

RETIREMENT PLAN FOR EMPLOYEES OF
GREATER ORLANDO AVIATION AUTHORITY

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



April 14, 2022

VIA E-MAIL

Ms. Kandyce Moss
Greater Orlando Aviation Authority
Orlando International Airport
One Airport Boulevard
Orlando, FL 32827-4399

Re: Retirement Plan for Employees of Greater Orlando Aviation Authority
Section 112.664, Florida Statutes Compliance

Dear Kandyce:

Please find enclosed the annual disclosures that satisfy the October 1, 2021 financial reporting requirements made under Section 112.664.

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

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

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1), F.S., the actuarial disclosures required under this section were prepared and completed by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, meet the requirements of Section 112.664(1), Florida Statutes, and Rule 60T-1.0035, Florida Administrative Code.

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

Respectfully submitted,

Foster & Foster, Inc.

By: 

Drew D. Ballard, ASA, EA, MAAA
Enrolled Actuary #20-8193

Enclosures

When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2021 Actuarial Valuation Report, as adopted by the Committee, are reasonable individually and in the aggregate, and represent our best estimate of future Plan experience.
- 5) The “Number of Years Expected Benefit Payments Sustained” calculated in Section II: Asset Sustainability should not be interpreted as the number of years the Plan has left until it is insolvent. This calculation is required by 112.664, Florida Statutes, but the numeric result is irrelevant, since in its calculation we are to assume there will be no further contributions to the Fund. As long as the Actuarially Determined Contribution is made each year the Plan will never become insolvent.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
FISCAL YEAR SEPTEMBER 30, 2021

	ACTUAL	HYPOTHETICAL
Discount Rate:	6.75%	4.75%
<u>Total Pension Liability</u>		
Service Cost	628,949	1,003,660
Interest	9,854,112	8,547,940
Changes of Benefit Terms	-	-
Differences Between Expected and Actual		
Experience	(340,781)	(291,653)
Changes of Assumptions	(313,399)	293,311
Benefit Payments, Including Refunds of		
Employee Contributions	(10,633,297)	(10,633,297)
Net Change in Total Pension Liability	(804,416)	(1,080,039)
Total Pension Liability - Beginning	145,460,725	175,271,784
Total Pension Liability - Ending (a)	<u>\$ 144,656,309</u>	<u>\$ 174,191,745</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	2,009,431	2,009,431
Net Investment Income	28,464,588	28,464,588
Benefit Payments, Including Refunds of		
Employee Contributions	(10,633,297)	(10,633,297)
Administrative Expenses	(37,910)	(37,910)
Net Change in Plan Fiduciary Net Position	19,802,812	19,802,812
Plan Fiduciary Net Position - Beginning	145,368,898	145,368,898
Plan Fiduciary Net Position - Ending (b)	<u>\$ 165,171,710</u>	<u>\$ 165,171,710</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (20,515,401)</u>	<u>\$ 9,020,035</u>

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Discount Rate = 6.75%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2021	165,171,710	-	11,783,611	-	10,751,394	164,139,493
2022	164,139,493	-	11,963,945	-	10,675,633	162,851,181
2023	162,851,181	-	12,044,432	-	10,585,955	161,392,704
2024	161,392,704	-	12,292,820	-	10,479,125	159,579,009
2025	159,579,009	-	12,452,878	-	10,351,298	157,477,429
2026	157,477,429	-	12,454,385	-	10,209,391	155,232,435
2027	155,232,435	-	12,386,582	-	10,060,142	152,905,995
2028	152,905,995	-	12,232,057	-	9,908,323	150,582,261
2029	150,582,261	-	12,084,606	-	9,756,447	148,254,102
2030	148,254,102	-	11,875,701	-	9,606,347	145,984,748
2031	145,984,748	-	11,677,992	-	9,459,838	143,766,594
2032	143,766,594	-	11,452,257	-	9,317,731	141,632,068
2033	141,632,068	-	11,151,728	-	9,183,794	139,664,134
2034	139,664,134	-	10,887,655	-	9,059,871	137,836,350
2035	137,836,350	-	10,562,022	-	8,947,485	136,221,813
2036	136,221,813	-	10,199,997	-	8,850,722	134,872,538
2037	134,872,538	-	9,820,349	-	8,772,460	133,824,649
2038	133,824,649	-	9,435,029	-	8,714,732	133,104,352
2039	133,104,352	-	9,070,905	-	8,678,401	132,711,848
2040	132,711,848	-	8,647,428	-	8,666,199	132,730,619
2041	132,730,619	-	8,215,908	-	8,682,030	133,196,741
2042	133,196,741	-	7,779,972	-	8,728,206	134,144,975
2043	134,144,975	-	7,331,917	-	8,807,334	135,620,392
2044	135,620,392	-	6,881,217	-	8,922,135	137,661,310
2045	137,661,310	-	6,430,541	-	9,075,108	140,305,877
2046	140,305,877	-	5,982,488	-	9,268,738	143,592,127
2047	143,592,127	-	5,539,552	-	9,505,509	147,558,084
2048	147,558,084	-	5,104,153	-	9,787,906	152,241,837
2049	152,241,837	-	4,678,658	-	10,118,419	157,681,598
2050	157,681,598	-	4,265,351	-	10,499,552	163,915,799
2051	163,915,799	-	3,866,409	-	10,933,825	170,983,215
2052	170,983,215	-	3,483,870	-	11,423,786	178,923,131
2053	178,923,131	-	3,119,706	-	11,972,021	187,775,446
2054	187,775,446	-	2,775,665	-	12,581,164	197,580,945
2055	197,580,945	-	2,453,160	-	13,253,920	208,381,705
2056	208,381,705	-	2,153,240	-	13,993,093	220,221,558
2057	220,221,558	-	1,876,579	-	14,801,621	233,146,600
2058	233,146,600	-	1,623,462	-	15,682,604	247,205,742
2059	247,205,742	-	1,393,831	-	16,639,346	262,451,257
2060	262,451,257	-	1,187,423	-	17,675,384	278,939,218
2061	278,939,218	-	1,003,645	-	18,794,524	296,730,097
2062	296,730,097	-	841,569	-	20,000,879	315,889,407
2063	315,889,407	-	700,059	-	21,298,908	336,488,256
2064	336,488,256	-	577,762	-	22,693,458	358,603,952
2065	358,603,952	-	473,163	-	24,189,798	382,320,587
2066	382,320,587	-	384,629	-	25,793,658	407,729,616
2067	407,729,616	-	310,391	-	27,511,273	434,930,498
2068	434,930,498	-	248,666	-	29,349,416	464,031,248
2069	464,031,248	-	197,783	-	31,315,434	495,148,899
2070	495,148,899	-	156,183	-	33,417,280	528,409,996

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Discount Rate = 6.75%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2071	528,409,996	-	122,429	-	35,663,543	563,951,110
2072	563,951,110	-	95,237	-	38,063,486	601,919,359
2073	601,919,359	-	73,496	-	40,627,076	642,472,939
2074	642,472,939	-	56,254	-	43,365,025	685,781,710
2075	685,781,710	-	42,704	-	46,288,824	732,027,830
2076	732,027,830	-	32,160	-	49,410,793	781,406,463
2077	781,406,463	-	24,048	-	52,744,125	834,126,540
2078	834,126,540	-	17,893	-	56,302,938	890,411,585
2079	890,411,585	-	13,293	-	60,102,333	950,500,625
2080	950,500,625	-	9,910	-	64,158,458	1,014,649,173
2081	1,014,649,173	-	7,467	-	68,488,567	1,083,130,273
2082	1,083,130,273	-	5,738	-	73,111,100	1,156,235,635
2083	1,156,235,635	-	4,542	-	78,045,752	1,234,276,845
2084	1,234,276,845	-	3,733	-	83,313,561	1,317,586,673
2085	1,317,586,673	-	3,197	-	88,936,993	1,406,520,469
2086	1,406,520,469	-	2,850	-	94,940,035	1,501,457,654
2087	1,501,457,654	-	2,629	-	101,348,303	1,602,803,328
2088	1,602,803,328	-	2,491	-	108,189,141	1,710,989,978
2089	1,710,989,978	-	2,404	-	115,491,742	1,826,479,316
2090	1,826,479,316	-	2,348	-	123,287,275	1,949,764,243
2091	1,949,764,243	-	2,309	-	131,609,008	2,081,370,942
2092	2,081,370,942	-	2,279	-	140,492,462	2,221,861,125
2093	2,221,861,125	-	2,253	-	149,975,550	2,371,834,422
2094	2,371,834,422	-	2,229	-	160,098,748	2,531,930,941
2095	2,531,930,941	-	2,204	-	170,905,264	2,702,834,001
2096	2,702,834,001	-	2,178	-	182,441,222	2,885,273,045
2097	2,885,273,045	-	2,150	-	194,755,858	3,080,026,753
2098	3,080,026,753	-	2,119	-	207,901,734	3,287,926,368
2099	3,287,926,368	-	2,085	-	221,934,959	3,509,859,242
2100	3,509,859,242	-	2,047	-	236,915,430	3,746,772,625
2101	3,746,772,625	-	2,006	-	252,907,084	3,999,677,703
2102	3,999,677,703	-	1,961	-	269,978,179	4,269,653,921
2103	4,269,653,921	-	1,911	-	288,201,575	4,557,853,585
2104	4,557,853,585	-	1,857	-	307,655,054	4,865,506,782
2105	4,865,506,782	-	1,796	-	328,421,647	5,193,926,633
2106	5,193,926,633	-	1,729	-	350,589,989	5,544,514,893
2107	5,544,514,893	-	1,656	-	374,254,699	5,918,767,936
2108	5,918,767,936	-	1,576	-	399,516,782	6,318,283,142
2109	6,318,283,142	-	1,490	-	426,484,062	6,744,765,714
2110	6,744,765,714	-	1,399	-	455,271,638	7,200,035,953
2111	7,200,035,953	-	1,304	-	486,002,383	7,686,037,032
2112	7,686,037,032	-	1,207	-	518,807,459	8,204,843,284
2113	8,204,843,284	-	1,108	-	553,826,884	8,758,669,060
2114	8,758,669,060	-	1,007	-	591,210,128	9,349,878,181
2115	9,349,878,181	-	904	-	631,116,747	9,980,994,024
2116	9,980,994,024	-	800	-	673,717,070	10,654,710,294
2117	10,654,710,294	-	697	-	719,192,921	11,373,902,518
2118	11,373,902,518	-	597	-	767,738,400	12,141,640,321
2119	12,141,640,321	-	502	-	819,560,705	12,961,200,524
2120	12,961,200,524	-	413	-	874,881,021	13,836,081,132

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Discount Rate = 6.75%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2121	13,836,081,132	-	331	-	933,935,465	14,770,016,266
2122	14,770,016,266	-	259	-	996,976,089	15,766,992,096
2123	15,766,992,096	-	198	-	1,064,271,960	16,831,263,858
2124	16,831,263,858	-	146	-	1,136,110,305	17,967,374,017
2125	17,967,374,017	-	104	-	1,212,797,743	19,180,171,656
2126	19,180,171,656	-	72	-	1,294,661,584	20,474,833,168
2127	20,474,833,168	-	48	-	1,382,051,237	21,856,884,357
2128	21,856,884,357	-	30	-	1,475,339,693	23,332,224,020
2129	23,332,224,020	-	18	-	1,574,925,121	24,907,149,123
2130	24,907,149,123	-	11	-	1,681,232,565	26,588,381,677
2131	26,588,381,677	-	6	-	1,794,715,763	28,383,097,434
2132	28,383,097,434	-	3	-	1,915,859,077	30,298,956,508
2133	30,298,956,508	-	2	-	2,045,179,564	32,344,136,070
2134	32,344,136,070	-	1	-	2,183,229,185	34,527,365,254
2135	34,527,365,254	-	-	-	2,330,597,155	36,857,962,409

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 6.75% interest.

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

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 2
Hypothetical Assumptions: Discount Rate = 4.75%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2021	165,171,710	-	11,783,611	-	7,565,795	160,953,894
2022	160,953,894	-	11,963,945	-	7,361,166	156,351,115
2023	156,351,115	-	12,044,432	-	7,140,623	151,447,306
2024	151,447,306	-	12,292,820	-	6,901,793	146,056,279
2025	146,056,279	-	12,452,878	-	6,641,917	140,245,318
2026	140,245,318	-	12,454,385	-	6,365,861	134,156,794
2027	134,156,794	-	12,386,582	-	6,078,266	127,848,478
2028	127,848,478	-	12,232,057	-	5,782,291	121,398,712
2029	121,398,712	-	12,084,606	-	5,479,429	114,793,535
2030	114,793,535	-	11,875,701	-	5,170,645	108,088,479
2031	108,088,479	-	11,677,992	-	4,856,850	101,267,337
2032	101,267,337	-	11,452,257	-	4,538,207	94,353,287
2033	94,353,287	-	11,151,728	-	4,216,928	87,418,487
2034	87,418,487	-	10,887,655	-	3,893,796	80,424,628
2035	80,424,628	-	10,562,022	-	3,569,322	73,431,928
2036	73,431,928	-	10,199,997	-	3,245,767	66,477,698
2037	66,477,698	-	9,820,349	-	2,924,457	59,581,806
2038	59,581,806	-	9,435,029	-	2,606,054	52,752,831
2039	52,752,831	-	9,070,905	-	2,290,325	45,972,251
2040	45,972,251	-	8,647,428	-	1,978,306	39,303,129
2041	39,303,129	-	8,215,908	-	1,671,771	32,758,992
2042	32,758,992	-	7,779,972	-	1,371,278	26,350,298
2043	26,350,298	-	7,331,917	-	1,077,506	20,095,887
2044	20,095,887	-	6,881,217	-	791,126	14,005,796
2045	14,005,796	-	6,430,541	-	512,550	8,087,805
2046	8,087,805	-	5,982,488	-	242,087	2,347,404
2047	2,347,404	-	5,539,552	-	-	-

Number of Years Expected Benefit Payments Sustained: 26.42

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 4.75% interest.

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

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2023

Valuation Date: 10/1/2021

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	6.75%	4.75%
Minimum Required Contribution (Fixed \$)	\$640,878	\$2,671,996
Minimum Required Contribution (% of Payroll)	21.6%	89.8%

ASSETS

Actuarial Value	149,767,973	149,767,973
Market Value	165,171,710	165,171,710

LIABILITIES

Present Value of Benefits

Active Members

Retirement Benefits	22,866,065	29,025,074
Death Benefits	224,554	285,754
Vested Benefits	0	0
Refund of Contributions	0	0

Service Retirees

Beneficiaries	113,411,535	135,542,349
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Terminated Vested	4,084,093	4,799,874
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Total:	7,781,613	10,115,037
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	148,367,860	179,768,088
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Present Value of Future Salaries	11,826,350	12,399,931
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Total Normal Cost	564,182	877,428
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Present Value of Future

Normal Costs (Entry Age Normal)	2,198,471	3,605,091
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Total Actuarial Accrued Liability (EAN)	146,169,389	176,162,997
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Unfunded Actuarial Accrued Liability (UAAL)	(3,598,584)	26,395,024
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ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2023

Valuation Date: 10/1/2021

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	6.75%	4.75%
<u>PENSION COST</u>		
Normal Cost ¹	606,552	934,198
Administrative Expenses ¹	34,326	33,994
Payment Required To Amortize UAAL ¹	<u>(267,204)</u>	<u>1,703,804</u>
Minimum Required Contribution	\$640,878 ²	\$2,671,996

¹ Contributions developed as of 10/1/2021 displayed above have been adjusted to account for assumed salary increase and interest components.

² Reflects normal cost minimum funding requirements of Chapter 112, Florida Statutes.