

CITY OF BUSHNELL  
REGULAR EMPLOYEES' PENSION PLAN

SECTION 112.664, FLORIDA STATUTES COMPLIANCE  
DETERMINED AS OF THE  
OCTOBER 1, 2019 VALUATION DATE



April 28, 2020

VIA E-MAIL

Kelly Marcoux  
Director of Human Resources  
P.O. Box 115  
Bushnell, FL 33513

Re: City of Bushnell Regular Employees' Pension Plan  
Section 112.664, Florida Statutes Compliance

Dear Kelly:

Please find enclosed the annual disclosures that satisfy the October 1, 2019 financial reporting requirements made under Section 112.664.

Our office will submit this information electronically to the Department of Management Services. However, it is important for you to be aware that this report must also be made available on the Plan or Plan Sponsor's website, if such website exists. A deadline for this website publication is not made clear in the law.


In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should contact its Investment Consultant for this information.

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1), F.S., the actuarial disclosures required under this section were 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, meet the requirements of Section 112.664(1), Florida Statutes, and Rule 60T-1.0035, Florida Administrative Code.

If there are any questions, concerns, or comments about any of the items contained in this report, please feel free to contact me.

Respectfully submitted,

Foster & Foster, Inc.

By: 

Sara E. Carlson, ASA, EA, MAAA  
Enrolled Actuary #20-8546

Enclosures

When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2019 Actuarial Valuation Report, as adopted by the Board of Trustees, are reasonable individually and in the aggregate, and represent our best estimate of future Plan experience.
- 5) The “Number of Years Expected Benefit Payments Sustained” calculated in Section II: Asset Sustainability should not be interpreted as the number of years the Plan has left until it is insolvent. This calculation is required by 112.664, Florida Statutes, but the numeric result is irrelevant, since in its calculation we are to assume there will be no further contributions to the Fund. As long as the Actuarially Determined Contribution is made each year the Plan will never become insolvent.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
FISCAL YEAR SEPTEMBER 30, 2019

	ACTUAL	HYPOTHETICAL
	7.75% RP-2000 Generational	5.75% RP-2000 Generational
<u>Total Pension Liability</u>		
Service Cost	86,902	148,883
Interest	265,901	280,121
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	(44,316)	(4,787)
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	(34,939)	(34,939)
Net Change in Total Pension Liability	273,548	389,278
Total Pension Liability - Beginning	3,361,547	4,740,250
Total Pension Liability - Ending (a)	<u>\$ 3,635,095</u>	<u>\$ 5,129,528</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	150,737	150,737
Net Investment Income	80,816	80,816
Benefit Payments, Including Refunds of Employee Contributions	(34,939)	(34,939)
Administrative Expenses	(10,662)	(10,662)
Net Change in Plan Fiduciary Net Position	185,952	185,952
Plan Fiduciary Net Position - Beginning	3,453,778	3,453,778
Plan Fiduciary Net Position - Ending (b)	<u>\$ 3,639,730</u>	<u>\$ 3,639,730</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (4,635)</u>	<u>\$ 1,489,798</u>

## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1  
Plan Assumptions: 7.75% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2019	3,639,730	-	44,895	-	280,339	3,875,174
2020	3,875,174	-	76,411	-	297,365	4,096,128
2021	4,096,128	-	84,784	-	314,165	4,325,509
2022	4,325,509	-	106,589	-	331,097	4,550,017
2023	4,550,017	-	115,687	-	348,143	4,782,473
2024	4,782,473	-	120,659	-	365,966	5,027,780
2025	5,027,780	-	137,692	-	384,317	5,274,405
2026	5,274,405	-	166,049	-	402,332	5,510,688
2027	5,510,688	-	171,831	-	420,420	5,759,277
2028	5,759,277	-	196,805	-	438,718	6,001,190
2029	6,001,190	-	210,896	-	456,920	6,247,214
2030	6,247,214	-	218,152	-	475,706	6,504,768
2031	6,504,768	-	238,536	-	494,876	6,761,108
2032	6,761,108	-	247,230	-	514,406	7,028,284
2033	7,028,284	-	275,502	-	534,016	7,286,798
2034	7,286,798	-	280,519	-	553,857	7,560,136
2035	7,560,136	-	285,267	-	574,856	7,849,725
2036	7,849,725	-	296,862	-	596,850	8,149,713
2037	8,149,713	-	307,230	-	619,698	8,462,181
2038	8,462,181	-	318,002	-	643,496	8,787,675
2039	8,787,675	-	329,878	-	668,262	9,126,059
2040	9,126,059	-	338,146	-	694,166	9,482,079
2041	9,482,079	-	340,311	-	721,674	9,863,442
2042	9,863,442	-	341,902	-	751,168	10,272,708
2043	10,272,708	-	342,890	-	782,848	10,712,666
2044	10,712,666	-	343,153	-	816,934	11,186,447
2045	11,186,447	-	342,690	-	853,670	11,697,427
2046	11,697,427	-	341,547	-	893,316	12,249,196
2047	12,249,196	-	339,760	-	936,147	12,845,583
2048	12,845,583	-	337,223	-	982,465	13,490,825
2049	13,490,825	-	333,881	-	1,032,601	14,189,545
2050	14,189,545	-	329,852	-	1,086,908	14,946,601
2051	14,946,601	-	325,188	-	1,145,761	15,767,174
2052	15,767,174	-	319,907	-	1,209,560	16,656,827
2053	16,656,827	-	314,048	-	1,278,735	17,621,514
2054	17,621,514	-	307,572	-	1,353,749	18,667,691
2055	18,667,691	-	300,548	-	1,435,100	19,802,243
2056	19,802,243	-	293,170	-	1,523,313	21,032,386
2057	21,032,386	-	285,529	-	1,618,946	22,365,803
2058	22,365,803	-	277,563	-	1,722,594	23,810,834
2059	23,810,834	-	269,190	-	1,834,909	25,376,553
2060	25,376,553	-	260,254	-	1,956,598	27,072,897
2061	27,072,897	-	250,709	-	2,088,435	28,910,623
2062	28,910,623	-	240,486	-	2,231,254	30,901,391
2063	30,901,391	-	229,553	-	2,385,963	33,057,801
2064	33,057,801	-	217,942	-	2,553,534	35,393,393
2065	35,393,393	-	205,837	-	2,735,012	37,922,568
2066	37,922,568	-	193,313	-	2,931,508	40,660,763
2067	40,660,763	-	180,447	-	3,144,217	43,624,533
2068	43,624,533	-	167,436	-	3,374,413	46,831,510
2069	46,831,510	-	154,516	-	3,623,455	50,300,449
2070	50,300,449	-	141,856	-	3,892,788	54,051,381

## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1  
Plan Assumptions: 7.75% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2071	54,051,381	-	129,645	-	4,183,958	58,105,694
2072	58,105,694	-	117,968	-	4,498,620	62,486,346
2073	62,486,346	-	106,789	-	4,838,554	67,218,111
2074	67,218,111	-	96,241	-	5,205,674	72,327,544
2075	72,327,544	-	86,201	-	5,602,044	77,843,387
2076	77,843,387	-	76,705	-	6,029,890	83,796,572
2077	83,796,572	-	67,724	-	6,491,610	90,220,458
2078	90,220,458	-	59,217	-	6,989,791	97,151,032
2079	97,151,032	-	51,137	-	7,527,223	104,627,118
2080	104,627,118	-	43,657	-	8,106,910	112,690,371
2081	112,690,371	-	36,801	-	8,732,078	121,385,648
2082	121,385,648	-	30,619	-	9,406,201	130,761,230
2083	130,761,230	-	25,133	-	10,133,021	140,869,118
2084	140,869,118	-	20,250	-	10,916,572	151,765,440
2085	151,765,440	-	16,092	-	11,761,198	163,510,546
2086	163,510,546	-	12,586	-	12,671,580	176,169,540
2087	176,169,540	-	9,696	-	13,652,764	189,812,608
2088	189,812,608	-	7,342	-	14,710,193	204,515,459
2089	204,515,459	-	5,483	-	15,849,736	220,359,712
2090	220,359,712	-	4,034	-	17,077,721	237,433,399
2091	237,433,399	-	2,914	-	18,400,976	255,831,461
2092	255,831,461	-	2,066	-	19,826,858	275,656,253
2093	275,656,253	-	1,423	-	21,363,304	297,018,134
2094	297,018,134	-	968	-	23,018,868	320,036,034
2095	320,036,034	-	649	-	24,802,767	344,838,152
2096	344,838,152	-	428	-	26,724,940	371,562,664
2097	371,562,664	-	278	-	28,796,096	400,358,482
2098	400,358,482	-	178	-	31,027,775	431,386,079
2099	431,386,079	-	113	-	33,432,417	464,818,383
2100	464,818,383	-	71	-	36,023,422	500,841,734
2101	500,841,734	-	44	-	38,815,233	539,656,923
2102	539,656,923	-	26	-	41,823,411	581,480,308
2103	581,480,308	-	15	-	45,064,723	626,545,016
2104	626,545,016	-	9	-	48,557,238	675,102,245
2105	675,102,245	-	5	-	52,320,424	727,422,664
2106	727,422,664	-	3	-	56,375,256	783,797,917
2107	783,797,917	-	1	-	60,744,339	844,542,255
2108	844,542,255	-	-	-	65,452,025	909,994,280

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.75% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 2  
Hypothetical Assumptions: 5.75% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2019	3,639,730	-	44,895	-	207,994	3,802,829
2020	3,802,829	-	76,411	-	216,466	3,942,884
2021	3,942,884	-	84,784	-	224,278	4,082,378
2022	4,082,378	-	106,589	-	231,672	4,207,461
2023	4,207,461	-	115,687	-	238,603	4,330,377
2024	4,330,377	-	120,659	-	245,528	4,455,246
2025	4,455,246	-	137,692	-	252,218	4,569,772
2026	4,569,772	-	166,049	-	257,988	4,661,711
2027	4,661,711	-	171,831	-	263,108	4,752,988
2028	4,752,988	-	196,805	-	267,639	4,823,822
2029	4,823,822	-	210,896	-	271,307	4,884,233
2030	4,884,233	-	218,152	-	274,572	4,940,653
2031	4,940,653	-	238,536	-	277,230	4,979,347
2032	4,979,347	-	247,230	-	279,205	5,011,322
2033	5,011,322	-	275,502	-	280,230	5,016,050
2034	5,016,050	-	280,519	-	280,358	5,015,889
2035	5,015,889	-	285,267	-	280,212	5,010,834
2036	5,010,834	-	296,862	-	279,588	4,993,560
2037	4,993,560	-	307,230	-	278,297	4,964,627
2038	4,964,627	-	318,002	-	276,323	4,922,948
2039	4,922,948	-	329,878	-	273,586	4,866,656
2040	4,866,656	-	338,146	-	270,111	4,798,621
2041	4,798,621	-	340,311	-	266,137	4,724,447
2042	4,724,447	-	341,902	-	261,826	4,644,371
2043	4,644,371	-	342,890	-	257,193	4,558,674
2044	4,558,674	-	343,153	-	252,258	4,467,779
2045	4,467,779	-	342,690	-	247,045	4,372,134
2046	4,372,134	-	341,547	-	241,578	4,272,165
2047	4,272,165	-	339,760	-	235,881	4,168,286
2048	4,168,286	-	337,223	-	229,981	4,061,044
2049	4,061,044	-	333,881	-	223,911	3,951,074
2050	3,951,074	-	329,852	-	217,704	3,838,926
2051	3,838,926	-	325,188	-	211,389	3,725,127
2052	3,725,127	-	319,907	-	204,997	3,610,217
2053	3,610,217	-	314,048	-	198,559	3,494,728
2054	3,494,728	-	307,572	-	192,104	3,379,260
2055	3,379,260	-	300,548	-	185,667	3,264,379
2056	3,264,379	-	293,170	-	179,273	3,150,482
2057	3,150,482	-	285,529	-	172,944	3,037,897
2058	3,037,897	-	277,563	-	166,699	2,927,033
2059	2,927,033	-	269,190	-	160,565	2,818,408
2060	2,818,408	-	260,254	-	154,576	2,712,730
2061	2,712,730	-	250,709	-	148,774	2,610,795
2062	2,610,795	-	240,486	-	143,207	2,513,516
2063	2,513,516	-	229,553	-	137,928	2,421,891
2064	2,421,891	-	217,942	-	132,993	2,336,942
2065	2,336,942	-	205,837	-	128,456	2,259,561
2066	2,259,561	-	193,313	-	124,367	2,190,615
2067	2,190,615	-	180,447	-	120,773	2,130,941
2068	2,130,941	-	167,436	-	117,715	2,081,220
2069	2,081,220	-	154,516	-	115,228	2,041,932
2070	2,041,932	-	141,856	-	113,333	2,013,409

## PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 2  
Hypothetical Assumptions: 5.75% and RP-2000 Generational Mortality

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2071	2,013,409	-	129,645	-	112,044	1,995,808
2072	1,995,808	-	117,968	-	111,367	1,989,207
2073	1,989,207	-	106,789	-	111,309	1,993,727
2074	1,993,727	-	96,241	-	111,872	2,009,358
2075	2,009,358	-	86,201	-	113,060	2,036,217
2076	2,036,217	-	76,705	-	114,877	2,074,389
2077	2,074,389	-	67,724	-	117,330	2,123,995
2078	2,123,995	-	59,217	-	120,427	2,185,205
2079	2,185,205	-	51,137	-	124,179	2,258,247
2080	2,258,247	-	43,657	-	128,594	2,343,184
2081	2,343,184	-	36,801	-	133,675	2,440,058
2082	2,440,058	-	30,619	-	139,423	2,548,862
2083	2,548,862	-	25,133	-	145,837	2,669,566
2084	2,669,566	-	20,250	-	152,918	2,802,234
2085	2,802,234	-	16,092	-	160,666	2,946,808
2086	2,946,808	-	12,586	-	169,080	3,103,302
2087	3,103,302	-	9,696	-	178,161	3,271,767
2088	3,271,767	-	7,342	-	187,916	3,452,341
2089	3,452,341	-	5,483	-	198,352	3,645,210
2090	3,645,210	-	4,034	-	209,484	3,850,660
2091	3,850,660	-	2,914	-	221,329	4,069,075
2092	4,069,075	-	2,066	-	233,912	4,300,921
2093	4,300,921	-	1,423	-	247,262	4,546,760
2094	4,546,760	-	968	-	261,411	4,807,203
2095	4,807,203	-	649	-	276,396	5,082,950
2096	5,082,950	-	428	-	292,257	5,374,779
2097	5,374,779	-	278	-	309,042	5,683,543
2098	5,683,543	-	178	-	326,799	6,010,164
2099	6,010,164	-	113	-	345,581	6,355,632
2100	6,355,632	-	71	-	365,447	6,721,008
2101	6,721,008	-	44	-	386,457	7,107,421
2102	7,107,421	-	26	-	408,676	7,516,071
2103	7,516,071	-	15	-	432,174	7,948,230
2104	7,948,230	-	9	-	457,023	8,405,244
2105	8,405,244	-	5	-	483,301	8,888,540
2106	8,888,540	-	3	-	511,091	9,399,628
2107	9,399,628	-	1	-	540,479	9,940,106
2108	9,940,106	-	-	-	571,556	10,511,662

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.75% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

**ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2021**

Valuation Date: 10/1/2019

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
	7.75% RP-2000 Generational	5.75% RP-2000 Generational
Minimum Required Contribution (Fixed \$)	\$110,524	\$276,573
Minimum Required Contribution (% of Payroll)	13.5%	34.1%

**ASSETS**

Actuarial Value	3,583,023	3,583,023
Market Value	3,639,730	3,639,730

**LIABILITIES**

Present Value of Benefits

Active Members

Retirement Benefits	2,800,863	4,336,831
Disability Benefits	141,820	197,715
Death Benefits	43,392	68,145
Vested Benefits	133,245	241,996
Refund of Contributions	0	0

Service Retirees

Beneficiaries	132,769	161,397
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Disability Retirees	350,452	426,348
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Terminated Vested	0	0
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Total:	<u>717,030</u>	<u>1,024,888</u>
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	4,319,571	6,457,320
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Present Value of Future Salaries

	6,717,806	7,490,349
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Present Value of Future

Member Contributions	0	0
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Total Normal Cost	80,733	139,440
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Present Value of Future

Normal Costs (Entry Age Normal)	617,226	1,183,648
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Total Actuarial Accrued Liability	3,702,345	5,273,672
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Unfunded Actuarial Accrued Liability (UAAL)	119,322	1,690,649
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ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2021

Valuation Date: 10/1/2019

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
	7.75%	5.75%
	RP-2000	RP-2000
	Generational	Generational
<b><u>PENSION COST</u></b>		
Normal Cost (with interest)	83,861	143,449
Administrative Expenses (with interest)	11,675	11,562
Payment Required To Amortize UAAL (with interest)	<u>14,988</u>	<u>121,562</u>
Minimum Required Contribution	\$110,524	\$276,573