CITY OF HOLLY HILL, FLORIDA

POLICE PENSION FUND BOARD OF TRUSTEES

REVISED AGENDA ● FEBRUARY 6, 2020

Holly Hill Police Dept. Training Room	Police Pension Fund Board of Trustees	11:00 AM

CITY HALL
1065 RIDGEWOOD AVENUE
HOLLY HILL, FL 32117

City Clerk's office: (386) 248-9441 - Fax: (386) 248-9448

Holly Hill Police Dept. Training Room
City Hall
Holly Hill, FL 32117

BOARD MEMBERS

Chairman
Chief Steve Aldrich

Sergeant Thomas Bentley
Lieutenant Chris Yates
Robert W. Taylor
Charlie Sharp

CITY CLERK
Valerie Manning

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **APPROVAL OF MINUTES**

   1. Minutes - November 14, 2019 Police Pension Board Meeting

      (Requested by Valerie Manning, City Clerk)

4. **CHAIRPERSON'S REPORT**

   1. Chairman's Report to Board

      (Requested by Valerie Manning, City Clerk)

5. **OLD BUSINESS**

   1. Foster & Foster Presentation from Patrick Donlan

      (Requested by Valerie Manning, City Clerk)

   2. 4Th Quarter Report Period Ending December 31, 2019 & Investment Report December 2019

      (Requested by Valerie Manning, City Clerk)

6. **NEW BUSINESS**

   1. Payment of Outstanding Bills

      (Requested by Valerie Manning, City Clerk)

7. **OTHER BUSINESS**

   A. Meeting dates for 2020: May 14, 2020; August 13, 2020; November 19, 2020

8. **ADJOURNMENT**

Website Address – www.hollyhillfl.org (City Clerk)

NOTICE – If any person decides to appeal any decision of the Police Pension Board, he/she will need a record of the proceedings and, for that purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The City does not prepare or provide such a record.

For special accommodations, please notify the City Clerk's Office at least 72 hours in advance. (386) 248-9441

Help for the hearing impaired is available through the Assistive Listening System. Receivers can be obtained from the City Clerk's Office.

In accordance with the Americans with Disabilities Act (ADA), persons needing a special accommodation to participate in the Police Pension Board proceedings should contact the City Clerk's Office no later than three (3) days prior to the proceedings.

STAFF REPORT
CITY OF HOLLY HILL, FLORIDA

Police Pension Board
Agenda Item

MEETING DATE: **February 6, 2020**
FROM: **Valerie Manning**
SUBJECT: **Minutes - November 14, 2019 Police Pension Board Meeting**
NUMBER: **(ID # 2832)**
APPLICANT:
PLANNER:

DISCUSSION:

Minutes from November 14, 2019 Police Pension board meeting.

MOTION:

Approve as submitted by staff.

- November 14, 2019 Minutes (PDF)

Holly Hill Police Officers' Retirement Trust Fund

Thursday November 14, 2019

11:00 AM

Holly Hill Police Department Training Room

Minutes

1. Call to Order

Meeting was called to order at 11:00 AM

2. Roll Call

Members Present	Guests
Stephen Aldrich	Stella Gurnee – Finance Director
Christopher Yates	Catherine Colwell - Finance
Charlie Sharp	Paul Daragjati – Paul Daragjati PLC
Robert Taylor	Frank Wan - BCA
Thomas Bentley	Christin Hughes - BCA
	Heidi Heller – Citizen

3. Approval of Last Meeting's Minutes
   a. August 15, 2019
      Motion to Approve made by Sharp, 2nd by Taylor
      All in favor, Motion approved

4. Chairman's Report
   a. Pension Ordinance has been updated to mirror the FD Pension Ordinance governing investments. A copy of the ordinance was sent to the State on November 13, 2019.
   b. Members Stephen Aldrich, Chris Yates, Tom Bentley, and Robert Taylor attended the Florida Pension Seminar in Orlando Florida.
   c. Former Officer, Matthew Spence, has been refunded his contribution.
   d. Foster and Foster sent the COLA information for 2019-2020. The increases have been scheduled with Salem Trust.
   e. Salem Trust was given authorization to provide Clearwater Analytics, LLC access to the Pension Plan's account information to provide daily transaction information.

5. Old Business
    a. 2nd Quarter Report – Frank Wan: For the 2nd Quarter the plan made $77,000.00 after all fees.

6. New Business
    a. Payment of Outstanding Bills
       Paul Daragjati (Attorney Service): $465.00
       Salem Trust (Custodial Services): $1750.00
       Burgess Chambers (Investment Services, 2nd Quarter): $5,523.68
       Burgess Chambers (Investment Services, 3rd Quarter): $5,615.52
       Motion to Approve made by Yates, 2nd by Bentley
       All in favor, Motion approved

7. Other business
    a. Meeting dates for 2020 are as follows:

        I. February 6, 2020
        II. May 14, 2020
        III. August 13, 2020
        IV. November 19, 2020

    b. Meetings will be held in the Holly Hill Police Department Training Room, at 11:00am.

Adjournment

11:24 PM

Chairman – Stephen Aldrich

Secretary – Christopher Yates

Minutes – Christopher Yates

Police Pension Board

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SCHEDULED

Meeting: 02/06/20 11:00 AM
Department: City Clerk
Category: Chairperson's Report
Prepared By: Valerie Manning
Initiator: Valerie Manning
Sponsors:
DOC ID: 2833

CHAIRPERSON'S REPORT (ID # 2833)

Chairman's Report to Board

i. Officer Michael Coomans entered DROP effective 12/01/2019.
He has yet to make his benefit selection, but plans to shortly.

ii. Salem Trust has been sent updated insurance deduction information for each of the retirees that have insurances through the city.

iii. Foster & Foster has provided each officer with their 2019 Personal Statements that reflect their potential future pension benefit.

iv. Pension Secretary Christopher Yates has recently updated each officer's Survivor Beneficiary form.

v. The Florida Department of Management Services sent a letter accepting all reports through 10/01/2018. I have since sent them updated information regarding our new Pension Attorney and Performance Evaluator.

vi. After our last meeting we received and paid in full the following bills:

1. Foster & Foster (Actuarial services) - $1,175.00
2. Integrity Fixed Income Management, LLC (Investment Management Fee) $552.02 and $1,382.92

STAFF REPORT
CITY OF HOLLY HILL, FLORIDA

Police Pension Board
Agenda Item

MEETING DATE: **February 6, 2020**
FROM: **Valerie Manning**
SUBJECT: **Foster & Foster Presentation from Patrick Donlan**
NUMBER: **(ID # 2836)**
APPLICANT:
PLANNER:

DISCUSSION:

Patrick Donlan from Foster & Foster will be presenting the Actuarial Valuation as of October 1, 2019; Contributions applicable to the plan/fiscal year ending September 30, 2021; and GASB 67/68 Disclosure information as of September 30, 2019.

- DRAFT 2020.02.03, Holly Hill, 2019 Actuarial Valuation (PDF)

CITY OF HOLLY HILL
POLICE OFFICERS' RETIREMENT TRUST FUND

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2019

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2021

GASB 67/68 DISCLOSURE INFORMATION
AS OF SEPTEMBER 30, 2019

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

February 3, 2020

Board of Trustees
City of Holly Hill
Police Officers' Pension Board
1065 Ridgewood Avenue
Holly Hill, FL 32117

Re: City of Holly Hill Police Officers' Retirement Trust Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Holly Hill Police Officers' Retirement Trust Fund. Included are the related results for GASB Statements No. 67 and No. 68. The funding valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. The calculation of the liability for GASB results was performed for the purpose of satisfying the requirements of GASB Statements No. 67 and No. 68. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuations have been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflect laws and regulations issued to date pursuant to the provisions of Chapters 112 and 185, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuations, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuations, we did not perform an analysis of the potential range of such future measurements.

In conducting the valuations, we have relied on personnel, plan design, and asset information supplied by the City of Holly Hill, financial reports prepared by the custodian bank, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of October 1, 2018. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ending September 30, 2019 using generally accepted actuarial principles. It is our opinion that the assumptions used for this purpose are internally consistent, reasonable, and comply with the requirements under GASB No. 67 and No. 68.

The undersigned are familiar with the immediate and long-term aspects of pension valuations, and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Holly Hill, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Police Officers' Retirement Trust Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

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

Respectfully submitted,

Foster & Foster, Inc.

By: Patrick T. Donlan

Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #17-6595

Enclosures

TABLE OF CONTENTS

SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Holly Hill Police Officers' Retirement Trust Fund, performed as of October 1, 2019, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ending September 30, 2021.

The contribution requirements, compared with those set forth in the October 1, 2018 actuarial valuation report, are as follows:

Valuation Date Applicable to Fiscal Year Ending	10/1/2019 9/30/2021	10/1/2018 9/30/2020
Minimum Required Contribution		
% of Projected Annual Payroll	46.3%	50.1%
Member Contributions (Est.)		
% of Projected Annual Payroll	6.2%	6.2%
City And State Required Contribution		
% of Projected Annual Payroll	40.1%	43.9%
State Contribution (Est.) [1]	$138,915	$138,915
% of Projected Annual Payroll	11.5%	11.5%
City Required Contribution [2]		
% of Projected Annual Payroll	28.6%	32.4%

[1] Represents the amount received in calendar 2019. As per a Mutual Consent Agreement between the Membership and the City, all State Monies received each year will be available to offset the City's required contribution.

[2] The required contribution from the combination of City and State sources for the year ending September 30, 2021, is 40.1% of the actual payroll realized in that year. As a budgeting tool, the City may contribute 28.6% of each Member's Salary and then make a one-time adjustment to account for the actual State Monies received. Please note that the City has access to a prepaid contribution of $11,455.50 that is available to offset a portion of the above stated requirements for the fiscal year ending September 30, 2020.

As you can see, the Minimum Required Contribution shows a decrease when compared to the results determined in the October 1, 2018 actuarial valuation report. The decrease is largely attributable to the full recognition of 2009 actuarial loss base and lower than expected average individual salary increases. The decrease was offset in part by unfavorable inactive mortality experience.

Plan experience was favorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial gain included an average salary increase of -0.25% which fell short of the 6.31% assumption and an investment return of 7.73% (Actuarial Asset Basis) which exceeded the 7.40% assumption. These gains were offset in part by a loss associated with inactive mortality experience.

CHANGES SINCE PRIOR VALUATION

Plan Changes

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

Actuarial Assumption/Method Changes

There have been no changes of actuarial assumptions or methods since the prior valuation.

CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1)	Contribution Determined as of October 1, 2018	33.4%
(2)	Summary of Contribution Impact by component:	
	Change in State Contribution Percentage	-1.0%
	Change in Normal Cost Rate	0.5%
	Change in Administrative Expense Percentage	-0.3%
	Payroll Change Effect on UAAL Amortization	0.5%
	Investment Return (Actuarial Asset Basis)	-0.4%
	Salary Increases	-1.9%
	Active Decrements	-0.3%
	Inactive Mortality	0.9%
	Assumption Change	0.0%
	Full Amortization of 2009 Loss Base	-2.5%
	Other	-0.3%
	Total Change in Contribution	-4.8%
(3)	Contribution Determined as of October 1, 2019	28.6%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	10/1/2019	10/1/2018
A. Participant Data		
Actives	23	23
Service Retirees	15	14
DROP Retirees	1	1
Beneficiaries	1	1
Disability Retirees	2	2
Terminated Vested	6	8
Total	48	49
Total Annual Payroll	$1,207,056	$1,233,224
Payroll Under Assumed Ret. Age	1,207,056	1,233,224
Annual Rate of Payments to:		
Service Retirees	637,564	621,113
DROP Retirees	47,231	47,231
Beneficiaries	14,283	14,283
Disability Retirees	27,030	27,030
Terminated Vested	56,802	66,207
B. Assets		
Actuarial Value (AVA) [1]	11,311,281	10,527,542
Market Value (MVA) [1]	11,209,076	10,819,490
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	4,844,760	4,518,702
Disability Benefits	51,692	52,430
Death Benefits	58,488	56,834
Vested Benefits	434,602	495,192
Refund of Contributions	84,731	95,118
Service Retirees	7,707,297	7,624,128
DROP Retirees [1]	608,374	564,638
Beneficiaries	125,780	128,873
Disability Retirees	287,593	290,878
Terminated Vested	601,945	631,042
Share Plan Balances [1]	0	0
Total	14,805,262	14,457,835

C. Liabilities - (Continued)	10/1/2019	10/1/2018
Present Value of Future Salaries	7,432,751	7,999,598
Present Value of Future Member Contributions	461,703	495,682
Normal Cost (Retirement)	173,940	170,564
Normal Cost (Disability)	4,546	5,002
Normal Cost (Death)	5,669	5,358
Normal Cost (Vesting)	36,510	37,850
Normal Cost (Refunds)	14,988	15,975
Total Normal Cost	235,653	234,749
Present Value of Future Normal Costs	1,393,148	1,467,956
Accrued Liability (Retirement)	3,748,941	3,385,607
Accrued Liability (Disability)	23,071	19,210
Accrued Liability (Death)	27,392	24,897
Accrued Liability (Vesting)	259,033	293,702
Accrued Liability (Refunds)	22,688	26,904
Accrued Liability (Inactives) [1]	9,330,989	9,239,559
Share Plan Balances [1]	0	0
Total Actuarial Accrued Liability (EAN AL)	13,412,114	12,989,879
Unfunded Actuarial Accrued Liability (UAAL)	2,100,833	2,462,337
Funded Ratio (AVA / EAN AL)	84.3%	81.0%

D. Actuarial Present Value of Accrued Benefits

	10/1/2019	10/1/2018
Vested Accrued Benefits		
Inactives + Share Plan Balances [1]	9,330,989	9,239,559
Actives	2,060,029	1,793,317
Member Contributions	539,825	505,905
Total	11,930,843	11,538,781
Non-vested Accrued Benefits	657,488	545,332
Total Present Value Accrued Benefits (PVAB)	12,588,331	12,084,113
Funded Ratio (MVA / PVAB)	89.0%	89.5%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	333,591	
Benefits Paid	(697,780)	
Interest	868,407	
Other	0	
Total	504,218	

Valuation Date	10/1/2019	10/1/2018
Applicable to Fiscal Year Ending	9/30/2021	9/30/2020
E. Pension Cost		
Normal Cost (with interest)		
% of Total Annual Payroll [2]	20.2	19.7
Administrative Expenses (with interest)		
% of Total Annual Payroll [2]	2.2	2.5
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 25 years (as of 10/1/2019, with interest)		
% of Total Annual Payroll [2]	23.9	27.9
Minimum Required Contribution		
% of Total Annual Payroll [2]	46.3	50.1
Expected Member Contributions		
% of Total Annual Payroll [2]	6.2	6.2
Expected City and State Contribution		
% of Total Annual Payroll [2]	40.1	43.9
F. Past Contributions		
Plan Years Ending:	9/30/2019	
Total Required Contribution	689,832	
City and State Requirement	618,783	
Actual Contributions Made:		
Members (excluding buyback)	71,049	
City	479,868	
State	138,915	
Total	689,832	
G. Net Actuarial (Gain)/Loss	(106,815)	

[1] The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2019 and 9/30/2018.

[2] Contributions developed as of 10/1/2019 are expressed as a percentage of total annual payroll at 10/1/2019 of $1,207,056.

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

Year	Projected Unfunded Actuarial Accrued Liability
2019	2,100,833
2020	1,957,105
2021	1,831,068
2027	691,026
2033	291,450
2044	0

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

		Actual	Assumed
Year Ended	9/30/2019	-0.25%	6.31%
Year Ended	9/30/2018	6.12%	5.96%
Year Ended	9/30/2017	5.53%	5.86%
Year Ended	9/30/2016	4.31%	6.00%
Year Ended	9/30/2015	7.92%	6.00%

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

		Market Value	Actuarial Value	Assumed
Year Ended	9/30/2019	3.90%	7.73%	7.40%
Year Ended	9/30/2018	8.74%	6.06%	7.40%
Year Ended	9/30/2017	11.14%	5.71%	7.40%
Year Ended	9/30/2016	7.26%	5.92%	7.50%
Year Ended	9/30/2015	-2.39%	8.21%	7.50%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2019	$1,207,056
	10/1/2009	1,154,107
(b) Total Increase		4.59%
(c) Number of Years		10.00
(d) Average Annual Rate		0.45%

STATEMENT BY ENROLLED ACTUARY

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

Patrick T. Donlan

Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #17-6595

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

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

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

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

(1)	Unfunded Actuarial Accrued Liability as of October 1, 2018	$2,462,337
(2)	Sponsor Normal Cost developed as of October 1, 2018	158,289
(3)	Expected administrative expenses for the year ended September 30, 2019	29,717
(4)	Expected interest on (1), (2) and (3)	195,026
(5)	Sponsor contributions to the System during the year ended September 30, 2019	618,783
(6)	Expected interest on (5)	18,938
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2019 (1)+(2)+(3)+(4)-(5)-(6)	2,207,648
(8)	Change to UAAL due to Assumption Change	0
(9)	Change to UAAL due to Actuarial (Gain)/Loss	(106,815)
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2019	2,100,833

Type of Base	Date Established	Years Remaining	10/1/2019 Amount	Amortization Amount
Method Change	10/1/2002	9	343,313	49,901
Loss Portion [1]	10/1/2002	9	343,317	49,902
Actuarial Gain	10/1/2003	9	(253,148)	(36,796)
Actuarial Loss	10/1/2004	9	871,742	126,710
Actuarial Gain	10/1/2005	9	(51,083)	(7,425)
Actuarial Loss	10/1/2006	9	37,387	5,434
Benefit Change	10/1/2006	17	29,892	2,930
Assumption Change	10/1/2007	18	722,651	68,834
Actuarial Loss	10/1/2007	9	3,375	491
Method Change	10/1/2008	9	154,703	22,486
Benefit Change	10/1/2008	19	(203,588)	(18,894)
Actuarial Loss	10/1/2010	1	26,374	26,374
Actuarial Loss	10/1/2011	2	68,107	35,269
Actuarial Gain	10/1/2012	3	(52,322)	(18,699)
Software Change	10/1/2013	14	(356,740)	(38,897)
Actuarial Gain	10/1/2013	4	(88,130)	(24,445)
Actuarial Gain	10/1/2014	5	(137,560)	(31,573)
Benefit Change	10/1/2014	25	(565)	(47)
Actuarial Gain	10/1/2015	6	(258,317)	(51,085)

Type of Base	Date Established	Years Remaining	10/1/2019 Amount	Amortization Amount
Actuarial Loss	10/1/2016	7	113,085	19,811
Assumption Change	10/1/2016	17	429,355	42,088
Actuarial Loss	10/1/2017	8	224,895	35,613
Actuarial Loss	10/1/2018	9	240,905	35,016
Actuarial Gain	10/1/2019	10	(106,815)	(14,423)
			2,100,833	278,575

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1)	Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2018	$2,462,337
(2)	Expected UAAL as of October 1, 2019	2,207,648
(3)	Summary of Actuarial (Gain)/Loss, by component:	
	Investment Return (Actuarial Asset Basis)	(34,684)
	Salary Increases	(161,462)
	Active Decrements	(26,132)
	Inactive Mortality	76,500
	Other	38,963
	Increase in UAAL due to (Gain)/Loss	(106,815)
	Assumption Changes	0
(4)	Actual UAAL as of October 1, 2019	$2,100,833

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:

Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB
Male: RP2000 Generational, 10% Combined Healthy White Collar / 90% Combined Healthy Blue Collar, Scale BB

Healthy Inactive Lives:

Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB
Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB

Disabled Lives:

Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale
Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale

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, 2018 FRS valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality improvements.

75% of active deaths are assumed to be service-incurred.

Interest Rate

7.40% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Salary Increases

See table later in this section.
This assumption is based on the results of an experience study performed in 2016. Salary in year of retirement is increased individually to account for lump sum payments.

Payroll Growth	0.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.
Administrative Expenses	$25,240 annually, based on the average of actual expenses incurred in the prior two fiscal years. Previously, the actual expense in the prior fiscal year was used. Using a two-year average results in a less volatile estimate than the prior method.
Retirement Age	See table later in this section. This assumption resulted from the August 10, 2016 Experience Study.
Disability Rate	See table later in this section. 75% of disablements are assumed to be service related. We believe this assumption is in line with the Experience incurred by other plans containing Florida Municipal Police Officers.
Termination Rate	See table later in this section. This assumption resulted from the August 10, 2016 Experience Study.
Amortization Method	New UAAL amortization bases are established according to the following amortization periods: Experience: 10 Years. Assumption/Method Changes: 20 Years. Benefit Changes: 30 Years.
Funding Method	Entry Age Normal Actuarial Cost Method.
Actuarial Asset Method	Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

% Terminating During the Year (<1 Year of Service)	
Age	Rate
All Ages	15.0%

% Terminating During the Year (>=1 Year of Service)	
Age	Rate
20	17.2%
25	16.6%
30	15.0%
35	11.8%
40	9.0%
45	5.3%
50	1.9%
55	0.6%
60	0.5%
65	0.0%

% Becoming Disabled During the Year	
Age	Rate
20	0.03%
25	0.03%
30	0.04%
35	0.05%
40	0.07%
45	0.10%
50	0.18%
55	0.36%
60	0.90%
65	2.22%

Salary Scale	
Service	Rate
0	10.00%
1+	5.50%

% Retiring During the Year (<20 Years of Service)	
Age	Rate
50-54	5.0%
55	50.0%
56	75.0%
57+	100.0%

% Retiring During the Year (>= 20 Years of Service)	
Age	Rate
<55	50.0%
55	50.0%
56	75.0%
57+	100.0%

GLOSSARY

Total Annual Payroll is the projected annual rate of pay as of the valuation date for all covered Members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current Members, Retirees, Beneficiaries, Disability Retirees and Vested Terminations.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age .

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined using various actuarial assumptions. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.

- Salary Increases: When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.

- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, closed plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature closed plans with a substantial inactive liability. Similarly, mature closed plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled "Plan Maturity Measures and Other Risk Metrics". Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has decreased from 109.1% on October 1, 2016 to 100.0% on October 1, 2019, indicating that the plan has been maturing during the period.

- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 69.6%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan. Please note Chapter 112, Florida Statutes, requires that the plan sponsor contributes the minimum required contribution; thus, there is minimal solvency risk to the plan.

- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has increased from 80.4% on October 1, 2016 to 84.3% on October 1, 2019.

- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, stayed approximately the same from October 1, 2016 to October 1, 2019. The current Net Cash Flow Ratio of -0.3% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

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

PLAN MATURITY MEASURES AND OTHER RISK METRICS

	10/1/2016	10/1/2017	10/1/2018	10/1/2019
Support Ratio				
Total Actives	24	22	23	23
Total Inactives [1]	22	23	23	23
Actives / Inactives [1]	109.1%	95.7%	100.0%	100.0%
Asset Volatility Ratio				
Market Value of Assets (MVA)	9,166,974	10,029,341	10,819,490	11,209,076
Total Annual Payroll	1,200,750	1,135,398	1,233,224	1,207,056
MVA / Total Annual Payroll	763.4%	883.3%	877.3%	928.6%
Accrued Liability (AL) Ratio				
Inactive Accrued Liability	8,507,691	9,212,447	9,239,559	9,330,989
Total Accrued Liability (EAN)	11,934,751	12,435,475	12,989,879	13,412,114
Inactive AL / Total AL	71.3%	74.1%	71.1%	69.6%
Funded Ratio				
Actuarial Value of Assets (AVA)	9,590,468	9,997,615	10,527,542	11,311,281
Total Accrued Liability (EAN)	11,934,751	12,435,475	12,989,879	13,412,114
AVA / Total Accrued Liability (EAN)	80.4%	80.4%	81.0%	84.3%
Net Cash Flow Ratio				
Net Cash Flow [2]	(10,865)	(136,220)	(73,609)	(28,711)
Market Value of Assets (MVA)	9,166,974	10,029,341	10,819,490	11,209,076
Ratio	-0.1%	-1.4%	-0.7%	-0.3%

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

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

PARTIAL HISTORY OF PREMIUM TAX REFUNDS

Received During Fiscal Year	Amount	Increase from Previous Year
1998	51,838.81	_____%
1999	48,759.83	-5.9%
2000	45,177.19	-7.3%
2001	45,612.78	1.0%
2002	51,038.21	11.9%
2003	60,740.83	19.0%
2004	71,624.61	17.9%
2005	74,699.30	4.3%
2006	74,699.30	0.0%
2007	74,699.30	0.0%
2008	-	-100.0%
2009	150,819.27	N/A
2010	69,797.43	-53.7%
2011	64,309.42	-7.9%
2012	61,153.14	-4.9%
2013	59,865.22	-2.1%
2014	95,509.46	59.5%
2015	102,018.98	6.8%
2016	108,176.57	6.0%
2017	117,012.15	8.2%
2018	129,437.11	10.6%
2019	138,915.05	7.3%

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2019

ASSETS	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Money Market	225,066.72	225,066.72
Total Cash and Equivalents	225,066.72	225,066.72
Receivables:		
Investment Income	18,203.33	18,203.33
Total Receivable	18,203.33	18,203.33
Investments:		
U. S. Bonds and Bills	1,074,899.82	1,109,043.36
Corporate Bonds	1,035,013.41	1,050,782.67
Mutual Funds:		
Equity	7,479,229.27	7,797,537.08
Pooled/Common/Commingled Funds:		
Real Estate	940,158.00	1,033,941.00
Total Investments	10,529,300.50	10,991,304.11
Total Assets	10,772,570.55	11,234,574.16
LIABILITIES		
Payables:		
Refunds of Member Contributions	1,153.96	1,153.96
Investment Expenses	12,889.20	12,889.20
Prepaid City Contribution	11,455.50	11,455.50
Total Liabilities	25,498.66	25,498.66
NET POSITION RESTRICTED FOR PENSIONS	10,747,071.89	11,209,075.50

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2019
Market Value Basis

<u>ADDITIONS</u>			
Contributions:			
Member		71,049.13	
City		479,867.95	
State		138,915.05	
Total Contributions			689,832.13
Investment Income:			
Net Realized Gain (Loss)	1,490,546.83		
Unrealized Gain (Loss)	(1,161,020.41)		
Net Increase in Fair Value of Investments		329,526.42	
Interest & Dividends		191,763.28	
Less Investment Expense[1]		(102,993.15)	
Net Investment Income			418,296.55
Total Additions			1,108,128.68
<u>DEDUCTIONS</u>			
Distributions to Members:			
Benefit Payments		665,648.02	
Lump Sum DROP Distributions		0.00	
Refunds of Member Contributions		32,132.45	
Total Distributions			697,780.47
Administrative Expense			20,763.00
Total Deductions			718,543.47
Net Increase in Net Position			389,585.21
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			10,819,490.29
End of the Year			11,209,075.50

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

ACTUARIAL ASSET VALUATION
SEPTEMBER 30, 2019

Actuarial Assets for funding purposes are developed by increasing the Actuarial Assets used in the most recent actuarial valuation of the Fund by the average annual market value rate of return (net of investment related expenses) for the past four years. Actuarial Assets shall not be less than 80% nor greater than 120% of Market Value of Assets.

Details of the derivation are set forth as follows:

Plan Year End	Rate of Return[1]
09/30/2016	7.26%
09/30/2017	11.14%
09/30/2018	8.74%
09/30/2019	3.90%

Annualized Rate of Return for prior four (4) years: 7.73%

(A) 10/01/2018 Actuarial Assets:		$10,527,542.02
(I) Net Investment Income:		
1. Interest and Dividends	191,763.28	
2. Realized Gains (Losses)	1,490,546.83	
3. Unrealized Gains (Losses)	(1,161,020.41)	
4. Change in Actuarial Value	394,153.84	
5. Investment Related Expenses	(102,993.15)	
Total		812,450.39
(B) 10/01/2019 Actuarial Assets:		$11,311,281.07

Actuarial Asset Rate of Return = 2I/(A+B-I): 7.73%

10/01/2019 Limited Actuarial Assets: $11,311,281.07

10/01/2019 Market Value of Assets: $11,209,075.50

Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis) $34,684.17

[1]Market Value Basis, net of investment related expenses.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
SEPTEMBER 30, 2019
Actuarial Asset Basis

REVENUES		
Contributions:		
Member	71,049.13	
City	479,867.95	
State	138,915.05	
Total Contributions		689,832.13
Earnings from Investments:		
Interest & Dividends	191,763.28	
Net Realized Gain (Loss)	1,490,546.83	
Unrealized Gain (Loss)	(1,161,020.41)	
Change in Actuarial Value	394,153.84	
Total Earnings and Investment Gains		915,443.54
EXPENDITURES		
Distributions to Members:		
Benefit Payments	665,648.02	
Lump Sum DROP Distributions	0.00	
Refunds of Member Contributions	32,132.45	
Total Distributions		697,780.47
Expenses:		
Investment related[1]	102,993.15	
Administrative	20,763.00	
Total Expenses		123,756.15
Change in Net Assets for the Year		783,739.05
Net Assets Beginning of the Year		10,527,542.02
Net Assets End of the Year[2]		11,311,281.07

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

DEFERRED RETIREMENT OPTION PLAN ACTIVITY
October 1, 2018 to September 30, 2019

Beginning of the Year Balance	65,353.06
Plus Additions	47,230.80
Investment Return Earned	4,892.13
Less Distributions	0.00
End of the Year Balance	117,475.99

RECONCILIATION OF CITY'S SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2019

(1)	City and State Required Contribution	618,783.00
(2)	Less Allowable State Contribution	(138,915.05)
(3)	Equals Required City Contribution for Fiscal 2019	479,867.95
(4)	Less 2018 Prepaid Contribution	0.00
(5)	Less Actual City Contributions	(491,323.45)
(6)	Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2019	($11,455.50)

STATISTICAL DATA

	10/1/2016	10/1/2017	10/1/2018	10/1/2019
Actives - Hired before 7/1/2011				
Number	9	7	7	7
Average Current Age	43.6	44.3	45.3	46.3
Average Age at Employment	29.5	29.4	29.4	29.4
Average Past Service	14.1	14.9	15.9	16.9
Average Annual Salary	$58,988	$64,917	$67,283	$67,674
Actives - Hired on or after 7/1/2011				
Number	15	15	16	16
Average Current Age	33.5	36.4	37.3	38.1
Average Age at Employment	30.5	33.2	33.7	34.2
Average Past Service	3.0	3.2	3.6	3.9
Average Annual Salary	$44,812	$45,398	$47,640	$45,833
Service Retirees				
Number	14	14	14	15
Average Current Age	65.7	66.7	67.7	67.5
Average Annual Benefit	$43,218	$43,850	$44,365	$42,504
DROP Retirees				
Number	0	1	1	1
Average Current Age	N/A	55.8	56.8	57.8
Average Annual Benefit	N/A	$47,231	$47,231	$47,231
Beneficiaries				
Number	1	1	1	1
Average Current Age	70.9	71.9	72.9	73.9
Average Annual Benefit	$14,283	$14,283	$14,283	$14,283
Disability Retirees				
Number	1	2	2	2
Average Current Age	69.7	53.4	54.4	55.4
Average Annual Benefit	$8,374	$13,515	$13,515	$13,515
Terminated Vested				
Number	8	10	8	6
Average Current Age [1]	44.3	45.5	46.5	46.8
Average Annual Benefit [2]	$14,157	$13,369	$13,241	$14,201

[1] Effective 10/1/2018, the Average Current Age excludes participants awaiting a refund of contributions.
[2] The Average Annual Benefit excludes participants awaiting a refund of contributions.

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19												0
20 - 24	1											1
25 - 29		1				2						3
30 - 34		1	1			1						3
35 - 39		1	1			1						3
40 - 44	1						2	1				4
45 - 49						2	2	1				5
50 - 54			1			1				1		3
55 - 59					1							1
60 - 64												0
65+												0
Total	2	3	3	0	1	7	4	2	0	1	0	23

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2018	23
b. Terminations	
i. Vested (partial or full) with deferred annuity	0
ii. Vested in refund of member contributions only	(1)
iii. Refund of member contributions or full lump sum distribution received	(1)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	0
f. DROP	0
g. Continuing participants	21
h. New entrants	2
i. Total active life participants in valuation	23

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

	Service Retirees, Vested Receiving Benefits	DROP Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
a. Number prior valuation	14	1	1	2	5	3	26
Retired	1	0	0	0	(1)	0	0
DROP	0	0	0	0	0	0	0
Vested (Deferred Annuity)	0	0	0	0	0	0	0
Vested (Due Refund)	0	0	0	0	0	1	1
Hired/Terminated in Same Year	0	0	0	0	0	0	0
Death, With Survivor	0	0	0	0	0	0	0
Death, No Survivor	0	0	0	0	0	0	0
Disabled	0	0	0	0	0	0	0
Refund of Contributions	0	0	0	0	0	(2)	(2)
Rehires	0	0	0	0	0	0	0
Expired Annuities	0	0	0	0	0	0	0
Data Corrections	0	0	0	0	0	0	0
b. Number current valuation	15	1	1	2	4	2	25

SUMMARY OF CURRENT PLAN
(Through Ordinance 2019-11-12)

Latest Amendment Date	November 12, 2019.
Eligibility	Full-time employees who are classified as full-time sworn police officers shall participate in the System as a condition of employment.
Credited Service	Total years and fractional parts of years of continuous employment with the City as a Police Officer.
Earnings	Total W-2 Earnings plus all tax deferred or tax exempt items of income. Additional 10.6% of Earnings included for calculating AFC if employed prior to 10/1/1999.
Average Final Compensation (AFC)	Average Earnings for the highest 5 years during the 10 years immediately preceding retirement or termination.
Member Contributions	5.00% of Earnings, 7.00% if hired on or after July 1, 2011.
Member Contributions by City	8.00% of Earnings prior to October 1, 2005; 0.00% thereafter. Members hired on or after 10/1/1999 vest in these contributions 16.66% for each complete year of Credited Service to 100% after 6 years of Credited Service. Members hired before 10/1/1999 are 100% vested in these contributions.
City and State Contributions	Remaining amount necessary to pay current costs and amortize past service cost if any, over 30 years.
Normal Retirement	
Date	Earlier of Age 55 and 6 years of Credited Service or 20 years of Credited Service. For Members hired on or after July 1, 2011, the Earlier of age 55 and 10 years of Credited Service or 20 years of credited service regardless of age.
Benefit	3.00% of Average Final Compensation times Credited Service. Members retiring after 10/1/1999 receive $150 per month, payable for life.
Form of Benefit	Ten Year Certain and Life Annuity (options available).

Early Retirement

Eligibility	Age 50 and 6 Years of Credited Service. For Members hired on or after July 1, 2011, age 55 and 10 Years of Credited Service.
Benefit	Accrued benefit, reduced 3% per year.

Cost of Living Adjustment: Annual 2.00% increase commencing 5 years after retirement for those Members who retire on or after October 6, 2009 (including disability retirees and beneficiaries, but not including those who terminate prior to reaching their Early or Normal Retirement Date and later begin drawing benefits).

Vesting

Schedule	100% after 6 years of Credited Service. For Members hired on or after July 1, 2011, 100% after 10 years of Credited Service.
Benefit Amount	Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability

Eligibility	Service Incurred: Covered from date of employment. Non-Service Incurred: 10 years of Credited Service.
Benefit	Benefit accrued to date of disability but not less than 42% of Average Final Compensation (Service Incurred), or 25% of Average Final Compensation (Non-Service Incurred).
Duration	Payable for life (with 120 months guaranteed) or until recovery (as determined by the Board). Options are available.

Death Benefits

Pre-Retirement	Vested: Monthly accrued benefit payable to designated beneficiary for 10 years. Non-vested: Refund of accumulated contributions without interest.
Post-Retirement	Benefits payable to beneficiary in accordance with option selected at retirement.

Board of Trustees	a. Two Commission appointees, b. Two Members of the Department elected by the membership, and c. Fifth Member elected by other 4 and appointed by Commission.
Deferred Retirement Option Plan	
Eligibility	Eligibility for Normal Retirement.
Participation	Not to exceed 60 months.
Rate of Return	Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs).
Form of Distribution	Lump sum at termination of employment.
Chapter 185 Share Account	Pursuant to Chapter 2015-39, Laws of Florida, a share plan exists but is currently not funded as the City and Membership mutually consented to allow the City to use all annual State Monies to offset its funding requirements through September 30, 2019.

GASB 67

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2019

ASSETS	MARKET VALUE
Cash and Cash Equivalents:	
Money Market	225,067
Total Cash and Equivalents	225,067
Receivables:	
Investment Income	18,203
Total Receivable	18,203
Investments:	
U. S. Bonds and Bills	1,109,043
Corporate Bonds	1,050,783
Equity	7,797,537
Real Estate	1,033,941
Total Investments	10,991,304
Total Assets	11,234,574
LIABILITIES	
Payables:	
Refunds of Member Contributions	1,154
Investment Expenses	12,889
Total Liabilities	14,043
NET POSITION RESTRICTED FOR PENSIONS	11,220,531

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2019
Market Value Basis

<u>ADDITIONS</u>		
Contributions:		
Member	71,049	
City	491,324	
State	138,915	
Total Contributions		701,288
Investment Income:		
Net Increase in Fair Value of Investments	329,526	
Interest & Dividends	191,763	
Less Investment Expense[1]	(102,993)	
Net Investment Income		418,296
Total Additions		1,119,584
<u>DEDUCTIONS</u>		
Distributions to Members:		
Benefit Payments	665,648	
Lump Sum DROP Distributions	0	
Refunds of Member Contributions	32,132	
Total Distributions		697,780
Administrative Expense		20,763
Total Deductions		718,543
Net Increase in Net Position		401,041
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		10,819,490
End of the Year		11,220,531

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

NOTES TO THE FINANCIAL STATEMENTS

(For the Year Ended September 30, 2019)

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

a. Two Commission appointees,

b. Two Members of the Department elected by the Membership, and a

c. Fifth Member elected by other 4 and appointed by Commission.

Plan Membership as of October 1, 2018:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	18
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	8
Active Plan Members	23
	49

Benefits Provided

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

A summary of the benefit provisions can be found in the October 1, 2018 Actuarial Valuation Report for the City of Holly Hill Police Officers' Retirement Trust Fund prepared by Foster & Foster Actuaries and Consultants.

Contributions

Member Contributions: 5.00% of Earnings, 7.00% if hired on or after July 1, 2011.

Member Contributions by City: 8.00% of Earnings prior to October 1, 2005; 0.00% thereafter. Members hired on or after 10/1/1999 vest in these contributions 16.66% for each complete year of Credited Service to 100% after 6 years of Credited Service. Members hired before 10/1/1999 are 100% vested in these contributions.

City and State Contributions: Remaining amount necessary to pay current costs and amortize past service cost if any, over 30 years.

Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of September 30, 2019:

Asset Class	Target Allocation
Domestic Equity	60.00%
International Equity	10.00%
Bonds	20.00%
Private Real Estate	10.00%
Total	100.00%

Concentrations:

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

Rate of Return:

For the year ended September 30, 2019, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 3.90 percent.

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

Deferred Retirement Option Program

Eligibility for Normal Retirement.

Participation: Not to exceed 60 months.

Rate of Return: Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs).

The DROP balance as September 30, 2019 is $117,476.

NET PENSION LIABILITY OF THE SPONSOR

The components of the Net Pension Liability of the Sponsor on September 30, 2019 were as follows:

Total Pension Liability	$ 13,374,805
Plan Fiduciary Net Position	$ (11,220,531)
Sponsor's Net Pension Liability	$ 2,154,274
Plan Fiduciary Net Position as a percentage of Total Pension Liability	83.89%

Actuarial Assumptions:
The Total Pension Liability was determined by an actuarial valuation as of October 1, 2018 updated to September 30, 2019 using the following actuarial assumptions:

Inflation	2.40%
Salary Increases	Service based
Discount Rate	7.40%
Investment Rate of Return	7.40%

Mortality Rate Healthy Active Lives:
Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB.
Male: RP2000 Generational, 10% Combined Healthy White Collar / 90% Combined Healthy Blue Collar, Scale BB.
Mortality Rate Healthy Inactive Lives:
Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.
Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB.
Mortality Rate Disabled Lives:
Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale.
Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.
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, 2018 FRS valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality improvements.
It is assumed that 75% of active deaths are service related.

The most recent actuarial experience study used to review the other significant assumptions was dated August 10, 2016.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.
For 2019 the inflation rate assumption of the investment advisor was 1.90%.
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 geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2019 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return
Domestic Equity	7.30%
International Equity	2.70%
Bonds	3.60%
Private Real Estate	4.90%

Discount Rate:

The Discount Rate used to measure the Total Pension Liability was 7.40 percent.

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

	1% Decrease 6.40%	Current Discount Rate 7.40%	1% Increase 8.40%
Sponsor's Net Pension Liability	$ 3,727,837	$ 2,154,274	$ 846,758

GASB 67

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

	09/30/2019	09/30/2018	09/30/2017
Total Pension Liability			
Service Cost	244,196	218,828	229,740
Interest	936,633	894,090	863,912
Changes of benefit terms	-	-	-
Differences between Expected and Actual Experience	129,854	135,657	28,475
Changes of assumptions	-	-	-
Benefit Payments, including Refunds of Employee Contributions	(697,780)	(700,275)	(706,537)
Net Change in Total Pension Liability	612,903	548,300	415,590
Total Pension Liability - Beginning	12,761,902	12,213,602	11,798,012
Total Pension Liability - Ending (a)	$ 13,374,805	$ 12,761,902	$ 12,213,602
Plan Fiduciary Net Position			
Contributions - Employer	491,324	453,423	406,073
Contributions - State	138,915	129,437	117,012
Contributions - Employee	71,049	73,523	72,705
Net Investment Income	418,296	863,758	998,587
Benefit Payments, including Refunds of Employee Contributions	(697,780)	(700,275)	(706,537)
Administrative Expense	(20,763)	(29,717)	(25,473)
Net Change in Plan Fiduciary Net Position	401,041	790,149	862,367
Plan Fiduciary Net Position - Beginning	10,819,490	10,029,341	9,166,974
Plan Fiduciary Net Position - Ending (b)	$ 11,220,531	$ 10,819,490	$ 10,029,341
Net Pension Liability - Ending (a) - (b)	$ 2,154,274	$ 1,942,412	$ 2,184,261
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	83.89%	84.78%	82.12%
Covered Payroll[1]	$ 1,144,300	$ 1,177,752	$ 1,209,361
Net Pension Liability as a percentage of Covered Payroll	188.26%	164.93%	180.61%

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

	09/30/2016	09/30/2015	09/30/2014
Total Pension Liability			
Service Cost	230,699	222,322	249,756
Interest	843,655	823,857	810,040
Changes of benefit terms	-	(526)	-
Differences between Expected and Actual Experience	(370,289)	(153,367)	-
Changes of assumptions	385,611	-	-
Benefit Payments, including Refunds of Employee Contributions	(619,400)	(655,033)	(1,040,177)
Net Change in Total Pension Liability	470,276	237,253	19,619
Total Pension Liability - Beginning	11,327,736	11,090,483	11,070,864
Total Pension Liability - Ending (a)	$ 11,798,012	$ 11,327,736	$ 11,090,483
Plan Fiduciary Net Position			
Contributions - Employer	460,877	519,860	636,738
Contributions - State	108,177	102,019	95,509
Contributions - Employee	71,468	72,917	67,173
Net Investment Income	611,485	(206,022)	600,411
Benefit Payments, including Refunds of Employee Contributions	(619,400)	(655,033)	(1,040,177)
Administrative Expense	(31,987)	(24,321)	(21,956)
Net Change in Plan Fiduciary Net Position	600,620	(190,580)	337,698
Plan Fiduciary Net Position - Beginning	8,566,354	8,756,934	8,419,236
Plan Fiduciary Net Position - Ending (b)	$ 9,166,974	$ 8,566,354	$ 8,756,934
Net Pension Liability - Ending (a) - (b)	$ 2,631,038	$ 2,761,382	$ 2,333,549
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	77.70%	75.62%	78.96%
Covered Payroll[1]	$ 1,162,274	$ 1,130,458	$ 1,135,179
Net Pension Liability as a percentage of Covered Payroll	226.37%	244.27%	205.57%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios

[1] The Covered Payroll numbers shown are in compliance with GASB 82.

Changes of benefit terms:
For measurement date 09/30/2015, amounts reported as changes of benefit terms were resulted from:
1.) For Members hired after July 1, 2011 the Member Contribution rate is decreased from 8% of pay to 7% of pay effective October 1, 2015.
2.) Establishing a share plan.
3.) The bargaining parties mutually consent to allowing the use of all State Monies received to be utilized to offset the City's Required Contribution.

Changes of assumptions:
For measurement date 09/30/2016, amounts reported as changes of assumptions resulted from an August 10, 2016 Experience study. The following changes have been made:
• The assumed mortality rates were amended to match those used by the Florida Retirement System in their July 1, 2015 valuation report.
• The investment return assumption was reduced from 7.5% to 7.4%, net of investment related expenses.
• The assumption for projected non-regular pensionable compensation paid out at retirement was changed from a flat 40% to an individual assumption based on their hours accrued as of July 8, 2011.
• The assumed rates of withdrawal were increase by 10% from age 40 to 49 and an assumption was made that 15% of Officers will terminate in their first year of employment.
• The assumed rates of retirement were changed to the following table of expected rates:

Service	Age	Expected Retirement Rates
< 20	50-54	5.0%
	55	50.0%
	56	75.0%
	57+	100.0%
20+	<55	50.0%
	55	50.0%
	56	75.0%
	57+	100.0%

• The assumed individual salary increase was changed from a flat 6.0%, to a service based table, with the rate of 10.0% during the first year of employment and 5.5% for all future years of service.
• The inflation assumption rate was lowered from 3.00% to 2.70%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll[1]	Contributions as a percentage of Covered Payroll
09/30/2019	$ 618,783	$ 630,239	$ (11,456)	$ 1,144,300	55.08%
09/30/2018	$ 582,860	$ 582,860	$ -	$ 1,177,752	49.49%
09/30/2017	$ 523,085	$ 523,085	$ -	$ 1,209,361	43.25%
09/30/2016	$ 569,054	$ 569,054	$ -	$ 1,162,274	48.96%
09/30/2015	$ 621,879	$ 621,879	$ -	$ 1,130,458	55.01%
09/30/2014	$ 732,247	$ 732,247	$ -	$ 1,135,179	64.50%

[1] The Covered Payroll numbers shown are in compliance with GASB 82.

Notes to Schedule

Valuation Date: 10/01/2017

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:

Mortality:

Healthy Active Lives:
Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB
Male: RP2000 Generational, 10% Combined Healthy White Collar / 90% Combined Healthy Blue Collar, Scale BB.
Healthy Inactive Lives:
Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.
Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB.
Disabled Lives:
Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale.
Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.
The assumed rates of mortality 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 the July 1, 2016 FRS actuarial valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality
It is assumed that 75% of active deaths are service related.

Interest Rate: 7.40% per year compounded annually, net of investment related expenses. This assumption resulted from the August 10, 2016 Experience Study.

Retirement Age:

Service	Age	Expected Retirement Rates
<20	50-54	5.0%
	55	50.0%
	56	75.0%
	57+	100.0%
20+	<55	50.0%
	55	50.0%
	56	75.0%
	57+	100.0%

This assumption resulted from the August 10, 2016 Experience Study.

Disability Rate:

Age	Expected Disability Rates
20	15.0%
30	15.9%
40	12.0%
50	6.5%

75% of disablements are assumed to be service related. We believe this assumption is in line with the experience incurred by other plans containing Florida municipal Police Officers.

Termination Rate:

Service	Age	Expected Termination Rates
<1	All Ages	15.0%
1+	<30	15.9%
	30-39	12.0%
	40-49	6.5%
	50+	0.9%

This assumption resulted from the August 10, 2016 Experience Study.

Salary Increases: 10.0% in first year of employment and 5.5% per year after that. This assumption is based on the results of an experience study performed in 2016. Salary in year of retirement is increased individually to account for lump sums.

Payroll Increase: None.

Funding Method: Entry Age Normal Actuarial Cost Method.

Amortization Method: Level Percentage of Pay, Closed.

Remaining Amortization Method: 27 Years (as of 10/01/2017).

Asset Valuation Method: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

Projected Dollar Requirements: Costs as of the valuation date are increased by 3.7% interest and 5.921% salary growth (average assumed rate of individual salary increase as of valuation date) to determine dollar funding requirements for the applicable fiscal year end.

SCHEDULE OF INVESTMENT RETURNS

Last 10 Fiscal Years

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
09/30/2019	3.90%
09/30/2018	8.74%
09/30/2017	11.14%
09/30/2016	7.26%
09/30/2015	-2.39%
09/30/2014	7.30%

GASB 68

NOTES TO THE FINANCIAL STATEMENTS
(For the Year Ended September 30, 2019)

General Information about the Pension Plan

Plan Description
The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:
a. Two Commission appointees,
b. Two Members of the Department elected by the Membership, and a
c. Fifth Member elected by other 4 and appointed by Commission.
Full-time employees who are classified as full-time sworn police officers shall participate in the System as a condition of employment.

Plan Membership as of October 1, 2018:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	18
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	8
Active Plan Members	23
	49

Benefits Provided
The Plan provides retirement, termination, disability and death benefits.
A summary of the benefit provisions can be found in the October 1, 2018 Actuarial Valuation Report for the City of Holly Hill Police Officers' Retirement Trust Fund prepared by Foster & Foster Actuaries and Consultants.
Incorporated are the benefit changes for measurement date 09/30/2019 as noted under the Notes to Schedule of Changes in Net Pension Liability and Related Ratios.

Contributions
Member Contributions: 5.00% of Earnings, 7.00% if hired on or after July 1, 2011.
Member Contributions by City: 8.00% of Earnings prior to October 1, 2005; 0.00% thereafter. Members hired on or after 10/1/1999 vest in these contributions 16.66% for each complete year of Credited Service to 100% after 6 years of Credited Service. Members hired before 10/1/1999 are 100% vested in these contributions.
City and State Contributions: Remaining amount necessary to pay current costs and amortize past service cost if any, over 30 years.

Net Pension Liability

The measurement date is September 30, 2019.
The measurement period for the pension expense was October 1, 2018 to September 30, 2019.
The reporting period is October 1, 2018 through September 30, 2019.

The Sponsor's Net Pension Liability was measured as of September 30, 2019.
The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

Actuarial Assumptions:
The Total Pension Liability was determined by an actuarial valuation as of October 1, 2018 updated to September 30, 2019 using the following actuarial assumptions:

Inflation	2.40%
Salary Increases	Service based
Discount Rate	7.40%
Investment Rate of Return	7.40%

Mortality Rate Healthy Active Lives:
Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB.
Male: RP2000 Generational, 10% Combined Healthy White Collar / 90% Combined Healthy Blue Collar, Scale BB.
Mortality Rate Healthy Inactive Lives:
Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.
Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB.
Mortality Rate Disabled Lives:
Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale.
Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.
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, 2018 FRS valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality improvements.
It is assumed that 75% of active deaths are service related.

The most recent actuarial experience study used to review the other significant assumptions was dated August 10, 2016.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, Net of Pension Plan investment expenses and inflation) are developed for each major asset class.
For 2019 the inflation rate assumption of the investment advisor was 1.90%.
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 geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	60.00%	7.30%
International Equity	10.00%	2.70%
Bonds	20.00%	3.60%
Private Real Estate	10.00%	4.90%
Total	100.00%	

Discount Rate:
The Discount Rate used to measure the Total Pension Liability was 7.40 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.

GASB 68

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2018	$ 12,761,902	$ 10,819,490	$ 1,942,412
Changes for a Year:			
Service Cost	244,196	-	244,196
Interest	936,633	-	936,633
Differences between Expected and Actual Experience	129,854	-	129,854
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - Employer	-	491,324	(491,324)
Contributions - State	-	138,915	(138,915)
Contributions - Employee	-	71,049	(71,049)
Net Investment Income	-	418,296	(418,296)
Benefit Payments, including Refunds of Employee Contributions	(697,780)	(697,780)	-
Administrative Expense	-	(20,763)	20,763
Net Changes	612,903	401,041	211,862
Balances at September 30, 2019	$ 13,374,805	$ 11,220,531	$ 2,154,274

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

	1% Decrease 6.40%	Current Discount Rate 7.40%	1% Increase 8.40%
Sponsor's Net Pension Liability	$ 3,727,837	$ 2,154,274	$ 846,758

Pension Plan Fiduciary Net Position.

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

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

For the year ended September 30, 2019, the Sponsor will recognize a Pension Expense of $584,385.
On September 30, 2019, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	149,730	-
Changes of assumptions	-	-
Net difference between Projected and Actual Earnings on Pension Plan investments	106,791	-
Total	$ 256,521	$ -

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:	
2020	$ 77,345
2021	$ 18,890
2022	$ 83,944
2023	$ 76,342
2024	$ -
Thereafter	$ -

GASB 68

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

	09/30/2019	09/30/2018	09/30/2017
Total Pension Liability			
Service Cost	244,196	218,828	229,740
Interest	936,633	894,090	863,912
Changes of benefit terms	-	-	-
Differences between Expected and Actual Experience	129,854	135,657	28,475
Changes of assumptions	-	-	-
Benefit Payments, including Refunds of Employee Contributions	(697,780)	(700,275)	(706,537)
Net Change in Total Pension Liability	612,903	548,300	415,590
Total Pension Liability - Beginning	12,761,902	12,213,602	11,798,012
Total Pension Liability - Ending (a)	$ 13,374,805	$ 12,761,902	$ 12,213,602
Plan Fiduciary Net Position			
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Contributions - Employee	71,049	73,523	72,705
Net Investment Income	418,296	863,758	998,587
Benefit Payments, including Refunds of Employee Contributions	(697,780)	(700,275)	(706,537)
Administrative Expense	(20,763)	(29,717)	(25,473)
Net Change in Plan Fiduciary Net Position	401,041	790,149	862,367
Plan Fiduciary Net Position - Beginning	10,819,490	10,029,341	9,166,974
Plan Fiduciary Net Position - Ending (b)	$ 11,220,531	$ 10,819,490	$ 10,029,341
Net Pension Liability - Ending (a) - (b)	$ 2,154,274	$ 1,942,412	$ 2,184,261
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	83.89%	84.78%	82.12%
Covered Payroll[1]	$ 1,144,300	$ 1,177,752	$ 1,209,361
Net Pension Liability as a percentage of Covered Payroll	188.26%	164.93%	180.61%

GASB 68

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

	09/30/2016	09/30/2015	09/30/2014
Total Pension Liability			
Service Cost	230,699	222,322	249,756
Interest	843,655	823,857	810,040
Changes of benefit terms	-	(526)	-
Differences between Expected and Actual Experience	(370,289)	(153,367)	-
Changes of assumptions	385,611	-	-
Benefit Payments, including Refunds of Employee Contributions	(619,400)	(655,033)	(1,040,177)
Net Change in Total Pension Liability	470,276	237,253	19,619
Total Pension Liability - Beginning	11,327,736	11,090,483	11,070,864
Total Pension Liability - Ending (a)	$ 11,798,012	$ 11,327,736	$ 11,090,483
Plan Fiduciary Net Position			
Contributions - Employer	460,877	519,860	636,738
Contributions - State	108,177	102,019	95,509
Contributions - Employee	71,468	72,917	67,173
Net Investment Income	611,485	(206,022)	600,411
Benefit Payments, including Refunds of Employee Contributions	(619,400)	(655,033)	(1,040,177)
Administrative Expense	(31,987)	(24,321)	(21,956)
Net Change in Plan Fiduciary Net Position	600,620	(190,580)	337,698
Plan Fiduciary Net Position - Beginning	8,566,354	8,756,934	8,419,236
Plan Fiduciary Net Position - Ending (b)	$ 9,166,974	$ 8,566,354	$ 8,756,934
Net Pension Liability - Ending (a) - (b)	$ 2,631,038	$ 2,761,382	$ 2,333,549
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	77.70%	75.62%	78.96%
Covered Payroll[1]	$ 1,162,274	$ 1,130,458	$ 1,135,179
Net Pension Liability as a percentage of Covered Payroll	226.37%	244.27%	205.57%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios

[1] The Covered Payroll numbers shown are in compliance with GASB 82.

Changes of benefit terms:
For measurement date 09/30/2015, amounts reported as changes of benefit terms were resulted from:
1.) For Members hired after July 1, 2011 the Member Contribution rate is decreased from 8% of pay to 7% of pay effective October 1, 2015.
2.) Establishing a share plan.
3.) The bargaining parties mutually consent to allowing the use of all State Monies received to be utilized to offset the City's Required Contribution.

Changes of assumptions:
For measurement date 09/30/2016, amounts reported as changes of assumptions resulted from an August 10, 2016 Experience study. The following changes have been made:
• The assumed mortality rates were amended to match those used by the Florida Retirement System in their July 1, 2015 valuation report.
• The investment return assumption was reduced from 7.5% to 7.4%, net of investment related expenses.
• The assumption for projected non-regular pensionable compensation paid out at retirement was changed from a flat 40% to an individual assumption based on their hours accrued as of July 8, 2011.
• The assumed rates of withdrawal were increase by 10% from age 40 to 49 and an assumption was made that 15% of Officers will terminate in their first year of employment.
• The assumed rates of retirement were changed to the following table of expected rates:

Service	Age	Expected Retirement Rates
< 20	50-54	5.0%
	55	50.0%
	56	75.0%
	57+	100.0%
20+	<55	50.0%
	55	50.0%
	56	75.0%
	57+	100.0%

• The assumed individual salary increase was changed from a flat 6.0%, to a service based table, with the rate of 10.0% during the first year of employment and 5.5% for all future years of service.
• The inflation assumption rate was lowered from 3.00% to 2.70%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

GASB 68

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll[1]	Contributions as a percentage of Covered Payroll
09/30/2019	$ 618,783	$ 630,239	$ (11,456)	$ 1,144,300	55.08%
09/30/2018	$ 582,860	$ 582,860	$ -	$ 1,177,752	49.49%
09/30/2017	$ 523,085	$ 523,085	$ -	$ 1,209,361	43.25%
09/30/2016	$ 569,054	$ 569,054	$ -	$ 1,162,274	48.96%
09/30/2015	$ 621,879	$ 621,879	$ -	$ 1,130,458	55.01%
09/30/2014	$ 732,247	$ 732,247	$ -	$ 1,135,179	64.50%

[1] The Covered Payroll numbers shown are in compliance with GASB 82.

Notes to Schedule

Valuation Date: 10/01/2017

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:

Mortality:

Healthy Active Lives:
Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.
Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB.
Healthy Inactive Lives:
Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.
Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB.
Disabled Lives:
Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale.
Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.
The assumed rates of mortality 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 the July 1, 2016 FRS actuarial valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality
It is assumed that 75% of active deaths are service related.

Interest Rate: 7.40% per year compounded annually, net of investment related expenses. This assumption resulted from the August 10, 2016 Experience Study.

Retirement Age:

Service	Age	Expected Retirement Rates
<20	50-54	5.0%
	55	50.0%
	56	75.0%
	57+	100.0%
20+	<55	50.0%
	55	50.0%
	56	75.0%
	57+	100.0%

This assumption resulted from the August 10, 2016 Experience Study.

Disability Rate:

Age	Expected Disability Rates
20	15.0%
30	15.9%
40	12.0%
50	6.5%

75% of disablements are assumed to be service related. We believe this assumption is in line with the experience incurred by other plans containing Florida municipal Police Officers.

Termination Rate:

Service	Age	Expected Termination Rates
<1	All Ages	15.0%
1+	<30	15.9%
	30-39	12.0%
	40-49	6.5%
	50+	0.9%

This assumption resulted from the August 10, 2016 Experience Study.

Salary Increases: 10.0% in first year of employment and 5.5% per year after that. This assumption is based on the results of an experience study performed in 2016. Salary in year of retirement is increased individually to account for lump sums.

Payroll Increase: None.

Funding Method: Entry Age Normal Actuarial Cost Method.

Amortization Method: Level Percentage of Pay, Closed.

Remaining Amortization Method: 27 Years (as of 10/01/2017).

Asset Valuation Method: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

Projected Dollar Requirements: Costs as of the valuation date are increased by 3.7% interest and 5.921% salary growth (average assumed rate of individual salary increase as of valuation date) to determine dollar funding requirements for the applicable fiscal year end.

EXPENSE DEVELOPMENT AND AMORTIZATION SCHEDULES

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

GASB 68

COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2019

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	$ 1,942,412	$ 387,182	$ 385,987	$ -
Total Pension Liability Factors:				
Service Cost	244,196	-	-	244,196
Interest	936,633	-	-	936,633
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	129,854	-	129,854	-
Current year amortization of experience difference	-	(92,572)	(84,800)	(7,772)
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions	-	-	(96,403)	96,403
Benefit Payments, including Refunds of Employee Contributions	(697,780)	-	-	-
Net change	612,903	(92,572)	(51,349)	1,269,460
Plan Fiduciary Net Position:				
Contributions - Employer	491,324	-	-	-
Contributions - State	138,915	-	-	-
Contributions - Employee	71,049	-	-	(71,049)
Projected Net Investment Income	800,004	-	-	(800,004)
Difference between projected and actual earnings on Pension Plan investments	(381,708)	-	381,708	-
Current year amortization	-	(89,916)	(255,131)	165,215
Benefit Payments, including Refunds of Employee Contributions	(697,780)	-	-	-
Administrative Expenses	(20,763)	-	-	20,763
Net change	401,041	(89,916)	126,577	(685,075)
Ending Balance	$ 2,154,274	$ 204,694	$ 461,215	$ 584,385

AMORTIZATION SCHEDULE - INVESTMENTS

Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments

Plan Year Ending	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
2019	$ 381,708	5	$ 76,340	$ 76,342	$ 76,342	$ 76,342	$ 76,342	$ -	$ -	$ -	$ -	$ -	$ -
2018	$ (124,310)	5	$ (24,862)	$ (24,862)	$ (24,862)	$ (24,862)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2017	$ (325,271)	5	$ (65,054)	$ (65,054)	$ (65,054)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2016	$ 30,584	5	$ 6,117	$ 6,117	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2015	$ 863,371	5	$ 172,674	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Pension Expense			$ 165,215	$ (7,457)	$ (13,574)	$ 51,480	$ 76,342	$ -	$ -	$ -	$ -	$ -	$ -

AMORTIZATION SCHEDULE - CHANGES OF ASSUMPTIONS

Plan Year Ending	Changes of Assumptions	Recognition Period (Years)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
			Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Changes of Assumptions										
2016	$ 385,611	4	$ 96,403	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Pension Expense			$ 96,403	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

AMORTIZATION SCHEDULE - EXPERIENCE

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Plan Year Ending	Differences Between Expected and Actual Experience	Recognition Period (Years)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
2019	$ 129,854	4	$ 32,462	$ 32,464	$ 32,464	$ 32,464	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2018	$ 135,657	3	$ 45,219	$ 45,219	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2017	$ 28,475	4	$ 7,119	$ 7,119	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2016	$ (370,289)	4	$ (92,572)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Pension Expense			$ (7,772)	$ 84,802	$ 32,464	$ 32,464	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Police Pension Board

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SCHEDULED

Meeting: 02/06/20 11:00 AM
Department: City Clerk
Category: Old Business
Prepared By: Valerie Manning
Initiator: Valerie Manning
Sponsors:
DOC ID: 2834

POLICE PENSION FUND BOARD OF TRUSTEES (ID # 2834)

4Th Quarter Report Period Ending December 31, 2019 & Investment Report December 2019

4th Quarter Report by Frank Wan from Burgess Chambers and Associates period ending December 31, 2019.

Investment Report period ending December 31, 2019.

Burgess Chambers & Associates, Inc.

Institutional Investment Advisors

www.burgesschambers.com

December 31, 2019

Holly Hill Police Officers' Retirement Trust Fund

Investment Performance
Period Ending
December 31, 2019

Holly Hill Police Officers' Retirement System
BCA Market Perspective ©
Why Economic and Capital Market Forecasting Is Flawed and Not A Science
January 2020

Burgess B. Chambers, President

In March 2007, during a presentation to Congress, then Federal Reserve chairman Ben Bernanke stated: "At this juncture the impact on the broader economy and financial markets of the problems in the subprime market seem likely to be contained." He went on to say: "Overall the economy appears likely to expand at a moderate pace during the upcoming quarters." Several months after Bernanke's remarks to Congress, the U.S. experienced a seismic banking crisis and collapses of the equity and credit markets not witnessed since the Great Depression. With the many economists on his staff and sophisticated economic models at his fingertips, he was unaware of the massive economic crises only months away.

Forty years ago, Nobel Laureate Friedrich Hayek said: "Not only were economists unsure about their predictions, but their tendency to present their findings with certainty of the language of science were misleading and had deplorable effects." In September 2017 (per Adam Shaw), Prakash Loungani of the International Monetary Fund, reviewed the accuracy of economic forecasters and found that only two (2) of the past 150 recessions were predicted in advance. It would appear in the words of Mark Pearson, of the Organization for Economic Co-operation and Development in Paris, "We are getting worse at making forecasts because the world is getting more complicated."

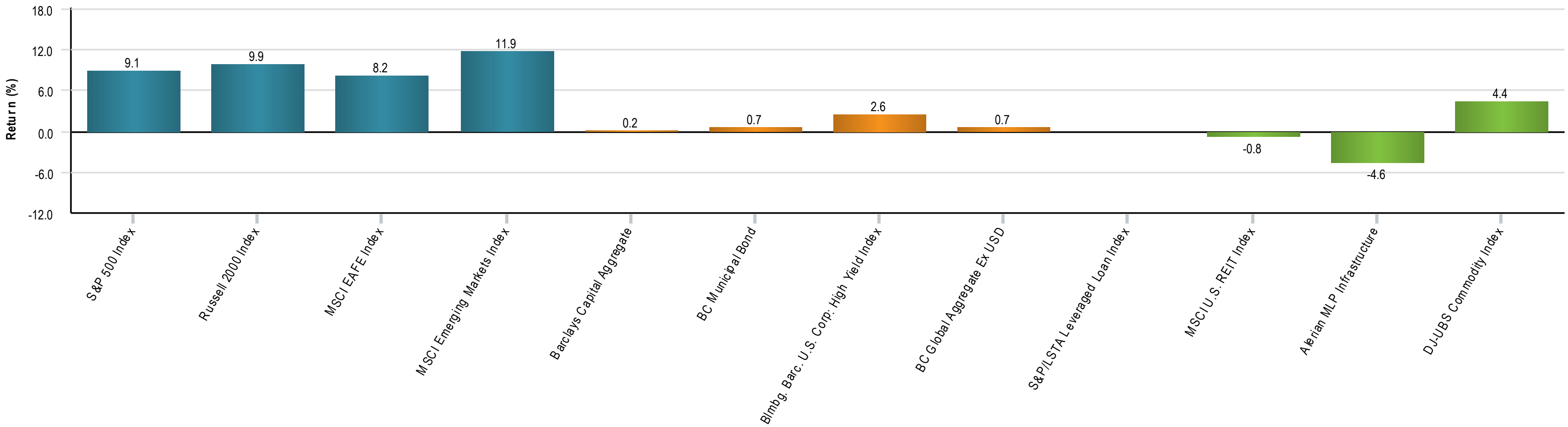
Wall Street strategists now practice "the art of the plausible." With the understanding that markets in any given year are inherently unpredictable, they construct a reasonable forecast using consensus assumptions. Yet what is plausible is not always probable, as the ultimate outcome (Michael Santoli, CNBC). The consensus strategist forecast for the S&P 500 typically falls in the 5% to 10% range. Currently, CNBC's strategist survey shows an average predicted 2020 S&P 500 gain of 5% with the maximum forecast of 9%. This range seems reasonable since the long-term average annualized gain for U.S. stocks is around 8%. Yet counterintuitively, the short term rarely conforms to the long-term average. Since 1928, the S&P has only showed a gain of between 5% and 10% six out of the 91 calendar years – suggesting the consensus forecast for a high-single-digit rise in 2020 has a 93% chance of being wrong.

Going into 2019, equities were at bear market levels and strategists, as a group were looking for a rebound of 11%. This would simply have the index recovering back to its prior record high. Actual experience for 2019 was a huge run higher in stocks with the S&P 500 up over 31%. Moody's reported in 2018: "It is smart to assume the price-to-earnings multiples will moderate by late 2018 because the end of this already-long expansion will be 12-months closer." To the contrary, the S&P 500 experienced a multiple expansion from 14.4x to 18.2x on its forward P/E in 2019.

It is BCA's view that Wall Street firms make predictions because their clients want to be informed, but in fact, stock and bond predictions invite investors to react by changing asset allocations and generating fees to their advisers. The problem with forecasting anything is that a small change in a few variables can make predictions impossibly complex. Reliable and meaningful predictions of capital markets is inherently impossible. It is not a science and remains an art.

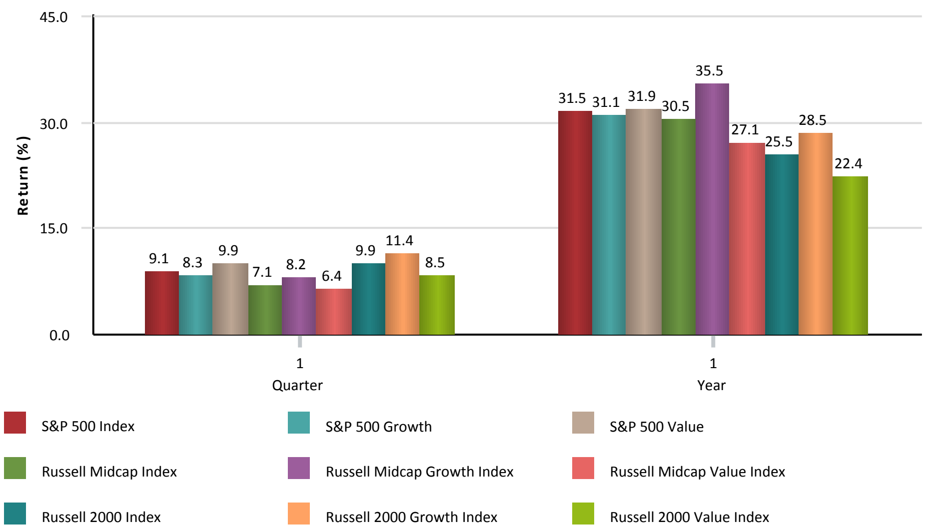
Quarterly Market Summary

1 Quarter Performance



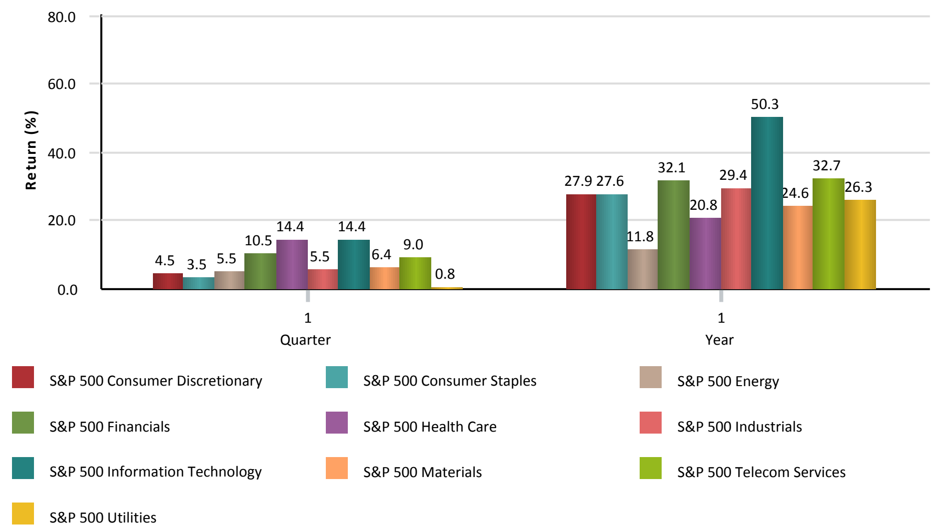
Source: Investment Metrics, LLC

US Market Indices Performance



Source: Investment Metrics, LLC

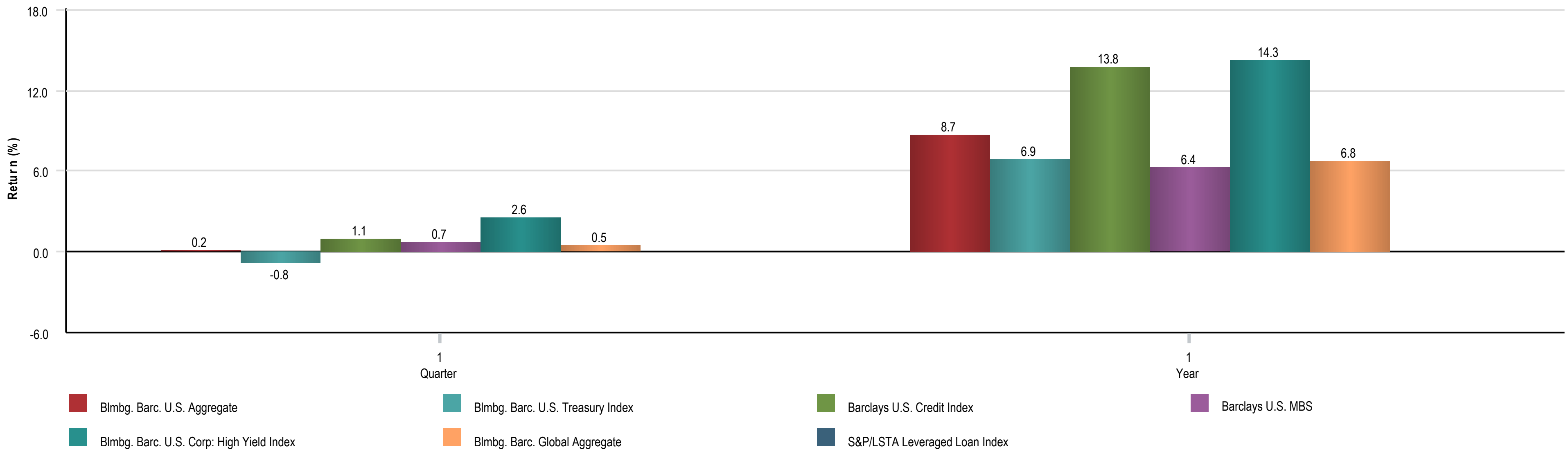
US Market Sector Performance



Source: Investment Metrics, LLC

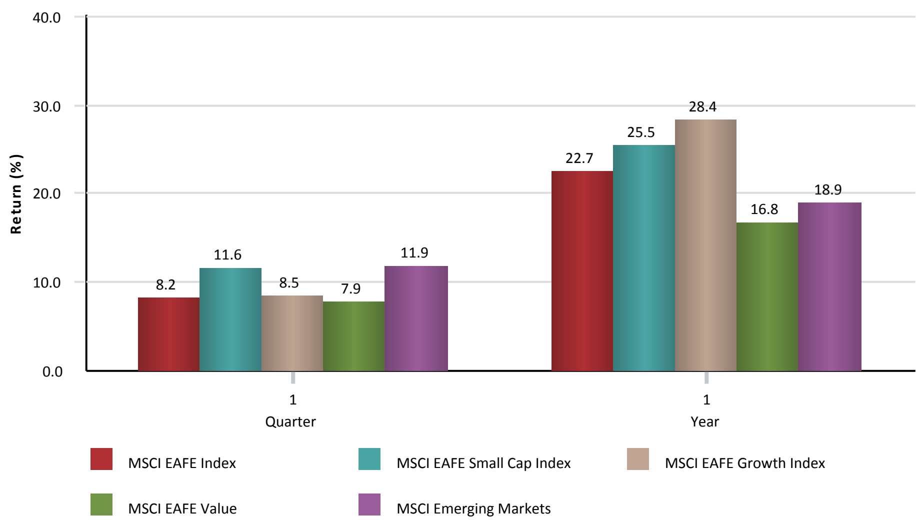
Quarterly Market Summary

Fixed Income Market Sector Performance



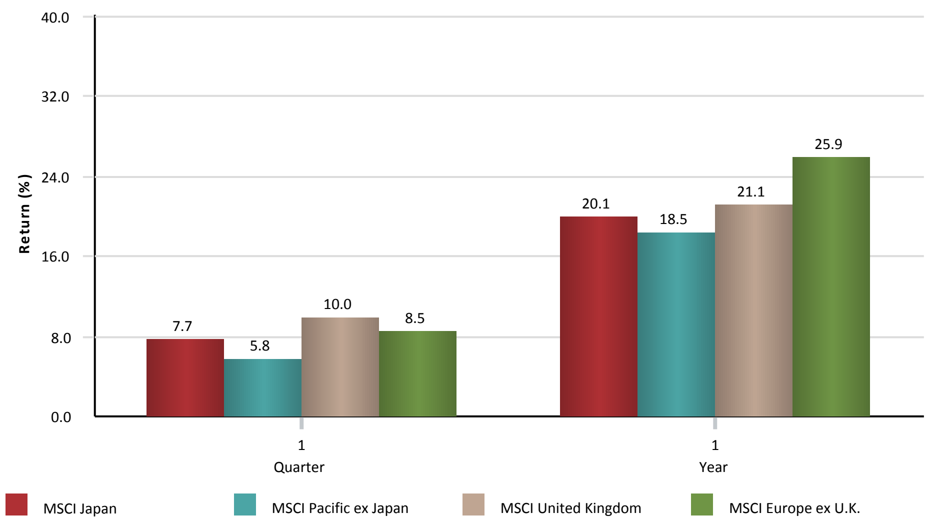
Source: Investment Metrics, LLC

Intl Equity Indices Performance



Source: Investment Metrics, LLC

Intl Equity Region Performance

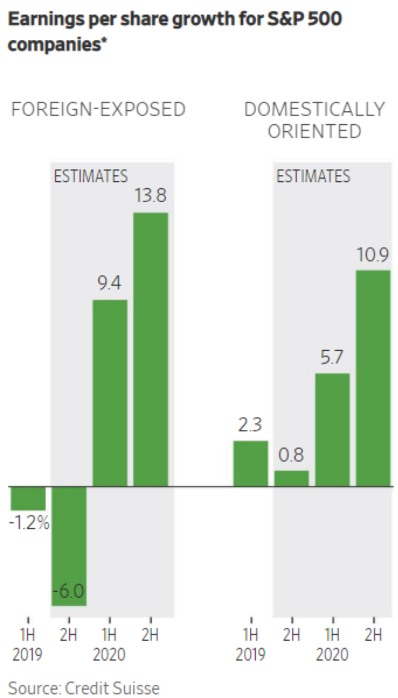


Source: Investment Metrics, LLC

Holly Hill Police Officers' Retirement System
Total Fund
Investment Summary
December 31, 2019

Despite an inverted yield curve late last summer and fears over global trade and a looming recession, U.S. stocks recorded their second-best calendar year return since the financial crisis. As we enter 2020, we are faced with several shifts in market risk: abating trade conflict, rising political risk in the U.S. and the Middle East, expanded P/E ratios, and continued manufacturing slowdown.

In order for the bull market to continue, investors are expecting higher growth rates over the next 12 months. See chart below:

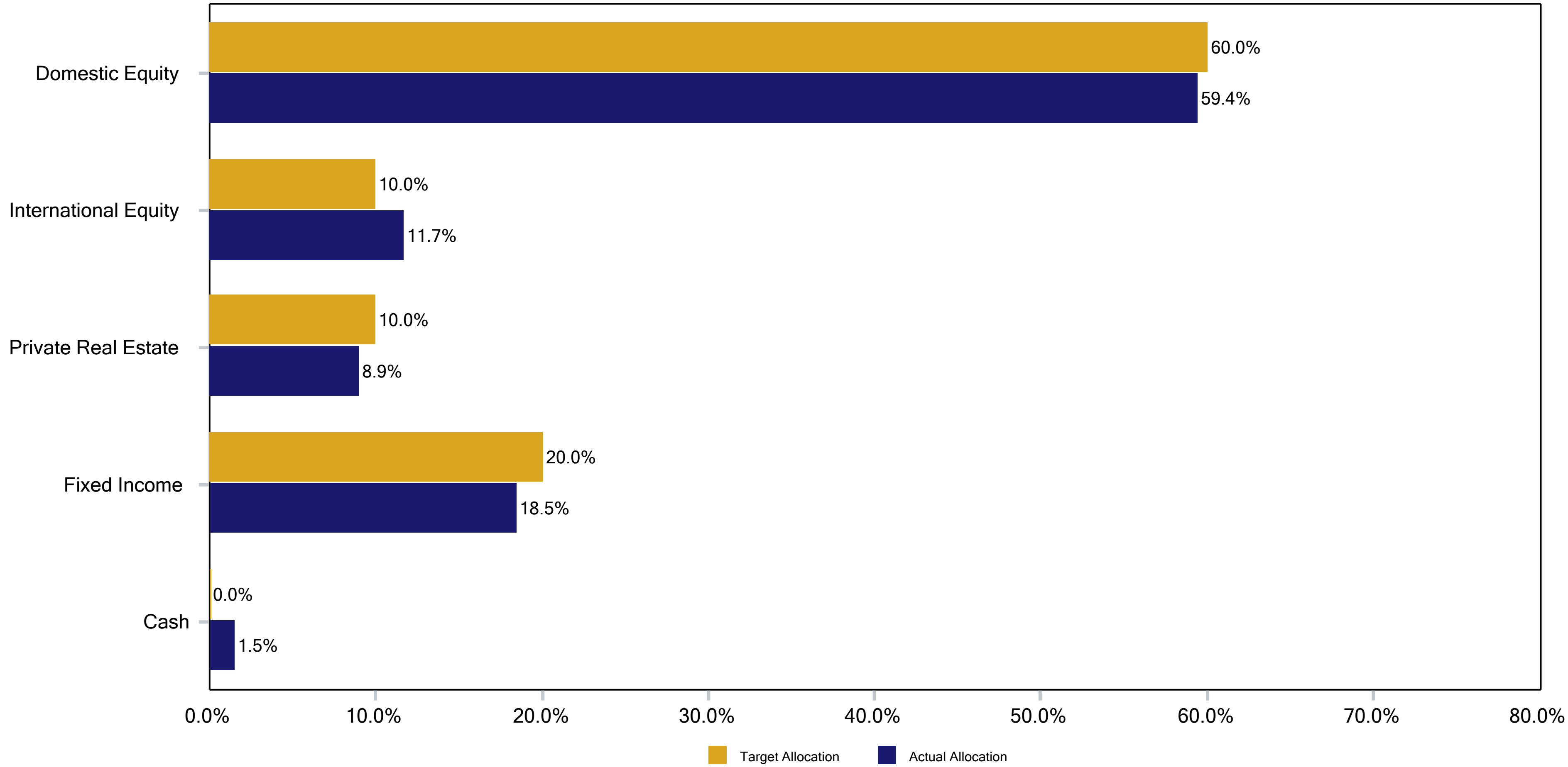


- For the quarter, the Plan earned $683K or +6.1% net, similar to the policy index (+6.5%) and ranked in the 15th percentile.
- For the one-year period, the Plan earned $2.1 million or +21.6% net, similar to the strategic model (+22.0%) and ranked in the top 7th percentile.
- For the three and five-year periods, the System earned +10.0% (+9.1% net) and +7.3% (+6.3% net), respectively.

Holly Hill Police Officers' Retirement Trust Fund
Investment Performance - Net
December 31, 2019

	Quarter	One Year	Three Years	Five Years
Beginning Market Value	11,231,058	9,733,988	9,201,965	8,928,527
Contributions	-36,955	65,287	-42,425	-186,248
Gain/Loss	683,164	2,077,993	2,717,728	3,134,988
Ending Market Value	11,877,268	11,877,268	11,877,268	11,877,268
Total Fund (%)	6.1	21.6	9.1	6.3
Policy Index (%)	6.5	22.0	10.5	8.1

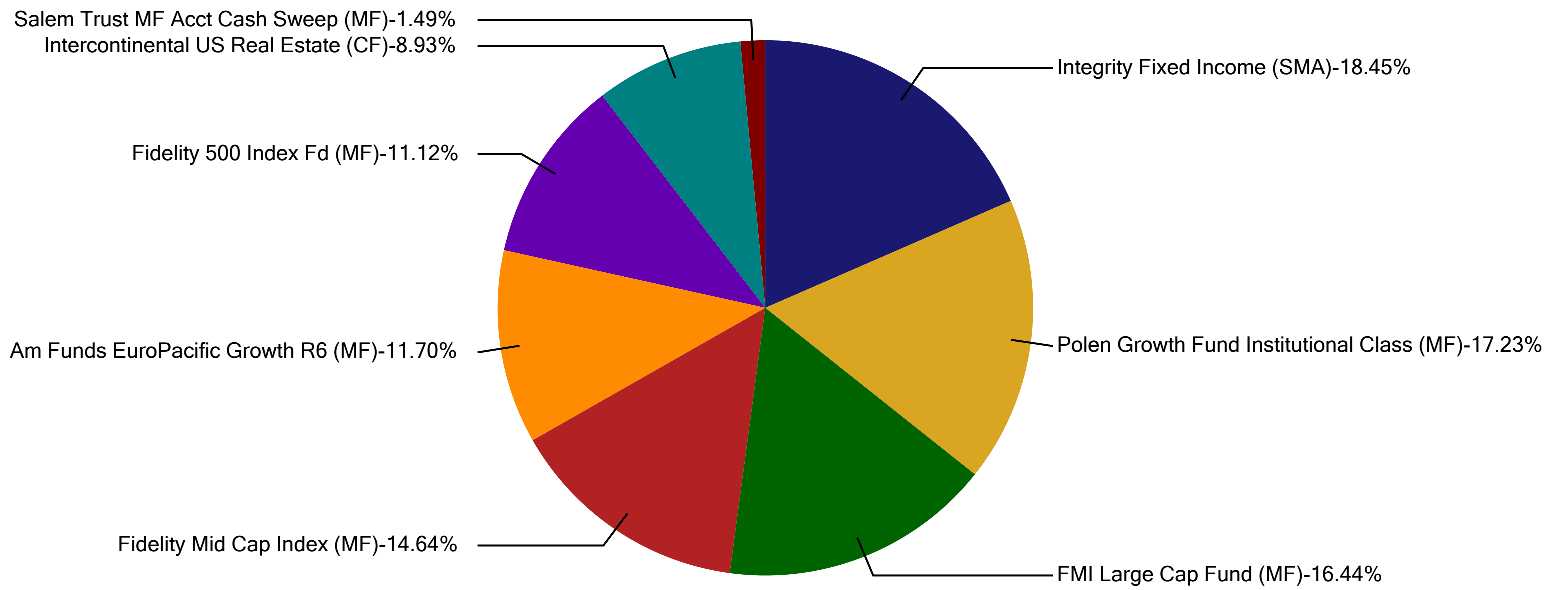
Holly Hill Police Officers' Retirement Trust Fund
Actual vs. Target Asset Allocation
December 31, 2019



	Market Value Actual $	Percent Actual	Percent Target	Percent Difference
Total Fund	11,877,268	100.0	100.0	0.0
Domestic Equity	7,057,943	59.4	60.0	-0.6
International Equity	1,389,262	11.7	10.0	1.7
Private Real Estate	1,060,966	8.9	10.0	-1.1
Fixed Income	2,191,920	18.5	20.0	-1.5
Cash	177,176	1.5	0.0	1.5

Holly Hill Police Officers' Retirement Trust Fund
Asset Allocation

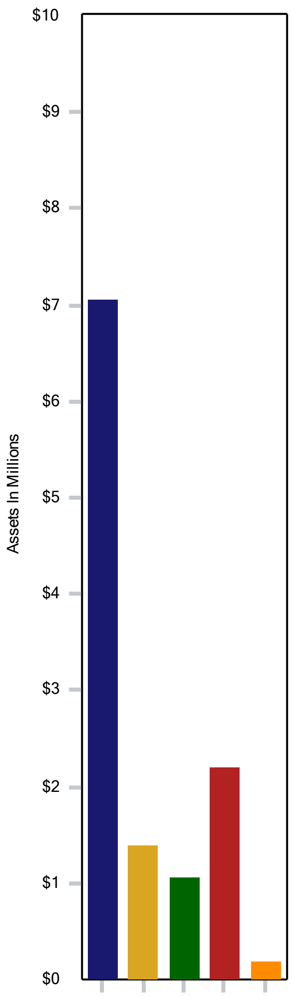
December 31, 2019 : 11,877,268



	Market Value $	Allocation (%)
Integrity Fixed Income (SMA)	2,191,920	18.45
Polen Growth Fund Institutional Class (MF)	2,046,286	17.23
FMI Large Cap Fund (MF)	1,952,521	16.44
Fidelity Mid Cap Index (MF)	1,738,697	14.64
Am Funds EuroPacific Growth R6 (MF)	1,389,262	11.70
Fidelity 500 Index Fd (MF)	1,320,439	11.12
Intercontinental US Real Estate (CF)	1,060,966	8.93
Salem Trust MF Acct Cash Sweep (MF)	177,176	1.49

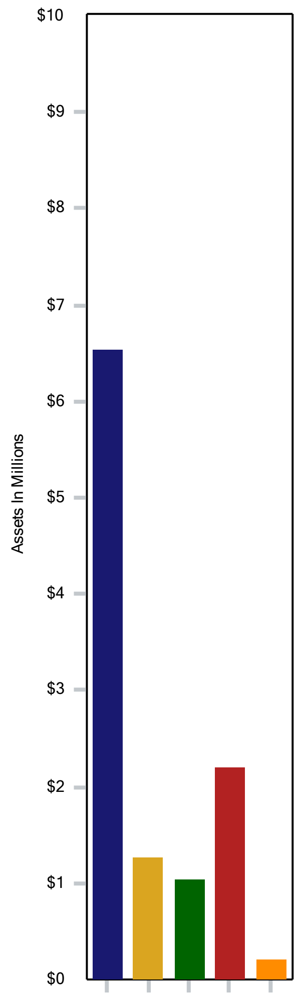
Holly Hill Police Officers' Retirement Trust Fund
Historical Asset Allocation
December 31, 2019

December 31, 2019



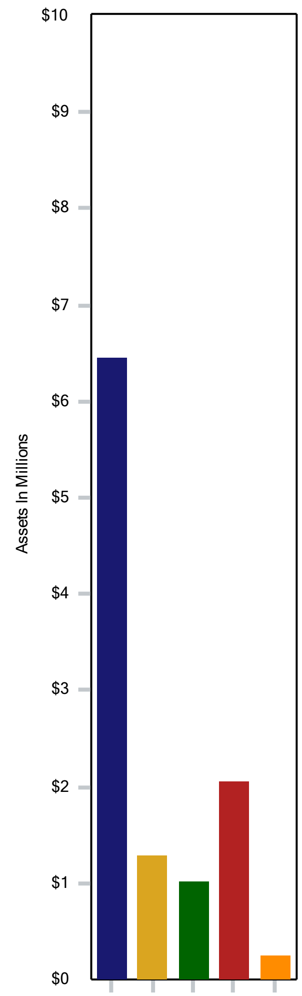
Domestic Equity	59.42
International Equity	11.70
Private Real Estate	8.93
Fixed Income	18.45
Cash	1.49

September 30, 2019



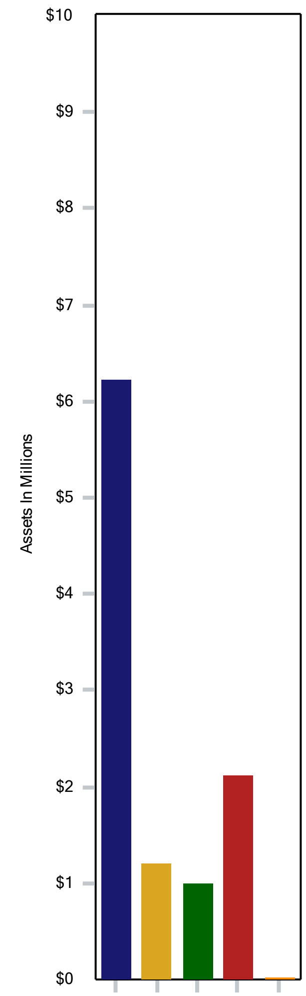
Domestic Equity	58.19
International Equity	11.24
Private Real Estate	9.21
Fixed Income	19.49
Cash	1.88

June 30, 2019



Domestic Equity	58.39
International Equity	11.61
Private Real Estate	9.15
Fixed Income	18.66
Cash	2.19

March 31, 2019



Domestic Equity	58.95
International Equity	11.41
Private Real Estate	9.45
Fixed Income	19.98
Cash	0.21

Holly Hill Police Officers' Retirement Trust Fund
Asset Allocation & Performance - Gross
December 31, 2019

	Market Value	QTD ROR - Rank	1 Year ROR - Rank	3 Year ROR - Rank	5 Year ROR - Rank
Total Fund	11,877,268	6.3 (15)	22.6 (7)	10.0 (29)	7.3 (42)
Policy Index		6.5	22.0	10.5	8.1
7.4%		1.8	7.4	7.4	7.4
CPI + 4%		1.8	6.4	6.2	5.9
Equity	8,447,205	8.5	N/A	N/A	N/A
Domestic Equity	7,057,943	8.1	N/A	N/A	N/A
Polen Growth Fund Institutional Class (MF)	2,046,286	10.6	N/A	N/A	N/A
Russell 1000 Growth Index		10.6	36.4	20.5	14.6
Fidelity 500 Index Fd (MF)	1,320,439	9.1	N/A	N/A	N/A
S&P 500 Index		9.1	31.5	15.3	11.7
FMI Large Cap Fund (MF)	1,952,521	5.9	N/A	N/A	N/A
Russell 1000 Value Index		7.4	26.5	9.7	8.3
Fidelity Mid Cap Index (MF)	1,738,697	7.1	N/A	N/A	N/A
Russell Midcap Index		7.1	30.5	12.1	9.3
International Equity	1,389,262	10.2	N/A	N/A	N/A
Am Funds EuroPacific Growth R6 (MF)	1,389,262	10.2	N/A	N/A	N/A
MSCI AC World ex USA		9.0	22.1	10.4	6.0
Private Real Estate	1,060,966	3.2	N/A	N/A	N/A
Intercontinental US Real Estate (CF)	1,060,966	3.2	9.5	N/A	N/A
NCREIF Fund Index-ODCE (VW)		1.5	5.3	7.1	9.0
Fixed Income	2,191,920	0.3	N/A	N/A	N/A
Integrity Fixed Income (SMA)	2,191,920	0.3 (41)	N/A	N/A	N/A
Bloomberg Barclays Intermediate US Govt/Credit Idx		0.4	6.8	3.2	2.6
Cash	177,176	0.3	N/A	N/A	N/A
Salem Trust MF Acct Cash Sweep (MF)	177,176	0.3	N/A	N/A	N/A

Holly Hill Police Officers' Retirement Trust Fund
Asset Allocation & Performance - Net
December 31, 2019

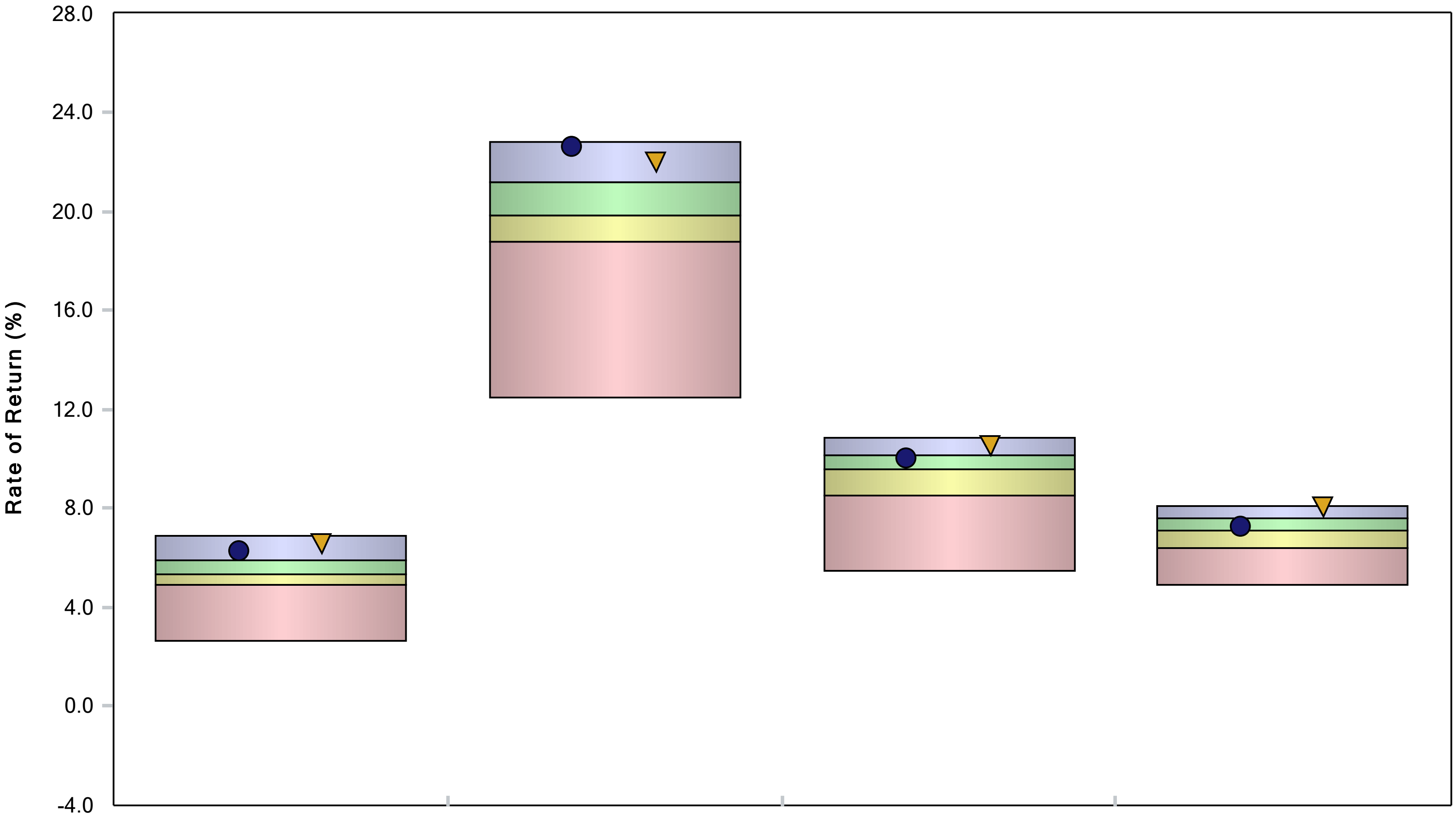
	Market Value	QTD ROR - Rank	1 Year ROR - Rank	3 Year ROR - Rank	5 Year ROR - Rank
Total Fund	11,877,268	6.1	21.6	9.1	6.3
Policy Index		6.5	22.0	10.5	8.1
7.4%		1.8	7.4	7.4	7.4
CPI + 4%		1.8	6.4	6.2	5.9
Equity	8,447,205	8.3	N/A	N/A	N/A
Domestic Equity	7,057,943	8.0	N/A	N/A	N/A
Polen Growth Fund Institutional Class (MF)	2,046,286	10.3 (35)	N/A	N/A	N/A
Russell 1000 Growth Index		10.6	36.4	20.5	14.6
Fidelity 500 Index Fd (MF)	1,320,439	9.1 (38)	N/A	N/A	N/A
S&P 500 Index		9.1	31.5	15.3	11.7
FMI Large Cap Fund (MF)	1,952,521	5.8 (90)	N/A	N/A	N/A
Russell 1000 Value Index		7.4	26.5	9.7	8.3
Fidelity Mid Cap Index (MF)	1,738,697	7.1 (43)	N/A	N/A	N/A
Russell Midcap Index		7.1	30.5	12.1	9.3
International Equity	1,389,262	10.1	N/A	N/A	N/A
Am Funds EuroPacific Growth R6 (MF)	1,389,262	10.1 (42)	N/A	N/A	N/A
MSCI AC World ex USA		9.0	22.1	10.4	6.0
Private Real Estate	1,060,966	2.6	N/A	N/A	N/A
Intercontinental US Real Estate (CF)	1,060,966	2.6	7.8	N/A	N/A
NCREIF Fund Index-ODCE (VW)		1.5	5.3	7.1	9.0
Fixed Income	2,191,920	0.2	N/A	N/A	N/A
Integrity Fixed Income (SMA)	2,191,920	0.2	N/A	N/A	N/A
Bloomberg Barclays Intermediate US Govt/Credit Idx		0.4	6.8	3.2	2.6
Cash	177,176	0.3	N/A	N/A	N/A
Salem Trust MF Acct Cash Sweep (MF)	177,176	0.3	N/A	N/A	N/A

Holly Hill Police Officers' Retirement Trust Fund
Asset Allocation & Performance - Net
December 31, 2019

1. Returns prior to 04/01/2019 were provided by previous service providers. Past performance should be used for illustrative purposes only.

2. Policy Index: eff 12/17 17.5% Russ 1000 Value, 17.5% Russ 1000 Growth, 10% S&P 500, 7.5% Russ 2500 Value, 7.5% Russ 2000 Growth, 5% MSCI EAFE (net), 5% MSCI AC Wd ex US (net), 20% BC Int G/C, 10% NCREIF Prop Idx; eff 3/16 17.5% Russ 1000 Value, 17.5% Russ 1000 Growth, 10% S&P 500, 7.5% Russ 2500 Value, 7.5% Russ 2000 Growth, 5% MSCI EAFE (net), 5% MSCI AC Wd ex US (net), 30% BC Int G/C; eff 8/13 17.5% Russ 1000 Value, 17.5% Russ 1000 Growth, 10% S&P 500, 7.5% Russ 2000 Value, 7.5% Russ 2000 Growth, 5% MSCI EAFE (net), 5% MSCI AC Wd ex US (net), 30% BC Int G/C; eff 1/09 20% Russ 1000 Value, 20% Russ 1000 Growth, 7.5% Russ 2000 Value, 7.5% Russ 2000 Growth, 5% MSCI EAFE (net), 5% MSCI AC Wd ex US (gross), 35% BC Int G/C; eff 1/05 22.5% Russ 1000 Value, 17.5% Russ 1000 Growth, 7.5% Russ 2000, 7.5% Russ 2000 Growth, 5% MSCI EAFE (net), 40% BC Int G/C; eff 9/04 22.5% Russ 1000 Value, 17.5% Russ 1000 Growth, 15% Russ 2500 Growth, 5% MSCI EAFE (net), 40% BC Int G/C; Prior 24% Russ 1000 Value, 18% Russ 1000 Growth, 18% Russ 2500 Growth, 40% BC Int G/C

Holly Hill Police Officers' Retirement Trust Fund
Peer Universe Quartile Ranking
December 31, 2019

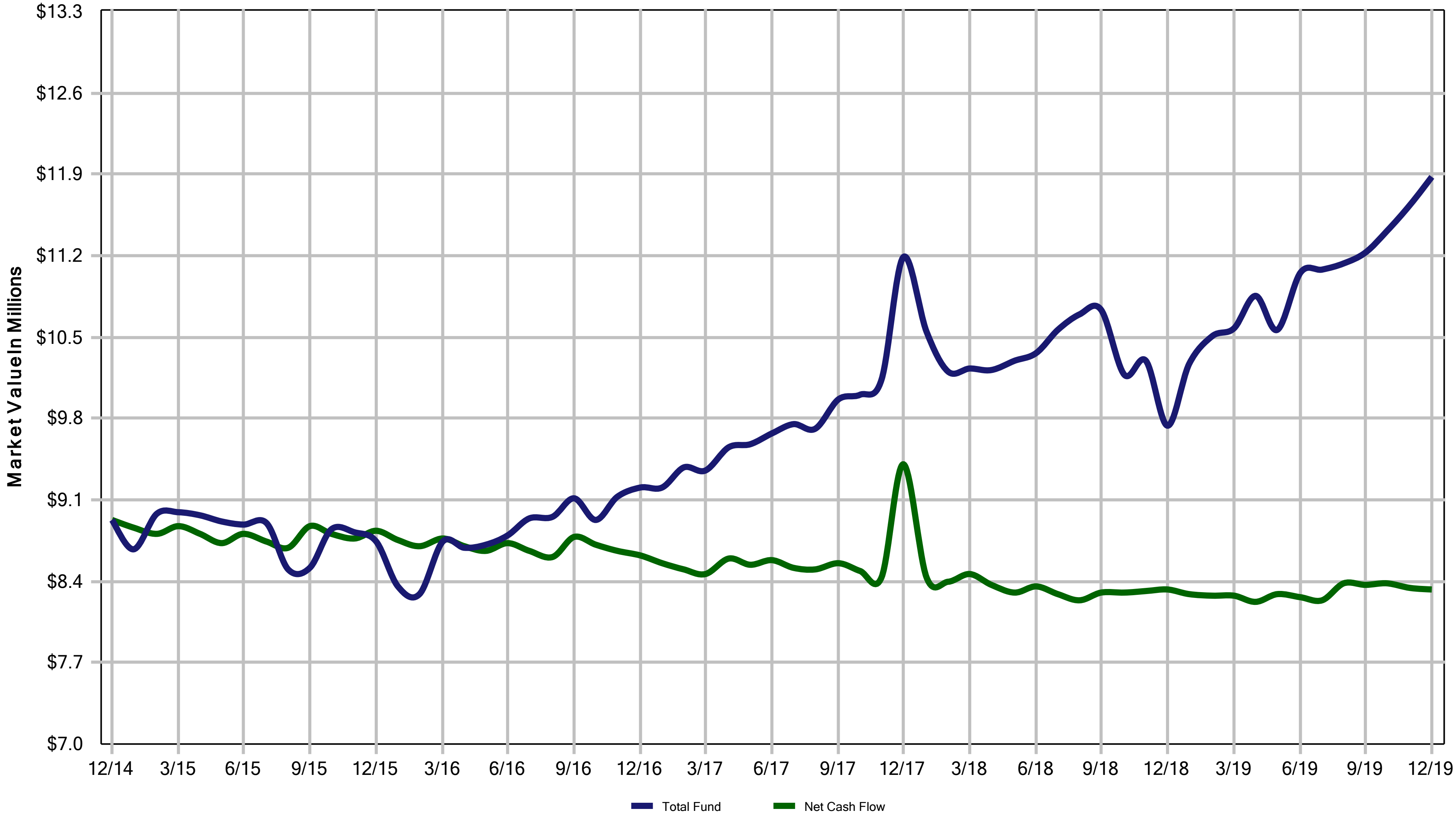


	Quarter	One Year	Three Years	Five Years
● Total Fund	6.3 (15)	22.6 (7)	10.0 (29)	7.3 (42)
▼ Policy Index	6.5 (11)	22.0 (12)	10.5 (15)	8.1 (7)
5th Percentile	6.9	22.8	10.9	8.1
1st Quartile	5.9	21.2	10.1	7.6
Median	5.3	19.9	9.6	7.1
3rd Quartile	5.0	18.8	8.5	6.4
95th Percentile	2.6	12.5	5.5	4.9

Parentheses contain percentile rankings.

Calculation based on quarterly data.

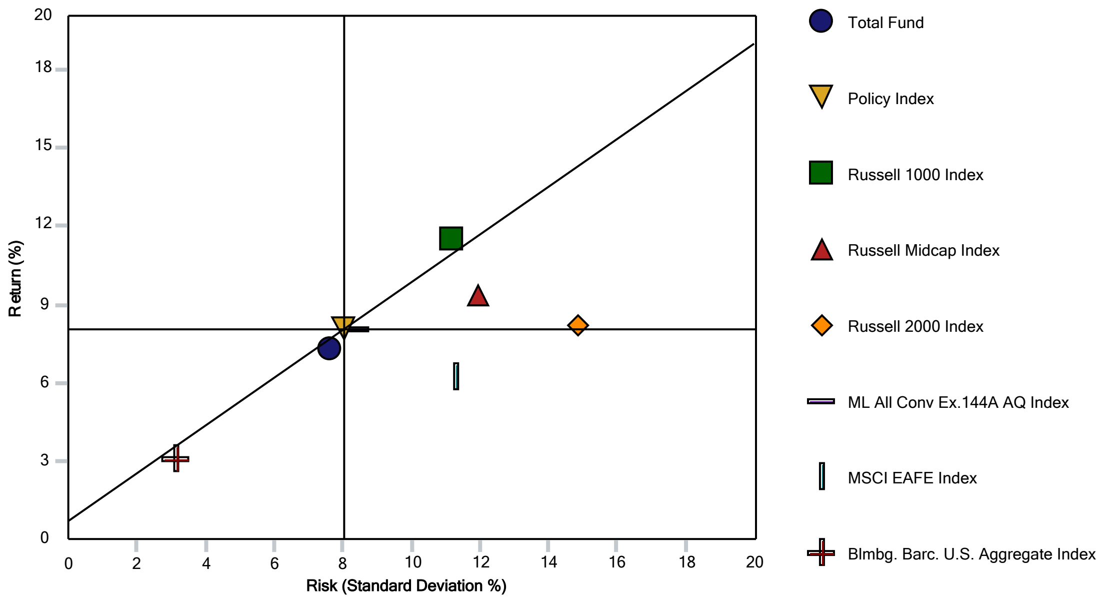
Holly Hill Police Officers' Retirement Trust Fund
Growth of Investments
January 1, 2015 Through December 31, 2019



Beginning MV	Ending MV	Annualized ROR
$8,928,527	$11,877,268	7.3

Holly Hill Police Officers' Retirement Trust Fund
Capital Market Line
Period Ending December 31, 2019

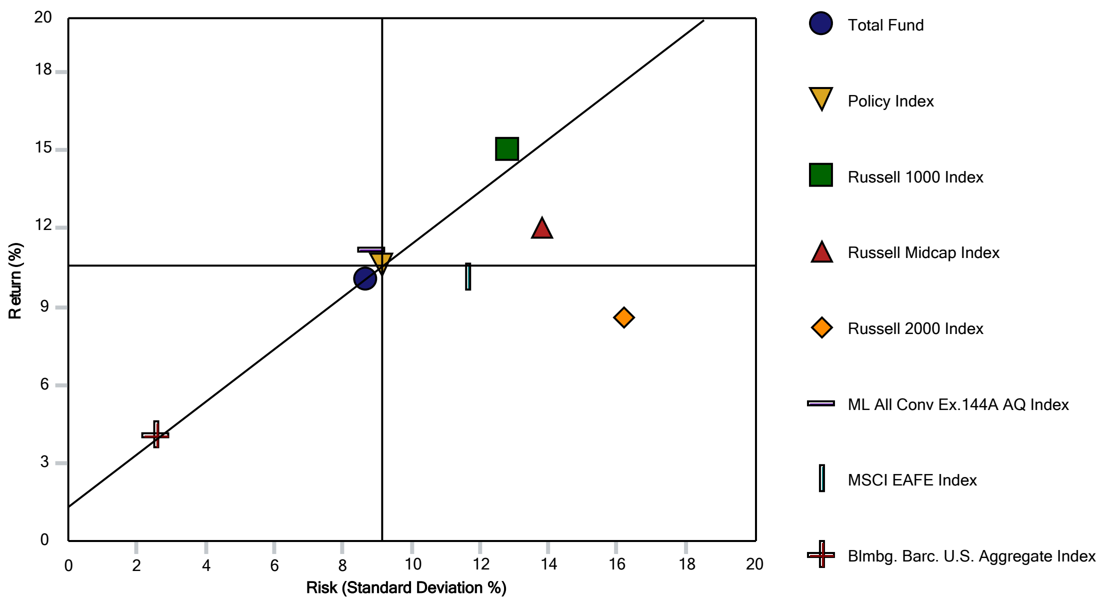
5 Years Risk/Reward



5 Years Statistics

	Return	Standard Deviation	Beta	Alpha
Total Fund	7.28	7.62	0.93	-0.23
Policy Index	8.06	8.07	1.00	0.00
Russell 1000 Index	11.48	11.19	1.38	0.44
Russell Midcap Index	9.33	11.96	1.46	-2.14
Russell 2000 Index	8.23	14.86	1.71	-4.74
ML All Conv Ex.144A AQ Index	8.07	8.38	0.97	0.28
MSCI EAFE Index	6.18	11.31	1.28	-3.70
Blmbg. Barc. U.S. Aggregate Index	3.05	3.18	0.02	2.96

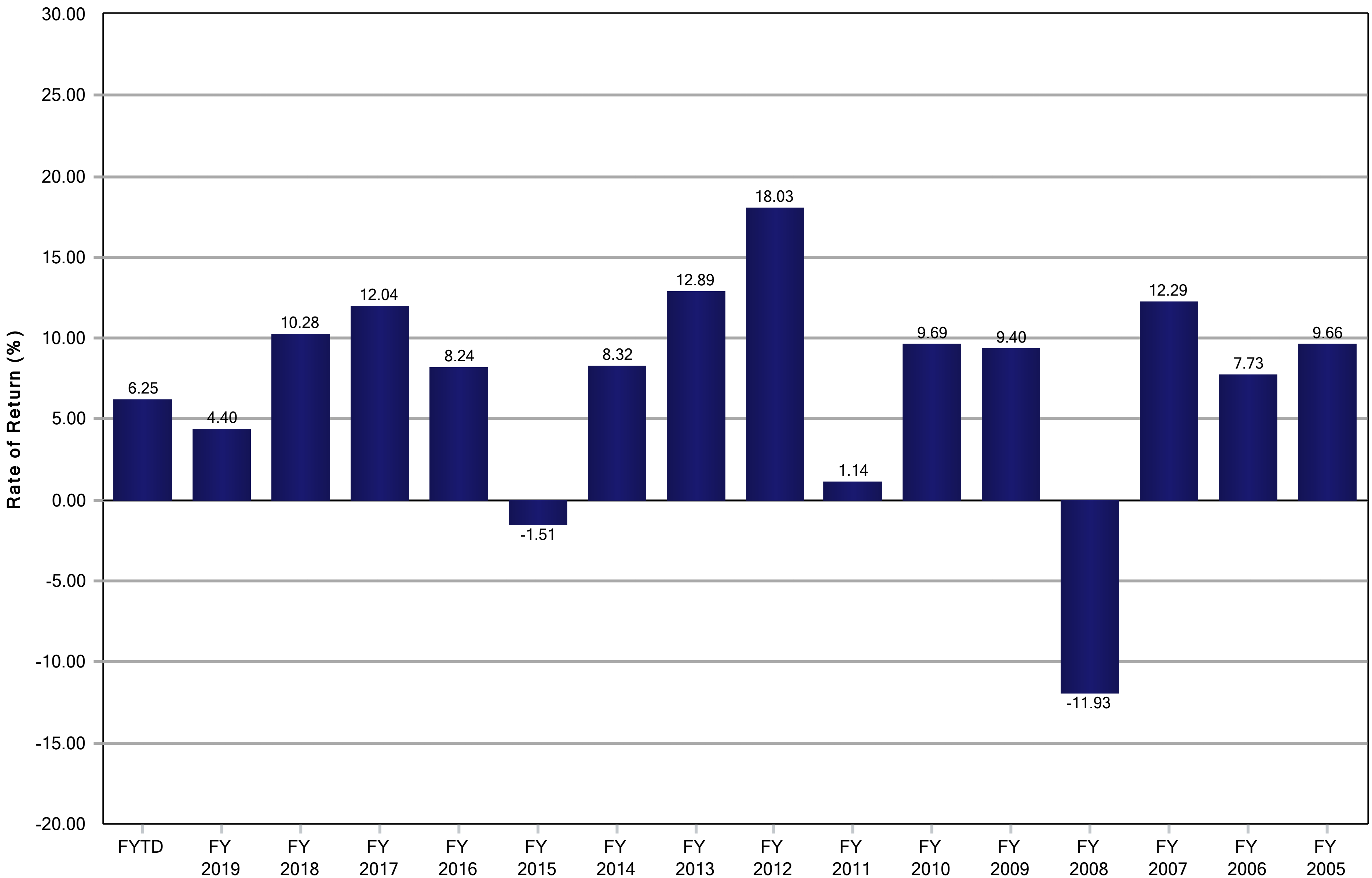
3 Years Risk/Reward



3 Years Statistics

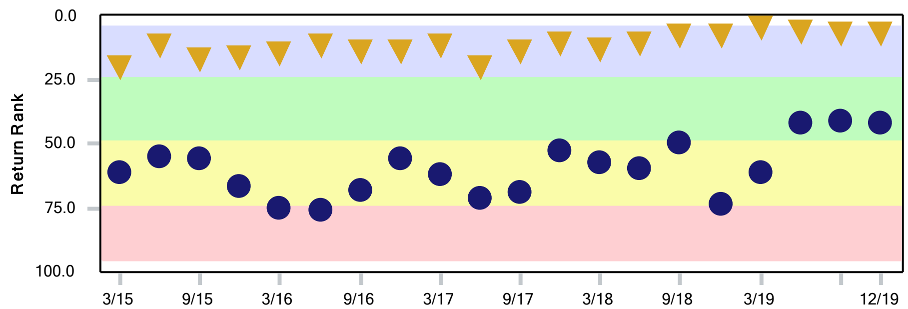
	Return	Standard Deviation	Beta	Alpha
Total Fund	10.04	8.67	0.94	0.12
Policy Index	10.54	9.14	1.00	0.00
Russell 1000 Index	15.05	12.84	1.40	0.30
Russell Midcap Index	12.06	13.84	1.50	-3.29
Russell 2000 Index	8.59	16.20	1.70	-8.00
ML All Conv Ex.144A AQ Index	11.17	8.88	0.93	1.31
MSCI EAFE Index	10.11	11.68	1.19	-2.14
Blmbg. Barc. U.S. Aggregate Index	4.03	2.57	0.03	3.75

Holly Hill Police Officers' Retirement Trust Fund
Fiscal Year Rates of Return
December 31, 2019



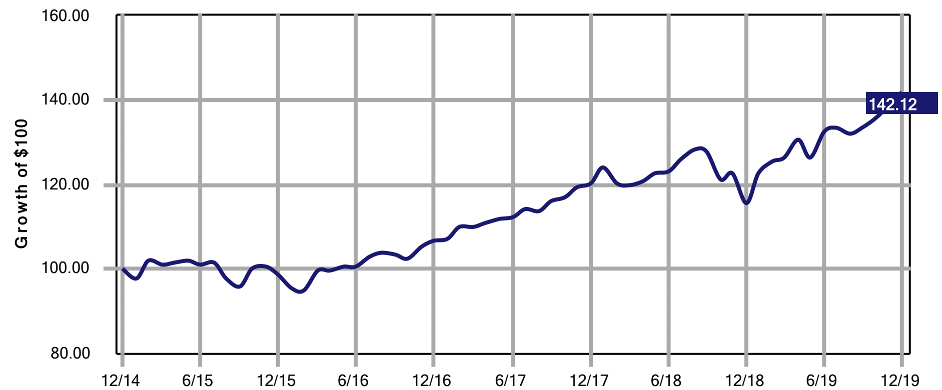
Holly Hill Police Officers' Retirement Trust Fund
Total Fund
December 31, 2019

5 Years Rolling Percentile Ranking - 5 Years

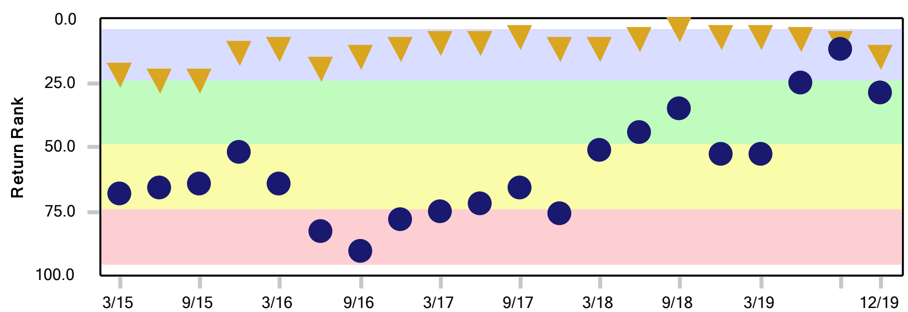


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
Total Fund	20	0 (0%)	4 (20%)	15 (75%)	1 (5%)
Policy Index	20	20 (100%)	0 (0%)	0 (0%)	0 (0%)

Growth of a Dollar

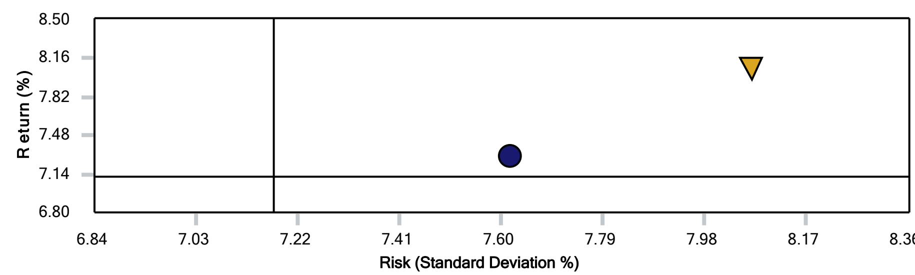


3 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
Total Fund	20	2 (10%)	3 (15%)	11 (55%)	4 (20%)
Policy Index	20	20 (100%)	0 (0%)	0 (0%)	0 (0%)

Peer Group Risk/Reward - 5 Years



	Return	Standard Deviation
Total Fund	7.28	7.62
Policy Index	8.06	8.07
Median	7.11	7.18

Historical Statistics - 5 Years

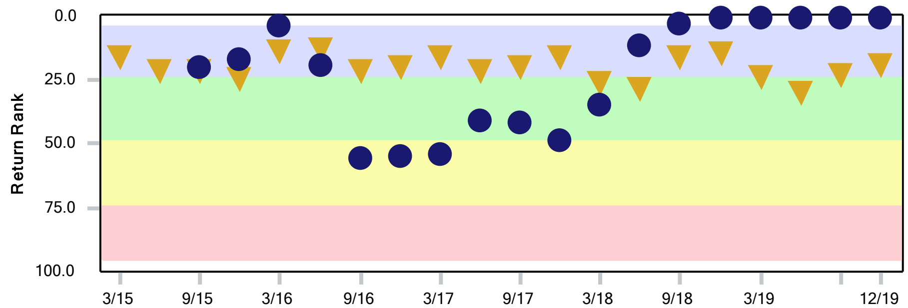
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Total Fund	7.28	7.62	-0.23	0.93	0.84	92.32	91.06
Policy Index	*8.06*	*8.07*	*0.00*	*1.00*	*0.88*	*100.00*	*100.00*

Historical Statistics - 3 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Total Fund	10.04	8.67	0.12	0.94	0.97	93.65	94.82
Policy Index	*10.54*	*9.14*	*0.00*	*1.00*	*0.97*	*100.00*	*100.00*

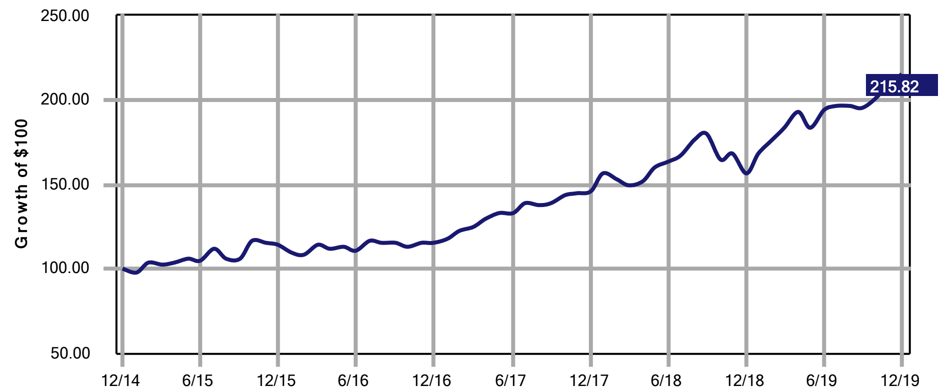
Holly Hill Police Officers' Retirement Trust Fund
Polen Growth;Inst (POLIX)
December 31, 2019

5 Years Rolling Percentile Ranking - 5 Years

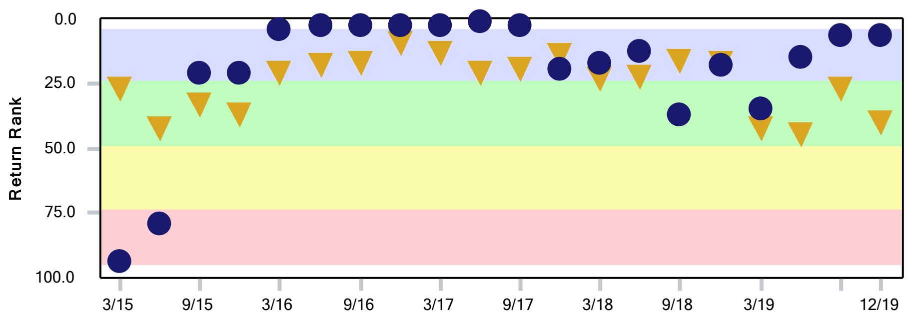


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Polen Growth;Inst (POLIX)	18	11 (61%)	4 (22%)	3 (17%)	0 (0%)
▼ Russell 1000 Growth Index	20	17 (85%)	3 (15%)	0 (0%)	0 (0%)

Growth of a Dollar

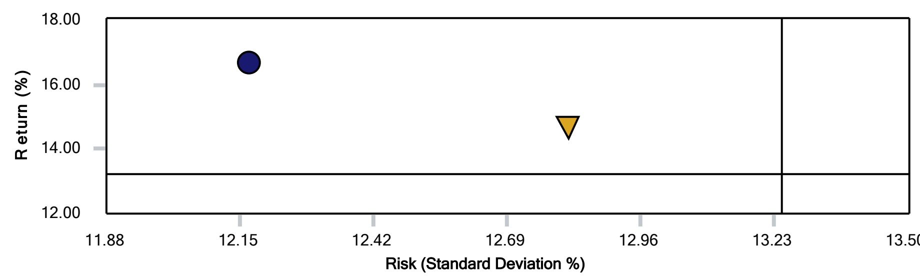


3 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Polen Growth;Inst (POLIX)	20	16 (80%)	2 (10%)	0 (0%)	2 (10%)
▼ Russell 1000 Growth Index	20	12 (60%)	8 (40%)	0 (0%)	0 (0%)

Peer Group Risk/Reward - 5 Years



	Return	Standard Deviation
● Polen Growth;Inst (POLIX)	16.63	12.17
▼ Russell 1000 Growth Index	14.63	12.82
__ Median	13.21	13.25

Historical Statistics - 5 Years

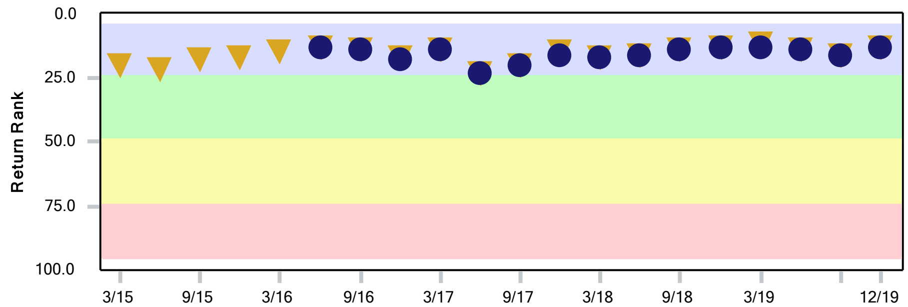
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Polen Growth;Inst (POLIX)	16.63	12.17	3.03	0.91	1.25	81.70	98.72
Russell 1000 Growth Index	*14.63*	*12.82*	*0.00*	*1.00*	*1.05*	*100.00*	*100.00*

Historical Statistics - 3 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Polen Growth;Inst (POLIX)	23.20	12.08	4.33	0.89	1.66	77.88	99.67
Russell 1000 Growth Index	*20.49*	*13.07*	*0.00*	*1.00*	*1.37*	*100.00*	*100.00*

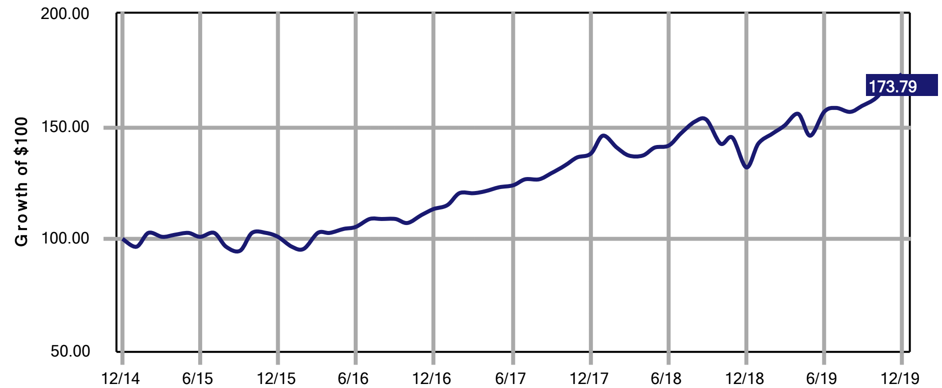
Holly Hill Police Officers' Retirement Trust Fund
Fidelity 500 Index Fund (FXAIX)
December 31, 2019

5 Years Rolling Percentile Ranking - 5 Years

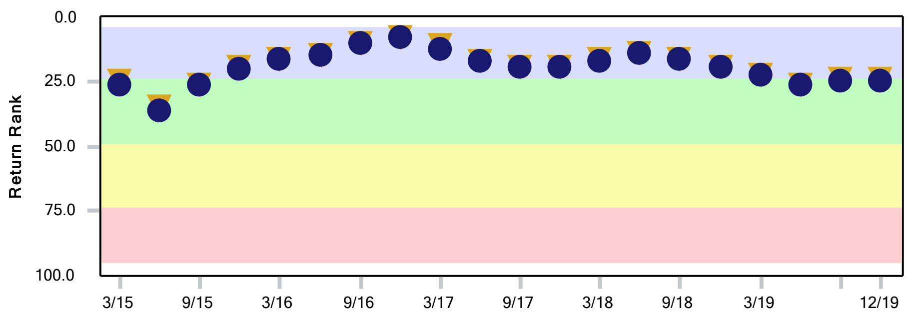


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Fidelity 500 Index Fund (FXAIX)	15	15 (100%	0 (0%)	0 (0%)	0 (0%)
▼ S&P 500 Index	20	20 (100%	0 (0%)	0 (0%)	0 (0%)

Growth of a Dollar

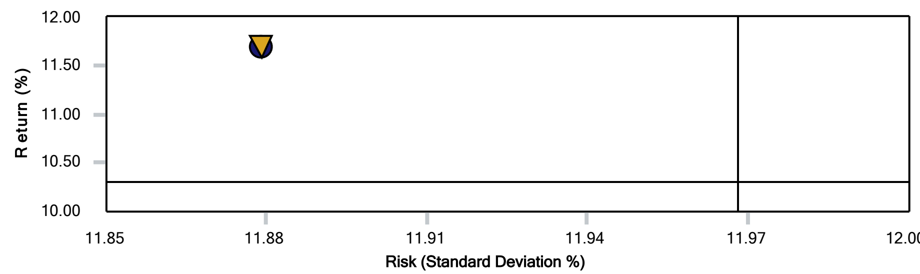


3 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Fidelity 500 Index Fund (FXAIX)	20	16 (80%)	4 (20%)	0 (0%)	0 (0%)
▼ S&P 500 Index	20	17 (85%)	3 (15%)	0 (0%)	0 (0%)

Peer Group Risk/Reward - 5 Years



	Return	Standard Deviation
● Fidelity 500 Index Fund (FXAIX)	11.69	11.88
▼ S&P 500 Index	11.70	11.88
__ Median	10.30	11.97

Historical Statistics - 5 Years

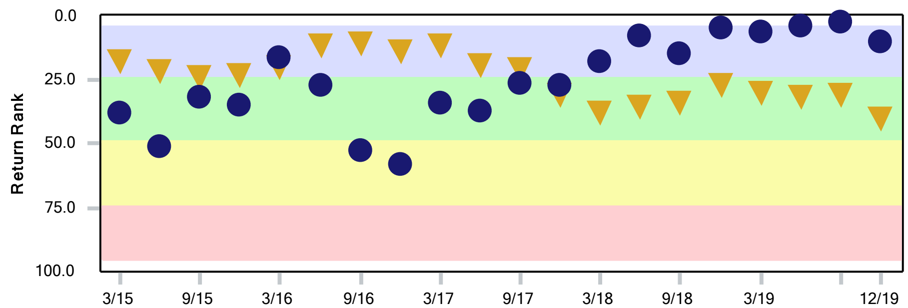
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Fidelity 500 Index Fund (FXAIX)	11.69	11.88	-0.01	1.00	0.91	100.02	99.97
S&P 500 Index	*11.70*	*11.88*	*0.00*	*1.00*	*0.91*	*100.00*	*100.00*

Historical Statistics - 3 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Fidelity 500 Index Fund (FXAIX)	15.25	11.93	-0.02	1.00	1.12	100.05	99.96
S&P 500 Index	*15.27*	*11.93*	*0.00*	*1.00*	*1.12*	*100.00*	*100.00*

Holly Hill Police Officers' Retirement Trust Fund
FMI:Large Cap;Inst (FMIQX)
December 31, 2019

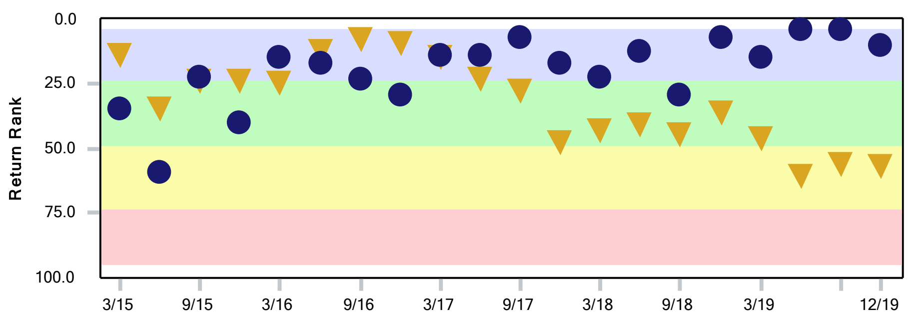
5 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
FMI:Large Cap;Inst (FMIQX)	20	9 (45%)	8 (40%)	3 (15%)	0 (0%)
Russell 1000 Value Index	20	11 (55%)	9 (45%)	0 (0%)	0 (0%)

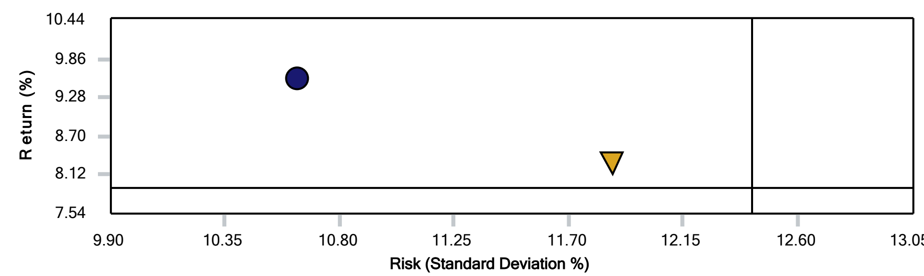
Growth of a Dollar

3 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
FMI:Large Cap;Inst (FMIQX)	20	15 (75%)	4 (20%)	1 (5%)	0 (0%)
Russell 1000 Value Index	20	9 (45%)	8 (40%)	3 (15%)	0 (0%)

Peer Group Risk/Reward - 5 Years



	Return	Standard Deviation
FMI:Large Cap;Inst (FMIQX)	9.56	10.63
Russell 1000 Value Index	8.29	11.88
Median	7.91	12.42

Historical Statistics - 5 Years

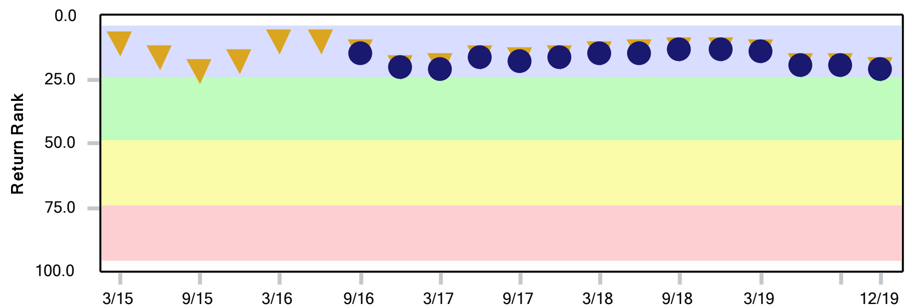
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
FMI:Large Cap;Inst (FMIQX)	9.56	10.63	2.32	0.85	0.82	81.94	94.69
Russell 1000 Value Index	*8.29*	*11.88*	*0.00*	*1.00*	*0.64*	*100.00*	*100.00*

Historical Statistics - 3 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
FMI:Large Cap;Inst (FMIQX)	12.45	10.07	4.34	0.81	1.06	74.36	97.54
Russell 1000 Value Index	*9.68*	*11.85*	*0.00*	*1.00*	*0.70*	*100.00*	*100.00*

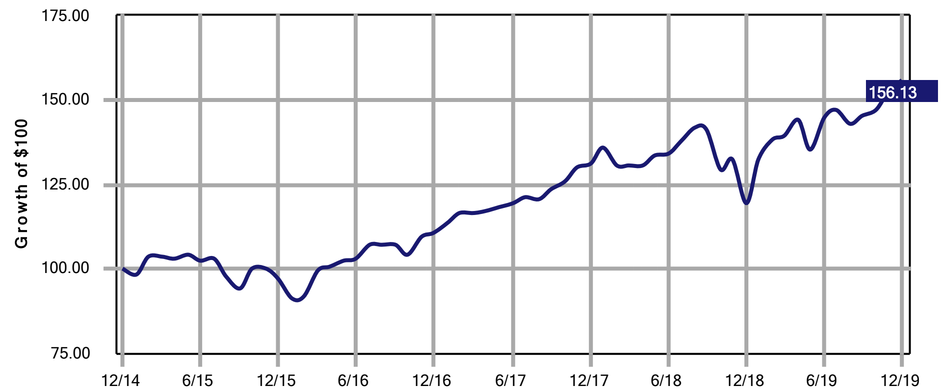
Holly Hill Police Officers' Retirement Trust Fund
Fidelity Mid Cap Index (FSMDX)
December 31, 2019

5 Years Rolling Percentile Ranking - 5 Years

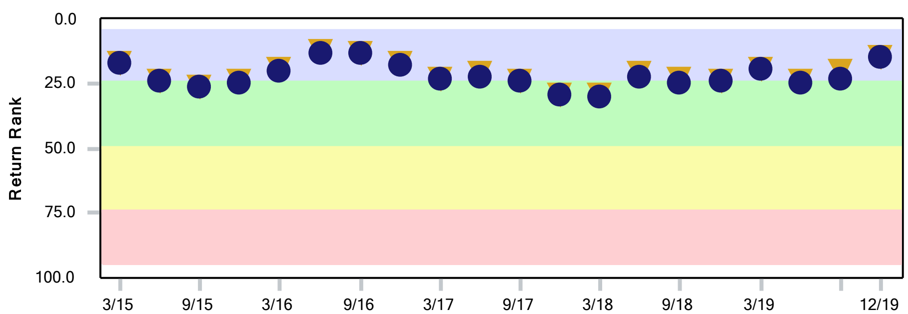


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Fidelity Mid Cap Index (FSMDX)	14	14 (100%	0 (0%)	0 (0%)	0 (0%)
▼ Russell Midcap Index	20	20 (100%	0 (0%)	0 (0%)	0 (0%)

Growth of a Dollar

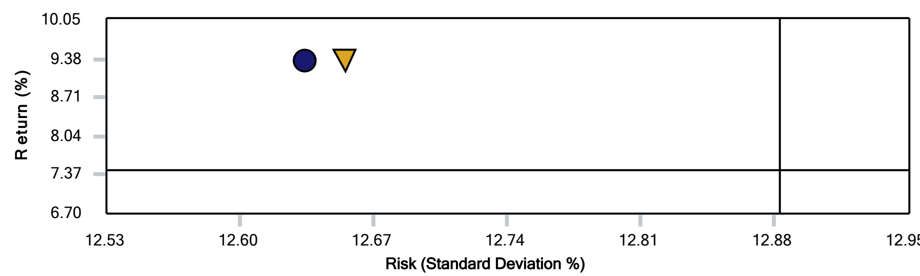


3 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Fidelity Mid Cap Index (FSMDX)	20	17 (85%)	3 (15%)	0 (0%)	0 (0%)
▼ Russell Midcap Index	20	17 (85%)	3 (15%)	0 (0%)	0 (0%)

Peer Group Risk/Reward - 5 Years



	Return	Standard Deviation
● Fidelity Mid Cap Index (FSMDX)	9.32	12.63
▼ Russell Midcap Index	9.33	12.65
__ Median	7.45	12.88

Historical Statistics - 5 Years

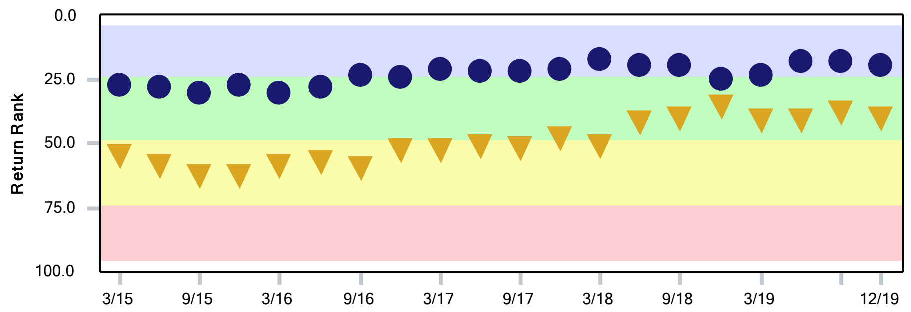
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Fidelity Mid Cap Index (FSMDX)	9.32	12.63	0.00	1.00	0.69	99.79	99.83
Russell Midcap Index	*9.33*	*12.65*	*0.00*	*1.00*	*0.69*	*100.00*	*100.00*

Historical Statistics - 3 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Fidelity Mid Cap Index (FSMDX)	12.03	12.88	-0.01	1.00	0.82	99.86	99.84
Russell Midcap Index	*12.06*	*12.89*	*0.00*	*1.00*	*0.82*	*100.00*	*100.00*

Holly Hill Police Officers' Retirement Trust Fund
American Funds EuPc;R6 (RERGX)
December 31, 2019

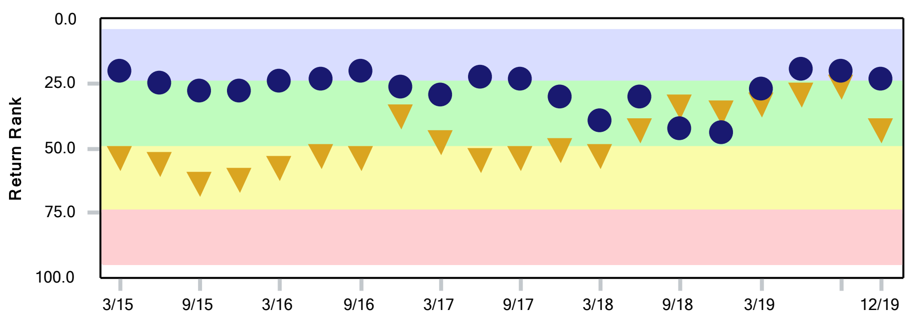
5 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● American Funds EuPc;R6 (RERGX)	20	14 (70%)	6 (30%)	0 (0%)	0 (0%)
▼ MSCI AC World ex USA	20	0 (0%)	8 (40%)	12 (60%)	0 (0%)

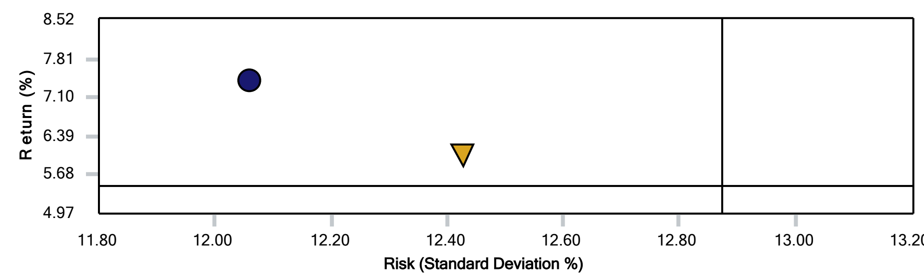
Growth of a Dollar

3 Years Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● American Funds EuPc;R6 (RERGX)	20	10 (50%)	10 (50%)	0 (0%)	0 (0%)
▼ MSCI AC World ex USA	20	0 (0%)	9 (45%)	11 (55%)	0 (0%)

Peer Group Risk/Reward - 5 Years



	Return	Standard Deviation
● American Funds EuPc;R6 (RERGX)	7.41	12.06
▼ MSCI AC World ex USA	6.01	12.43
— Median	5.48	12.87

Historical Statistics - 5 Years

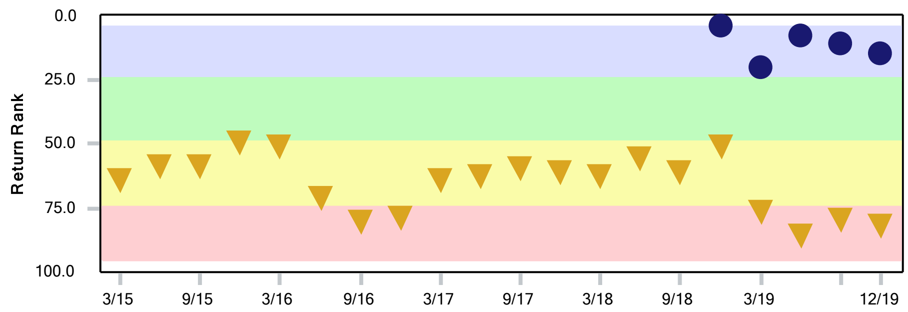
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
American Funds EuPc;R6 (RERGX)	7.41	12.06	1.74	0.93	0.57	86.19	96.65
MSCI AC World ex USA	*6.01*	*12.43*	*0.00*	*1.00*	*0.45*	*100.00*	*100.00*

Historical Statistics - 3 Years

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
American Funds EuPc;R6 (RERGX)	12.45	12.08	1.52	1.04	0.90	96.50	106.98
MSCI AC World ex USA	*10.40*	*11.33*	*0.00*	*1.00*	*0.78*	*100.00*	*100.00*

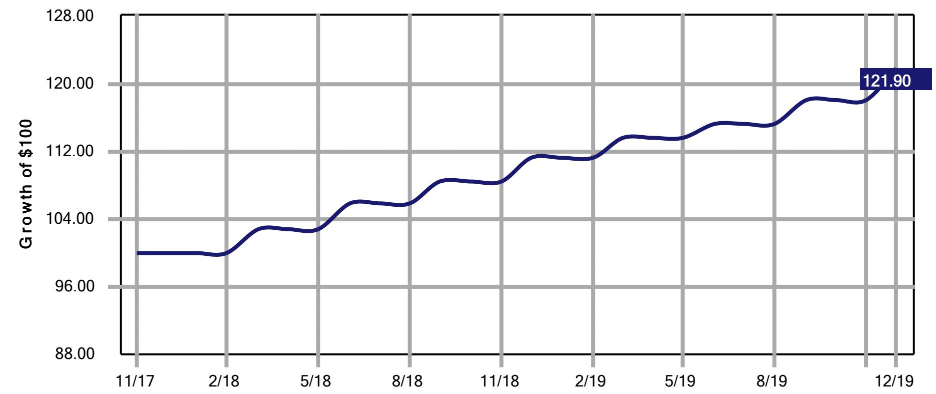
Holly Hill Police Officers' Retirement Trust Fund
Intercontinental US Real Estate (CF)
December 31, 2019

1 Year Rolling Percentile Ranking - 5 Years

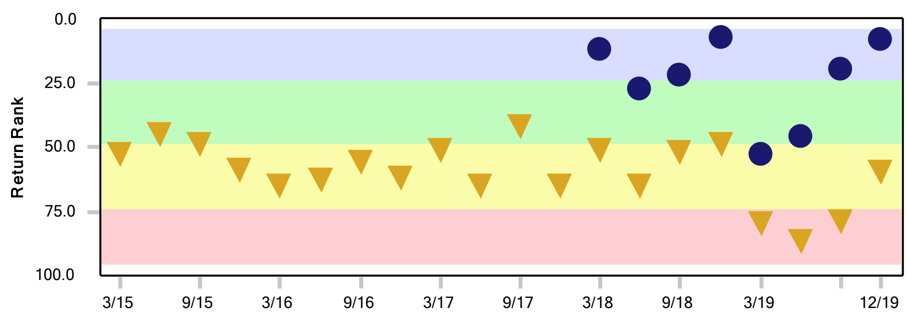


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Intercontinental US Real Estate (CF)	5	5 (100%	0 (0%)	0 (0%)	0 (0%)
▼ NCREIF Fund Index-ODCE (VW)	20	0 (0%)	1 (5%)	13 (65%)	6 (30%)

Growth of a Dollar

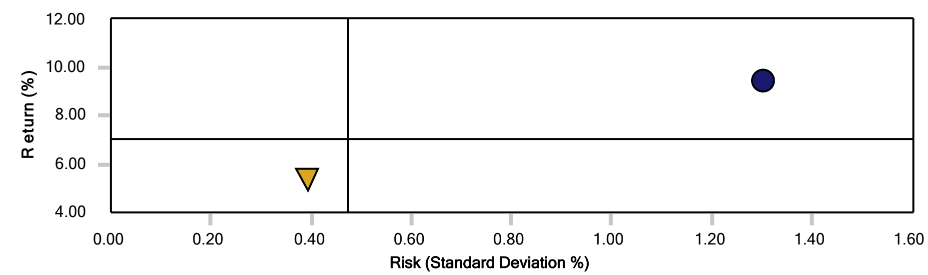


0.25 Year Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Intercontinental US Real Estate (CF)	8	5 (63%)	2 (25%)	1 (13%)	0 (0%)
▼ NCREIF Fund Index-ODCE (VW)	20	0 (0%)	4 (20%)	13 (65%)	3 (15%)

Peer Group Risk/Reward - 1 Year



	Return	Standard Deviation
● Intercontinental US Real Estate (CF)	9.47	1.31
▼ NCREIF Fund Index-ODCE (VW)	5.35	0.39
— Median	7.02	0.47

Historical Statistics - 1 Year

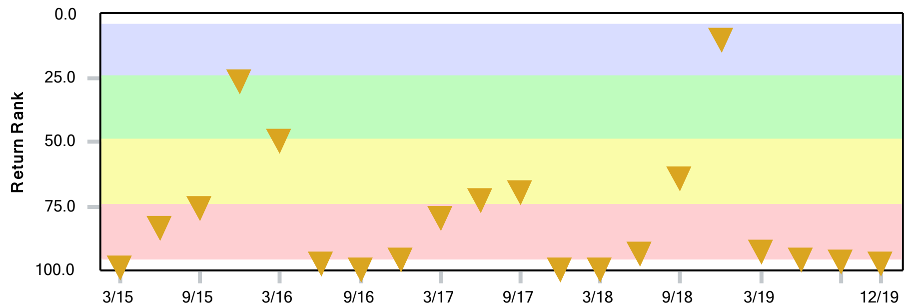
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Intercontinental US Real Estate (CF)	9.47	1.31	-5.00	2.72	4.80	N/A	174.63
NCREIF Fund Index-ODCE (VW)	*5.35*	*0.39*	*0.00*	*1.00*	*5.90*	*N/A*	*100.00*

Historical Statistics - 1 Quarter

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Intercontinental US Real Estate (CF)	3.22	0.00	N/A	N/A	N/A	N/A	211.76
NCREIF Fund Index-ODCE (VW)	*1.52*	*0.00*	*N/A*	*N/A*	*N/A*	*N/A*	*100.00*

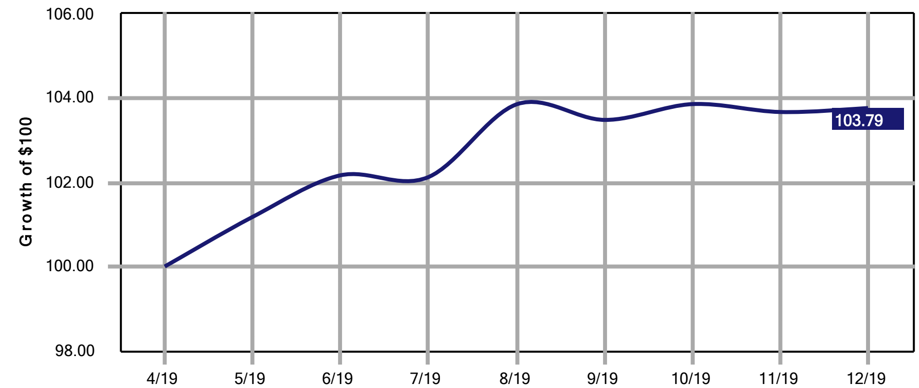
Holly Hill Police Officers' Retirement Trust Fund
Integrity Fixed Income (SMA)
December 31, 2019

1 Year Rolling Percentile Ranking - 5 Years

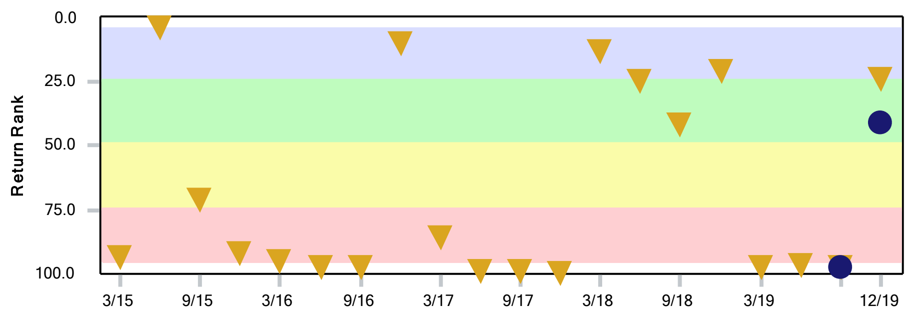


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
Integrity Fixed Income (SMA)	0	0	0	0	0
Bloomberg Barclays Intermediate US Govt/Credit Idx	20	1 (5%)	2 (10%	3 (15%	14 (70%

Growth of a Dollar

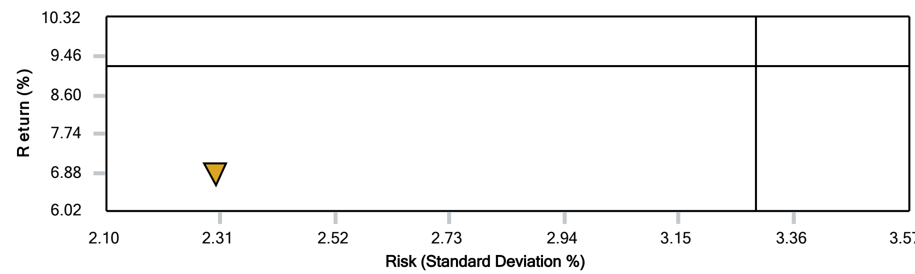


1 Quarter Rolling Percentile Ranking - 5 Years



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
Integrity Fixed Income (SMA)	2	0 (0%)	1 (50%	0 (0%)	1 (50%
Bloomberg Barclays Intermediate US Govt/Credit Idx	20	6 (30%	1 (5%)	1 (5%)	12 (60%

Peer Group Risk/Reward - 1 Year



	Return	Standard Deviation
Integrity Fixed Income (SMA)	N/A	N/A
Bloomberg Barclays Intermediate US Govt/Credit Idx	6.80	2.30
Median	9.24	3.29

Historical Statistics - 1 Year

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Integrity Fixed Income (SMA)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Intermediate US Govt/Credit Idx	*6.80*	*2.30*	*0.00*	*1.00*	*1.97*	*100.00*	*100.00*

Historical Statistics - 1 Quarter

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Integrity Fixed Income (SMA)	0.27	0.22	-0.03	0.99	-0.33	116.28	84.87
Bloomberg Barclays Intermediate US Govt/Credit Idx	*0.37*	*0.22*	*0.00*	*1.00*	*-0.15*	*100.00*	*100.00*

Holly Hill Police Officers' Retirement Trust Fund
Glossary
December 31, 2019

-ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.

-ALPHA- A linear regressive constant that measures expected return independent of Beta.

-ASSET ALLOCATION- The division of portfolio asset classes in order to achieve an expected investment objective.

-BALANCED UNIVERSES - Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.

-BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.

-BOND DURATION- A measure of portfolio sensitivity to interest rate risk.

-COMMINGLED FUND- An investment fund which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.

-CONVERTIBLE BONDS - Hybrid securities' that offer equity returns during rising equity markets and improved down-market protection.

-CORE- An equal weighting in both growth and value stocks.

-CORRELATION COEFFICIENT- A measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.

-GROWTH MANAGER- Generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.

-INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500).

-INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.

-LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds $10 billion.

-MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).

-MID CAP- Generally, the term refers to a company that has a market capitalization between $2 and $10 billion.

-NCREIF - A quarterly time series composite total rate of return measure of investment performance of a large pool of individual commercial real estate properties acquired in the private market for investment purposes only.

-NCREIF ODCE - Open End Diversified Core Equity index which consists of historical and current returns from 26 open-end commingled funds pursuing core strategy. This index is capitalization weighted, time weighted and gross of fees.

-NET- Investment return accounts only for manager fees.

-PROTECTING FLORIDA INVESTMENT ACT (PFIA) - SBA publishes a list of prohibited investments (scrutinized companies).

-RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period, excluding contributions.

-RISK MEASURES- Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.

-R-SQUARED- Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R2 of 40 means that 40% of the variation in a fund’s price changes could be attributed to changes in the market index over the time period.

Holly Hill Police Officers' Retirement Trust Fund
Glossary
December 31, 2019

-SHARPE RATIO- The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.

-SMALL CAP- Generally refers to a company with a market capitalization $300 million to $2 billion.

-STANDARD DEVIATION- Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.

-SYSTEMATIC RISK- Measured by beta, it is the risk that cannot be diversified away (market risk).

-TIME WEIGHTED (TW) RETURN - A measure of the investments versus the investor. When there are no flows the TW & DOLLAR weighted (DW) returns are the same and vice versa.

-TRACKING ERROR- A measure of how closely a manager's performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.

-TREYNOR RATIO- A measure of reward per unit of risk. (excess return divided by beta).

-UP AND DOWN-MARKET CAPTURE RATIO- Ratio that illustrates how a manager performed relative to the market during rising and declining market periods.

-VALUE MANAGER- Generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.

Holly Hill Police Officers' Retirement Trust Fund
Disclosure
December 31, 2019

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.

Performance Reporting:

1. Changes in portfolio valuations due to capital gains or losses, dividends, interest, income and management fees are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.

2. Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.

3. Individual client returns may vary due to a variety of factors, including differences in investment objectives, asset allocating and timing of investment decisions.

4. Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.

5. The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.

6. Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.

7. Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe subject to revision.

8. BCA relies on third party vendors to supply tax cost and market values, In the event that cost values are not available, market values may be used as a substitute.

9. BCA has not reviewed the risks of individual security holdings.

10. BCA investment reports are not indicative of future results.

11. Performance rankings are time sensitive and subject to change.

12. Mutual Fund (MF), Collective Investment Trusts (CIT) and Exchange Traded Funds (ETF) are ranked in net of fee universes.

13. Separately Managed Account (SMA) and Commingled Fund (CF) returns are ranked in gross of fees universes.

14. Composite returns are ranked in universes that encompass both gross and net of fee returns.

15. Total Fund returns are ranked in a gross of fee universe.

16. For a free copy of Part II (mailed w/i 5 bus. days from request receipt) of Burgess Chambers & Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact: 315 East Robinson Street Suite #690, Orlando, Florida 32801, 407-644-0111, info@burgesschambers.com.

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Institutional Investment Advisors

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P: 407-644-0111 F: 407-644-0694

Integrity

Fixed Income Management, LLC

Presents:

The City of Holly Hill

Police Officers' Retirement Trust Fund

As of December 31, 2019

Presentation Summary

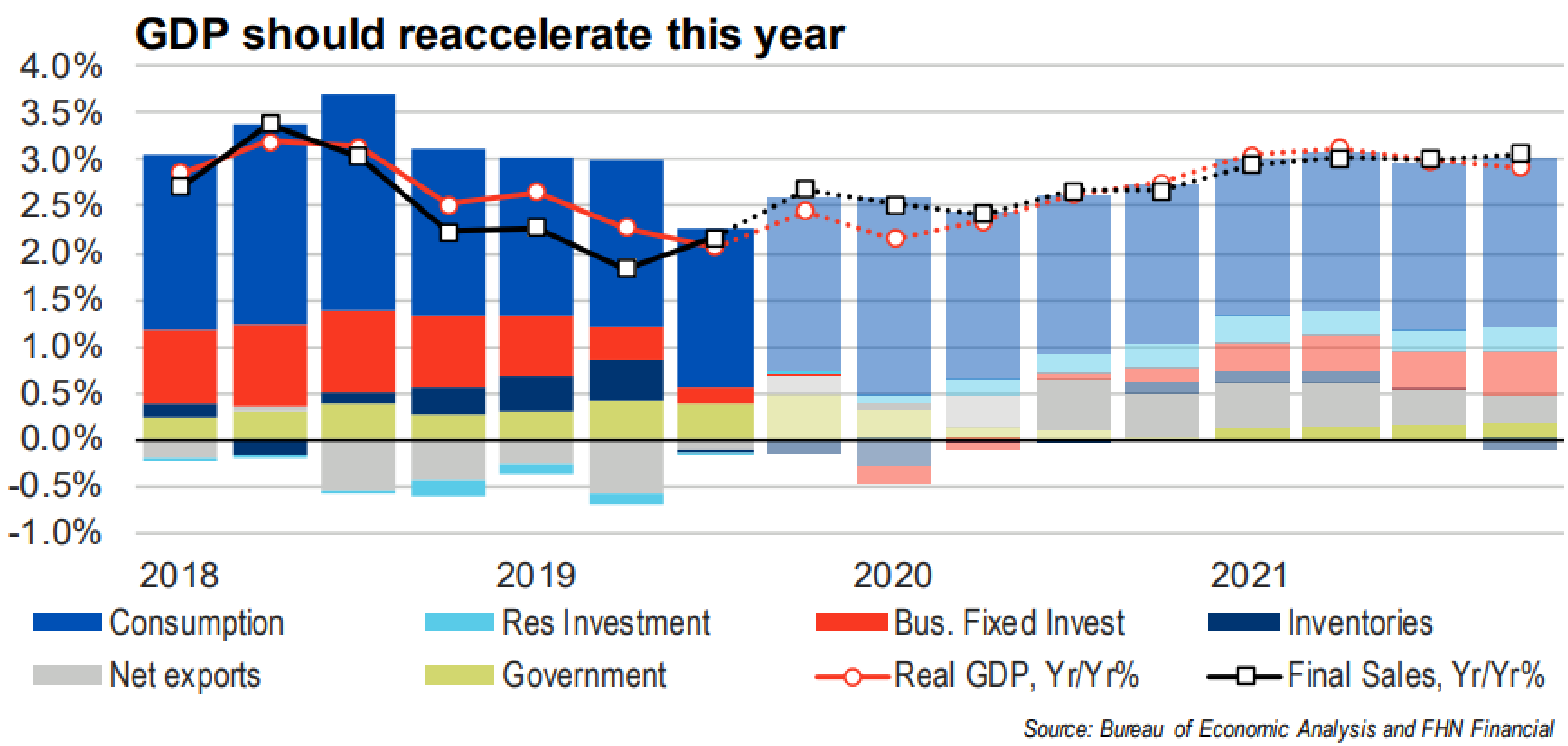
Economic growth remains modest as a result of tax cuts, low unemployment and low interest rates.

Positives:
- Wage increases/low unemployment
- Consumer confidence, which has softened recently
- Relatively low interest rates
- Federal Reserve on hold
- Low inflation
- Fiscal stimulus
- New Trade Agreements

Negatives:
- High debt levels
- Late in the economic cycle
- Relatively flat to inverted yield curve
- Foreign influences (Europe & China economies slow), Brexit

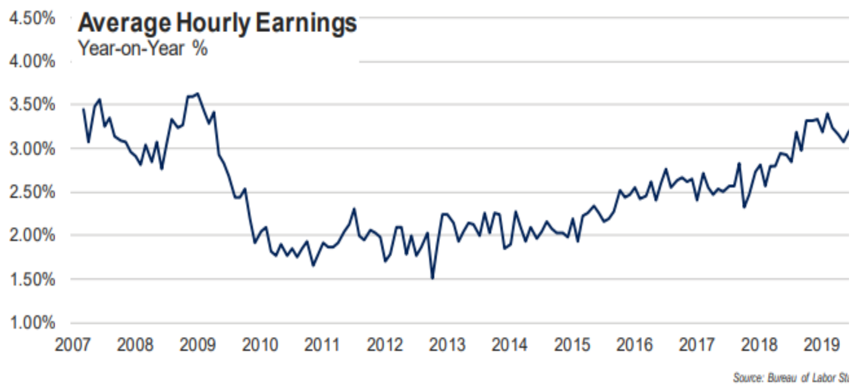
We expect modest economic growth to continue and interest rates to gradually increase.

US Real GDP Growth Rate

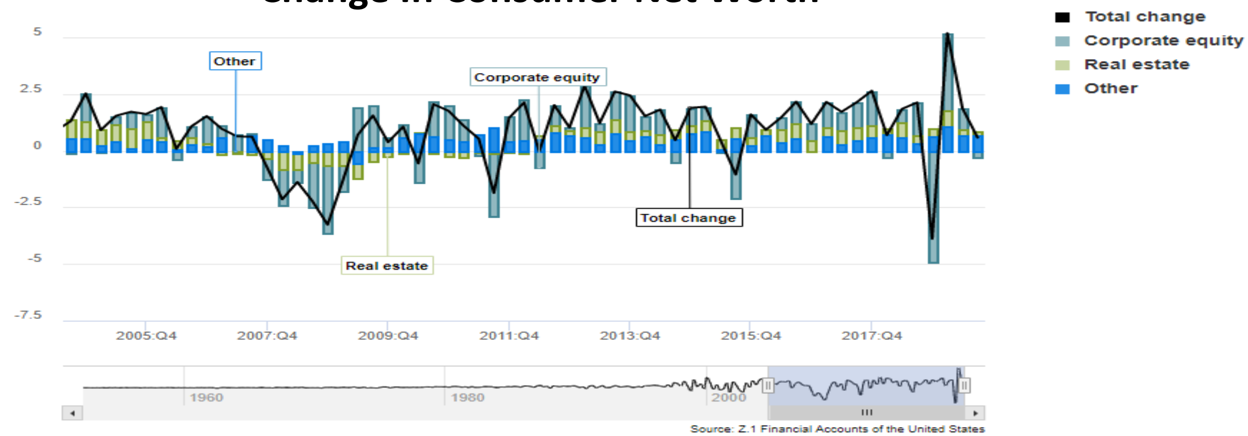


Personal Consumption

Factors Contributing to Personal Consumption



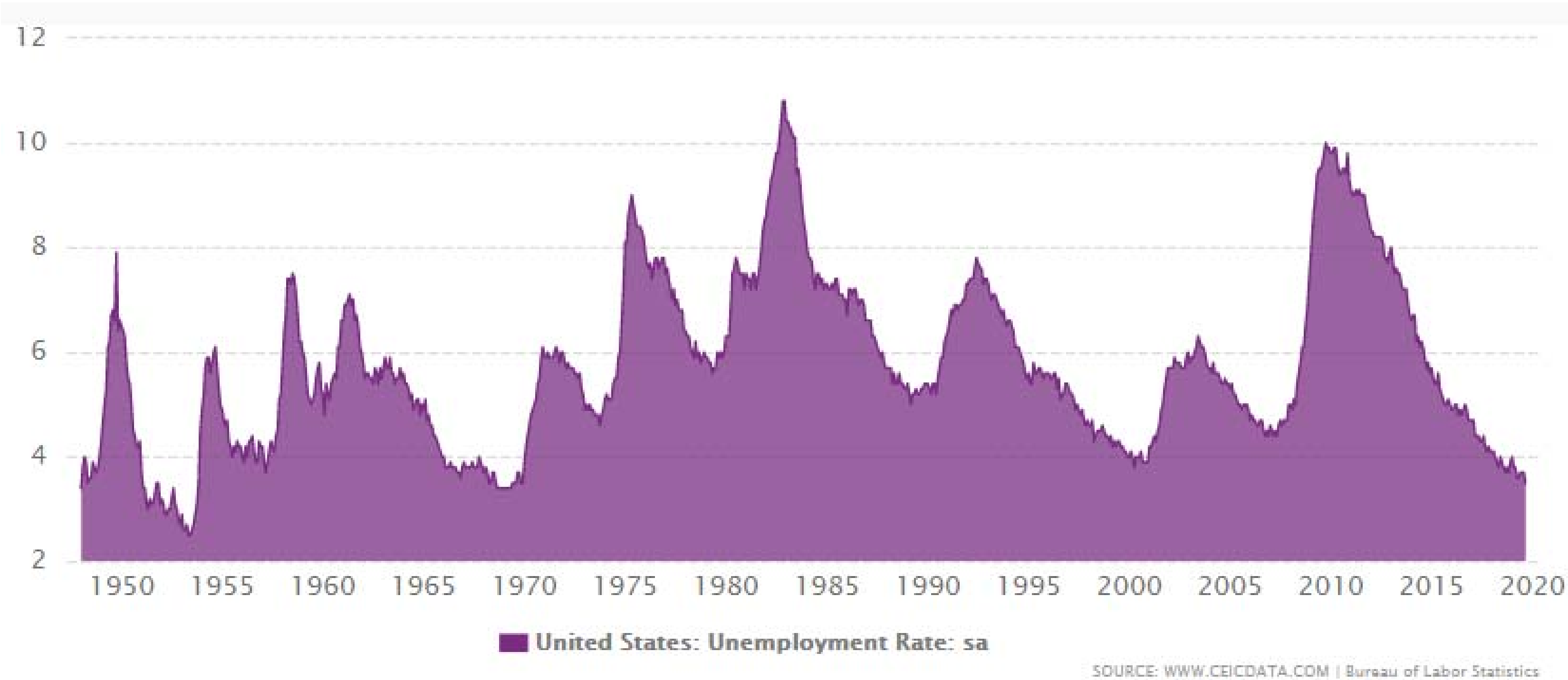
Change In Consumer Net Worth



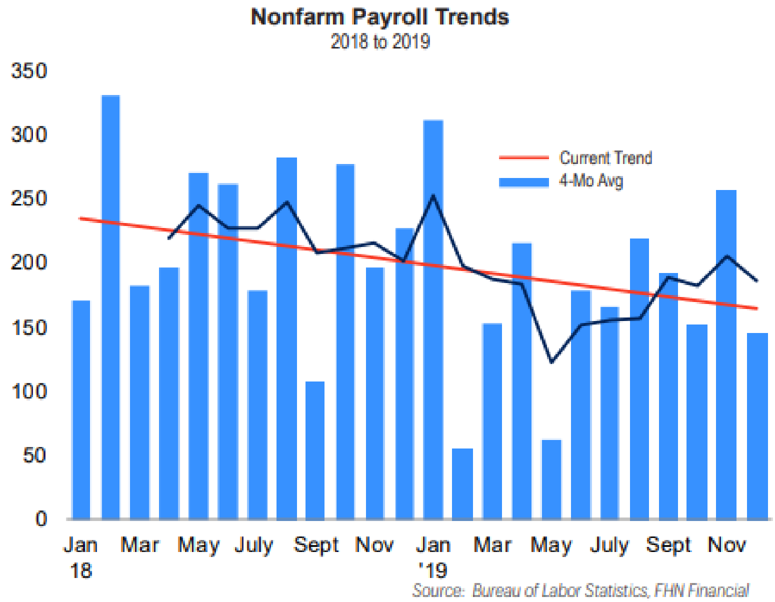
Note: *Other is the change in net worth not due to changes in household real estate and in corporate equity holdings. Other thus includes pensions entitlements, equity in noncorporate businesses, consumer durable goods, fixed assets of nonprofit organizations, and all other financial assets apart from corporate equities, net of liabilities.*

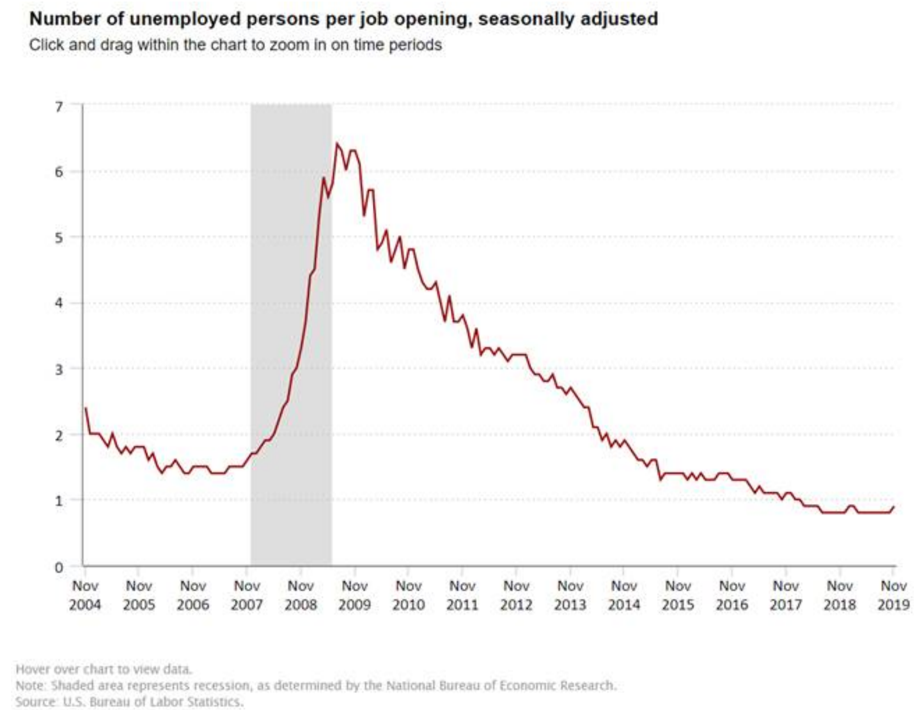
Labor Markets Remain Firm

Unemployment Rate Continues to Decrease

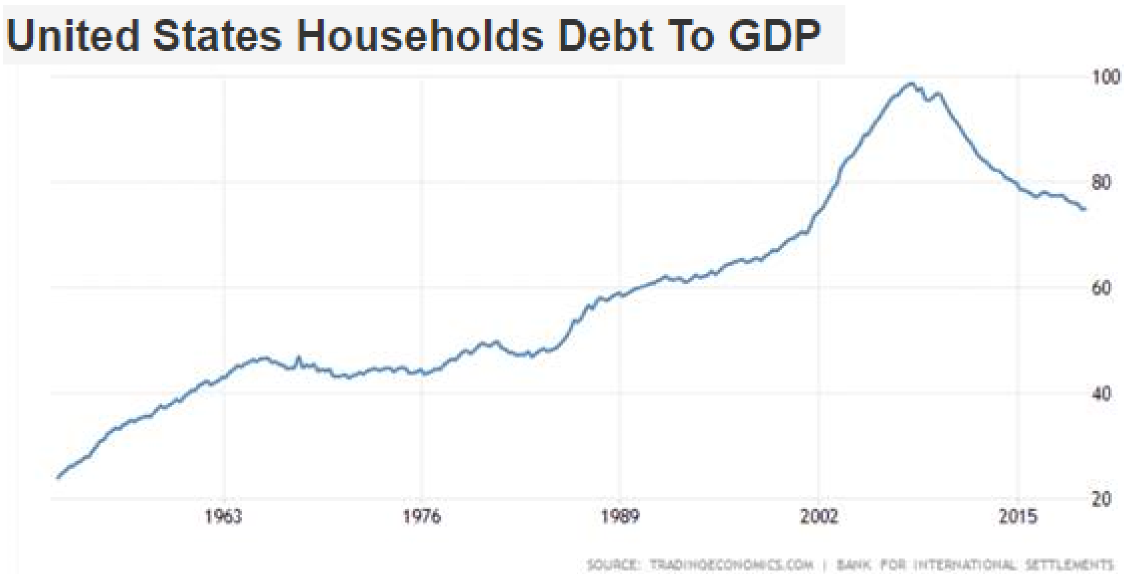


Labor Markets - Continued



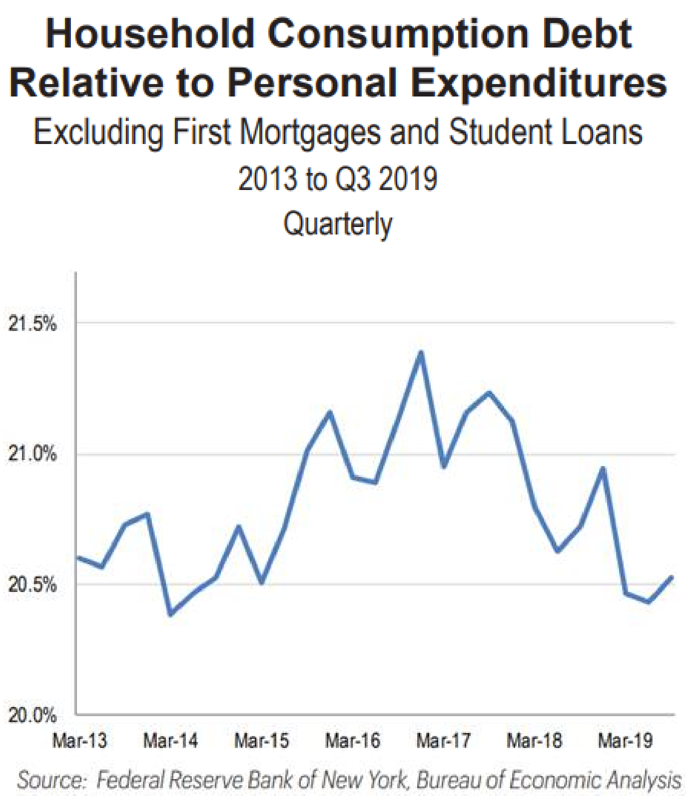


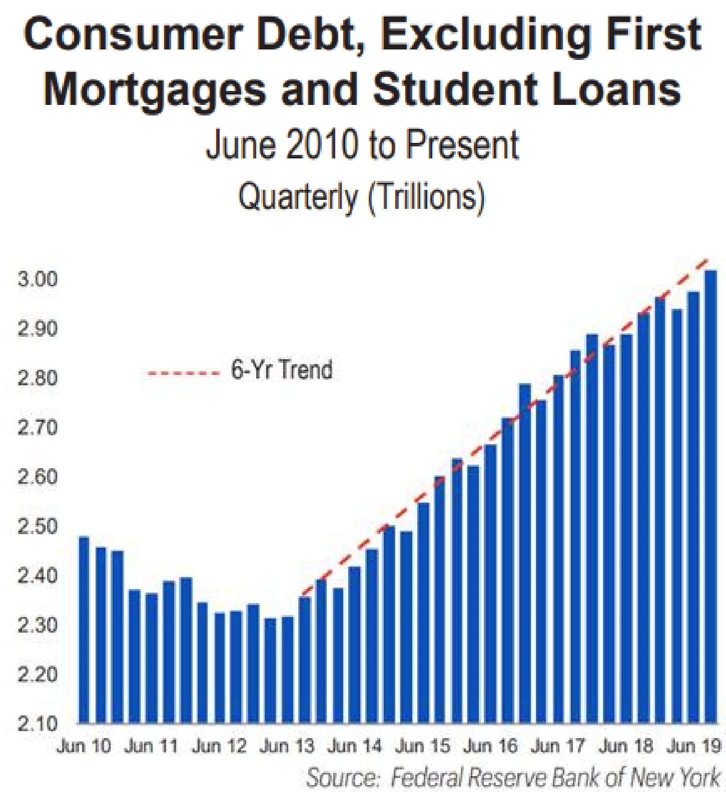
Consumer Debt



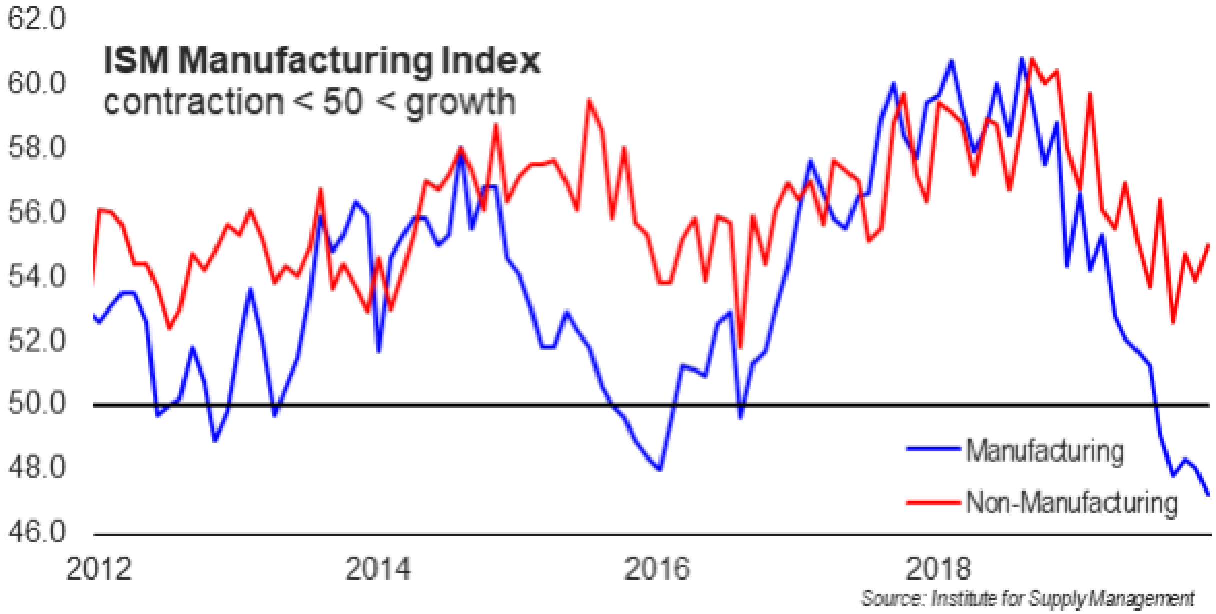
74.90 percent of GDP in the first quarter of 2019. Households Debt To GDP in the United States averaged 58.46 percent of GDP from 1952 until 2019, reaching an all time high of 98.60 percent of GDP in the fourth quarter of 2007 and a record low of 23.80 percent of GDP in the first quarter of 1952.

Consumer Debt - Continued





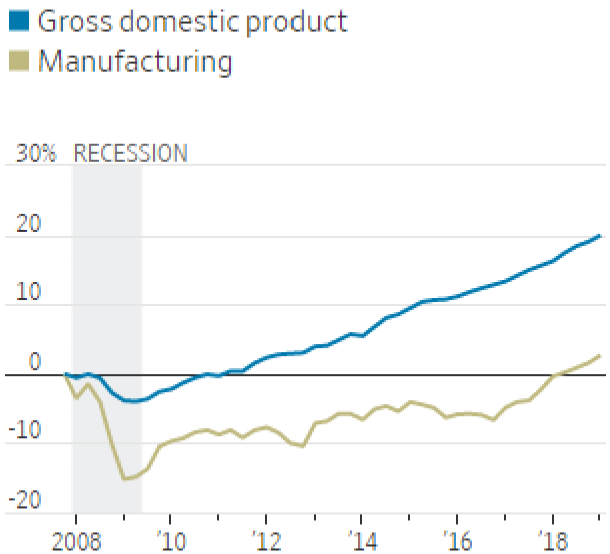
Manufacturing and Service Sectors



Manufacturing Close Up

Growing at Separate Speeds

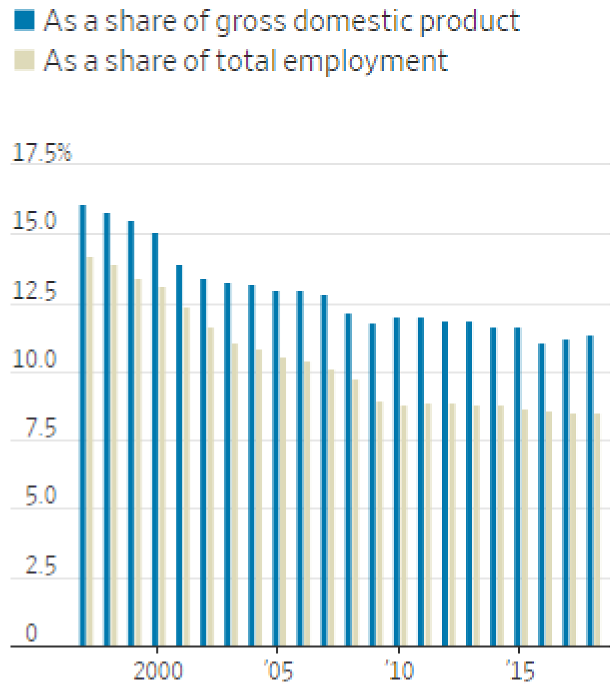
Change in manufacturing output and overall output since the Great Recession



Note: Adjusted for inflation
Source: Commerce Department

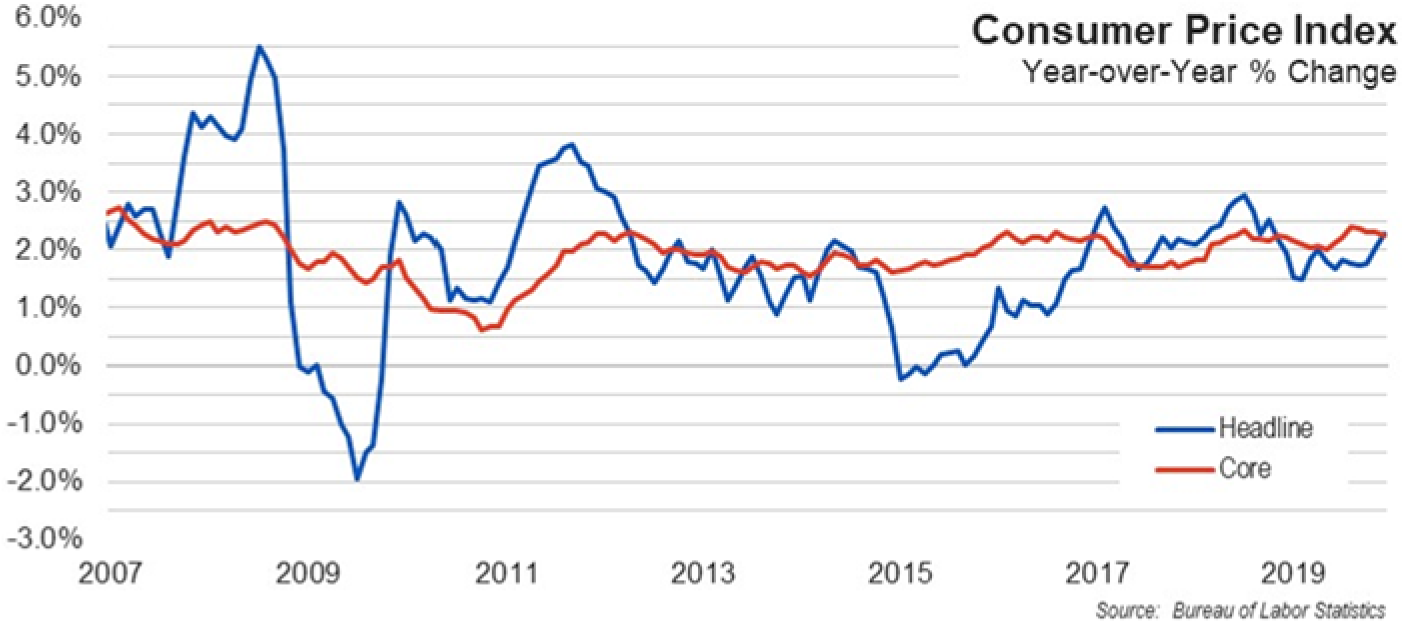
Fading Factories

Manufacturing's share of the American economy and workforce



Sources: Commerce Department, Labor Department

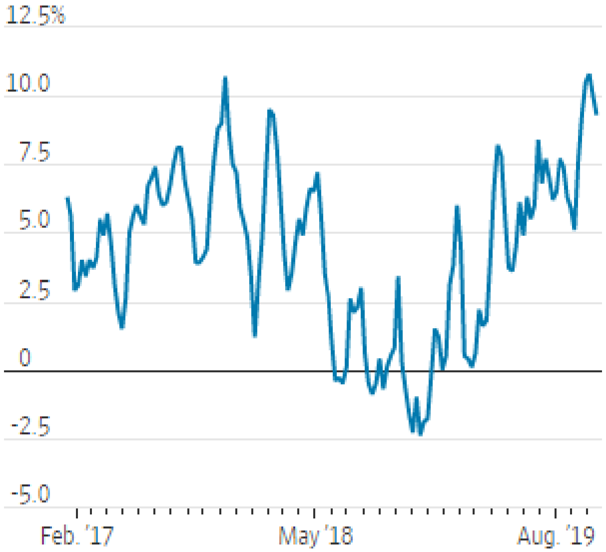
Inflation Remains Muted



Housing

Applications Altitude

Change from a year earlier in mortgage applications for home purchases



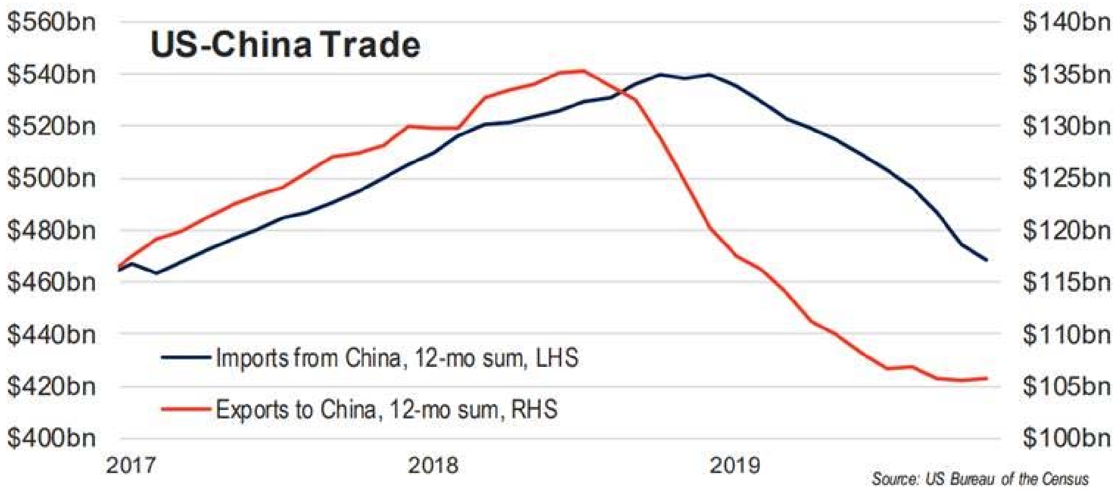
Note: Four-week moving average
Source: Mortgage Bankers Association

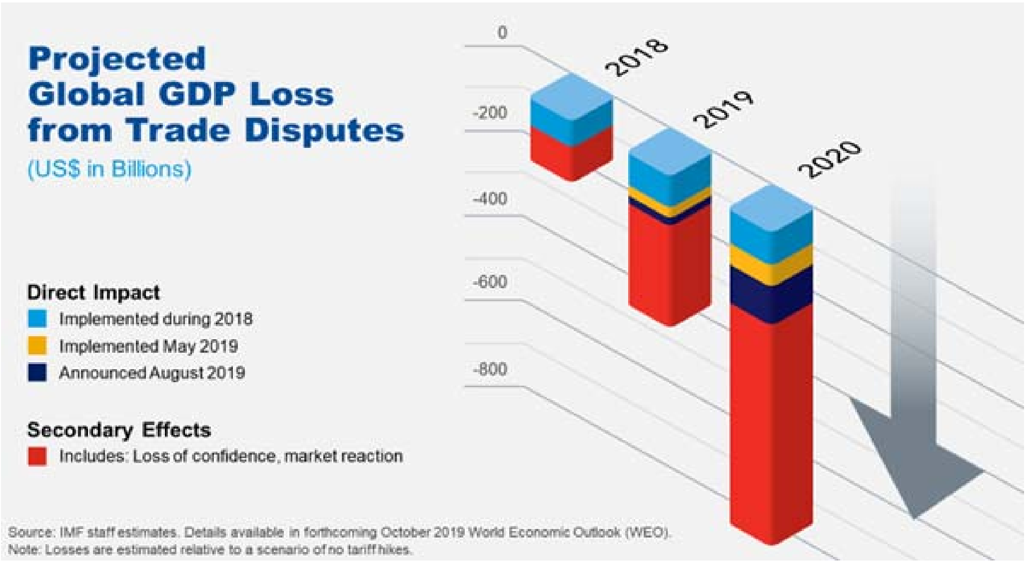
Rate Roller Coaster

The average 30-year fixed-rate mortgage has fallen to its lowest level in three years.

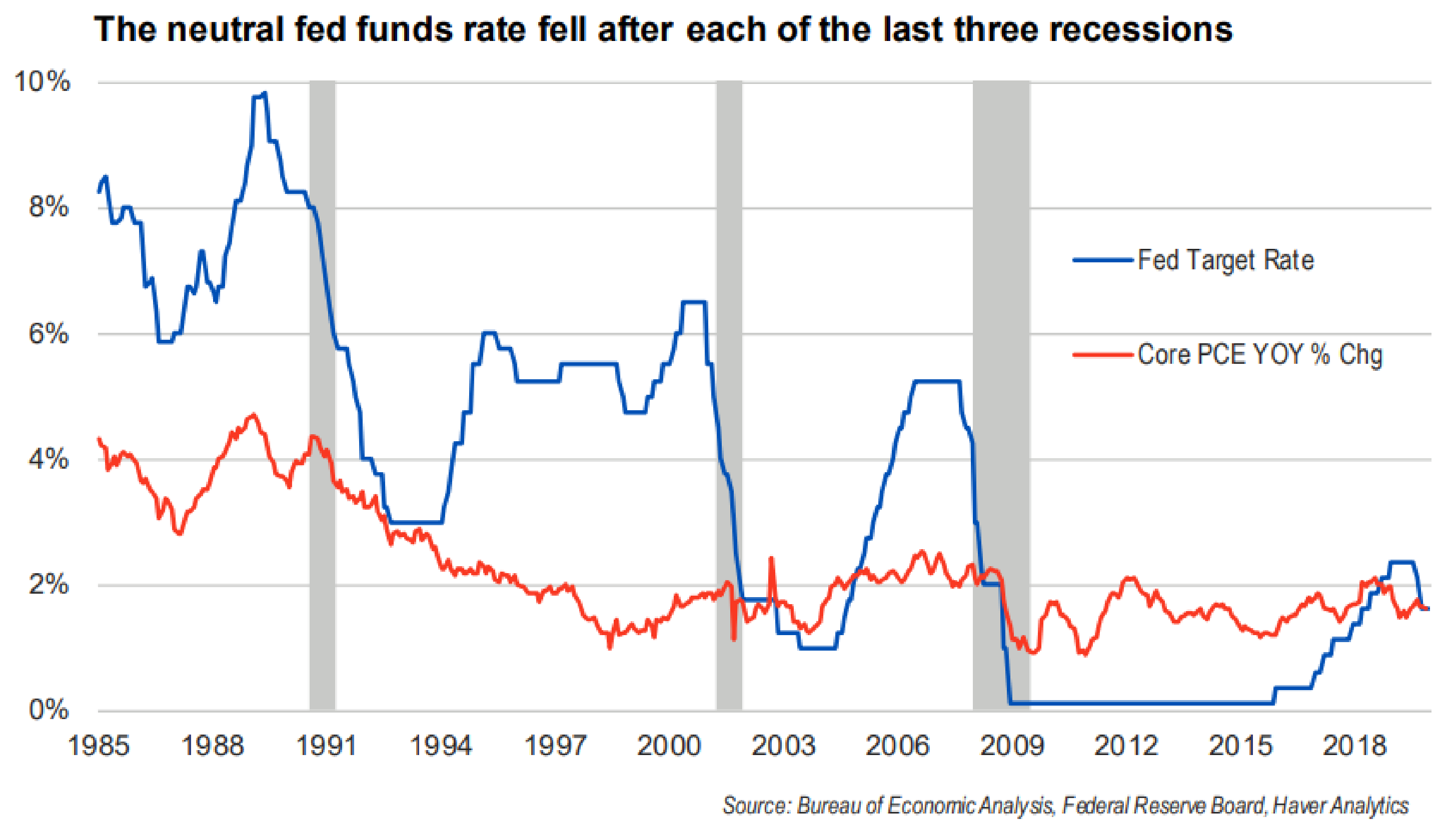
Source: Mortgage Bankers Association

World Trade

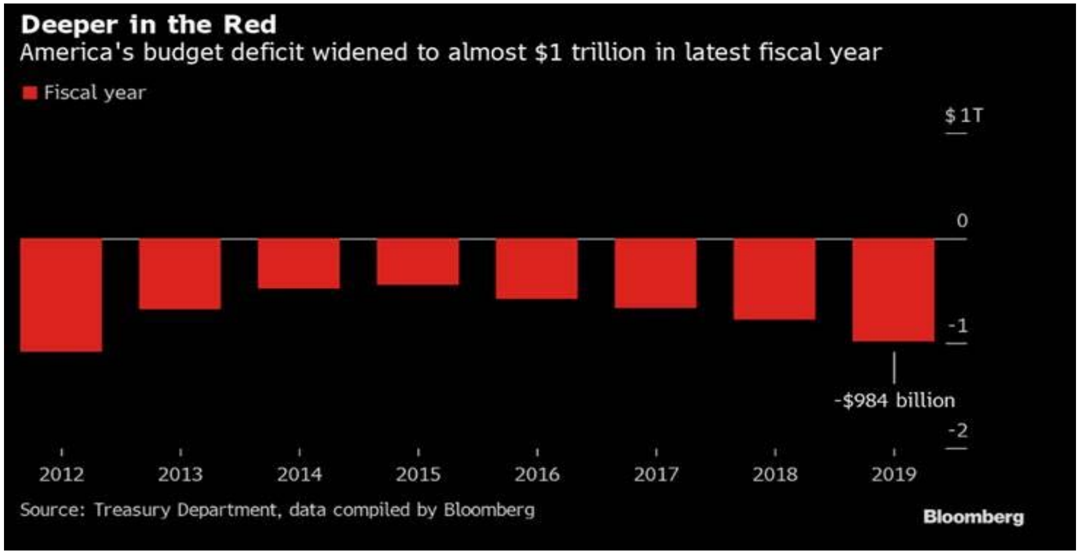

US-China Trade
$560bn
$540bn
$520bn
$500bn
$480bn
$460bn
$440bn
$420bn
$400bn
$140bn
$135bn
$130bn
$125bn
$120bn
$115bn
$110bn
$105bn
$100bn
Imports from China, 12-mo sum, LHS
Exports to China, 12-mo sum, RHS
2017
2018
2019
Source: US Bureau of the Census


Projected Global GDP Loss from Trade Disputes
(US$ in Billions)
Direct Impact
Implemented during 2018
Implemented May 2019
Announced August 2019
Secondary Effects
Includes: Loss of confidence, market reaction
0
-200
-400
-600
-800
2018
2019
2020
Source: IMF staff estimates. Details available in forthcoming October 2019 World Economic Outlook (WEO).
Note: Losses are estimated relative to a scenario of no tariff hikes.

Federal Reserve Policy

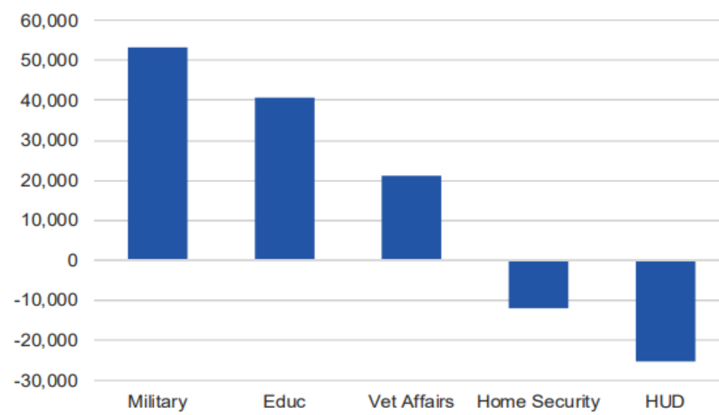


Fiscal Policy/Deficits



Here are the large, more *discretionary* on-budget increases/decreases, totaling a net $75 billion in 2019.

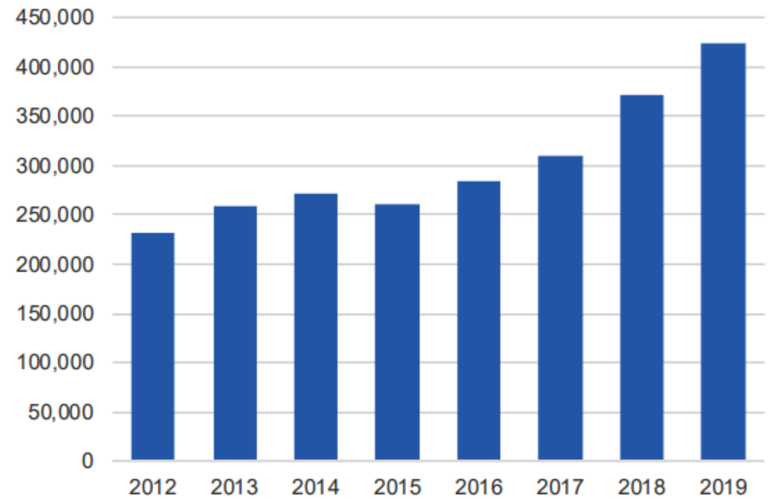
Change in Major Discretionary Spending Categories
FY 2019 vs FY 2018
(Millions)



Source: US Treasury, FHN Financial

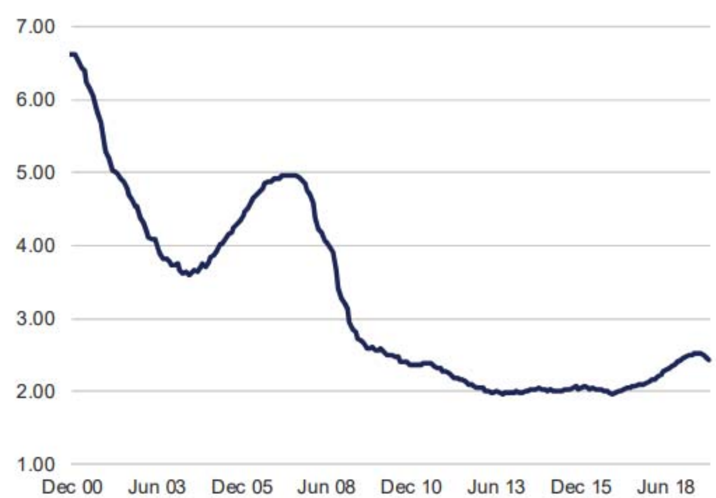
Fiscal Policy/Deficits - Continued

Annual Borrowing Costs
FY 2012 to FY 2019
(Millions)



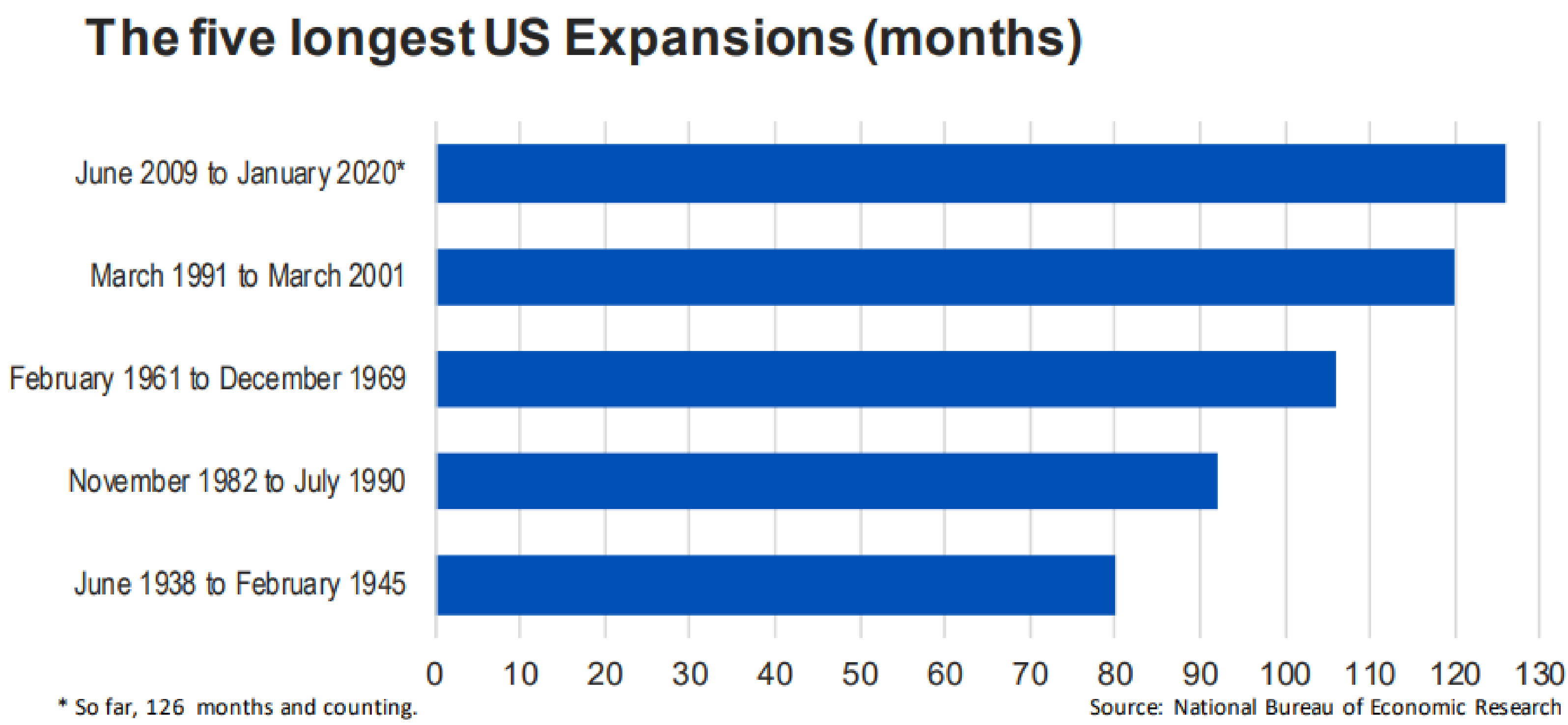
Source: FHN Financial, US Treasury

Annualized Interest Rate on UST Marketable Debt
2001 to September 2019
Monthly



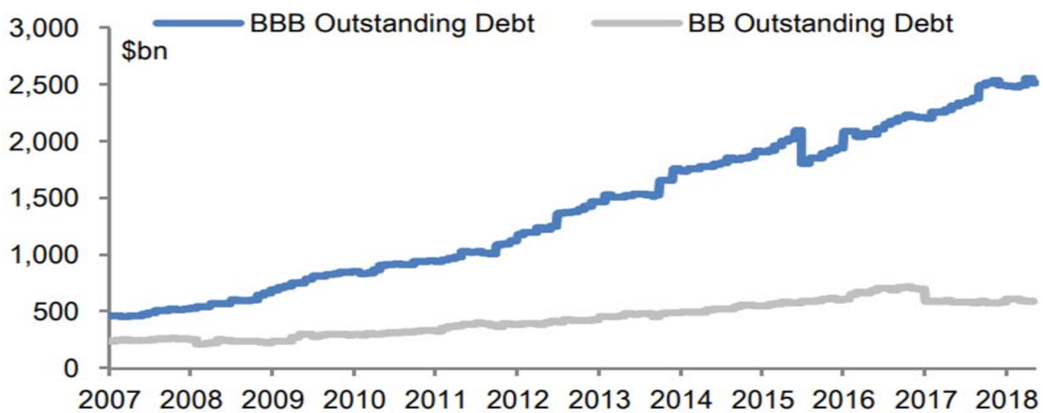
Source: US Treasury

Economic Cycle



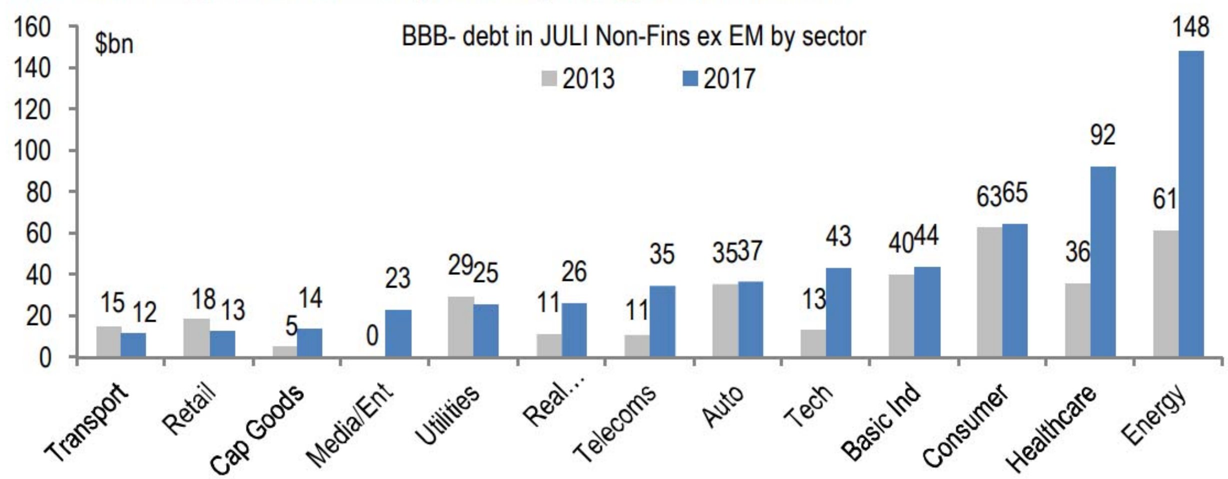
Markets

Exhibit 4: The BBB market has outgrown the BB market by 2.2x over the last four years, and 3.0x in the past 10 years



Source: J.P. Morgan, Moody's, S&P, Federal Reserve as of 4Q2017

BBB- debt has grown substantially, driven by Energy and Healthcare



Source: J.P. Morgan

Investment Strategy Summary

- Interest Rate Environment
  - Growth to Remain Moderate
  - Interest rates should gradually increase
  - Inflation low but bears watching

Duration Strategy
- Interest rates will likely remain relatively low
- Duration generally near index duration

- Yield Curve Structure
  - Yield curve is likely to remain flat

Yield Curve Strategy
- Moderate Bullet strategy
- Positioning on yield curve is important

- Sector Analysis
  - Corporates and taxable municipals are moderately expensive
  - Agency mortgages have become more attractive
  - Incremental yield adds value in a low interest rate environment

Sector Allocations
- Overweight Corporates but upgrade quality
- Overweight Agency Mortgages
- Underweight Treasuries and Agencies

- Security Analysis
  - Emphasize defensive corporates
  - Emphasize defensive mortgages

Security Selection
- Emphasize high quality, non-cyclicals, and financials
- Particularly attractive in short maturities

Portfolio Performance – Gross of Fees

	3 Months	1 Year	3 Years	Inception to Date
Holly Hill Police	0.28%	NA	NA	3.95%
Policy Index*	0.37%	NA	NA	3.92%
Relative Performance	-0.09%	NA	NA	0.03%

Inception Date is 5/21/2019

*Policy Index is the Bloomberg Barclays Intermediate Government/Credit Bond Index

Returns longer than one year are annualized.

Returns include fixed income securities and cash.

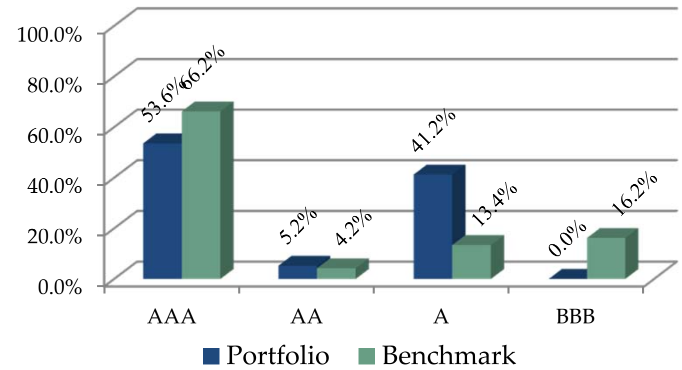
Past Performance Does Not Guarantee Future Results.

Portfolio Characteristics

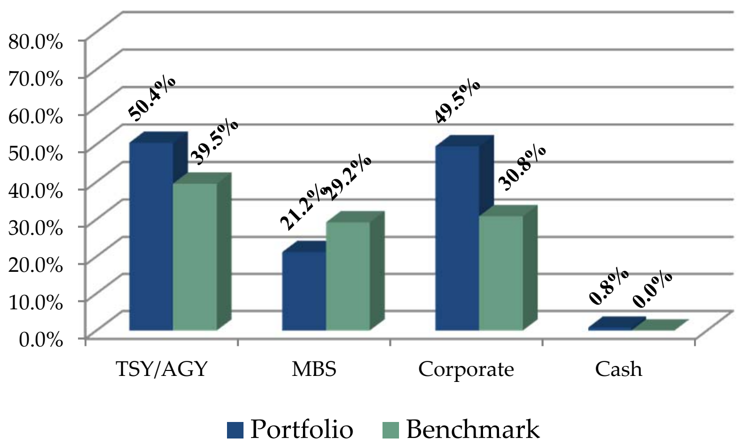
Portfolio Characteristics

	Portfolio	Index
Avg. Quality	AA	AA+
Coupon	3.1%	2.6%
Yield to Maturity	1.9%	1.9%
Avg. Maturity	4.2	4.3
Effective Duration	3.9	3.9

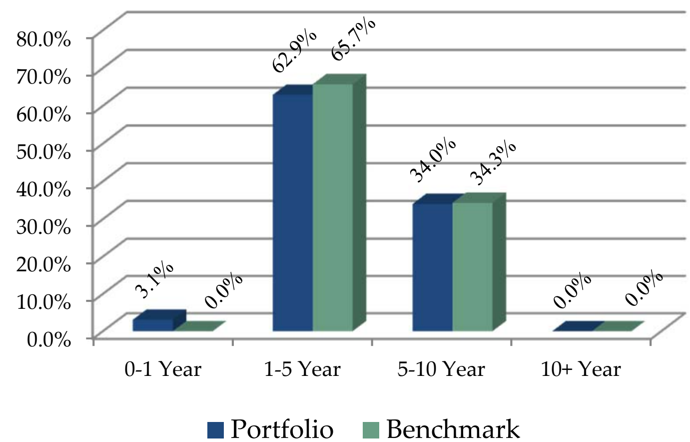
Portfolio Quality Distribution



Portfolio Sector Allocation



Portfolio Maturity Distribution



Portfolio Compliance Review

In compliance with the SEC Pay to Play rules, Integrity Fixed Income Management, LLC and its employees disclose that they have not made any contributions to any candidates/incumbents for the City of Port Orange Commission or Mayor.

Portfolio Guidelines	In Compliance?
1) Investments limited to approved investments per section V of Investment Policy Statement	Yes
2) Maximum single company issuer no more than 5% of portfolio value	Yes

Integrity Fixed Income Management, LLC

Core Intermediate Government Credit Composite: Disclosure

Year End	Gross Annual Return	Net Annual Return	Benchmark Return	Internal Dispersion	3 Year Annualized Standard Deviation		Number of Portfolios	Total Composite Assets (USD Millions)	Total Firm Assets (USD Millions)
					Composite	Benchmark			
2008	7.03%	6.76%	5.08%	NA	NA	NA	< 5	$10.9	$72.1
2009	8.82%	8.55%	5.24%	NA	NA	NA	< 5	$11.2	$84.8
2010	6.59%	6.33%	5.89%	NA	4.5%	4.0%	< 5	$11.5	$114.5
2011	5.66%	5.40%	5.80%	NA	2.9%	2.6%	<5	$1.1	$139.8
2012	6.94%	6.68%	3.89%	NA	2.4%	2.2%	<5	$4.3	$158.7
2013	0.20%	-0.05%	-0.86%	NA	2.4%	2.1%	<5	$24.1	$200.2
2014	4.20%	3.94%	3.11%	0.3%	2.2%	2.0%	7	$78.3	$235.3
2015	1.38%	1.13%	1.06%	0.1%	2.1%	2.1%	7	$86.3	$239.8
2016	3.31%	3.05%	2.08%	0.1%	2.1%	2.3%	5	$80.6	$362.1
2017	3.20%	2.94%	2.14%	0.0%	2.0%	2.1%	5	$82.2	$397.9
2018	0.67%	0.42%	0.87%	0.1%	2.0%	2.1%	5	$81.8	$434.1
2019	7.17%	6.90%	6.80%	0.0%	1.9%	2.1%	5	$87.0	$476.0

Compliance Statement

Integrity Fixed Income Management, LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Integrity Fixed Income Management, LLC has been independently verified for the periods December 31, 2011 - June 30, 2018. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Firm Description

Integrity Fixed Income Management, LLC was founded in 2005 and is an 100% employee owned fixed income investment manager based in Orlando, Florida. Integrity is responsible for the management of institutional fixed income portfolios, and does this by investing in fixed income securities including US Treasury, US Agency, US Agency MBS, Asset Backed Securities, Commercial Mortgage Backed Securities, Corporate Bonds, and Municipal Securities. Integrity Fixed Income Management is an active core fixed income manager. Our overall portfolio strategy encompasses the utilization of duration, maturity distribution, sector weighting versus the benchmark, and individual security selection. We generally favor excess yield and tend to overweight spread sectors while attempting to maximize yield per unit of duration. Our security selection is a result of fit with our top down economic assessment, credit evaluation, valuation of the security, and placement on the yield curve.

Composite Description

The Core Intermediate Government Credit Composite is comprised of accounts whose stated benchmark is the Barclays Intermediate Government Credit Bond Index (or indices of similar structure and risk characteristics). The investment objective of this style is to achieve a total return, through capital appreciation and income, that is in excess of the benchmark index while minimizing volatility. Accounts in this composite are invested in U.S. Government, U.S. Agency, Corporate, Municipal, Mortgage Backed, and Asset Backed securities. . Accounts in this composite invest primarily in Investment Grade rated securities and will typically have an overall portfolio credit quality of A or higher. Accounts in this composite are managed with an overall portfolio duration that is usually maintained within a range of +/- 10% of the investment benchmark index but can have a maximum range of +/- 25% of the investment benchmark index.

Composite Creation Date

The composite creation date is June 1, 2007.

Benchmark

Benchmark is the Barclays Intermediate Governement Credit Bond Index. This index is the Intermediate component of the Bloomberg Barclays U.S. Government/Credit index.

Integrity Fixed Income Management, LLC

Core Intermediate Government Credit Composite: Disclosure

Internal Dispersion

Dispersion measure used is an equal weighted standard deviation of all portfolios that were included in the composite for the entire year. Although dispersion is considered not meaningful for composites with five or less portfolios for the full calculation period, Integrity provides dispersion measures for composites that had at least three portfolios for the full calculation period.

Fee Schedule

Gross of fees performance returns are presented before management and custodial fees but after all trading expenses. Net of fee performance returns are calculated by deducting the highest Model annual management fee of 0.25% on a quarter basis of (0.25%/4 = 0.0625%) against the gross of fee returns. The investment fee schedule is as follows: 0.25% on the first USD $30 million, 0.20% thereafter. Actual fees charged to clients may vary. Further information regarding investment advisory fees is described in Part II of the firm's Form ADV. Investment returns presented include the cash component of the portfolio. Past performance is not indicative of future results. Performance shown represents total returns that include income, realized and unrealized gains and losses.

Cash Flow Policy

Effective January 1, 2010, any portfolio that experiences a client-initiated cash flow (on a net daily basis) that is 30% or more of the portfolio's beginning of month market value is removed temporarily from the Composite. The portfolio is excluded from the Composite the month of the cash flow. The portfolio is readmitted to the composite the first full month that the portfolio is fully invested.

3-Year Annualized Standard Deviation

The 3-Year annualized ex-post standard deviation measures the variability of the composite and the benchmark over the preceding 36-month period. It is not required to be presented for periods prior to 2010 or when 36 monthly composite returns are not available.

Currency Used to Express Performance

All market values and performance returns are presented in US Dollars.

Use of Leverage and Derivatives

Integrity Fixed Income Management does not use leverage or derivatives in the firm's investment strategies.

Valuation Heirarchy

Integrity Fixed Income Mangement follows the GIPS Valuation Principles Heirarchy

Other Information

A complete list and description of firm composites, policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request either by calling 407-481-2403, or via e-mail to: contact@integrityfi.com .

Integrity Fixed Income Management

Quarterly Report
The City of Holly Hill - Police Retirement Trust Fund
HOLLYHIL - Act. # ****3830

December 31, 2019

Integrity Fixed Income Management

PORTFOLIO ACTIVITY SUMMARY

The City of Holly Hill - Police
Retirement Trust Fund
HOLLYHIL - Act. # ****3830

From 09-30-19 to 12-31-19

Portfolio Value on 09-30-19	2,174,460.77
Accrued Interest	14,381.79
Contributions	0.00
Withdrawals	-2,809.94
Realized Gains	388.46
Unrealized Gains	-9,735.10
Interest	12,144.15
Dividends	0.00
Change in Accrued Interest	3,089.69
Portfolio Value on 12-31-19	2,174,448.33
Accrued Interest	17,471.49

Integrity Fixed Income Management

PORTFOLIO APPRAISAL

The City of Holly Hill - Police Retirement Trust Fund

HOLLYHIL - Act. # ****3830

December 31, 2019

Security Symbol	Security	Quantity	Date	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Accrued Interest
CORPORATE BONDS									
008252AM0	AFFILIATED MANAGERS GROUP 4.250% Due 02-15-24	20,000.00	06-26-19	106.1760	21,235.20	107.1110	21,422.20	1.0	321.11
009363AM4	AIRGAS INC 2.900% Due 11-15-22	20,000.00	12-06-19	101.7870	20,357.40	101.9330	20,386.60	0.9	74.11
03040WAK1	AMERICAN WTR CAP CORP 3.850% Due 03-01-24	30,000.00	10-03-19	107.1100	32,133.00	106.0751	31,822.53	1.5	385.00
04621WAC4	ASSURED GUARANTY US HLDGS 5.000% Due 07-01-24	20,000.00	09-23-19	109.9600	21,992.00	111.2480	22,249.60	1.0	500.00
05531FBB8	BB&T CORP 2.850% Due 10-26-24	35,000.00	05-20-19	98.5070	34,477.45	103.3210	36,162.35	1.6	180.10
059438AH4	BANC ONE CORP / JPMORGAN CHASE 7.625% Due 10-15-26	20,000.00	12-12-19	128.8620	25,772.40	129.1630	25,832.60	1.2	321.94
06051GGQ6	BANK OF AMERICA CORP 2.816% Due 07-21-23	76,000.00	05-20-19	99.8530	75,888.28	101.6000	77,216.00	3.5	951.18
066836AA5	BAPTIST HEALTH SOUTH FLA 4.590% Due 08-15-21	35,000.00	09-25-19	104.2990	36,504.65	104.1660	36,458.10	1.7	606.90
110122AB4	BRISTOL-MYERS SQUIBB CO 6.800% Due 11-15-26	20,000.00	12-11-19	127.4660	25,493.20	127.1300	25,426.00	1.2	173.78
139859AB8	ABC INC 8.750% Due 08-15-21	21,000.00	09-25-19	111.7750	23,472.75	110.0020	23,100.42	1.1	694.17
24422ETL3	JOHN DEERE CAPITAL CORP 2.650% Due 01-06-22	30,000.00	05-20-19	100.0419	30,012.56	101.6770	30,503.10	1.4	386.46
373298BP2	GEORGIA PACIFIC LLC 7.250% Due 06-01-28	25,000.00	09-05-19	134.7280	33,682.00	131.5830	32,895.75	1.5	151.04
373334KK6	GEORGIA POWER CO 2.200% Due 09-15-24	20,000.00	09-10-19	99.1690	19,833.80	100.0130	20,002.60	0.9	135.67
38141GGQ1	GOLDMAN SACHS GROUP INC 5.250% Due 07-27-21	40,000.00	08-28-19	105.6140	42,245.60	104.9420	41,976.80	1.9	898.33
458140AJ9	INTEL CORP 3.300% Due 10-01-21	75,000.00	05-20-19	103.5145	77,635.89	102.7690	77,076.75	3.5	618.75
594918BX1	MICROSOFT CORP 2.875% Due 02-06-24	63,000.00	05-20-19	101.1144	63,702.05	103.7660	65,372.58	3.0	729.53
693476BN2	PNC FINANCIAL SERVICES GROUP INC 3.300% Due 03-08-22	75,000.00	05-20-19	99.2140	74,410.50	102.7410	77,055.75	3.5	776.87
741503AZ9	BOOKING HOLDINGS, INC. 3.600% Due 06-01-26	15,000.00	06-19-19	103.9610	15,594.15	106.7560	16,013.40	0.7	45.00
74164MAA6	PRIMERICA INC 4.750% Due 07-15-22	30,000.00	09-06-19	106.5108	31,953.25	105.8710	31,761.30	1.4	657.08
751212AC5	RALPH LAUREN CORP 3.750% Due 09-15-25	25,000.00	07-30-19	105.5600	26,390.00	107.6580	26,914.50	1.2	276.04

Integrity Fixed Income Management

PORTFOLIO APPRAISAL

The City of Holly Hill - Police Retirement Trust Fund

*HOLLYHIL - Act. # ****3830*

December 31, 2019

Security Symbol	Security	Quantity	Date	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Accrued Interest
845437BP6	SOUTHWESTERN ELEC POWER 2.750% Due 10-01-26	40,000.00	06-18-19	97.5840	39,033.60	100.1300	40,052.00	1.8	275.00
872287AF4	TCI COMMUNICATIONS INC 7.875% Due 02-15-26	15,000.00	08-30-19	131.9880	19,798.20	130.2330	19,534.95	0.9	446.25
872287AL1	TCI COMMUNICATIONS INC 7.125% Due 02-15-28	10,000.00	09-09-19	131.9920	13,199.20	132.6780	13,267.80	0.6	269.17
87612EAZ9	TARGET CORP 2.900% Due 01-15-22	50,000.00	05-20-19	100.8953	50,447.65	102.3190	51,159.50	2.3	668.61
891027AF1	TORCHMARK CORP 7.875% Due 05-15-23	25,000.00	05-23-19	118.1550	29,538.75	116.0430	29,010.75	1.3	251.56
91159HHP8	US BANCORP 2.625% Due 01-24-22	75,000.00	05-20-19	97.5280	73,146.00	101.5860	76,189.50	3.5	858.59
927804FN9	VIRGINIA ELECTRIC & POWER CO 2.750% Due 03-15-23	40,000.00	05-23-19	100.4080	40,163.20	101.8410	40,736.40	1.9	323.89
94973VAX5	WELLPOINT/ANTHEM INC 3.125% Due 05-15-22	40,000.00	05-23-19	100.7100	40,284.00	102.5140	41,005.60	1.9	159.72
95000U2C6	WELLS FARGO & COMPANY 3.750% Due 01-24-24	20,000.00	10-30-19	105.4250	21,085.00	105.7330	21,146.60	1.0	327.08
Accrued Interest							12,462.96	0.6	
					1,059,481.73		1,084,214.99	49.5	12,462.96
GOVERNMENT BONDS									
3135G0Q89	FEDERAL NATIONAL MTG ASSN 1.375% Due 10-07-21	75,000.00	05-21-19	98.4679	73,850.93	99.6200	74,715.00	3.4	240.62
9128282A7	UNITED STATES TREAS NTS 1.500% Due 08-15-26	50,000.00	05-21-19	98.0824	49,041.20	98.0660	49,033.00	2.2	283.29
9128284V9	UNITED STATES TREAS NTS 2.875% Due 08-15-28	125,000.00	05-22-19	104.1172	130,146.49	107.8515	134,814.37	6.2	1,357.42
9128285D8	UNITED STATES TREAS NTS 2.875% Due 09-30-23	55,000.00	07-26-19	105.1534	57,834.37	104.4410	57,442.55	2.6	401.79
912828G38	UNITED STATES TREAS NTS 2.250% Due 11-15-24	58,000.00	05-21-19	99.5434	57,735.17	102.6210	59,520.18	2.7	168.50
912828M56	UNITED STATES TREAS NTS 2.250% Due 11-15-25	150,000.00	06-26-19	103.1506	154,725.97	102.7230	154,084.50	7.0	392.20
912828R36	UNITED STATES TREAS NTS 1.625% Due 05-15-26	57,000.00	05-21-19	94.5277	53,880.81	98.9880	56,423.16	2.6	119.60
912828VB3	UNITED STATES TREAS NTS 1.750% Due 05-15-23	90,000.00	05-21-19	94.9495	85,454.59	100.3870	90,348.30	4.1	203.37
912828VS6	UNITED STATES TREAS NTS 2.500% Due 08-15-23	75,000.00	05-21-19	101.8280	76,371.03	102.9960	77,247.00	3.5	708.22
912828W48	UNITED STATES TREAS NTS 2.125% Due 02-29-24	60,000.00	05-21-19	95.6879	57,412.74	101.8560	61,113.60	2.8	430.84

Integrity Fixed Income Management

PORTFOLIO APPRAISAL

The City of Holly Hill - Police Retirement Trust Fund

*HOLLYHIL - Act. # ****3830*

December 31, 2019

Security Symbol	Security	Quantity	Date	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Accrued Interest
912828WE6	UNITED STATES TREAS NTS 2.750% Due 11-15-23	71,000.00	05-21-19	103.0463	73,162.88	104.0820	73,898.22	3.4	252.11
912828X88	UNITED STATES TREAS NTS 2.375% Due 05-15-27	40,000.00	05-21-19	99.9965	39,998.60	103.7310	41,492.40	1.9	122.66
912828XB1	UNITED STATES TREAS NTS 2.125% Due 05-15-25	103,000.00	05-21-19	97.7113	100,642.68	102.0630	105,124.89	4.8	282.61
912828XU9	UNITED STATES TREAS NTS 1.500% Due 06-15-20	65,000.00	05-30-19	99.1719	64,461.72	99.9650	64,977.25	3.0	45.29
Accrued Interest							5,008.53	0.2	
					1,074,719.18		1,105,242.96	50.4	5,008.53
CASH AND EQUIVALENTS									
cash	CASH				2,461.88		2,461.88	0.1	
TOTAL PORTFOLIO		**2,084,000.00**			**2,136,662.79**		**2,191,919.82**	**100.0**	**17,471.49**

Integrity Fixed Income Management

TRANSACTION SUMMARY

The City of Holly Hill - Police Retirement Trust Fund

*HOLLYHIL - Act. # ****3830*

From 10-01-19 To 12-31-19

Tran Code	Transaction Description	Security Symbol	Security	Trade Date	Settle Date	Quantity	Unit Cost	Trade Amount	S/D Type	S/D Symbol	Lot
in	Interest	458140AJ9	INTEL CORP 3.300% Due 10-01-21	10-01-2019	10-01-2019		100.0000	1,237.50	caus	cash	
in	Interest	845437BP6	SOUTHWESTERN ELEC POWER 2.750% Due 10-01-26	10-01-2019	10-01-2019		100.0000	550.00	caus	cash	
by	Buy long	38141GGQ1	GOLDMAN SACHS GROUP INC 5.250% Due 07-27-21	10-02-2019	10-04-2019	15,000.00	105.5190	15,827.85	caus	cash	3
pa	Purchased Accrued Inte	38141GGQ1	GOLDMAN SACHS GROUP INC 5.250% Due 07-27-21	10-02-2019	10-04-2019		100.0000	146.56	caus	cash	
sl	Sell long	912828W63	UNITED STATES TREAS NTS 1.625% Due 03-15-20	10-03-2019	10-04-2019	53,000.00	99.9531	52,975.16	caus	cash	1
sa	Sold Accrued Interest	912828W63	UNITED STATES TREAS NTS 1.625% Due 03-15-20	10-03-2019	10-04-2019		100.0000	44.96	caus	cash	
by	Buy long	03040WAK1	AMERICAN WTR CAP CORP 3.850% Due 03-01-24	10-03-2019	10-07-2019	30,000.00	107.1100	32,133.00	caus	cash	1
pa	Purchased Accrued Inte	03040WAK1	AMERICAN WTR CAP CORP 3.850% Due 03-01-24	10-03-2019	10-07-2019		100.0000	115.50	caus	cash	
sl	Sell long	478160BY9	JOHNSON & JOHNSON 2.450% Due 03-01-26	10-04-2019	10-08-2019	10,000.00	102.5500	10,255.00	caus	cash	1
sl	Sell long	478160BY9	JOHNSON & JOHNSON 2.450% Due 03-01-26	10-04-2019	10-08-2019	5,000.00	102.5500	5,127.50	caus	cash	2
sa	Sold Accrued Interest	478160BY9	JOHNSON & JOHNSON 2.450% Due 03-01-26	10-04-2019	10-08-2019		100.0000	37.77	caus	cash	
in	Interest	3135G0Q89	FEDERAL NATIONAL MTG ASSN 1.375% Due 10-07-21	10-07-2019	10-07-2019		100.0000	515.63	caus	cash	
dp	Deposit	miscfee	MISCELLANIOUS FEES	10-08-2019	10-08-2019			875.00	caus	cash	
sl	Sell long	03836WAB9	AQUA AMERICA INC 3.566% Due 05-01-29	10-09-2019	10-11-2019	20,000.00	107.4100	21,482.00	caus	cash	1
sa	Sold Accrued Interest	03836WAB9	AQUA AMERICA INC 3.566% Due 05-01-29	10-09-2019	10-11-2019		100.0000	326.88	caus	cash	
sl	Sell long	854502AD3	STANLEY BLACK & DECKER 2.900% Due 11-01-22	10-18-2019	10-22-2019	20,000.00	102.6110	20,522.20	caus	cash	1
sa	Sold Accrued Interest	854502AD3	STANLEY BLACK & DECKER 2.900% Due 11-01-22	10-18-2019	10-22-2019		100.0000	275.50	caus	cash	
by	Buy long	74164MAA6	PRIMERICA INC 4.750% Due 07-15-22	10-23-2019	10-25-2019	5,000.00	106.2600	5,313.00	caus	cash	2
pa	Purchased Accrued Inte	74164MAA6	PRIMERICA INC 4.750% Due 07-15-22	10-23-2019	10-25-2019		100.0000	65.97	caus	cash	
by	Buy long	912828M56	UNITED STATES TREAS NTS 2.250% Due 11-15-25	10-25-2019	10-29-2019	10,000.00	103.1953	10,319.53	caus	cash	3
pa	Purchased Accrued Inte	912828M56	UNITED STATES TREAS NTS 2.250% Due 11-15-25	10-25-2019	10-29-2019		100.0000	102.11	caus	cash	

Integrity Fixed Income Management

TRANSACTION SUMMARY

The City of Holly Hill - Police
Retirement Trust Fund
HOLLYHIL - Act. # ****3830

From 10-01-19 To 12-31-19

Tran Code	Transaction Description	Security Symbol	Security	Trade Date	Settle Date	Quantity	Unit Cost	Trade Amount	S/D Type	S/D Symbol	Lot
in	Interest	05531FBB8	BB&T CORP 2.850% Due 10-26-24	10-26-2019	10-28-2019		100.0000	498.75	caus	cash	
by	Buy long	95000U2C6	WELLS FARGO & COMPANY 3.750% Due 01-24-24	10-30-2019	11-04-2019	20,000.00	105.4250	21,085.00	caus	cash	1
pa	Purchased Accrued Inte	95000U2C6	WELLS FARGO & COMPANY 3.750% Due 01-24-24	10-30-2019	11-04-2019		100.0000	208.33	caus	cash	
in	Interest	cash	CASH	10-31-2019	11-01-2019			71.33	caus	cash	
by	Buy long	912828M56	UNITED STATES TREAS NTS 2.250% Due 11-15-25	11-05-2019	11-08-2019	50,000.00	102.8594	51,429.69	caus	cash	4
pa	Purchased Accrued Inte	912828M56	UNITED STATES TREAS NTS 2.250% Due 11-15-25	11-05-2019	11-08-2019		100.0000	541.10	caus	cash	
sl	Sell long	912828XU9	UNITED STATES TREAS NTS 1.500% Due 06-15-20	11-05-2019	11-06-2019	10,000.00	99.9219	9,992.19	caus	cash	1
sa	Sold Accrued Interest	912828XU9	UNITED STATES TREAS NTS 1.500% Due 06-15-20	11-05-2019	11-06-2019		100.0000	59.02	caus	cash	
in	Interest	891027AF1	TORCHMARK CORP 7.875% Due 05-15-23	11-15-2019	11-15-2019		100.0000	984.38	caus	cash	
in	Interest	912828G38	UNITED STATES TREAS NTS 2.250% Due 11-15-24	11-15-2019	11-15-2019		100.0000	652.50	caus	cash	
in	Interest	912828M56	UNITED STATES TREAS NTS 2.250% Due 11-15-25	11-15-2019	11-15-2019		100.0000	1,518.75	caus	cash	
in	Interest	912828R36	UNITED STATES TREAS NTS 1.625% Due 05-15-26	11-15-2019	11-15-2019		100.0000	463.13	caus	cash	
in	Interest	912828VB3	UNITED STATES TREAS NTS 1.750% Due 05-15-23	11-15-2019	11-15-2019		100.0000	875.00	caus	cash	
in	Interest	912828WE6	UNITED STATES TREAS NTS 2.750% Due 11-15-23	11-15-2019	11-15-2019		100.0000	976.25	caus	cash	
in	Interest	912828X88	UNITED STATES TREAS NTS 2.375% Due 05-15-27	11-15-2019	11-15-2019		100.0000	475.00	caus	cash	
in	Interest	912828XB1	UNITED STATES TREAS NTS 2.125% Due 05-15-25	11-15-2019	11-15-2019		100.0000	1,094.38	caus	cash	
in	Interest	94973VAX5	WELLPOINT/ANTHEM INC 3.125% Due 05-15-22	11-15-2019	11-15-2019		100.0000	625.00	caus	cash	
in	Interest	857477AV5	STATE STREET CORP 1.950% Due 05-19-21	11-19-2019	11-19-2019		100.0000	487.50	caus	cash	
in	Interest	cash	CASH	11-30-2019	12-02-2019			19.27	caus	cash	
in	Interest	373298BP2	GEORGIA PACIFIC LLC 7.250% Due 06-01-28	12-01-2019	12-02-2019		100.0000	906.25	caus	cash	
in	Interest	741503AZ9	BOOKING HOLDINGS, INC. 3.600% Due 06-01-26	12-01-2019	12-02-2019		100.0000	270.00	caus	cash	
dp	Deposit	manfee	MANAGEMENT FEE	12-04-2019	12-04-2019			1,934.94	caus	cash	

Integrity Fixed Income Management

TRANSACTION SUMMARY

The City of Holly Hill - Police Retirement Trust Fund

HOLLYHIL - Act. # ****3830

From 10-01-19 To 12-31-19

Tran Code	Transaction Description	Security Symbol	Security	Trade Date	Settle Date	Quantity	Unit Cost	Trade Amount	S/D Type	S/D Symbol	Lot
by	Buy long	009363AM4	AIRGAS INC 2.900% Due 11-15-22	12-06-2019	12-10-2019	20,000.00	101.7870	20,357.40	caus	cash	1
pa	Purchased Accrued Inte	009363AM4	AIRGAS INC 2.900% Due 11-15-22	12-06-2019	12-10-2019		100.0000	40.28	caus	cash	
sl	Sell long	857477AV5	STATE STREET CORP 1.950% Due 05-19-21	12-09-2019	12-11-2019	50,000.00	100.0700	50,035.00	caus	cash	1
sa	Sold Accrued Interest	857477AV5	STATE STREET CORP 1.950% Due 05-19-21	12-09-2019	12-11-2019		100.0000	59.58	caus	cash	
sl	Sell long	9128284X5	UNITED STATES TREAS NTS 2.750% Due 08-31-23	12-09-2019	12-10-2019	5,000.00	103.9218	5,196.09	caus	cash	1
sa	Sold Accrued Interest	9128284X5	UNITED STATES TREAS NTS 2.750% Due 08-31-23	12-09-2019	12-10-2019		100.0000	38.15	caus	cash	
by	Buy long	110122AB4	BRISTOL-MYERS SQUIBB CO 6.800% Due 11-15-26	12-11-2019	12-13-2019	20,000.00	127.4660	25,493.20	caus	cash	1
pa	Purchased Accrued Inte	110122AB4	BRISTOL-MYERS SQUIBB CO 6.800% Due 11-15-26	12-11-2019	12-13-2019		100.0000	105.78	caus	cash	
by	Buy long	059438AH4	BANC ONE CORP / JPMORGAN CHASE 7.625% Due 10-15-26	12-12-2019	12-16-2019	20,000.00	128.8620	25,772.40	caus	cash	1
pa	Purchased Accrued Inte	059438AH4	BANC ONE CORP / JPMORGAN CHASE 7.625% Due 10-15-26	12-12-2019	12-16-2019		100.0000	258.40	caus	cash	
sl	Sell long	912828VB3	UNITED STATES TREAS NTS 1.750% Due 05-15-23	12-13-2019	12-16-2019	10,000.00	100.3633	10,036.33	caus	cash	1
sa	Sold Accrued Interest	912828VB3	UNITED STATES TREAS NTS 1.750% Due 05-15-23	12-13-2019	12-16-2019		100.0000	14.90	caus	cash	
in	Interest	912828XU9	UNITED STATES TREAS NTS 1.500% Due 06-15-20	12-15-2019	12-16-2019		100.0000	487.50	caus	cash	
sl	Sell long	741503AW6	BOOKING HOLDINGS INC 3.650% Due 03-15-25	12-20-2019	12-24-2019	15,000.00	106.7200	16,008.00	caus	cash	1
sa	Sold Accrued Interest	741503AW6	BOOKING HOLDINGS INC 3.650% Due 03-15-25	12-20-2019	12-24-2019		100.0000	150.56	caus	cash	
by	Buy long	912828M56	UNITED STATES TREAS NTS 2.250% Due 11-15-25	12-31-2019	01-02-2020	15,000.00	102.7031	15,405.47	caus	cash	5
pa	Purchased Accrued Inte	912828M56	UNITED STATES TREAS NTS 2.250% Due 11-15-25	12-31-2019	01-02-2020		100.0000	44.51	caus	cash	
in	Interest	cash	CASH	12-31-2019	01-02-2020			12.74	caus	cash	

STAFF REPORT
CITY OF HOLLY HILL, FLORIDA

Police Pension Board
Agenda Item

MEETING DATE:	**February 6, 2020**
FROM:	**Valerie Manning**
SUBJECT:	**Payment of Outstanding Bills**
NUMBER:	**(ID # 2835)**
APPLICANT:	
PLANNER:	

Payment of outstanding bills:

Paul Daragjati (Attorney services) - $465.00

Salem Trust (Custodial services) - $1,750.00

Burgess Chambers (Investment services, 4th Quarter) - $5,925.12

Integrity Fixed Income Management, LLC (Investment Management Fee) - $1,371.08