Hampshire County Retirement System

Independent Auditors' Report and Management's Schedule of Employer Allocations and Schedule of Pension Amounts By Employer

December 31, 2020

Ron L. Beaulieu & Company CERTIFIED PUBLIC ACCOUNTANTS

HAMPSHIRE COUNTY RETIREMENT SYSTEM

DECEMBER 31, 2020

CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S SCHEDULES	
SCHEDULE OF EMPLOYER ALLOCATIONS	3
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER	4
NOTES TO SCHEDULES	5 - 11

Ron L. Beaulieu & Company CERTIFIED PUBLIC ACCOUNTANTS

www.rlbco.com accting@rlbco.com 41 Bates Street Portland, Maine 04103 Tel: (207) 775-1717 Fax: (207) 775-7103

INDEPENDENT AUDITORS' REPORT

To the Retirement Board of Hampshire County Retirement System Northampton, Massachusetts

We have audited the accompanying schedule of employer allocations of Hampshire County Retirement System as of and for the year ended December 31, 2020, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (specified column totals) included in the accompanying schedule of pension amounts by employer of Hampshire County Retirement System as of and for the year ended December 31, 2020, and the related notes.

Management's Responsibility for the Schedules

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

Auditors' Responsibility

Our responsibility is to express opinions on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of pension amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting polices used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer.

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

Opinions

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the total of all participating entities for Hampshire County Retirement System, as of and for the year ended December 31, 2020, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Hampshire County Retirement System as of and for the year ended December 31, 2020, and our report thereon, dated December 20, 2021, expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of Hampshire County Retirement System management, Retirement Board, Hampshire County Retirement System employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

Ron 1. Beaulien & Co.

Portland, Maine December 20, 2021

HAMPSHIRE COUNTY RETIREMENT SYSTEM SCHEDULE OF EMPLOYER ALLOCATIONS AS OF AND YEAR ENDED DECEMBER 31,

	2020		
	Actual	Employer	
	Employer	Allocation	
Employer	Contributions	Percentage	
Hampshire County Group Insurance Trust	\$ 97,107	0.37185%	
Town of Amherst	6,934,966	26.55620%	
Amherst Housing Authority	222,325	0.85135%	
Amherst-Pelham Regional School District	1,590,908	6.09209%	
Town of Belchertown	3,511,513	13.44670%	
Belchertown Housing Authority	20,444	0.07829%	
Belchertown Water District	48,554	0.18593%	
Town of Chesterfield	99,663	0.38164%	
Chesterfield/Goshen Regional School District	99,663	0.38164%	
Town of Cummington	58,776	0.22507%	
Foothills Health District	15,333	0.05871%	
Gateway Regional School District	595,421	2.28006%	
Town of Goshen	58,776	0.22507%	
Town of Granby	1,184,368	4.53532%	
Granby Housing Authority	30,665	0.11743%	
Town of Hadley	1,421,611	5.44380%	
Hadley Housing Authority	10,222	0.03914%	
Hampshire County Regional Housing Authority	10,222	0.03914%	
Hampshire County Regional School District	537,679	2.05894%	
Town of Hatfield	636,308	2.43663%	
Hatfield Housing Authority	7,666	0.02936%	
Town of Huntington	137,872	0.52796%	
Town of Middlefield	49,426	0.18927%	
Town of Pelham	222,325	0.85135%	
Town of Plainfield	68,997	0.26421%	
Quabbin Health District	70,053	0.26826%	
South Hadley Fire District #1	618,420	2.36813%	
South Hadley Fire District #2	278,545	1.06664%	
Town of South Hadley	3,480,341	13.32734%	
South Hadley Housing Authority	65,033	0.24903%	
So Hadley-Granby-Easthampton Veterans District	15,333	0.05871%	
Town of Southampton	880,868	3.37312%	
Town of Ware	2,239,747	8.57671%	
Ware Housing Authority	69,861	0.26752%	
Town of Westhampton	217,213	0.83178%	
Town of Williamsburg	307,852	1.17886%	
Town of Worthington	200,228	0.76674%	
Total	\$ 26,114,304	100.00000%	

See Independent Auditors' Report and management's notes to schedules.

HAMPSHIRE COUNTY RETIREMENT SYSTEM SCHEDULE OF PENSION AMOUNTS BY EMPLOYER AS OF AND YEAR ENDED DECEMBER 31,

			2020 000		000					2000			-	
					Changes in					Changes in				
			Difference		Proportion and			Difference		Proportion and				
			Between		Differences			Between		Differences				
			Projected and		Between			Projected and		Between				
		Differences	Actual		Employer	Total	Differences	Actual		Employer	Total		Net Amortization	
		Between	Investment		Contributions	Deferred	Between	Investment		Contributions	Deferred	Proportionate	of	Total
	De cember 31, 2020	Expected	Earnings on	Changes	and Proportionate	Outflows	Expected	Earnings on	Changes	and Proportionate	Inflows	Share of Plan	Deferred Amounts	Employer
	Net Pension	and Actual	Pension Plan	of	Share of	of	and Actual	Pension Plan	of	Share of	of	Pension	from Changes in	Pension
Emp loyer	Liability	Experience	Investments	Assumptions	Contributions	Resources	Experience	Investments	Assumptions	Contributions	Resources	Expense	Proportion	Expense
Hampshire County Group Insurance Trust	\$ 661,999	' ډ	\$ 49,659	\$ 55,998	\$ 161,839	\$ 267,496	\$ 18,684	\$ 124,580	\$ 15,275	\$ 1,601,261	\$ 1,759,800	\$ 62,494	\$ (212,826)	(150,332)
Town of Amherst	47,277,113	'	3,546,406	3,999,165	731,642	8,277,213	1,334,348	8,896,997	1,090,846	1,485,399	12,807,590	4,463,043	(154,457)	4,308,586
Amherst Housing Authority	1,515,636		113,693	128,207	355,470	597,370	42,777	285,225	34,971	211,762	574,735	143,079	9,644	152,723
Amherst-Pelham Regional School District	10,845,553	'	813,560	917,423	239,089	1,970,072	306,104	2,041,006	250,244	2,773	2,600,127	1,023,839	44,357	1,068,196
Town of Belchertown	23,938,719		1,795,718	2,024,974	992,158	4,812,850	675,645	4,504,984	552,349	7,737	5,740,715	2,259,857	239,983	2,499,840
Belchertown Housing Authority	139,371		10,455	11,789	7,730	29,974	3,934	26,228	3,216	101,297	134,675	13, 157	(7,237)	5,920
Belchertown Water District	331,003		24,830	27,999	58,905	111,734	9,342	62,291	7,637	107,117	186,387	31,247	3,982	35,229
Town of Chesterfield	679,423	'	50,966	57,472	56,829	165,267	19,176	127,860	15,677	33,689	196,402	64,139	2,022	66,161
Chesterfield/Goshen Regional School District	679,423	'	50,966	57,472	80,296	188,734	19,176	127,860	15,677	38,497	201,210	64,139	(6,129)	58,010
Town of Cummington	400,688	'	30,057	33,894	82,298	146,249	11,309	75,405	9,245	84,974	180,933	37,826	4,859	42,685
Foothills Health District	104,528	'	7,841	8,842	7,947	24,630	2,950	19,671	2,412		25,033	9,868	3,906	13,774
Gateway Regional School District	4,059,109	'	304,487	343,359		647,846	114,564	763,877	93,658	565,142	1,537,241	383, 187	(181,904)	201,283
Town of Goshen	400,688	'	30,057	33,894	32,728	96,679	11,309	75,405	9,245	159,301	255,260	37,826	(19,243)	18,583
Town of Granby	8,074,085	'	605,663	682,985	564,829	1,853,477	227,883	1,519,448	186,297	229,148	2,162,776	762,208	14,606	776,814
Granby Housing Authority	209,050	'	15,681	17,683	565	33,929	5,900	39,341	4,823	14,375	64,439	19,735	(2,631)	17,104
Town of Hadley	9,691,420	'	726,984	819,796	1,037,277	2,584,057	273,530	1,823,811	223,614	79,350	2,400,305	914,887	141,709	1,056,596
Hadley Housing Authority	69,686	'	5,227	5,895	291	11,413	1,967	13,114	1,608	199	16,888	6,578	39	6,617
Hampshire County Regional Housing Authority	69,686	'	5,227	5,895	21,886	33,008	1,967	13,114	1,608	10,560	27,249	6,578	2,763	9,341
Hampshire County Regional School District	3,665,470		274,959	310,062	75,524	660,545	103,454	689,798	84,575	342,055	1,219,882	346,027	(44,454)	301,573
Town of Hatfield	4,337,845	'	325,396	366,938	394,950	1,087,284	122,431	816,331	100,089	422,067	1,460,918	409,500	16,811	426,311
Hatfield Housing Authority	52,261	'	3,920	4,421	618	8,959	1,475	9,835	1,206	50,980	63,496	4,934	(4,693)	241
Town of Huntington	939,902		70,505	79,506	96,794	246,805	26,528	176,879	21,687	96,422	321,516	88,728	(947)	87,781
Town of Middlefield	336,947	'	25,276	28,502	10,986	64,764	9,510	63,410	7,775	39,200	119,895	31,808	(5,382)	26,426
Town of Pelham	1,515,636	'	113,693	128,207	53,828	295,728	42,777	285,225	34,971	138,501	501,474	143,079	(14,536)	128,543
Town of Plainfield	470,367	'	35,284	39,788	2,047	77,119	13,276	88,518	10,853	71,117	183,764	44,403	(1,038)	43,365
Quabbin Heatth District	477,566		35,824	40,397	43,266	119,487	13,479	89,872	11,019	19,047	133,417	45,083	6,399	51,482
South Hadley Fire District #1	4,215,898		316,248	356,622	708	673,578	118,989	793,383	97,275	294,708	1,304,355	397,988	(68,490)	329,498
South Hadley Fire District #2	1,898,900	'	142,443	160,628	95,006	398,077	53,594	357,351	43,814	168,050	622,809	179,259	12,331	191,590
Town of South Hadley	23,726,213	'	1,779,779	2,006,996	945,321	4,732,096	669,648	4,464,995	547,446	868,424	6,550,513	2,239,796	59,009	2,298,805
South Hadley Housing Authority	443,344		33,257	37,502	8,005	78,764	12,513	83,432	10,229	8,591	114,765	41,852	4,001	45,853
So Hadley-Granby-Easthampton Veterans District	104,528		7,841	8,842	293	16,976	2,950	19,671	2,412	14,234	39,267	9,868	(2,687)	7,181
Town of Southampton	6,005,062	'	450,459	507,967	290,070	1,248,496	169,487	1,130,082	138,557	5,211	1,443,337	566,888	13,027	579,915
Town of Ware	15,268,824	'	1,145,363	1,291,587	855,113	3,292,063	430,947	2,873,413	352,304	510,300	4,166,964	1,441,404	51,371	1,492,775
Ware Housing Authority	476,257		35,726	40,287	42,709	118,722	13,442	89,626	10,989	1,547	115,604	44,960	17,855	62,815
Town of Westhampton	1,480,787	'	111,079	125,259	46,651	282,989	41,794	278,667	34,167	85,903	440,531	139,789	(31,349)	108,440
Town of Williamsburg	2,098,691	'	157,430	177,528	91,110	426,068	59,233	394,949	48,424	70,930	573,536	198,120	(18,825)	179,295
Town of Worthington	1,364,996		102,393	115,465	498,459	716,317	38,526	256,876	31,495	43,368	370,265	128,858	128,154	257,012
Total	* TO OOO OF #	¢	000100101	010 000 01 0										

See Independent Auditors' Report and management's notes to schedules.

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Hampshire County Retirement System, a Massachusetts regional public employee pension plan, is provided for general information purposes only. Participants should refer to Chapter 32 of the Massachusetts General Laws for a more detailed description of the pension plan provisions.

<u>General</u>

The Hampshire County Retirement System (the Plan) is a cost-sharing, multiple-employer, defined benefit pension plan maintained to provide retirement, disability, and death benefits to all member unit employees and beneficiaries deemed eligible by the Retirement Board, with the exception of the school department employees who serve in a teaching capacity. The Plan has 37 participating employers. The Plan was established and is governed in accordance with Chapter 32 and Chapter 34B, Section 19 of the Massachusetts General Laws (M.G.L), and is further regulated by the Code of Massachusetts Regulations 840 CMR 1.00-27.00: Public Employee Retirement Administration (PERAC).

Administration of the Plan

The Plan is administered by a five person Board of Retirement consisting of the Chairperson who shall be appointed by the other four board members, a second member who shall be a member of the regional retirement board advisory council and is elected by the advisory council, a third and fourth member who shall be elected by the members in or retired from the service of the Plan, and a fifth member, who shall not be a member of the Plan, appointed by the other four board members.

Plan Amendments

The Plan did not adopt any significant plan amendments during 2020.

Plan Membership

Participation in the plan is required for nearly all employees who are regularly employed on a full-time basis. There are three classes of membership:

- Group1: General employees, including clerical, administrative, technical, and all other employees not otherwise classified.
- Group 2: Certain specified hazardous duty positions.
- Group 4: Police officers, firefighters, and other specified hazardous positions.

At December 31, 2020, Plan membership consisted of the following:

		Inactive members entitled to benefits		
	Inactive members	but not yet receiving	Active	
Group	receiving benefits	benefits	Members	Total
Group 1	1,169	669	1,612	3,450
Group 2 & 4	237	105	364	706
	1,406	774	1,976	4,156

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

Benefits Provided

Pursuant to M.G.L. Chapter 32, members are eligible to receive benefits once they have met one of the conditions below:

Tier 1 (Membership prior to April 2, 2012):

- Completion of 20 years of service, or
- Reach age 55 if hired prior to 1978, or
- Reach age 55 with 10 years of service, if hired after 1978, and if classified in Group 1 and 2, or
- Disabled or death

Tier 2 (Membership on or after April 2, 2012):

- If classified as Group 1, attain age 60 with 10 years of creditable service, or
- If classified as Group 2, attain age 55 with 10 years creditable service, or
- If classified as Group 4, attain age 55, or
- Disabled or death

The annual amount of a member's retirement allowance is calculated as the member's highest 3-year (5-year for members hired after April 2, 2012) average annual rate of regular compensation multiplied by the member's creditable service and multiplied by a benefit rate. The benefit rate is based upon a member's age at retirement and group classification. The annual retirement allowance may not exceed 80% of the member's highest 3-year (or 5-year) average annual rate of regular compensation.

An annual cost of living adjustment may be voted on and granted by the Retirement Board. The amount of increase will be based upon the Consumer Price Index, limited to a maximum of 3% on the base amount of the first \$13,000 of a member's benefit.

Contributions

The contributions of plan members and participating employers are governed by Chapter 32 of M.G.L. Member contribution rates vary depending on the most recent date of membership as follows:

Prior to 1975:	5% of compensation		
1975 - 1983:	7% of compensation		
1984 - 6/30/96:	8% of compensation		
7/1/96 - present:	9% of compensation		
1979 to present:	an additional 2% of compensation in excess of \$30,000		
Group 1 members hired on or after April 2, 2012:	6% of compensation with 30 or more years of creditable service		

Participating employer contributions are set by annual appropriations as determined by the Plan's actuary. For the year ended December 31, 2020, employers were required to contribute \$26,114,304. In addition to member and employer contributions, the Commonwealth of Massachusetts currently reimburses the Plan for cost of living adjustments granted to members after 1981 and prior to July 1, 1998.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The schedules are prepared using the accrual method of accounting.

Basis of Allocation

The Schedule of Employer Allocations is prepared using the historical measure basis of actual contributions.

NOTE 3 - NET PENSION LIABILITY OF THE PARTICIPATING EMPLOYERS

The net pension liability is the actuarial total liability less the fiduciary net position. The components of the collective net pension liability of the participating employers at December 31, 2020, were as follows:

	2020
Total pension liability	\$580,562,055
Plan fiduciary net position	402,535,381
Employer's net pension liability (asset)	\$178,026,674
Plan fiduciary net position as a % of total pension liability	69.3%

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of January 1, 2020, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.2 %
Salary increases	Group 1: 6% - 4.25%, based on service Group 4: 7% - 4.75%, based on service
Investment rate of return	7.15% of pension plan investment, net of expense, including inflation

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with full generational mortality improvement using Scale MP-2018. For disabled lives, the mortality rates were based on the RP-2014 Blue Collar Mortality Table set forward one year with full generational mortality improvement using Scale MP-2018. Mortality assumptions reflect the PERAC local system retiree mortality study completed in 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTE 3 - NET PENSION LIABILITY OF THE PARTICIPATING EMPLOYERS (CONTINUED)

Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2020 (see the discussion of the pension plan's investment policy) are summarized in the following table:

	Target	Long-Term Expected Real Rate of
Asset Class	Allocation	Return
Cash	2.0%	-0.30%
Domestic Equity	25.0%	4.30%
Non-US Developed Equity	13.5%	4.40%
Emerging Equity	7.0%	6.30%
Private Equity	11.0%	7.90%
Core Bonds	15.0%	0.30%
Value Add Fixed Income - Public	13.5%	2.70%
Real Estate	13.0%	4.20%
Total	100.0%	

Discount rate. The discount rate used to measure the total pension liability was 7.15%. The discount rate at the Plan's prior fiscal year end was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made in accordance with Sections 22D and 22F of Chapter 32 of the Massachusetts General Laws. 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. The municipal bond rate used was 2.12%, based on the December 2020 Bond Buyer Index as published by the Federal Reserve.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the participating employers calculated using the discount rate of 7.15%, as well as what the participating employers' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15%) or 1-percentage-point higher (8.15%) than the current rate:

		Current	
	1% Decrease (6.15%)	Discount Rat (7.15%)	e 1% Increase (8.15%)
Employer's net pension liability (asset)	\$ 245,234,92	2 \$ 178,026,6	74 \$ 122,292,147

NOTE 4 – COMPONENTS OF SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Net Pension Liability

The Net Pension Liability is the product of the Total Net Pension Liability multiplied by the Employer Allocation Percentage for the year ended December 31, 2020.

Difference between Expected and Actual Experience

The difference between the projected total pension liability and accrued liability is the amount of the difference between expected and actual experience. Each employer's proportionate share of this amount is the product of the Difference between Expected and Actual Experience multiplied by the Employer's Allocation Percentage for the year ended December 31, 2020, as shown in the schedule of employer allocations.

Difference between Projected and Actual Investment Earnings on Pension Plan Investments

The difference between the actual earnings on plan investments compared to the plan's expected rate of return of 7.15% is amortized over a closed period of 5 years. Each employer's proportionate share of this amount is the product of the Total Difference Between Projected and Actual Investment Earnings on Pension Plan Investments multiplied by the Employer's Allocation Percentage for the year ended December 31, 2020, as shown in the schedule of employer allocations.

Changes of Assumptions

Each employer's proportionate share of this amount is the product of the Change of Assumptions multiplied by the Employer's Allocation Percentage for the year ended December 31, 2020, as shown in the schedule of employer allocations. The actuarial assumptions and methods used are the same as the last measurement date.

Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions

The Changes in Proportion are the December 31, 2020 Net Pension Liability multiplied by the December 31, 2019 Employer Allocation Percentage less the current year Net Pension Liability plus the December 31, 2020 Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments multiplied by the December 31, 2019 Employer Allocation Percentage less the current year Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments. The changes in proportion are amortized over the average expected remaining service life of members. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

NOTE 4 – COMPONENTS OF SCHEDULE OF PENSION AMOUNTS BY EMPLOYER (CONTINUED)

Collective Deferred Outflows of Resources and Deferred Inflows of Resources

The following table summarizes the changes in the collective deferred outflows and (deferred inflows) of resources (excluding employer specific amounts) as of December 31, 2020:

Deferred outflows of resources:	Year of deferral	Amortization period	Balance January 1	Additions	Deletions	Balance December 31
Difference between projected and actual investments						
earnings	2015	5 years	\$-	\$-	\$ -	\$ -
	2016	5 years	46,364	-	(46,364)	-
	2018	5 years	20,031,528		(6,677,176)	13,354,352
			\$ 20,077,892	\$ -	\$ (6,723,540)	\$ 13,354,352
Changes in assumptions	2016	5.1 years	\$ 3,582,567	\$-	\$ (3,256,881)	\$ 325,686
	2019	7.2 years	17,611,209	-	(2,877,649)	14,733,560
			\$ 21,193,776	\$-	\$ (6,134,530)	\$ 15,059,246
Deferred inflows of resources:						
Differences between expected and actual						
experience	2016	5.1 years	\$ (937,963)	\$-	\$ 852,693	\$ (85,270)
	2017	6.79 years	(242,736)	-	64,046	(178,690)
	2019	7.12 years	(5,690,474)	-	929,816	(4,760,658)
			\$ (6,871,173)	\$-	\$ 1,846,555	\$ (5,024,618)
Difference between projected and actual investments						
earnings	2017	5 years	\$ (9,025,994)	\$-	\$ 4,512,997	\$ (4,512,997)
	2019	5 years	(21,580,282)	-	5,395,071	(16,185,211)
	2020	5 years	-	(16,005,403)	3,201,081	(12,804,322)
			\$ (30,606,276)	\$(16,005,403)	\$ 13,109,149	\$ (33,502,530)
Changes in assumptions	2017	6.79 years	\$ (5,579,979)	\$-	\$ 1,472,290	\$ (4,107,689)

NOTE 4 – COMPONENTS OF SCHEDULE OF PENSION AMOUNTS BY EMPLOYER (CONTINUED)

Collective Pension Expense

Each employer's proportionate share of the collective pension expense is equal to the Total Pension Expense multiplied by the Employer's Allocation Percentage for the year ended December 31, 2020.

Service cost	\$ 14,261,729
Interest cost	39,817,266
Employee contributions	(8,376,499)
Projected earnings on pension plan investments	(25,614,181)
Administrative expenses	868,192
Recognition of deferred outflows and deferred inflows of resources:	
Differences between expected and actual experience	(1,846,555)
Changes of assumptions	4,662,240
Differences between projected and actual earnings on plan	
investments	(6,385,609)
Pension Expense per Actuarial Certification Report	\$ 17,386,583

Subsequent to the measurement date of the pension liability, there were adjustments made to the financial statements of the Plan.

Below is the reconciliation between the Actuarial Certification report and the Schedule of Pension Amounts by Employer:

Actuarial Certification Report	\$ 17,386,583
Year end accruals	(580,552)
Total Pension Expense	\$ 16,806,031

NOTE 5 – FUTURE RECOGNITION OF DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the collective pension expense as follows:

Total	2021	2022	2023	2024	2025	Thereafter
\$ (14,221,239)	(5,780,060)	(1,507,478)	(7,862,024)	(1,253,247)	1,947,833	233,737

NOTE 6 - MANAGEMENT REVIEW

Management has reviewed subsequent events as of December 20, 2021, the date the schedules were available to be issued. At that time, there were no material subsequent events.