

CITY OF BUSHNELL  
REGULAR EMPLOYEES' PENSION PLAN

SECTION 112.664, FLORIDA STATUTES COMPLIANCE  
DETERMINED AS OF THE  
OCTOBER 1, 2021 VALUATION DATE



July 7, 2022

VIA E-MAIL

Ricardo Lafont, HR Director  
City of Bushnell  
PO Box 115  
117 E. Joe P. Strickland Jr. Avenue  
Bushnell, FL 33513

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

Dear Ricardo:

Please find enclosed the annual disclosures that satisfy the October 1, 2021 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, 2021 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, 2021

	ACTUAL	HYPOTHETICAL
Discount Rate:	7.50%	5.50%
<u>Total Pension Liability</u>		
Service Cost	91,085	156,972
Interest	305,131	317,450
Changes of Benefit Terms	1,068	4,096
Differences Between Expected and Actual Experience	223,246	345,223
Changes of Assumptions	174,992	276,118
Benefit Payments, Including Refunds of Employee Contributions	(71,284)	(71,284)
Net Change in Total Pension Liability	724,238	1,028,575
Total Pension Liability - Beginning	3,880,669	5,395,452
Total Pension Liability - Ending (a)	<u>\$ 4,604,907</u>	<u>\$ 6,424,027</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	110,452	110,452
Net Investment Income	866,594	866,594
Benefit Payments, Including Refunds of Employee Contributions	(71,284)	(71,284)
Administrative Expenses	(9,157)	(9,157)
Net Change in Plan Fiduciary Net Position	896,605	896,605
Plan Fiduciary Net Position - Beginning	4,190,535	4,190,535
Plan Fiduciary Net Position - Ending (b)	<u>\$ 5,087,140</u>	<u>\$ 5,087,140</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (482,233)</u>	<u>\$ 1,336,887</u>

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

Table 1  
Plan Assumptions: Discount Rate = 7.50%

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
2021	5,086,661	-	107,937	-	377,452	5,356,176
2022	5,356,176	-	119,023	-	397,250	5,634,403
2023	5,634,403	-	126,795	-	417,825	5,925,433
2024	5,925,433	-	135,456	-	439,328	6,229,305
2025	6,229,305	-	141,913	-	461,876	6,549,268
2026	6,549,268	-	175,249	-	484,623	6,858,642
2027	6,858,642	-	182,028	-	507,572	7,184,186
2028	7,184,186	-	213,804	-	530,796	7,501,178
2029	7,501,178	-	234,367	-	553,800	7,820,611
2030	7,820,611	-	240,117	-	577,541	8,158,035
2031	8,158,035	-	256,658	-	602,228	8,503,605
2032	8,503,605	-	270,610	-	627,623	8,860,618
2033	8,860,618	-	298,341	-	653,359	9,215,636
2034	9,215,636	-	307,332	-	679,648	9,587,952
2035	9,587,952	-	312,037	-	707,395	9,983,310
2036	9,983,310	-	322,574	-	736,652	10,397,388
2037	10,397,388	-	339,472	-	767,074	10,824,990
2038	10,824,990	-	354,663	-	798,574	11,268,901
2039	11,268,901	-	368,193	-	831,360	11,732,068
2040	11,732,068	-	378,844	-	865,698	12,218,922
2041	12,218,922	-	380,576	-	902,148	12,740,494
2042	12,740,494	-	381,613	-	941,227	13,300,108
2043	13,300,108	-	381,978	-	983,184	13,901,314
2044	13,901,314	-	381,560	-	1,028,290	14,548,044
2045	14,548,044	-	380,350	-	1,076,840	15,244,534
2046	15,244,534	-	378,419	-	1,129,149	15,995,264
2047	15,995,264	-	375,691	-	1,185,556	16,805,129
2048	16,805,129	-	372,206	-	1,246,427	17,679,350
2049	17,679,350	-	367,965	-	1,312,153	18,623,538
2050	18,623,538	-	362,994	-	1,383,153	19,643,697
2051	19,643,697	-	357,337	-	1,459,877	20,746,237
2052	20,746,237	-	351,046	-	1,542,804	21,937,995
2053	21,937,995	-	344,163	-	1,632,444	23,226,276
2054	23,226,276	-	336,692	-	1,729,345	24,618,929
2055	24,618,929	-	328,630	-	1,834,096	26,124,395
2056	26,124,395	-	319,980	-	1,947,330	27,751,745
2057	27,751,745	-	310,747	-	2,069,728	29,510,726
2058	29,510,726	-	300,951	-	2,202,019	31,411,794
2059	31,411,794	-	290,613	-	2,344,987	33,466,168
2060	33,466,168	-	279,758	-	2,499,472	35,685,882
2061	35,685,882	-	268,428	-	2,666,375	38,083,829
2062	38,083,829	-	256,676	-	2,846,662	40,673,815
2063	40,673,815	-	244,547	-	3,041,366	43,470,634
2064	43,470,634	-	232,105	-	3,251,594	46,490,123
2065	46,490,123	-	219,424	-	3,478,531	49,749,230
2066	49,749,230	-	206,596	-	3,723,445	53,266,079
2067	53,266,079	-	193,697	-	3,987,692	57,060,074
2068	57,060,074	-	180,809	-	4,272,725	61,151,990
2069	61,151,990	-	168,000	-	4,580,099	65,564,089
2070	65,564,089	-	155,342	-	4,911,481	70,320,228
2071	70,320,228	-	142,918	-	5,268,658	75,445,968
2072	75,445,968	-	130,801	-	5,653,543	80,968,710
2073	80,968,710	-	119,076	-	6,068,188	86,917,822

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

Table 1  
Plan Assumptions: Discount Rate = 7.50%

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
2074	86,917,822	-	107,818	-	6,514,793	93,324,797
2075	93,324,797	-	97,095	-	6,995,719	100,223,421
2076	100,223,421	-	86,950	-	7,513,496	107,649,967
2077	107,649,967	-	77,424	-	8,070,844	115,643,387
2078	115,643,387	-	68,516	-	8,670,685	124,245,556
2079	124,245,556	-	60,221	-	9,316,158	133,501,493
2080	133,501,493	-	52,534	-	10,010,642	143,459,601
2081	143,459,601	-	45,446	-	10,757,766	154,171,921
2082	154,171,921	-	38,967	-	11,561,433	165,694,387
2083	165,694,387	-	33,080	-	12,425,839	178,087,146
2084	178,087,146	-	27,761	-	13,355,495	191,414,880
2085	191,414,880	-	23,004	-	14,355,253	205,747,129
2086	205,747,129	-	18,802	-	15,430,330	221,158,657
2087	221,158,657	-	15,148	-	16,586,331	237,729,840
2088	237,729,840	-	12,019	-	17,829,287	255,547,108
2089	255,547,108	-	9,383	-	19,165,681	274,703,406
2090	274,703,406	-	7,204	-	20,602,485	295,298,687
2091	295,298,687	-	5,444	-	22,147,197	317,440,440
2092	317,440,440	-	4,052	-	23,807,881	341,244,269
2093	341,244,269	-	2,972	-	25,593,209	366,834,506
2094	366,834,506	-	2,152	-	27,512,507	394,344,861
2095	394,344,861	-	1,544	-	29,575,807	423,919,124
2096	423,919,124	-	1,101	-	31,793,893	455,711,916
2097	455,711,916	-	782	-	34,178,364	489,889,498
2098	489,889,498	-	556	-	36,741,692	526,630,634
2099	526,630,634	-	397	-	39,497,283	566,127,520
2100	566,127,520	-	285	-	42,459,553	608,586,788
2101	608,586,788	-	205	-	45,644,001	654,230,584
2102	654,230,584	-	148	-	49,067,288	703,297,724
2103	703,297,724	-	105	-	52,747,325	756,044,944
2104	756,044,944	-	75	-	56,703,368	812,748,237
2105	812,748,237	-	52	-	60,956,116	873,704,301
2106	873,704,301	-	36	-	65,527,821	939,232,086
2107	939,232,086	-	24	-	70,442,406	1,009,674,468
2108	1,009,674,468	-	16	-	75,725,585	1,085,400,037
2109	1,085,400,037	-	10	-	81,405,002	1,166,805,029
2110	1,166,805,029	-	6	-	87,510,377	1,254,315,400
2111	1,254,315,400	-	4	-	94,073,655	1,348,389,051
2112	1,348,389,051	-	2	-	101,129,179	1,449,518,228
2113	1,449,518,228	-	1	-	108,713,867	1,558,232,094
2114	1,558,232,094	-	1	-	116,867,407	1,675,099,500
2115	1,675,099,500	-	-	-	125,632,463	1,800,731,963

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 7.50% 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: Discount Rate = 5.50%

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
2021	5,086,661	-	107,937	-	276,798	5,255,522
2022	5,255,522	-	119,023	-	285,781	5,422,280
2023	5,422,280	-	126,795	-	294,739	5,590,224
2024	5,590,224	-	135,456	-	303,737	5,758,505
2025	5,758,505	-	141,913	-	312,815	5,929,407
2026	5,929,407	-	175,249	-	321,298	6,075,456
2027	6,075,456	-	182,028	-	329,144	6,222,572
2028	6,222,572	-	213,804	-	336,362	6,345,130
2029	6,345,130	-	234,367	-	342,537	6,453,300
2030	6,453,300	-	240,117	-	348,328	6,561,511
2031	6,561,511	-	256,658	-	353,825	6,658,678
2032	6,658,678	-	270,610	-	358,786	6,746,854
2033	6,746,854	-	298,341	-	362,873	6,811,386
2034	6,811,386	-	307,332	-	366,175	6,870,229
2035	6,870,229	-	312,037	-	369,282	6,927,474
2036	6,927,474	-	322,574	-	372,140	6,977,040
2037	6,977,040	-	339,472	-	374,402	7,011,970
2038	7,011,970	-	354,663	-	375,905	7,033,212
2039	7,033,212	-	368,193	-	376,701	7,041,720
2040	7,041,720	-	378,844	-	376,876	7,039,752
2041	7,039,752	-	380,576	-	376,721	7,035,897
2042	7,035,897	-	381,613	-	376,480	7,030,764
2043	7,030,764	-	381,978	-	376,188	7,024,974
2044	7,024,974	-	381,560	-	375,881	7,019,295
2045	7,019,295	-	380,350	-	375,602	7,014,547
2046	7,014,547	-	378,419	-	375,394	7,011,522
2047	7,011,522	-	375,691	-	375,302	7,011,133
2048	7,011,133	-	372,206	-	375,377	7,014,304
2049	7,014,304	-	367,965	-	375,668	7,022,007
2050	7,022,007	-	362,994	-	376,228	7,035,241
2051	7,035,241	-	357,337	-	377,111	7,055,015
2052	7,055,015	-	351,046	-	378,372	7,082,341
2053	7,082,341	-	344,163	-	380,064	7,118,242
2054	7,118,242	-	336,692	-	382,244	7,163,794
2055	7,163,794	-	328,630	-	384,971	7,220,135
2056	7,220,135	-	319,980	-	388,308	7,288,463
2057	7,288,463	-	310,747	-	392,320	7,370,036
2058	7,370,036	-	300,951	-	397,076	7,466,161
2059	7,466,161	-	290,613	-	402,647	7,578,195
2060	7,578,195	-	279,758	-	409,107	7,707,544
2061	7,707,544	-	268,428	-	416,533	7,855,649
2062	7,855,649	-	256,676	-	425,002	8,023,975
2063	8,023,975	-	244,547	-	434,594	8,214,022
2064	8,214,022	-	232,105	-	445,388	8,427,305
2065	8,427,305	-	219,424	-	457,468	8,665,349
2066	8,665,349	-	206,596	-	470,913	8,929,666
2067	8,929,666	-	193,697	-	485,805	9,221,774
2068	9,221,774	-	180,809	-	502,225	9,543,190
2069	9,543,190	-	168,000	-	520,255	9,895,445
2070	9,895,445	-	155,342	-	539,978	10,280,081
2071	10,280,081	-	142,918	-	561,474	10,698,637
2072	10,698,637	-	130,801	-	584,828	11,152,664
2073	11,152,664	-	119,076	-	610,122	11,643,710

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

Table 2  
Hypothetical Assumptions: Discount Rate = 5.50%

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
2074	11,643,710	-	107,818	-	637,439	12,173,331
2075	12,173,331	-	97,095	-	666,863	12,743,099
2076	12,743,099	-	86,950	-	698,479	13,354,628
2077	13,354,628	-	77,424	-	732,375	14,009,579
2078	14,009,579	-	68,516	-	768,643	14,709,706
2079	14,709,706	-	60,221	-	807,378	15,456,863
2080	15,456,863	-	52,534	-	848,683	16,253,012
2081	16,253,012	-	45,446	-	892,666	17,100,232
2082	17,100,232	-	38,967	-	939,441	18,000,706
2083	18,000,706	-	33,080	-	989,129	18,956,755
2084	18,956,755	-	27,761	-	1,041,858	19,970,852
2085	19,970,852	-	23,004	-	1,097,764	21,045,612
2086	21,045,612	-	18,802	-	1,156,992	22,183,802
2087	22,183,802	-	15,148	-	1,219,693	23,388,347
2088	23,388,347	-	12,019	-	1,286,029	24,662,357
2089	24,662,357	-	9,383	-	1,356,172	26,009,146
2090	26,009,146	-	7,204	-	1,430,305	27,432,247
2091	27,432,247	-	5,444	-	1,508,624	28,935,427
2092	28,935,427	-	4,052	-	1,591,337	30,522,712
2093	30,522,712	-	2,972	-	1,678,667	32,198,407
2094	32,198,407	-	2,152	-	1,770,853	33,967,108
2095	33,967,108	-	1,544	-	1,868,148	35,833,712
2096	35,833,712	-	1,101	-	1,970,824	37,803,435
2097	37,803,435	-	782	-	2,079,167	39,881,820
2098	39,881,820	-	556	-	2,193,485	42,074,749
2099	42,074,749	-	397	-	2,314,100	44,388,452
2100	44,388,452	-	285	-	2,441,357	46,829,524
2101	46,829,524	-	205	-	2,575,618	49,404,937
2102	49,404,937	-	148	-	2,717,267	52,122,056
2103	52,122,056	-	105	-	2,866,710	54,988,661
2104	54,988,661	-	75	-	3,024,374	58,012,960
2105	58,012,960	-	52	-	3,190,711	61,203,619
2106	61,203,619	-	36	-	3,366,198	64,569,781
2107	64,569,781	-	24	-	3,551,337	68,121,094
2108	68,121,094	-	16	-	3,746,660	71,867,738
2109	71,867,738	-	10	-	3,952,725	75,820,453
2110	75,820,453	-	6	-	4,170,125	79,990,572
2111	79,990,572	-	4	-	4,399,481	84,390,049
2112	84,390,049	-	2	-	4,641,453	89,031,500
2113	89,031,500	-	1	-	4,896,732	93,928,231
2114	93,928,231	-	1	-	5,166,053	99,094,283
2115	99,094,283	-	-	-	5,450,186	104,544,469

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 5.50% 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, 2023

Valuation Date: 10/1/2021

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.50%	5.50%
Minimum Required Contribution (Fixed \$)	\$82,547	\$229,964
Minimum Required Contribution (% of Payroll)	11.6%	32.0%

**ASSETS**

Actuarial Value	4,485,860	4,485,860
Market Value	5,086,661	5,086,661

**LIABILITIES**

Present Value of Benefits

Active Members

Retirement Benefits	2,719,393	4,211,067
Disability Benefits	141,727	198,279
Death Benefits	34,698	56,363
Vested Benefits	115,676	206,777
Refund of Contributions	0	0

Service Retirees	958,006	1,189,747
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Beneficiaries	357,440	429,153
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Disability Retirees	0	0
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Terminated Vested	615,611	894,353
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Total:	4,942,551	7,185,739
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Present Value of Future Salaries	5,852,929	6,456,056
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Present Value of Future

Member Contributions	0	0
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Total Normal Cost	69,535	121,504
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Present Value of Future

Normal Costs (Entry Age Normal)	545,358	1,036,467
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Total Actuarial Accrued Liability (EAN)	4,397,193	6,149,272
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Unfunded Actuarial Accrued Liability (UAAL)	(88,667)	1,663,412
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ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2023

Valuation Date: 10/1/2021

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.50%	5.50%
<b><u>PENSION COST</u></b>		
Normal Cost (with interest)	72,143	124,845
Administrative Expenses (with interest)	10,404	10,304
Payment Required To Amortize UAAL (with interest)	<u>(23,423)</u>	<u>94,815</u>
Minimum Required Contribution	\$82,547 <sup>1</sup>	\$229,964

<sup>1</sup> Reflects normal cost minimum funding requirements of Chapter 112, Florida Statutes.