

# Saltmarsh

Saltmarsh, Cleaveland & Gund

*CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS*

**CITY OF DUNEDIN  
MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2021 AND 2020**

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2021 AND 2020**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of  
City of Dunedin Municipal Firefighters' Pension Trust Fund  
Dunedin, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of City of Dunedin Municipal Firefighters' Pension Trust Fund (the "Plan"), which comprise the statements of fiduciary net position as of September 30, 2021 and 2020, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

The Plan's Board of Trustees is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, in making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Board of Trustees of  
City of Dunedin Municipal Firefighters' Pension Trust Fund  
Dunedin, Florida

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Plan, as of September 30, 2021 and 2020, and the changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 1, these basic financial statements present only the City of Dunedin Municipal Firefighters' Pension Trust Fund, a pension trust fund of the City of Dunedin (the "City"), and are not intended to present fairly the financial position and changes in financial position of the City in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Other Matter**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 28 through 31 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The City of Dunedin Municipal Firefighters' Pension Trust Fund has not presented a management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements. Our opinion on the basic financial statements is not affected by this missing information.

Board of Trustees of  
City of Dunedin Municipal Firefighters' Pension Trust Fund  
Dunedin, Florida

*Other Information*

The additional information on pages 32 is presented for purposes of additional analysis and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Saltmarsh Cleveland & Lund*

Tampa, Florida  
March 30, 2022

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**STATEMENTS OF FIDUCIARY NET POSITION**  
**SEPTEMBER 30, 2021 AND 2020**

	2021	2020
<b>Assets</b>		
Receivables:		
Interest	32,392	37,049
Dividends	6,996	4,524
Intergovernmental:		
State excise tax rebate	-	326,516
Supplemental state excise tax rebate	-	62
Total receivables	39,388	368,151
Investments:		
U.S. Government obligations	4,419,665	3,368,422
U.S. Government agency obligations	1,074,387	1,119,832
Corporate obligations	2,425,555	2,646,237
Domestic stocks	8,403,632	8,071,271
International stocks	4,549,075	3,741,734
Domestic equity investment fund	12,241,012	9,192,332
International equity investment fund	360,579	276,980
Real estate investment fund	3,233,236	2,989,247
Temporary investment funds	605,419	516,259
Total investments	37,312,560	31,922,314
Prepaid insurance	1,250	1,159
<b>Total Assets</b>	<b>37,353,198</b>	<b>32,291,624</b>
<b>Liabilities</b>		
Accounts payable	17,954	25,338
Accounts payable, broker-dealer	20,220	15,464
<b>Total Liabilities</b>	<b>38,174</b>	<b>40,802</b>
<b>Net Position Restricted for Pensions</b>	<b>\$ 37,315,024</b>	<b>\$ 32,250,822</b>

The accompanying notes are an integral  
part of these financial statements.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION**  
**YEARS ENDED SEPTEMBER 30, 2021 AND 2020**

	2021	2020
<b>Additions</b>		
Contributions:		
Plan members	\$ 182,933	\$ 183,196
Plan member buyback	-	44,710
Employer	565,711	520,901
Total contributions	748,644	748,807
Intergovernmental revenue:		
State excise tax rebate	355,479	326,516
Supplemental state excise tax rebate	-	62
Total intergovernmental revenue	355,479	326,578
Investment income:		
Net appreciation (depreciation) in fair value of investments	5,508,035	2,640,932
Interest	160,903	183,423
Dividends	423,902	347,593
Other	100	300
Total investment income	6,092,940	3,172,248
Less investment expenses	151,523	122,674
Net investment income	5,941,417	3,049,574
 Total additions	 7,045,540	 4,124,959
<b>Deductions</b>		
Benefits:		
Age and service	1,305,495	1,154,214
Disability	143,988	126,773
SHARE payments	21,687	13,908
DROP payments	352,212	283,779
Refunds of contributions	64,314	-
Administrative expenses	93,642	76,128
Total deductions	1,981,338	1,654,802
 <b>Net Increase in Net Position</b>	 5,064,202	 2,470,157
 <b>Net Position Restricted for Pensions:</b>		
Beginning of year	32,250,822	29,780,665
End of year	\$ 37,315,024	\$ 32,250,822

The accompanying notes are an integral part of these financial statements.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 1 - DESCRIPTION OF PLAN**

The following brief description of the City of Dunedin Municipal Firefighters' Pension Trust Fund (the "Plan") is provided for general information purposes only. Participants should refer to the Plan Agreement for more complete information.

The plan is a defined benefit pension plan covering participating full-time firefighters of the City of Dunedin, Florida (the "City").

At September 30, 2021, the Plan's membership consisted of:

Currently receiving benefits	44
DROP retirees	6
Terminated employees entitled to benefits but not yet receiving them	5
 Total	 55
 Current employees:	
Vested	31
Nonvested	13
 Total	 44

At October 30, 2020, the date of the most recent actuarial valuation, there were 44 retirees, disabled firefighters and beneficiaries.

General - The Plan is a defined benefit pension plan covering all full-time firefighters of the City. Participation in the Plan is required as a condition of employment. Originally established in 1980 and substantially amended in 2004, 2008, and 2012, the Plan provides for pension, death and disability benefits. The Plan is subject to provisions of Chapter 175 of the State of Florida Statutes.

The Plan, in accordance with the above statutes, is governed by a five-member pension board. Two firefighters, two City residents and a fifth member elected by the other four members constitute the pension board. The City and the Plan participants are obligated to fund all Plan costs based upon actuarial valuations. The City is authorized to establish levels and the Board of Trustees approves the actuarial assumptions used in the determination of contribution levels.



**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 1 - DESCRIPTION OF PLAN (Continued)**

*Pension Benefits* - Under the Plan, participants with ten or more years of continuous service are entitled to annual pension benefits beginning at age fifty-five or at age fifty-two if they have completed twenty-five continuous years of service. Benefits are equal to three percent of the participant's average final compensation (PAC) for each of the first twenty-five years of credited service and two percent of average compensation for each year in excess of thirty-seven and one-half years. Beginning April, 2003, a supplemental monthly benefit of \$3 per year of service, not to exceed \$75, was added for future retirees. The supplemental benefit increased from \$3 to \$13 per year of service (maximum of \$325). This benefit change applies to all years of service for those members who retire on or after October 1, 2016 and those who entered the DROP on or after October 1, 2014. On February 21, 2019, the supplemental benefit increased from \$13 per month to \$16 per month (maximum \$400) payable to members who retire on or after October 1, 2018. Members do not receive the supplemental benefit while participating in the DROP. Service between twenty-five and thirty-seven and one-half years does not add to benefits. A participant's normal retirement benefit is a ten-year certain and life annuity measured from the date of commencement. A participant who terminates prior to ten continuous years of service forfeits the right to receive all benefits he has accumulated. However, he retains the right of refund of all personal contributions made to the Plan.

The early retirement accrual rate is 3% per year to age 50 and 3.33% per year from age 45 to 50.

*Death Benefits* - For any participant who dies while an actively employed participant who was eligible for early or normal retirement, the benefit payable shall be at least equal in value to the amount which would have been paid had the participant retired. Benefits payable under service-connected death for participants ineligible for early retirement shall be payable to the spouse at the rate of fifty percent of the participant's regular base salary for the life of the spouse. If there is no spouse, or upon the death of the spouse, each unmarried child shall receive fifteen percent of the participant's regular base salary (aggregate not greater than fifty percent) until age of eighteen, or the age of twenty-two if a full-time student at an accredited institution. A nonservice connected death benefit shall be payable to the spouse at the rate of twenty-five percent of the participant's regular base salary until the earlier of death or remarriage of the spouse; benefits are payable to the children in amounts equal to one-half of the benefits as are payable by reasons of service-incurred death.

Any Member who dies and whose death is a result of cancer or circumstances that arise out of the treatment of cancer, will be considered to have died in the line of duty.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 1 - DESCRIPTION OF PLAN (Continued)**

Disability Benefits - Benefits payable to participants under service-incurred disability shall be paid in monthly installments of the greater of sixty percent of the participant's average salary over the highest five years or the participant's accrued benefit in effect at the date of disability. The benefit shall be paid from the date of disability until recovery, or death of the participant and then continued to the beneficiary for life. After ten years of continuous service, should a participant become disabled due to a nonservice-incurred cause, benefits of the greater of thirty percent of the participant's average salary over the highest five years or the participant's accrued benefit shall be paid from the date of disability until recovery or death. Disability payments may be reduced proportionally to the extent that the disabled participant's benefits received hereunder together with worker's compensation benefits exceed his earnings for the calendar year preceding disability.

Any Member who becomes totally and permanently unable to perform useful and efficient service as a firefighter due to diagnosis of cancer or circumstances that arise out of the treatment of cancer, will be conclusively presumed to be disabled in the line of duty.

Refund of Participant Contributions - Covered firefighters are required to contribute 5.5% of their salary to the Plan. If a nonvested firefighter retires, dies, becomes disabled, or terminates employment with the City, accumulated contributions paid by the firefighter are refunded to the firefighter or the designated beneficiary.

Deferred Retirement Option Plan (DROP) - A member may retire on the first day of the month coincident with or next following the earlier of: (1) age 52 and 25 years of Credited Service, or (2) age 55 and 10 years of Credited Service, or (3) 20 years of Credited Service regardless of age. Members who meet eligibility must submit a written election to participate in the DROP. The member's credited service and FAC are frozen upon entry into the DROP. The monthly retirement benefit as described under normal retirement is calculated based upon the frozen credited service and FAC. In addition, a supplemental benefit of \$3 per year of credited service up to a maximum of \$75 is payable monthly to members who meet the requirements of normal retirement and retire. DROP participants do not receive the supplement until actual termination of employment.

The maximum DROP period is the earlier of 5 years of participation in the DROP or when the member has completed 30 years of credited service. The member's average daily balance of the DROP account is debited or credited with interest on a quarterly basis at a rate equal to the trust fund's net investment return for the quarter.

Share Plan - 75% of the excess state excise tax received each fiscal year is allocated equally among eligible members.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting:*

Basis of accounting is the method by which revenues and expenses are recognized in the accounts and are reported in the financial statements. The accrual basis of accounting is used for the Plan. Under the accrual basis of accounting, revenues are recognized when they are earned and collection is reasonably assured, and expenses are recognized when the liability is incurred. Plan member contributions are recognized in the period in which the contributions are due. City contributions to the Plan, as calculated by the Plan's actuary, are recognized as revenue when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

*Basis of Presentation:*

The accompanying financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statement 67, *Financial Reporting for Defined Benefit Pension Plans* and the Codification of Governmental Accounting and Financial Reporting Standards which covers the reporting requirements for defined benefit pensions established by a governmental employer. The accompanying financial statements include solely the accounts of the Plan which include all programs, activities and functions relating to the accumulation and investment of assets and related income necessary to provide the service, disability and death benefits required under the terms of the Plan and the amendments thereto.

*Valuation of Investments:*

Investments in common stock and bonds traded on a national securities exchange are valued at the last reported sales price on the last business day of the plan year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the past reported bid and asked prices; investments in securities not having an established market value are valued at fair value as determined by the Board of Trustees. The fair value of an investment is the amount that the Plan could reasonably expect to receive for it in a current sale between market participants, other than in a forced or liquidation sale. Investment transactions are recorded on a trade date basis.

Investment income is recognized on the accrual basis as earned. Unrealized appreciation or depreciation in fair value of investments includes the differences between cost and fair value of investments held. The net realized and unrealized investment appreciation or depreciation for the year is reflected in the Statement of Change in Fiduciary Net Position.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021 AND 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Asset Allocation:*

The Plan's adopted asset allocation policy as of September 30, 2021 is as follows:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	52.5%
International equity	12.5%
Domestic bonds	25%
Real estate	10%
	<hr/>
Total	<u>100%</u>

*Rate of Return:*

For the years ended September 30, 2021 and 2020, the annual money-weighted rate of return on Plan investments, net of Plan investment expense, was 18.72 percent and 10.50 percent, respectively, adjusted for the changing amounts actually invested.

*Custody of Assets:*

Custodial services are provided to the Plan under contract with Salem Trust Company, a national bank having trust powers. The Plan's investment policies are governed by ordinances of the City of Dunedin and Florida Statutes.

*Authorized Plan Investments:*

The Board recognizes that the obligations of the Plan are long-term, and that investment policy should be made with a view toward performance and return over a number of years. The general investment objective, then, is to obtain a reasonable total rate of return defined as interest and dividend income plus realized and unrealized capital gains or losses commensurate with the Prudent Investor Rule and Chapter 175 of the Florida Statutes

Permissible investments include obligations of the U.S. Government or those guaranteed by the U.S. Government, U.S. Government agencies, time deposits insured by the FDIC, and common or preferred stock of U.S. companies and high-quality corporate bonds or notes of at least an A rating. Foreign equity securities and foreign fixed income securities are also permitted up to a limit of 25% of the respective equity or fixed income portfolios.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Authorized Plan Investments (Continued):*

In addition, the Plan limits investment in common stock (equity investments) as follows:

- a. No more than five percent of the Plan's assets may be invested in the common or capital stock of any single corporation.
- b. The Plan's investment in the common stock of any single corporation shall not exceed five percent of such corporation's outstanding common or capital stock.
- c. The equity and bond investment mix is targeted at 65% equities and 25% bonds. Significant variations from these targets will result in rebalancing.

*Actuarial Cost Method:*

The Plan has elected the Entry Age Normal Actuarial Cost Method for funding purposes. This method allocates future normal costs based on the earnings of each firefighter. Entry age is the firefighter's age nearest his/her birthday on October first following his employment. The unfunded actuarially accrued liability is funded as a level percentage of payroll over a closed thirty-year period.

*Federal Income Taxes:*

The Plan has received a favorable determination letter from the Internal Revenue Service dated April 18, 2016 indicating that the Plan is qualified and exempt from Federal income taxes. The Board believes that the Plan is designed and continues to operate in compliance with the applicable requirements of the Internal Revenue Code.

*Administrative Costs:*

All administrative costs of the Plan are financed through investment earnings. The Plan has no undue investment concentrations.

*Cash:*

The Plan considers money market and demand account bank and broker-dealer deposits as cash. Temporary investments, shown on the statement of fiduciary net position are composed of investments in short-term custodial proprietary money market funds.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Use of Estimates:*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Reporting Entity:*

The financial statements presented are only for the Plan and are not intended to present the basic financial statements of the City of Dunedin, Florida.

The Plan is included in the City's Annual Comprehensive Financial Report (ACFR) for the years ended September 30, 2021 and 2020, which are separately issued documents. Anyone wishing further information about the City is referred to the City's ACFR.

The Plan is a pension trust fund (fiduciary fund type) of the City which accounts for the single employer defined benefit pension plan for all City Firefighters. The provisions of the Plan provide for retirement, disability, and survivor benefits.

*Risk and Uncertainties:*

The Plan invests in a variety of security investments. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

*Derivatives:*

The Plan has no instrument that, in whole or in part, is accounted for as a derivative instrument under GASB statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* during the current Plan year.

*Subsequent Events:*

In accordance with GASB Statement No. 56, *Subsequent Events*, the plan has evaluated events and transactions for potential recognition or disclosure through March 30, 2022, the date the financial statements were available to be issued.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 3 - FUNDING POLICY**

As a condition of participation, firefighters are required to contribute 5.5% of their earnings to the Plan. These contributions are designated as employee contributions under Section 414(c)(2) of the Internal Revenue Code. The City's funding policy is to make monthly contributions to the Plan in fixed amounts, actuarially computed, such that, when combined with firefighters' contributions and the State insurance fund contribution, all firefighters' benefits will be fully provided by the time they retire. The Plan does not have legal or contractual maximum contribution rates.

The City's actuarially determined contribution rate for the year ended September 30, 2021 was 17.2%

**NOTE 4 - DEPOSITS AND INVESTMENTS**

*Deposits:*

Salem Trust Company (Salem) periodically holds uninvested cash in its respective capacity as custodian for the Plan. These funds exist temporarily as cash in the process of collection from the sale of securities.

*Investments:*

As of September 30, 2021 the Plan's investments are managed under separate investment agreements with Great Lakes Advisors, L.L.C., Rockwood Capital Advisors, L.L.C. and Harding Loevner, L.P. These agreements give Salem the custodianship, but gives Great Lakes Advisors, L.L.C., Rockwood Capital Advisors, L.L.C. and Harding Loevner, L.P. the authority to manage the investments. These assets are invested in accordance with specific investment guidelines as set forth in the Plan. Investment management fees are calculated quarterly as a percentage of the fair market value of the Plan's assets managed.

Barings Core Property Fund (Barings) is an alternative real estate investment vehicle valued using the net asset value (NAV) provided by the investment managers of the fund. The NAV is based on the value of the underlying assets owned by these funds minus its liabilities and then divided by the number of shares or percentage of ownership outstanding. The NAV's unit price is quoted on a private market that is not active, however, the unit price is based on underlying investments.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021 AND 2020**

**NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)**

The values of these alternative investments are not necessarily indicative of the amount that could be realized in a current transaction. The fair value may differ significantly from the values that would have been used had a ready market for the underlying assets existed, and the differences could be material. Future confirming events will also affect the estimates of fair value and the effect of such events on the estimates of fair value could be material.

The Plan also invests in index funds sponsored by Dimensional Fund Advisors (DFA). DFA funds focus on the dimensions of capital markets using indexes that overweight small cap and value stocks. The Plan also invested in the Vanguard Total Domestic Stock Index Fund.

The alternative investment funds expose the Plan to certain risks, including liquidity risks, counterparty risks, foreign political, economic, and governmental risks, and market risk. In addition, these investments may have initial lock-up periods, as well as restrictions for liquidating positions in these funds, which make the investment non-current and non-marketable.

The Plan had no investments (stock or bond) that individually represent 5% or more of the Plan's net assets available for benefits as of September 30, 2021.

Except for the Barings Fund, the Plan's investments are uninsured and unregistered and are held in custodial accounts in the Plan's name.

The Plan held the following fixed income investments as of September 30, 2021 and 2020:

Investment Type	Percentage of Fund	Fair Value 9/30/2021	Fair Value 9/30/2020	Rating Standard & Poor's	Effective Duration (Years)
U.S. Government obligations	11.8%	\$ 4,419,665	\$ 3,368,422	AA	5.90
U.S. Government agency obligations	2.9%	1,074,387	1,119,832	AA	4.30
Corporate obligations	6.5%	2,425,555	2,646,237	BAA-A	7.60
Temporary investment funds	1.6%	605,419	516,259	AAA	Daily
Total	22.8%	\$ 8,525,026	\$ 7,650,750		



**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)**

*Interest Rate Risk:*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risks. Through its investment policies the Plan manages its exposure to fair value losses arising from increasing interest rates. The Plan limits the effective duration of its investment portfolio through the adoption of the Barclays Capital Aggregate Bond Index benchmark.

*Credit Risk:*

Credit risk is the risk that a debt issuer will not fulfill its obligations. Consistent with state law the Plan's investment guidelines limit its fixed income investments to a quality rating of "A" or equivalent as rated by Moody's or by Standard & Poor's bond rating services at the time of purchase. Fixed income investments which are downgraded below the minimum rating must be liquidated at the earliest beneficial opportunity.

*Custodial Credit Risk:*

Custodial credit risk is defined as the risk that the Plan may not recover cash and investments held by another party in the event of a financial failure. The Plan requires all securities to be held by a third-party custodian in the name of the Plan. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

*Investment in Foreign Markets:*

Investing in foreign markets may involve special risks and considerations not typically associated with investing in companies in the United States of America. These risks include revaluation of currencies, high rates of inflation, repatriation restrictions on income and capital, and future adverse political, social and economic developments. Moreover, securities of foreign governments may be less liquid, subject to delayed settlements, taxation on realized or unrealized gains, and their prices can be more volatile than those of comparable securities in U.S. companies.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)**

*Foreign Tax Withholdings and Reclaims:*

Withholding taxes on dividends from foreign securities are provided for based on rates established via treaty between the United States of America and the applicable foreign jurisdiction, or where no treaty exists at the prevailing rate established by the foreign country. Foreign tax withholdings are reflected as a reduction of dividend income in the statement of changes in fiduciary net position. Where treaties allow for a reclaim of taxes, the Fund will make a formal application for refund. Such reclaims are included as an addition to dividend income.

*Investing in Real Estate:*

The Plan is subject to the risks inherent in the ownership and operation of real estate. These risks include, among others, those normally associated with changes in the general economic climate, trends in the industry including creditworthiness of tenants, competition for tenants, changes in tax laws, interest rate levels, the availability of financing and potential liability under environmental and other laws.

**NOTE 5 - NET INCREASE (DECREASE) IN REALIZED AND UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS**

The Plan's investments appreciated (depreciated) in value during the fiscal years ended September 30, 2021 and 2020 as follows:

	2021	2020
Realized appreciation (depreciation)	\$ 2,150,636	\$ 134,605
Unrealized appreciation (depreciation)	3,357,399	2,506,327
	\$ 5,508,035	\$ 2,640,932

The calculation of realized gains and losses is independent of the calculation of net appreciation (depreciation) in the fair value of plan investments.

Unrealized gains and losses on investments sold in 2021 that had been held for more than one year were included in net appreciation (depreciation) reported in the prior year.

The Plan has no instrument that, in whole or in part, is accounted for as a derivative instrument under GASB statement No. 53, *Accounting and Financial Reporting/or Derivative Instruments* during the current Plan year.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 6 - INVESTMENTS**

The Plan's investments at both carrying value and cost or adjusted cost as of September 30, 2021 and 2020 are summarized as follows:

Investments	2021		2020	
	Cost	Fair Value	Cost	Fair Value
U.S. Government obligations	\$ 4,467,175	\$ 4,419,665	\$ 3,271,606	\$ 3,368,422
U.S. Government agency obligations	1,038,703	1,074,387	1,053,092	1,119,832
Corporate obligations	2,351,317	2,425,555	2,472,006	2,646,237
Domestic stocks	6,940,531	8,403,632	6,433,574	8,071,271
International stocks	3,148,938	4,549,075	2,813,070	3,741,734
Domestic equity investment fund	7,812,566	12,241,012	7,699,248	9,192,332
International equity investment fund	320,349	360,579	312,141	276,980
Real estate investment fund	1,546,822	3,233,236	1,627,979	2,989,247
Temporary investment funds	605,419	605,419	516,259	516,259
Total	<u>\$ 28,231,820</u>	<u>\$ 37,312,560</u>	<u>\$ 26,198,975</u>	<u>\$ 31,922,314</u>

**NOTE 7 - MORTGAGE-BACKED SECURITIES**

The Plan invests in mortgage-backed securities representing interests in pools of mortgage loans as part of its interest rate risk management strategy. The mortgage-backed securities are not used to leverage investments in fixed income portfolios. The mortgage-backed securities held by the Plan were guaranteed by federally sponsored agencies such as: Government National Mortgage Association, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 8 - DESIGNATIONS**

A portion of the fiduciary net position is designated for benefits that accrue in relation to the DROP account as further described in Note 1. Allocations to the DROP plan account for the years ended September 30, 2021 and 2020 are presented below as determined in the actuary's most recent valuation available for the fiscal years ended September 30, 2021 and 2020:

	2021	2020
Designated for DROP accounts (fully funded)	\$ 586,669	\$ 626,472
Designated for Share accounts (fully funded)	273,180	203,689
Total designated net position	859,849	830,161
Undesignated net position	36,455,175	31,420,661
Total net position	\$ 37,315,024	\$ 32,250,822

**NOTE 9 - PLAN TERMINATION**

Although it has not expressed an intention to do so, the City may terminate the Plan at any time by a written ordinance of the City Commission of Dunedin, Florida duly certified by an official of the City. In the event that the Plan is terminated or contributions to the Plan are permanently discontinued, the benefits of each police officer in the Plan at such termination date would be non-forfeitable.

**NOTE 10 - PLAN AMENDMENTS**

The Plan was amended during the fiscal year ended September 30, 2021 as follows:

Ord. 21-35

Section 58-56, Benefit Amounts and Eligibility, Section 58-60, Optional Forms of Benefits and Section 58-66, Minimum Distribution of Benefits, are all being amended to provide for required language under the Internal Revenue Code (IRC) with regard to required distribution dates, shifting the Required Beginning Date from age 70 ½ to 72 for members who attained age 70 ½ on or after January 1, 2020.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021 AND 2020**

**NOTE 10 - PLAN AMENDMENTS (Continued)**

Section 58-57, Pre-Retirement Death, is being amended to remove language in subsections (f) and (g) that was unnecessarily added with regard to spouse and non-spouse beneficiaries.

Section 58-80, Share Plan Benefit, is being amended to provided language indicating that the member share accounts are credited based on an equal share allocation method.

The above changes had no impact on the City’s funding requirements.

The Plan was amended during the fiscal year ended September 30, 2020 as follows:

- Effective July 1, 2019, an additional presumption was added to the death in the line of duty section. “Any Member who dies and whose death is a result of cancer or circumstances that arise out of the treatment of cancer, will be considered to have died in the line of duty.
- Effective July 1, 2019, an additional presumption was added in the disability in-line-of-duty presumption. “Any Member who becomes totally and permanently unable to perform useful and efficient service as a firefighter due to diagnosis of cancer or circumstances that arise out of the treatment of cancer, will be conclusively presumed to be disabled in the line of duty.”

To value for this change, we are increasing the percentage of pre-retirement deaths and disablements assumed to occur in line of duty from 75% to 90%.

The cost impact determined as of October 1, 2018, applicable to the City’s fiscal year ending September 30, 2020 is as follows;

	Proposed	Current
City and State required contribution	\$ 839,734	\$ 830,733
State contribution	290,523	290,523
Balance from City	549,211	540,210

**NOTE 11 - COMMITMENTS AND CONTINGENCIES**

As described in Note 1, certain members of the Plan are entitled to refunds of their accumulated contributions, without interest, upon termination of employment with the City prior to being eligible for pension benefits. The portion of these contributions which are refundable to participants who may terminate with less than ten years of service has not been determined.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE**

*Fair Value Hierarchy*

The accounting standards break down the fair value hierarchy into three levels based on how observable the inputs are that make up the valuation. The most observable inputs are classified as Level 1 where the unobservable inputs are classified as Level 3.

**Level 1** inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

As a general rule, any asset that has a daily closing price and is actively traded will be classified as a Level 1 input.

**Level 2** inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in active markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)**

*Fair Value Hierarchy (Continued)*

As a general rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 3 input, it would default to Level 2. With Level 2 inputs, there is usually data that can be easily obtained to support the valuation, even though it is not as easily obtained as a Level 1 input would be.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As a general rule, Level 3 inputs are those that are difficult to obtain on a regular basis and require verification from an outside party, such as an auditor or an appraisal, to validate the valuation.

Net asset value (NAV) is a common measurement of fair value for Level 1, Level 2, and Level 3 investments. A fund's NAV is simply its assets less its liabilities and is often reported as a per share amount for fair value measurement purposes. The Plan would multiply the NAV per share owned to arrive at fair value. Level 1 investment in funds such as mutual funds report at a daily NAV per share and are actively traded. NAV also comes in to play for Level 2 and 3 investments. As a matter of convenience (or referred to in accounting literature as a "practical expedient"), a Plan can use the NAV per share for investments in a nongovernmental entity that does not have a readily determined fair value, such as an alternative investment. Investments measured at NAVs a practical expedient would be excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the fund's reported NAVs as a matter of convenience.

The Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following total recurring fair value measurements as of September 30, 2021 and 2020:

- *Debt securities* - Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Corporation and Bloomberg, L.P. to value securities based on the securities' relationship to benchmark quoted prices.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)**

*Fair Value Hierarchy (Continued)*

- *Mutual funds* - The rationale for inclusion in Level 1 or Level 2 points to the unobservable inputs involved in mutual fund pricing. Mutual funds do not trade using bid and ask, as with exchange traded funds or common stock. Instead, the prices are determined by the net asset value of the underlying investments at the close of business for the next day's open. The underlying assets themselves may include a variety of Level 1 and Level 2 securities and some may be valued using matrix pricing which interpolates the price of a security based on the price of similar securities.
- *Fixed income funds* - Valued using pricing models maximizing the use of observable input for similar securities. This includes basing value on yield currently available on comparable securities of issues with similar credit ratings.
- *Equity funds* - Valued at market prices for similar assets in active markets.
- *Common stock* - Valued at quoted market prices for identical assets in active markets.



**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021 AND 2020**

**NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)**

*Fair Value Hierarchy (Continued)*

Investments by fair value level	(Level 1)	(Level 2)	(Level 3)	2021
U.S. Government obligations	\$ 4,419,665	\$ -	\$ -	\$ 4,419,665
U.S. Government agency obligations	-	1,074,387	-	1,074,387
Corporate obligations	-	2,425,555	-	2,425,555
Domestic stocks	8,403,632	-	-	8,403,632
International stocks	4,549,075	-	-	4,549,075
Domestic equity investment fund	12,241,012	-	-	12,241,012
International equity investment fund	360,579	-	-	360,579
Temporary investment funds	-	605,419	-	605,419
Total investments by fair value level	\$ 29,973,963	\$ 4,105,361	\$ -	\$ 34,079,324

*Investment measured at the net asset value (NAV):*

Real estate investment fund	3,233,236
Total investments measured at NAV	3,233,236

Total investments measured at fair value at 9/30/21 \$ 37,312,560

Investments by fair value level	(Level 1)	(Level 2)	(Level 3)	2020
U.S. Government obligations	\$ 3,368,422	\$ -	\$ -	\$ 3,368,422
U.S. Government agency obligations	-	1,119,832	-	1,119,832
Corporate obligations	-	2,646,237	-	2,646,237
Domestic stocks	8,071,271	-	-	8,071,271
International stocks	3,741,734	-	-	3,741,734
Domestic equity investment fund	9,192,332	-	-	9,192,332
International equity investment fund	276,980	-	-	276,980
Temporary investment funds	-	516,259	-	516,259
Total investments by fair value level	\$ 24,650,739	\$ 4,282,328	\$ -	\$ 28,933,067

*Investment measured at the net asset value (NAV):*

Real estate investment fund	2,989,247
Total investments measured at NAV	2,989,247

Total investments measured at fair value at 9/30/20 \$ 31,922,314

The real estate investment funds are open end, commingled private real estate portfolios. These real estate investment trust-based funds are structured as limited partnerships. Their primary focus is to invest in well based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the Plan's ownership interest in partners' capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021 AND 2020**

**NOTE 12 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)**

Fair Value Hierarchy (Continued)

<u>Investment measured at NAV</u>	<u>2021 Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
Real estate investment fund (A):				
Barings Core Property Fund	\$ 3,233,236	\$ -	Quarterly	60 days
Total investments measured at NAV	<u>\$ 3,233,236</u>	<u>\$ -</u>		
<u>Investment measured at NAV</u>	<u>2020 Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
Real estate investment funds (A):				
Barings Core Property Fund	\$ 2,989,247	\$ -	Quarterly	60 days
Total investments measured at NAV	<u>\$ 2,989,247</u>	<u>\$ -</u>		

(A) Liquidity is quarterly and notice is 60 days.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021 AND 2020**

**NOTE 13 - NET PENSION LIABILITY OF THE CITY**

The components of net position liability of the City of Dunedin (City) as of September 30, 2021 were as follows:

Total pension liability	\$ 35,003,389
Plan fiduciary net position	<u>(37,315,024)</u>
City's net pension liability	<u><u>\$ (2,311,635)</u></u>
Plan fiduciary net position as a percentage of total pension liability	<u><u>106.60%</u></u>

*Actuarial Assumptions:*

The total pension liability was determined by an actuarial valuation as of October 1, 2020 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%
Salary increases	Service based
Investment rate of return	7.25%
Discount rate	7.25%

*Mortality Rate Healthy Active Lives:*

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

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

*Mortality Rate Healthy Retiree Lives:*

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

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

*Mortality Rate Beneficiary Lives:*

Female: PubG.H-2010 for Healthy Retirees.

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

*Mortality Rate Disabled Lives:*

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.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021 AND 2020**

**NOTE 13 - NET PENSION LIABILITY OF THE CITY (Continued)**

*Actuarial Assumptions (Continued):*

The above 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.

90% of active deaths are assumed to be service-incurred.

The long-term expected rate of return on pension plan investments was 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. 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, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	52.5%	7.50%
International Equity	12.5%	8.50%
Domestic Bonds	25.0%	2.50%
Real Estate	10.0%	4.50%

*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.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021 AND 2020**

**NOTE 13 - NET PENSION LIABILITY OF THE CITY (Continued)**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate:*

The following presents the net pension liability of the City, calculated using the discount rate of 7.25%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate.

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's net pension liability	<u>\$ 1,597,963</u>	<u>\$ (2,311,635)</u>	<u>\$ (5,594,165)</u>

**NOTE 14 - IMPACT OF COVID-19**

During the year ended September 30, 2020, Coronavirus Disease 2019 ("COVID-19") became a pandemic. The full impact of the COVID-19 outbreak continued to evolve during the final months of the 2021 fiscal year and into the 2022 fiscal year. As such, it is still uncertain as to the full impact of the pandemic; however, the Plan has seen no significant impacts to its operations. At this time, due to the evolution of the COVID-19 outbreak, the Plan is not able to estimate the effects in the long term.

**REQUIRED SUPPLEMENTARY SCHEDULES**

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**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY  
LAST NINE FISCAL YEARS \***

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total pension liability:</b>			
Service cost	\$ 833,104	\$ 861,826	\$ 896,035
Interest	2,460,281	2,306,477	2,252,498
Changes in excess state money	-	-	-
Share plan allocation	54,321	32,646	22,417
Difference between expected and actual experience	(148,847)	(217,129)	(170,541)
Changes in benefit terms	-	-	170,785
Changes in assumptions	1,152,682	(160,554)	-
Contributions - buy back	-	44,510	70,955
Benefit payments, including refunds of employee contributions	(1,887,729)	(1,578,674)	(1,388,306)
Net change in total pension liability	<u>2,463,812</u>	<u>1,289,102</u>	<u>1,853,843</u>
Total pension liability, beginning	<u>32,539,577</u>	<u>31,250,475</u>	<u>29,396,632</u>
Total pension liability, ending (a)	<u>\$ 35,003,389</u>	<u>\$ 32,539,577</u>	<u>\$ 31,250,475</u>
<b>Plan fiduciary net position:</b>			
Contributions - employer	\$ 565,711	\$ 520,901	\$ 460,064
Contributions - State	355,479	326,578	312,939
Contributions - employees	182,933	183,196	186,986
Contributions - buy-back	-	44,710	70,955
Net investment income (loss)	5,941,417	3,049,574	677,151
Benefit payments including refunds of employee contributions	(1,887,696)	(1,578,674)	(1,388,306)
Administrative expenses	(93,642)	(76,128)	(71,261)
Net change in plan fiduciary net position	<u>5,064,202</u>	<u>2,470,157</u>	<u>248,528</u>
Plan fiduciary net position - beginning	<u>32,250,822</u>	<u>29,780,665</u>	<u>29,532,137</u>
Plan fiduciary net position - ending (b)	<u>\$ 37,315,024</u>	<u>\$ 32,250,822</u>	<u>\$ 29,780,665</u>
Net pension liability (asset) (a) - (b)	<u>\$ (2,311,635)</u>	<u>\$ 288,755</u>	<u>\$ 1,469,810</u>

\* Information prior to fiscal year 2013 was not readily available.



2018	2017	2016	2015	2014	2013
\$ 818,157	\$ 856,749	\$ 818,555	\$ 795,653	\$ 793,320	\$ 736,260
2,090,180	1,965,605	1,940,322	1,786,282	1,706,513	1,586,064
(32,072)	-	-	5,213	9,746	-
14,179	11,304	2,432	15,635	29,234	-
28,595	(89,355)	495,699	(214,235)	-	-
-	-	(836,436)	-	-	-
-	-	201,521	-	-	-
-	1,118	73,537	32,877	64,645	-
(1,136,361)	(1,138,394)	(1,052,548)	(1,091,384)	(1,083,306)	(1,108,108)
1,782,678	1,607,027	1,643,082	1,330,041	1,520,152	1,214,216
27,613,954	26,006,927	24,363,845	23,033,804	21,513,652	20,299,436
<u>\$ 29,396,632</u>	<u>\$ 27,613,954</u>	<u>\$ 26,006,927</u>	<u>\$ 24,363,845</u>	<u>\$ 23,033,804</u>	<u>\$ 21,513,652</u>
\$ 490,695	\$ 446,583	\$ 442,686	\$ 479,580	\$ 510,314	\$ 358,128
301,955	298,122	286,293	303,897	322,029	314,996
181,279	180,673	186,368	178,121	176,623	172,605
-	1,118	73,537	32,877	64,645	-
2,865,967	1,888,834	1,681,268	(354,587)	1,930,923	2,509,249
(1,136,361)	(1,138,394)	(1,052,548)	(1,091,384)	(1,083,306)	(1,108,109)
(67,810)	(66,799)	(80,004)	(68,517)	(46,515)	(48,949)
2,635,725	1,610,137	1,537,600	(520,013)	1,874,713	2,197,920
26,896,412	25,286,275	23,748,675	24,268,688	22,393,975	20,196,055
<u>\$ 29,532,137</u>	<u>\$ 26,896,412</u>	<u>\$ 25,286,275</u>	<u>\$ 23,748,675</u>	<u>\$ 24,268,688</u>	<u>\$ 22,393,975</u>
<u>\$ (135,505)</u>	<u>\$ 717,542</u>	<u>\$ 720,652</u>	<u>\$ 615,170</u>	<u>\$ (1,234,884)</u>	<u>\$ (880,323)</u>

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
SCHEDULE OF RATIOS  
LAST NINE FISCAL YEARS \***

Fiscal Year Ended September 30,	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll
2013	104.11%	\$ 3,138,275	-28.05%
2014	105.46%	3,211,327	-38.45%
2015	97.47%	3,288,614	18.71%
2016	97.23%	3,395,812	21.22%
2017	97.40%	3,284,952	21.84%
2018	100.46%	3,295,962	-4.11%
2019	95.29%	3,399,726	43.23%
2020	99.11%	3,330,834	8.67%
2021	106.60%	3,326,112	-69.50%

*Changes in assumptions:*

For measurement date 09/30/2021, amounts reported as changes of assumptions resulted from an experience study dated August 16, 2021. The following changes were made:

- 1) Investment return assumption was reduced from 7.50% to 7.25%, net of investment related expenses.
- 2) Reduced assumed salary increases for all periods of credited service less than 13 years of service.
- 3) Increased the assumed rates of termination for members in the first 5 years and 10-14 years of employment and decreased the assumed rates for service between 6 and 9 years and 15 or more years.

For measurement date 09/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

\* Information prior to fiscal year 2013 was not readily available.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
SCHEDULE OF CONTRIBUTIONS  
LAST NINE YEARS \***

Fiscal Year Ended September 30,	Actuarially Determined Contribution	** Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2013	\$ 832,898	\$ 832,898	\$ -	\$ 3,138,275	26.54%
2014	793,364	793,364	-	3,211,327	24.71%
2015	784,433	784,433	-	3,288,615	23.85%
2016	725,736	725,736	-	3,395,812	21.37%
2017	733,401	733,401	-	3,284,952	22.33%
2018	777,513	778,472	(959)	3,295,962	23.62%
2019	746,882	750,586	(3,704)	3,399,726	22.08%
2020	839,734	835,071	4,663	3,330,834	25.07%
2021	856,234	856,234	-	3,326,112	25.74%

**Notes to Schedule:**

Valuation Date: 10/01/19

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, 2019 Actuarial Valuation for the City of Dunedin Firefighters' Retirement System by Foster & Foster Actuaries and Consultants.

\* Information prior to fiscal year 2013 was not readily available.

\*\* As shown in the actuarial report.

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
SCHEDULE INVESTMENT RETURNS  
LAST NINE YEARS \***

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2013	13.40%
2014	8.56%
2015	-1.47%
2016	7.12%
2017	7.55%
2018	10.90%
2019	2.26%
2020	10.50%
2021	18.72%

\* Information prior to fiscal year 2013 was not readily available.

## **ADDITIONAL INFORMATION**

**CITY OF DUNEDIN MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND  
SCHEDULES OF INVESTMENT AND ADMINISTRATIVE EXPENSES  
YEARS ENDED SEPTEMBER 30, 2021 AND 2020**

	2021		2020	
	Investment Expenses	Administrative Expenses	Investment Expenses	Administrative Expenses
Expenses:				
Accounting fees	\$ -	\$ 1,375	\$ -	\$ 4,075
Actuary fees	-	34,536	-	25,827
Administrator's fees	-	13,510	-	13,033
Audit fees	-	12,125	-	9,700
Custodial fees	12,789	-	11,592	-
Directors' liability insurance	-	3,547	-	3,512
Dues and subscriptions	-	620	-	620
Investment managers' fees:				
Great Lakes Advisors, L.L.C.	41,044	-	34,264	-
Harding Loevner	32,205	-	25,426	-
Rockwood Capital Advisors	47,931	-	34,105	-
Legal fees	-	21,479	-	14,561
Performance monitor	17,554	-	17,287	-
Secretary's fee	-	5,200	-	4,800
Seminars and training	-	1,250	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
(A) \$	<u>151,523</u>	<u>93,642</u>	<u>122,674</u>	<u>76,128</u>
Percentage of plan net position	<u>0.41%</u>	<u>0.25%</u>	<u>0.38%</u>	<u>0.24%</u>

(A) Management fees withheld from investment fund income are not included.