Benefits

Pre-Retirement	
Vested	Monthly accrued benefit payable to designated beneficiary for 10 years at Member's Normal or Early Retirement Date.
Non-Vested	Refund of accumulated contributions without interest.
Post-Retirement	Benefits payable to beneficiary in accordance with option selected at retirement.

Deferred Retirement Option Plan

Eligibility	Satisfaction of Normal Retirement requirements (earlier of 1) Age 52 with 25 years of Credited Service, or 2) Age 55 with 10 years of Credited Service) or Early Retirement requirements (Age 50 with 10 years of Credited Service).
Participation	Not to exceed 60 months.
Rate of Return	At Member's election: 1) 6.50% annual rate or 2) Actual net rate of investment return (total return net of brokerage commissions, management fees, and transaction costs) credited each fiscal quarter.
Form of Distribution	Cash lump sum (options available) at termination of employment.

Chapter 175 Share Plan

Allocation	Each year premium tax monies received pursuant to Chapter 175, Florida Statutes in excess of \$258,650 will be allocated to individual Member Share accounts in equal amounts. Per Resolution 2022-01, all State Monies received beginning with the amounts received for calendar 2021 and years thereafter, will be available by the District to offset their annual funding requirement and no future State Monies will be allocated to the Share Plan except years that the funded ratio is less than 75% and the multiplier revert back to 3.00%.
Investment Earnings	Net rate of investment return.
Distribution	Lump sum payment at retirement, vested termination, disability, or death.
Vesting Service Requirement	Same as for other benefits (see above).

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	MARKET VALUE
Cash and Cash Equivalents:	
Short Term Investments	616,925
Cash	997
Total Cash and Equivalents	617,922
Receivables:	
Investment Income	18,169
Total Receivable	18,169
Investments:	
U. S. Bonds and Bills	783,943
Federal Agency Guaranteed Securities	168,981
Corporate Bonds	1,042,872
Stocks	3,835,558
Mutual Funds:	
Fixed Income	3,460,711
Equity	7,054,980
Pooled/Common/Commingled Funds:	
Real Estate	2,213,199
Total Investments	18,560,244
Total Assets	19,196,335
Total Liabilities	0
NET POSITION RESTRICTED FOR PENSIONS	19,196,335

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

ADDITIONS

Contributions:

Member	184,141
Buy-Back	22,632
District	704,149
State	335,632

Total Contributions	1,246,554
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Investment Income:

Net Increase in Fair Value of Investments	(4,488,158)
Interest & Dividends	542,084
Less Investment Expense ¹	(84,820)

Net Investment Income	(4,030,894)
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Total Additions	(2,784,340)
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DEDUCTIONS

Distributions to Members:

Benefit Payments	1,143,652
Lump Sum DROP Distributions	0
Lump Sum Share Distributions	0
Refunds of Member Contributions	0

Total Distributions	1,143,652
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Administrative Expense	78,148
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Total Deductions	1,221,800
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Net Increase in Net Position	(4,006,140)
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year	23,202,475
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End of the Year	19,196,335
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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 East Lake Tarpon Special Fire Control District Firefighters' Pension Trust Fund is a single-employer defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the plan. The Board consists of 5 Trustees, 2 of whom shall be legal residents of the District who are appointed by the District Board of Commissioners, 2 of whom are Members of the plan who are elected by a majority of the Firefighters who are Members of the plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	25
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	7
Active Plan Members	37
	69

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 East Lake Tarpon Special Fire Control District Firefighters' Pension Trust Fund prepared by Foster & Foster Actuaries and Consultants.

Incorporated are the benefit changes for measurement date September 30, 2022 as noted under the Notes to Schedule of Changes in Net Pension Liability and Ratios.

Contributions

5.00% of Salary. Effective February 1, 2022, the member contribution increases to 7.00% of Salary. If the Funded Ratio will drop below 75%, the Member contribution rate will revert to 5.00%, until the funded ratio equals or exceeds 75%, at which time, the Member contribution rate will increase back to 7.00%.

District and State Contributions: Remaining amount required in order to fund to actuarial soundness as provided in Part VII of Chapter 112, Florida Statutes.

Investment Policy:

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

Asset Class	Target Allocation
Domestic Equity	45.0%
International Equity	15.0%
Fixed Income (Core)	15.0%
Fixed Income (Non-Core)	10.0%
Real Estate	10.0%
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 -17.47 percent.

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

GASB 67

Deferred Retirement Option Program

Eligibility: Satisfaction of Normal Retirement requirements (earlier of 1) Age 52 with 25 years of Credited Service, or 2) Age 55 with 10 years of Credited Service) or Early Retirement requirements (Age 50 with 10 years of Credited Service).

Participation: Not to exceed 60 months.

Rate of Return: At Member's election:

1.) 6.50% annual rate or

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

The DROP balance as September 30, 2022 is \$339,860.

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	\$ 27,153,886
Plan Fiduciary Net Position	<u>\$ (19,196,335)</u>
Sponsor's Net Pension Liability	<u>\$ 7,957,551</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	70.69%

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	7.25%
Investment Rate of Return	7.25%

Mortality Rate Healthy Active Lives:

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

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

Mortality Rate Retiree Lives:

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

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

Mortality Rate Beneficiary Lives:

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

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

Mortality Rate Disabled Lives:

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

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

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

The most recent actuarial experience study used to review the other significant assumptions was dated January 16, 2018.

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.

GASB 67

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%
Fixed Income (Core)	2.50%
Fixed Income (Non-Core)	2.50%
Real Estate	4.50%
Alternative	6.03%

¹ Source: AndCo Consulting

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.25 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 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Sponsor's Net Pension Liability	\$ 11,161,112	\$ 7,957,551	\$ 5,288,697

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	663,365	574,571
Interest	1,854,925	1,750,219
Share Plan Allocation	-	70,797
Changes of benefit terms	(8,075)	622,472
Differences between Expected and Actual Experience	262,979	251,804
Changes of assumptions	-	676,999
Contributions - Buy Back	22,632	27,736
Benefit Payments, including Refunds of Employee Contributions	(1,143,652)	(1,224,198)
Net Change in Total Pension Liability	1,652,174	2,750,400
Total Pension Liability - Beginning	25,501,712	22,751,312
Total Pension Liability - Ending (a)	<u>\$ 27,153,886</u>	<u>\$ 25,501,712</u>
Plan Fiduciary Net Position		
Contributions - Employer	704,149	700,319
Contributions - State	335,632	329,447
Contributions - Employee	184,141	143,887
Contributions - Buy Back	22,632	27,736
Net Investment Income	(4,030,894)	3,979,067
Benefit Payments, including Refunds of Employee Contributions	(1,143,652)	(1,224,198)
Administrative Expense	(78,148)	(84,199)
Net Change in Plan Fiduciary Net Position	(4,006,140)	3,872,059
Plan Fiduciary Net Position - Beginning	23,202,475	19,330,416
Plan Fiduciary Net Position - Ending (b)	<u>\$ 19,196,335</u>	<u>\$ 23,202,475</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 7,957,551</u>	<u>\$ 2,299,237</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	70.69%	90.98%
Covered Payroll	\$ 3,032,861	\$ 2,766,982
Net Pension Liability as a percentage of Covered Payroll	262.38%	83.10%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios*Changes of benefit terms:*

For measurement date 09/30/2022, amounts reported as changes of benefit terms, resulted from Resolution 2022-01. This Resolution provided the following benefit changes:

1. Increase the benefit accrual rate for service on and after February 1, 2022 from 3.00% to 4.00% of Average Final Compensation for each year of Credited Service. Service prior to February 1, 2022 would receive the 3.00% benefit accrual rate. The previous Resolution No. 2021-06 and the October 1, 2021 actuarial valuation report reflected January 1, 2022 as the effective date of the increase in the accrual rate. Please note that if the Funded Ratio drops below 75%, then the benefit accrual rate drops back to 3.0% for the period of time the Funded Ratio is below 75%.
2. Increase the Member Contribution Rate effective February 1, 2022 from 5.0% to 7.0% of Salary. The previous Resolution No. 2021-06 and the October 1, 2021 actuarial valuation report had January 1, 2022 as the effective date of the increase in the Member Contribution Rate. Please note that if the Funded Ratio drops below 75%, then the Member Contribution Rate drops back to 5.0% for the period of time the Funded Ratio is below 75%.
3. Provide that all State Monies received beginning with the amounts received for calendar 2021, which will be received in 2022, will be available by the District to offset their annual funding requirement and no future State Monies will be allocated to the Share Plan besides the time the Funded Ratio is below 75%.

For measurement date 09/30/2021, amounts reported as changes of benefit terms, resulted from Resolution No. 2021-06. This Resolution provided the following benefit changes:

1. Increase the benefit accrual rate for service on and after January 1, 2022 from 3.00% to 4.00% of Average Final Compensation for each year of Credited Service. Service prior to January 1, 2022 would receive the 3.00% benefit accrual rate. If the Funded Ratio will drop below 75%, the multiplier will revert to 3.00%, until the funded ratio equals or exceeds 75%, at which time, the multiplier will increase back to 4.00%.
2. Increase the Member Contribution Rate effective January 1, 2022 from 5.0% to 7.0% of Salary.
3. Provide that all State Monies received beginning with the amounts received for calendar 2021, which will be received in 2022, will be available by the District to offset their annual funding requirement and no future State Monies will be allocated to the Share Plan except in years where the benefit rate reverts back to 3%.

Changes of assumptions:

For measurement date 09/30/2021, the investment return assumption has been lowered from 7.50% to 7.25% per year, net of investment related expenses.

SCHEDULE OF CONTRIBUTIONS
Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Total Contributions as a percentage of Covered Payroll
09/30/2022	\$ 1,016,008	\$ 1,039,781	\$ (23,773)	\$ 3,032,861	34.28%
09/30/2021	\$ 830,095	\$ 958,969	\$ (128,874)	\$ 2,766,982	34.66%

Notes to Schedule

Valuation Date: 10/01/2020 (AIS 09/03/2021)

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 East Lake Tarpon Special Fire Control District Firefighters' Pension Trust Fund prepared by Foster & Foster Actuaries and Consultants.

SCHEDULE OF INVESTMENT RETURNS
Last 2 Fiscal Years

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
09/30/2022	-17.47%
09/30/2021	20.71%

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

Plan Description

The East Lake Tarpon Special Fire Control District Firefighters' Pension Trust Fund is a single-employer defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the plan. The Board consists of 5 Trustees, 2 of whom shall be legal residents of the District who are appointed by the District Board of Commissioners, 2 of whom are Members of the plan who are elected by a majority of the Firefighters who are Members of the plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees.

Each person employed by the Fire District as a full-time Firefighter becomes a member of the plan as a condition of his employment. All Firefighters are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

Plan Membership as of October 1, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	25
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	7
Active Plan Members	37
	69
	69

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 East Lake Tarpon Special Fire Control District Firefighters' Pension Trust Fund prepared by Foster & Foster Actuaries and Consultants.

Incorporated are the benefit changes for measurement date September 30, 2022 as noted under the Notes to Schedule of Changes in Net Pension Liability and Ratios.

Contributions

5.00% of Salary. Effective February 1, 2022, the member contribution increases to 7.00% of Salary. If the Funded Ratio will drop below 75%, the Member contribution rate will revert to 5.00%, until the funded ratio equals or exceeds 75%, at which time, the Member contribution rate will increase back to 7.00%.

District and State Contributions: Remaining amount required in order to fund to actuarial soundness as provided in Part VII of 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	7.25%	
Investment Rate of Return	7.25%	

Mortality Rate Healthy Active Lives:

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

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

Mortality Rate Retiree Lives:

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

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

Mortality Rate Beneficiary Lives:

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

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

Mortality Rate Disabled Lives:

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

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

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

The most recent actuarial experience study used to review the other significant assumptions was dated January 16, 2018.

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	45.0%	7.50%
International Equity	15.0%	8.50%
Fixed Income (Core)	15.0%	2.50%
Fixed Income (Non-Core)	10.0%	2.50%
Real Estate	10.0%	4.50%
Alternative	5.0%	6.03%
Total	100.0%	

¹ Source: AndCo Consulting

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.25 percent.

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

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at September 30, 2021	\$ 25,501,712	\$ 23,202,475	\$ 2,299,237
Changes for a Year:			
Service Cost	663,365	-	663,365
Interest	1,854,925	-	1,854,925
Differences between Expected and Actual Experience	262,979	-	262,979
Changes of assumptions	-	-	-
Changes of benefit terms	(8,075)	-	(8,075)
Contributions - Employer	-	704,149	(704,149)
Contributions - State	-	335,632	(335,632)
Contributions - Employee	-	184,141	(184,141)
Contributions - Buy Back	22,632	22,632	-
Net Investment Income	-	(4,030,894)	4,030,894
Benefit Payments, including Refunds of Employee Contributions	(1,143,652)	(1,143,652)	-
Administrative Expense	-	(78,148)	78,148
Net Changes	1,652,174	(4,006,140)	5,658,314
Balances at September 30, 2022	\$ 27,153,886	\$ 19,196,335	\$ 7,957,551

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

	Current		
	1% Decrease	Discount Rate	1% Increase
	6.25%	7.25%	8.25%
Sponsor's Net Pension Liability	\$ 11,161,112	\$ 7,957,551	\$ 5,288,697

Pension Plan Fiduciary Net Position.

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

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

For the year ended September 30, 2022, the Sponsor will recognize a Pension Expense of \$1,656,201.

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
	<u> </u>	<u> </u>
Differences between Expected and Actual Experience	632,985	257,690
Changes of assumptions	451,332	21,612
Net difference between Projected and Actual Earnings on Pension Plan investments	3,094,242	-
Total	<u>\$ 4,178,559</u>	<u>\$ 279,302</u>

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	\$ 913,278
2024	\$ 777,528
2025	\$ 869,975
2026	\$ 1,294,646
2027	\$ 43,830
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	663,365	574,571
Interest	1,854,925	1,750,219
Share Plan Allocation	-	70,797
Changes of benefit terms	(8,075)	622,472
Differences between Expected and Actual Experience	262,979	251,804
Changes of assumptions	-	676,999
Contributions - Buy Back	22,632	27,736
Benefit Payments, including Refunds of Employee Contributions	(1,143,652)	(1,224,198)
Net Change in Total Pension Liability	1,652,174	2,750,400
Total Pension Liability - Beginning	25,501,712	22,751,312
Total Pension Liability - Ending (a)	<u>\$ 27,153,886</u>	<u>\$ 25,501,712</u>
Plan Fiduciary Net Position		
Contributions - Employer	704,149	700,319
Contributions - State	335,632	329,447
Contributions - Employee	184,141	143,887
Contributions - Buy Back	22,632	27,736
Net Investment Income	(4,030,894)	3,979,067
Benefit Payments, including Refunds of Employee Contributions	(1,143,652)	(1,224,198)
Administrative Expense	(78,148)	(84,199)
Net Change in Plan Fiduciary Net Position	(4,006,140)	3,872,059
Plan Fiduciary Net Position - Beginning	23,202,475	19,330,416
Plan Fiduciary Net Position - Ending (b)	<u>\$ 19,196,335</u>	<u>\$ 23,202,475</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 7,957,551</u>	<u>\$ 2,299,237</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	70.69%	90.98%
Covered Payroll	\$ 3,032,861	\$ 2,766,982
Net Pension Liability as a percentage of Covered Payroll	262.38%	83.10%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios*Changes of benefit terms:*

For measurement date 09/30/2022, amounts reported as changes of benefit terms, resulted from Resolution 2022-01. This Resolution provided the following benefit changes:

1. Increase the benefit accrual rate for service on and after February 1, 2022 from 3.00% to 4.00% of Average Final Compensation for each year of Credited Service. Service prior to February 1, 2022 would receive the 3.00% benefit accrual rate. The previous Resolution No. 2021-06 and the October 1, 2021 actuarial valuation report reflected January 1, 2022 as the effective date of the increase in the accrual rate. Please note that if the Funded Ratio drops below 75%, then the benefit accrual rate drops back to 3.0% for the period of time the Funded Ratio is below 75%.
2. Increase the Member Contribution Rate effective February 1, 2022 from 5.0% to 7.0% of Salary. The previous Resolution No. 2021-06 and the October 1, 2021 actuarial valuation report had January 1, 2022 as the effective date of the increase in the Member Contribution Rate. Please note that if the Funded Ratio drops below 75%, then the Member Contribution Rate drops back to 5.0% for the period of time the Funded Ratio is below 75%.
3. Provide that all State Monies received beginning with the amounts received for calendar 2021, which will be received in 2022, will be available by the District to offset their annual funding requirement and no future State Monies will be allocated to the Share Plan besides the time the Funded Ratio is below 75%.

For measurement date 09/30/2021, amounts reported as changes of benefit terms, resulted from Resolution No. 2021-06. This Resolution provided the following benefit changes:

1. Increase the benefit accrual rate for service on and after January 1, 2022 from 3.00% to 4.00% of Average Final Compensation for each year of Credited Service. Service prior to January 1, 2022 would receive the 3.00% benefit accrual rate. If the Funded Ratio will drop below 75%, the multiplier will revert to 3.00%, until the funded ratio equals or exceeds 75%, at which time, the multiplier will increase back to 4.00%.
2. Increase the Member Contribution Rate effective January 1, 2022 from 5.0% to 7.0% of Salary.
3. Provide that all State Monies received beginning with the amounts received for calendar 2021, which will be received in 2022, will be available by the District to offset their annual funding requirement and no future State Monies will be allocated to the Share Plan except in years where the benefit rate reverts back to 3%.

Changes of assumptions:

For measurement date 09/30/2021, the investment return assumption has been lowered from 7.50% to 7.25% per year, net of investment related expenses.

SCHEDULE OF CONTRIBUTIONS
Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Total Contributions as a percentage of Covered Payroll
09/30/2022	\$ 1,016,008	\$ 1,039,781	\$ (23,773)	\$ 3,032,861	34.28%
09/30/2021	\$ 830,095	\$ 958,969	\$ (128,874)	\$ 2,766,982	34.66%

Notes to Schedule

Valuation Date: 10/01/2020 (AIS 09/03/2021)

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 East Lake Tarpon Special Fire Control District Firefighters' Pension Trust Fund prepared by Foster & Foster Actuaries and Consultants.

EXPENSE DEVELOPMENT AND AMORTIZATION SCHEDULES

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

COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2022

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	\$ 2,299,237	\$ 2,545,935	\$ 1,403,298	\$ -
Total Pension Liability Factors:				
Service Cost	663,365	-	-	663,365
Interest	1,854,925	-	-	1,854,925
Changes in benefit terms	(8,075)	-	-	(8,075)
Contributions - Buy Back	22,632	-	-	22,632
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	262,979	-	262,979	-
Current year amortization of experience difference	-	(87,470)	(197,627)	110,157
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	(9,239)	(112,833)	103,594
Benefit Payments, including Refunds of Employee Contributions	(1,143,652)	-	-	-
Net change	<u>1,652,174</u>	<u>(96,709)</u>	<u>(47,481)</u>	<u>2,746,598</u>
Plan Fiduciary Net Position:				
Contributions - Employer	704,149	-	-	-
Contributions - State	335,632	-	-	-
Contributions - Employee	184,141	-	-	(184,141)
Contributions - Buy Back	22,632	-	-	(22,632)
Projected Net Investment Income	1,683,077	-	-	(1,683,077)
Difference between projected and actual earnings on Pension Plan investments	(5,713,971)	-	5,713,971	-
Current year amortization	-	(557,240)	(1,278,545)	721,305
Benefit Payments, including Refunds of Employee Contributions	(1,143,652)	-	-	-
Administrative Expenses	(78,148)	-	-	78,148
Net change	<u>(4,006,140)</u>	<u>(557,240)</u>	<u>4,435,426</u>	<u>(1,090,397)</u>
Ending Balance	<u>\$ 7,957,551</u>	<u>\$ 1,891,986</u>	<u>\$ 5,791,243</u>	<u>\$ 1,656,201</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	\$ 5,713,971	5	\$ 1,142,795	\$ 1,142,794	\$ 1,142,794	\$ 1,142,794	\$ 1,142,794	\$ -	\$ -	\$ -	\$ -	\$ -
2021	\$ (2,533,299)	5	\$ (506,660)	\$ (506,660)	\$ (506,660)	\$ (506,660)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ (231,758)	5	\$ (46,352)	\$ (46,352)	\$ (46,352)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 678,750	5	\$ 135,750	\$ 135,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ (21,140)	5	\$ (4,228)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 721,305	\$ 725,532	\$ 589,782	\$ 636,134	\$ 1,142,794	\$ -	\$ -	\$ -	\$ -	\$ -

AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

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

Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2021	\$ 676,999	6	\$ 112,833	\$ 112,833	\$ 112,833	\$ 112,833	\$ 112,833	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ (37,819)	7	\$ (5,403)	\$ (5,403)	\$ (5,403)	\$ (5,403)	\$ (5,403)	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (23,016)	6	\$ (3,836)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 103,594	\$ 107,430	\$ 107,430	\$ 107,430	\$ 107,430	\$ -	\$ -	\$ -	\$ -	\$ -

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	\$ 262,979	6	\$ 43,829	\$ 43,830	\$ 43,830	\$ 43,830	\$ 43,830	\$ 43,830	\$ -	\$ -	\$ -	\$ -
2021	\$ 251,804	6	\$ 41,967	\$ 41,967	\$ 41,967	\$ 41,967	\$ 41,967	\$ -	\$ -	\$ -	\$ -	\$ -
2020	\$ (289,626)	7	\$ (41,375)	\$ (41,375)	\$ (41,375)	\$ (41,375)	\$ (41,375)	\$ -	\$ -	\$ -	\$ -	\$ -
2019	\$ 573,922	7	\$ 81,989	\$ 81,989	\$ 81,989	\$ 81,989	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	\$ (322,667)	7	\$ (46,095)	\$ (46,095)	\$ (46,095)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ 179,050	6	\$ 29,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 110,157	\$ 80,316	\$ 80,316	\$ 126,411	\$ 44,422	\$ 43,830	\$ -	\$ -	\$ -	\$ -