



DUKES COUNTY CONTRIBUTORY RETIREMENT SYSTEM

FINANCIAL REPORTING AND DISCLOSURES Governmental Accounting Standards Board Statements 67 and 68

**Disclosures as of
December 31, 2019**

KMS Actuarial, LLC
52 Hunt Road
Kingston, NH 03848

October, 2020



October 20, 2020

Dukes County Contributory Retirement Board
9 Airport Road
Dukes County Contributory Retirement System
Suite 1
Vineyard Haven, MA 02568

Dear Board Members:

We are pleased to present the enclosed report providing financial reporting and disclosures under Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans (GASB 67), and GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68) for the Dukes County Contributory Retirement System and participating employers as of December 31, 2019. Results are based on liabilities developed in an actuarial valuation performed as of January 1, 2018 and rolled forward to the plan's measurement date of December 31, 2019.

The Principal Valuation Results are provided in Section 1. The Notes to the Financial Statements and the Required Supplementary Information are provided in Sections 2 and 3, respectively. Employer Reporting Amounts Under GASB 68 are provided in Section 4. Finally, a Glossary of Terms is provided in Section 5.

The financial reporting and disclosures contained in this report are based on the member data provided by the Dukes County Retirement Board, asset information reported to the Public Employee Retirement Administration Commission (PERAC) by the Retirement Board and plan provisions contained in Chapter 32 of the Massachusetts General Laws. Although we did not audit the data used in the valuation and disclosure calculations, we believe that the information is complete and reliable.

Liabilities presented in this report are based on a long-term investment return rate of 7.5%, net of investment expense, compounded annually.

This report was completed in accordance with generally accepted actuarial standards and procedures, and conforms to the Code of Professional Conduct of the American Academy of Actuaries. The actuarial assumptions used in the determination of costs are reasonably related to the experience of the Plan and to reasonable expectations, and represent our best estimate of anticipated long-term experience under the Plan.

K M S A C T U A R I E S

52 Hunt Road • Kingston, New Hampshire 03848-3456 • phone: (603) 792-9494 • kmsactuaries.com

Future actuarial valuation results may differ significantly from the current results presented in this report. Examples of potential sources of volatility include plan experience differing from that anticipated by the economic or demographic assumptions, the effect of new entrants, changes in economic or demographic assumptions, the effect of law changes and the delayed effect of smoothing techniques.

Our valuation follows generally accepted actuarial methods and we perform such tests as we consider necessary to assure the accuracy of the results. The amounts presented in this report have been appropriately determined according to the actuarial assumptions and methods stated herein.

This report is intended for the sole use of the Dukes County Retirement Board and participating employers and is intended to provide information to comply with the stated purpose of the report. It may not be appropriate for other purposes.

The undersigned credentialed actuaries are Members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinion contained herein. They are available to answer any questions with regard to this report.

Respectfully submitted,



Linda L. Bournival, FSA
Member, American Academy of Actuaries
(603) 792-9494



Amanda J. Makarevich, ASA
Member, American Academy of Actuaries
(603) 702-8009

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
SECTION 1 - PRINCIPAL VALUATION RESULTS	4
Fiduciary Net Position	
Total Pension Liability	
SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS	7
Plan Description	
Net Pension Liability	
Long-Term Real Rates of Return	
Discount Rate	
SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION	11
Exhibit 3.1 - Changes in Net Pension Liability and Related Ratios	
Exhibit 3.2 - Schedule of Employer Contributions	
Exhibit 3.3 - Investment Returns	
Notes to Required Supplementary Information	
SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 68	17
Exhibit 4.1 - Deferred Outflows of Resources and Deferred Inflows of Resources	
Exhibit 4.2 - Pension Expense	
Exhibit 4.3 - Proportionate Share of Contributions	
Exhibit 4.4 - Pension Amounts by Employer	
SECTION 5 - GLOSSARY OF TERMS	24
Appendix A - CALCULATION OF MONEY-WEIGHTED RATE OF RETURN	
Appendix B - SCHEDULE OF DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES	
Appendix C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER	
Appendix D - CALCULATION OF SINGLE DISCOUNT RATE	

EXECUTIVE SUMMARY

GASB 67 and GASB 68

In June 2012, the GASB approved two related Statements that significantly changed the way pension plans and governments account and report pension liabilities. Effective for plans with fiscal years beginning after June 15, 2013, **GASB Statement No. 67**, *Financial Reporting for Pension Plans*, replaced the requirements of Statement No. 25 and effective for employers with fiscal years beginning after June 15, 2014, **GASB Statement No. 68**, *Accounting and Financial Reporting for Pensions*, replaced the requirements of Statement No. 27.

The pension standards reflect changes from those previously in place regarding how governments calculate total pension liability and pension expense. Further, the standards contain requirements for disclosing information in the notes to financial statements and presenting required supplementary information following the notes.

GASB 67 requires defined benefit pension plans, such as the Dukes County Retirement System, to present a statement of fiduciary net position (pension plan assets) and a statement of changes in fiduciary net position. Further, the statement requires that notes to financial statements include descriptive information such as the types of benefits provided, the classes of plan members covered and the composition of the pension plan's retirement board. Finally, GASB 67 requires pension plans to present in required supplementary information the sources of the changes in the net pension liability and information about the actuarially determined contributions compared with the actual contributions made to the plan and related ratios.

GASB 67 and GASB 68 require projected benefit payments be discounted to their actuarial present value using the single rate that reflects a long-term expected rate of return on pension plan investments to the extent that the pension plan's assets are sufficient to pay benefits and pension plan assets are expected to be invested using a strategy to achieve that return and a tax-exempt, high-quality municipal bond rate to the extent that the conditions for use of the long-term expected rate of return are not met.

GASB 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and pension expense by state and local governments.

The effective date for GASB 67 is for plan years beginning after June 15, 2013, which is the fiscal year ending December 31, 2014 for the Dukes County Retirement System. The effective date for GASB 68 is for employers' fiscal years beginning after June 15, 2014. The disclosures prepared as of December 31, 2019 (the measurement date) presents information to assist the Dukes County Retirement Board in providing the required information under GASB 68 to participating employers.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, clarifies the application of certain provisions of Statements 67 and 68 with regard to the following issues:

- (1) Information about investment-related factors that significantly affect trends in the amounts reported for GASB 67 and GASB 68 should be limited to those factors over which the pension plan or participating governments have influence (such as an investment policy) and
- (2) The contribution-related schedules in the RSI should exclude amounts associated with payables to the pension plan that arose in a prior fiscal year.

GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73*, clarifies the definition of covered payroll, that a deviation from the Actuarial Standards of Practice with respect to selection of assumptions is not considered to be in conformity with GASB 67, GASB 68 and GASB 73, and that employer-paid member contributions are to be classified as plan member contributions.

EXECUTIVE SUMMARY

A summary of principal results from the current disclosures and prior disclosures follows.

Disclosure Date	December 31, 2019	December 31, 2018	% Change
Valuation Date	January 1, 2018	January 1, 2018	
Membership Data			
Active Plan Members	666	664	0.3%
Inactive Members Currently in Receipt	369	340	8.5%
Inactive Members Deferred	238	232	2.6%
Total Plan Members	1,273	1,236	3.0%
Covered Payroll	\$39,841,053	\$37,261,230	6.9%
Net Pension Liability			
Discount Rate	7.50%	7.50%	
Total Pension Liability (TPL)	\$215,088,538	\$204,284,020	5.3%
Fiduciary Net Position (FNP)	186,551,110	154,325,424	20.9%
Net Pension Liability (NPL)	\$28,537,428	\$49,958,596	(42.9%)
FNP as % of TPL	86.7%	75.5%	14.8%
Pension Expense			
Pension Expense	\$5,587,535	\$7,490,145	(25.4%)
Deferred Outflows	\$5,749,462	\$13,077,158	
Deferred Inflows	\$13,044,662	\$376,654	
Recognition Period	5.61	5.61	

EXECUTIVE SUMMARY

Fiduciary Net Position

Pension plan investments are reported at market value as of the measurement date. The fiduciary net position as of the current and prior measurement dates are shown in Section 1, Fiduciary Net Position.

Total Pension Liability

The Total Pension Liability is based on liabilities developed in an actuarial valuation performed as of January 1, 2018 and rolled forward to the plan's measurement date of December 31, 2019 and is shown in Section 1, Total Pension Liability.

Benefit Changes

All Plan provisions used in this valuation are the same as those used in the prior valuation. The Plan provisions used in these disclosures are detailed in Section 5, Summary of Plan Provisions, in the most recent funding actuarial report.

Assumption Changes

All Actuarial Assumptions and Methods used in these disclosures are the same as those used in the prior valuation. The Actuarial Assumptions and Methods used in these disclosures are detailed in Section 6, Actuarial Assumptions and Methods, in the most recent funding valuation report.

Pension Expense

The Pension Expense for the fiscal year ending December 31, 2019 is \$5,587,535 and is developed in Exhibit 4.2. Pension Expense, as well as the Net Pension Liability and Deferred Outflows of Resources and Deferred Inflows of Resources, are developed for each member unit and are shown in Appendix C. Amounts by employer are developed using a proportionate share, the proportion of each employer's contribution to the aggregate amount of employer contributions, as shown in Exhibit 4.3.

SECTION 1 - PRINCIPAL VALUATION RESULTS

Fiduciary Net Position

Asset information was provided by the Dukes County Retirement Board. The Trust Fund Composition, Asset Activity and the Gain or Loss on Pension Plan Investments for the current and prior fiscal years are as follows:

Fiscal Year Ended December 31 **2019** **2018**

Trust Fund Composition at Fiscal Year-End			
		2019	2018
Cash	\$	6,651,613	\$ 3,446,451
Individually Owned Short Term Investments		0	0
Fixed Income Securities		18,880,649	17,650,513
Equities (at market value)		71,437,486	38,198,553
Pooled Short Term Funds		0	0
Pooled Domestic Equity Funds		0	17,987,343
Pooled International Equity Funds		7,285,696	5,840,960
Pooled Global Equity Funds		0	0
Pooled Domestic Fixed Income Funds		0	0
Pooled International Fixed Income Funds		0	0
Pooled Global Fixed Income Funds		0	0
Pooled Alternative/Private Equity		162,130	62,567
Pooled Real Estate Funds		14,150,991	12,794,582
Pooled Domestic Balanced Funds		0	0
Pooled International Balanced Funds		0	0
Hedge Funds		0	0
PRIT Cash		0	0
PRIT Fund		68,079,852	58,581,273
Interest Due and Accrued		102,140	80,560
Prepaid Expenses		0	0
Accounts Receivable (A)		391,672	336,766
Land		0	0
Buildings		0	0
Accumulated Depreciation - Buildings		0	0
Accounts Payable (A)		(591,119)	(654,144)
Auditor or Other Adjustments		0	0
Total Market Value of Assets	\$	186,551,110	\$ 154,325,424

SECTION 1 - PRINCIPAL VALUATION RESULTS

Fiscal Year Ended December 31	Fiduciary Net Position	
	2019	2018
Asset Activity		
Market value as of beginning of year	\$ 154,325,424	\$ 155,586,109
Contributions - employer	7,012,999	6,597,440
Contributions - member	4,128,998	4,413,695
Net investment income	32,252,097	(2,223,902)
Benefit payments, including refunds of member contributions	(10,730,738)	(9,695,545)
Administrative expenses	(437,670)	(352,373)
Other	0	0
Market Value as of end of year	\$ 186,551,110	\$ 154,325,424
Money-Weighted Rate of Return	20.99%	-1.21%
(Gain) / Loss on Pension Plan Investments		
Projected earnings	\$ 11,525,068	\$ 12,095,248
Actual earnings	32,252,097	(2,223,902)
(Gain) / Loss on pension plan investments	\$ (20,727,029)	\$ 14,319,150

SECTION 1 - PRINCIPAL VALUATION RESULTS

Total Pension Liability

The Total Pension Liability, developed using the Entry Age Normal funding method, is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service. The total pension liability as of the December 31, 2019 measurement date was developed from an actuarial valuation as of January 1, 2018 and rolled forward to the pension plan's fiscal year-end.

The Service Cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year. Only active employees who have not reached the age at which the probability of retirement is 100% incur a service cost.

Actuarial gains and losses arise from the difference between estimates and actual experience, excluding amounts related to benefit changes and changes in assumptions or other inputs.

The development of the Total Pension Liability from the beginning of the measurement period, December 31, 2018 to the end of the measurement period, December 31, 2019 is shown below:

Measurement Date	December 31, 2019
1. Total Pension Liability, beginning of year:	
a. Actives	\$ 120,231,991
b. Retired and Disabled Members and Beneficiaries	81,597,366
c. Inactive Members	2,454,663
d. Total Pension Liability at 7.5% (a. + b. + c.)	\$ 204,284,020
2. Service Cost	\$ 6,154,751
3. Benefit Payments	(10,730,738)
4. Interest [7.5% x (1.d. + 2. + .5 x 3)]	\$ 15,380,505
5. Changes of benefit terms	-
6. Differences between expected and actual experience	-
7. Changes of assumptions or other inputs	-
8. Total Pension Liability, end of year (1.d. + 2. + 3. + 4. + 5. + 6. + 7.)	
a. Actives	\$ 135,865,747
b. Retired and Disabled Members and Beneficiaries	76,584,028
c. Inactive Members	2,638,763
d. Total Pension Liability at 7.5% (a. + b. + c.)	\$ 215,088,538

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Plan Description

Plan administration

The Dukess County Retirement System (the "System") is a cost-sharing, multiple-employer defined benefit pension plan that provides pensions for eligible employees of 15 participating employers. The System is a member of the Massachusetts Contributory Retirement System and is governed by Chapter 32 of the Massachusetts General Laws. The System does not have the authority to amend benefit provisions.

The System is governed by a Retirement Board made up of five elected and appointed members.

Plan membership

At December 31, 2019, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	369
Inactive plan members entitled to but not yet receiving benefits	238
Active plan members	666
	<hr/>
	1,273

Benefits provided

The System provides retirement, disability and death benefits. Retirement benefits are determined as a percentage of the member's 3-year (5-year for members hired after April 1, 2012) final average compensation times the member's years of service. The percentage is based on the age of the member at retirement and his or her Group classification. Cost-of-living adjustments of 3% of the first \$14,000 of the annual retirement allowance are provided at the discretion of the System's Retirement Board. A summary of the benefits is outlined in the January 1, 2018 actuarial valuation report.

Contributions

Plan members are required to contribute a percentage of their annual compensation that varies according to their membership date, as follows:

Prior to 1975	5% of Salary
1975 - 1983	7% of Salary
1984 - June 30, 1996	8% of Salary
July 1, 1996 - present	9% of Salary
1979 - present	An additional 2% of Salary in excess of \$30,000.
Group 1 members hired on or after April 2, 2012	6% of Salary with 30 or more years of creditable service.

Employer contributions are determined in accordance with the requirements set forth in Section 22D and Section 22F of Chapter 32 of the Massachusetts General Laws ("M.G.L."). The appropriation is comprised of the annual employer normal cost and amortization payments to pay the unfunded actuarial accrued liability.

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Net Pension Liability

The components of the Net Pension Liability at December 31, 2019, were as follows:

Total Pension Liability	\$ 215,088,538
Fiduciary Net Position	(186,551,110)
Net Pension Liability	\$ 28,537,428

Fiduciary Net Position as a percentage of the Total Pension Liability 86.7%

Actuarial assumptions

The Total Pension Liability was determined by an actuarial valuation as of January 1, 2018, rolled forward to the measurement date of December 31, 2019 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.2% per year
Salary increases	Group 1: 6% - 4.25%, based on service Group 4: 7% - 4.75%, based on service
Investment rate of return	7.5%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Mortality Table (base year 2009) with full generational mortality improvement using Scale BB. For disabled lives, the mortality rates were based on the RP-2000 Mortality Table (base year 2012) with full generational mortality improvement using Scale BB.

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Long-Term Real Rates of Return

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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2019 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rates of Return¹
PRIT Core	50.0%	5.00%
Domestic Equity	30.0%	5.90%
International Equity	5.0%	3.80%
Real Estate	5.0%	6.60%
Fixed Income	10.0%	2.90%
Total	100.0%	

¹ Provided by Dahab Associates, Inc. (inclusive of fees). Inflation of 2.2% is added to the long-term expected real rates of return to approximate the long-term expected rate of return.

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Discount Rate

The discount rate used to measure the Total Pension Liability is 7.5%. 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 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.

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

The following presents the Net Pension Liability calculated using the discount rate of 7.5%, as well as what the Net Pension Liability would be if it were calculated using a discount rate 1-percentage point lower (6.5%) or 1-percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Total Pension Liability	\$ 239,895,878	\$ 215,088,538	\$ 194,093,864
Fiduciary Net Position	186,551,110	186,551,110	186,551,110
Net Pension Liability	\$ 53,344,768	\$ 28,537,428	\$ 7,542,754

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.1 - Changes in Net Pension Liability and Related Ratios

Fiscal Year Ended December 31	2019	2018	2017	2016	2015
Total Pension Liability					
Service cost	\$ 6,154,751	\$ 5,627,706	\$ 5,411,256	\$ 5,415,494	\$ 5,025,980
Interest	15,380,505	14,689,218	13,886,266	12,602,395	11,840,742
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(458,358)	-	743,316	-
Changes of assumptions	-	5,362,639	-	6,062,453	-
Benefit payments, including refunds of member contributions	(10,730,738)	(9,695,545)	(8,611,039)	(7,895,706)	(6,961,135)
Net change in Total Pension Liability	<u>\$ 10,804,518</u>	<u>\$ 15,525,660</u>	<u>\$ 10,686,483</u>	<u>\$ 16,927,952</u>	<u>\$ 9,905,587</u>
Total Pension Liability--beginning	<u>\$ 204,284,020</u>	<u>\$ 188,758,360</u>	<u>\$ 178,071,877</u>	<u>\$ 161,143,925</u>	<u>\$ 151,238,338</u>
Total Pension Liability--ending (a)	<u><u>\$ 215,088,538</u></u>	<u><u>\$ 204,284,020</u></u>	<u><u>\$ 188,758,360</u></u>	<u><u>\$ 178,071,877</u></u>	<u><u>\$ 161,143,925</u></u>
Fiduciary Net Position					
Contributions--employer	\$ 7,012,999	\$ 6,597,440	\$ 6,283,276	\$ 5,986,402	\$ 5,777,664
Contributions--member	4,128,998	4,413,695	3,774,675	3,575,601	3,545,293
Net investment income	32,252,097	(2,223,902)	22,431,243	8,990,151	4,613,029
Benefit payments, including refunds of member contributions	(10,730,738)	(9,695,545)	(8,611,039)	(7,895,706)	(6,961,135)
Administrative expenses	(437,670)	(352,373)	(439,389)	(353,615)	(323,866)
Other	-	-	-	-	-
Net change in Fiduciary Net Position	<u>\$ 32,225,686</u>	<u>\$ (1,260,685)</u>	<u>\$ 23,438,766</u>	<u>\$ 10,302,833</u>	<u>\$ 6,650,985</u>
Fiduciary Net Position--beginning	<u>\$ 154,325,424</u>	<u>\$ 155,586,109</u>	<u>\$ 132,147,343</u>	<u>\$ 121,844,510</u>	<u>\$ 115,193,525</u>
Fiduciary Net Position--ending (b)	<u><u>\$ 186,551,110</u></u>	<u><u>\$ 154,325,424</u></u>	<u><u>\$ 155,586,109</u></u>	<u><u>\$ 132,147,343</u></u>	<u><u>\$ 121,844,510</u></u>
Net Pension Liability and Related Ratios					
Net Pension Liability--ending (a) - (b)	<u><u>\$ 28,537,428</u></u>	<u><u>\$ 49,958,596</u></u>	<u><u>\$ 33,172,251</u></u>	<u><u>\$ 45,924,534</u></u>	<u><u>\$ 39,299,415</u></u>
Fiduciary Net Position as a percentage of the Total Pension Liability	86.73%	75.54%	82.43%	74.21%	75.61%
Covered Payroll	\$ 39,841,053	\$ 37,261,230	\$ 37,822,874	\$ 37,993,450	\$ 36,254,368
Net Pension Liability as a percentage of Covered Payroll	71.63%	134.08%	87.70%	120.87%	108.40%

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.1 - Changes in Net Pension Liability and Related Ratios (continued)

Fiscal Year Ended December 31	2014	2013	2012	2011	2010
Total Pension Liability					
Service cost	\$ 5,025,980				
Interest	10,735,504				
Changes of benefit terms	-				
Differences between expected and actual experience	-				
Changes of assumptions	-				
Benefit payments, including refunds of member contributions	(6,091,562)				
Net change in Total Pension Liability	<u>\$ 9,669,922</u>				
Total Pension Liability--beginning	<u>\$ 141,568,416</u>				
Total Pension Liability--ending (a)	<u><u>\$ 151,238,338</u></u>				
Fiduciary Net Position					
Contributions--employer	\$ 5,601,553				
Contributions--member	3,745,783				
Net investment income	8,571,008				
Benefit payments, including refunds of member contributions	(6,091,562)				
Administrative expenses	(322,018)				
Other	-				
Net change in Fiduciary Net Position	<u>\$ 11,504,764</u>				
Fiduciary Net Position--beginning	<u>\$ 103,688,761</u>				
Fiduciary Net Position--ending (b)	<u><u>\$ 115,193,525</u></u>				
Net Pension Liability and Related Ratios					
Net Pension Liability--ending (a) -- (b)	<u>\$ 36,044,813</u>				
Fiduciary Net Position as a percentage of the Total Pension Liability	76.17%				
Covered Payroll	\$ 34,859,969				
Net Pension Liability as a percentage of Covered Payroll	103.40%				

Note: Only 6 years are presented here and on the previous page, beginning with the year of implementation; 10 years of information will be required.

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.2 - Schedule of Employer Contributions

Fiscal Year Ended December 31	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 7,012,999	\$ 6,597,440	\$ 6,283,276	\$ 5,986,402	\$ 5,777,664
Contributions in relation to the Actuarially Determined Contribution	<u>7,012,999</u>	<u>6,597,440</u>	<u>6,283,276</u>	<u>5,986,402</u>	<u>5,777,664</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 39,841,053	\$ 37,261,230	\$ 37,822,874	\$ 37,993,450	\$ 36,254,368
Contributions as a percentage of Covered Payroll	17.60%	17.71%	16.61%	15.76%	15.94%

The contribution shown above, \$7,012,999, represents the actual contributions made by member units of the Dukes County Retirement System for the 2020 fiscal year.

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.2 - Schedule of Employer Contributions (continued)

Fiscal Year Ended December 31	2014	2013	2012	2011	2010
Actuarially Determined Contribution	\$ 5,601,553				
Contributions in relation to the Actuarially Determined Contribution	5,601,553				
Contribution deficiency (excess)	\$ -				
Covered Payroll	\$ 34,859,969				
Contributions as a percentage of Covered Payroll	16.07%				

Note: Only 6 years are presented here and on the previous page, beginning with the year of implementation; 10 years of information will be required.

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.3 - Investment Returns

Fiscal Year Ended December 31	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Annual money-weighted rate of return, net of investment expense	20.99%	-1.21%	17.29%	7.30%	4.95%	8.13%				

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. The rate of return is then calculated by solving, through an iterative process, for the rate that equates the sum of the weighted external cash flows into and out of the pension plan investments to the ending fair value of pension plan investments.

Appendix A shows the details of the calculation of the money-weighted rate of return for the current fiscal year.

Note: Only 6 years are presented here, beginning with the year of implementation; 10 years of information will be required.

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Notes to the Required Supplementary Information

Changes of benefit terms

All Plan provisions used in this valuation are the same as those used in the prior valuation. The Plan provisions used in these disclosures are detailed in Section 5, Summary of Plan Provisions, in the most recent funding actuarial report.

Changes of assumptions

All Actuarial Assumptions and Methods used in these disclosures are the same as those used in the prior valuation. The Actuarial Assumptions and Methods used in these disclosures are detailed in Section 6, Actuarial Assumptions and Methods, in the most recent funding valuation report.

Methods and assumptions used in calculations of Actuarially Determined Contributions

The Actuarially Determined Contributions in the schedule of employers' contributions are calculated as of July 1 of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contributions reported in that schedule:

Actuarial cost method	Entry Age Normal
Amortization method	UAAL Increasing dollar amount at 4% to reduce the Unfunded Actuarial Accrued Liability to zero on or before June 30, 2031. The annual increase in appropriation is further limited to 6.1% per year through FY2024 and 6.6% thereafter. 2002 & 2003 ERI Increasing dollar amount at 4.5% to reduce the Unfunded Actuarial Accrued Liability attributable to the 2002 and 2003 ERI to zero on or before June 30, 2028.
Asset valuation method	The Actuarial Value of Assets is the market value of assets as of the valuation date reduced by the sum of: <ul style="list-style-type: none">a) 80% of gains and losses of the prior year,b) 60% of gains and losses of the second prior year,c) 40% of gains and losses of the third prior year, andd) 20% of gains and losses of the fourth prior year. Investment gains and losses are determined by the excess or deficiency of the expected return over the actual return on the market value. The actuarial valuation of assets is further constrained to be not less than 80% or more than 120% of market value.
Inflation	2.2% per year
Salary increases	Group 1: 6% - 4.25%, based on service Group 4: 7% - 4.75%, based on service
Payroll growth	4% per year
Investment rate of return	7.5%, net of pension plan investment expense, including inflation.

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 68

Exhibit 4.1 - Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred Outflows of Resources and Deferred Inflows of Resources arising from differences between expected and actual experience are recognized in Pension Expense over the average expected remaining service life of all active and inactive members.

			Balances at December 31, 2019		
Year	Experience Losses	Experience Gains	Amounts Recognized in Pension Expense through December 31, 2019	Deferred Outflows of Resources	Deferred Inflows of Resources
Year	(a)	(b)	(c)	(a) - (c)	(b) - (c)
2015	\$ -	\$ -	\$ -	\$ -	\$ -
2016	743,316	-	492,264	251,052	-
2017	-	-	-	-	-
2018	-	458,358	(163,408)	-	294,950
2019	-	-	-	-	-
				<u>\$ 251,052</u>	<u>\$ 294,950</u>

Deferred Outflows of Resources and Deferred Inflows of Resources arising from changes of assumptions are recognized in Pension Expense over the average expected remaining service life of all active and inactive members.

			Balances at December 31, 2019		
Year	Increases in the Total Pension Liability	Decreases in the Total Pension Liability	Amounts Recognized in Pension Expense through December 31, 2019	Deferred Outflows of Resources	Deferred Inflows of Resources
Year	(a)	(b)	(c)	(a) - (c)	(b) - (c)
2015	\$ -	\$ -	\$ -	\$ -	\$ -
2016	6,062,453	-	4,014,868	2,047,585	-
2017	-	-	-	-	-
2018	5,362,639	-	1,911,814	3,450,825	-
2019	-	-	-	-	-
				<u>\$ 5,498,410</u>	<u>\$ -</u>

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 68

Exhibit 4.1 - Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred Outflows of Resources and Deferred Inflows of Resources arising from differences between projected and actual earnings on Pension Plan investments are recognized in Pension Expense over five years.

				Balances at December 31, 2019	
Year	Investment Earnings Less Than Projected (a)	Investment Earnings Greater Than Projected (b)	Amounts Recognized in Pension Expense through December 31, 2019 (c)	Deferred Outflows of Resources (a) - (c)	Deferred Inflows of Resources (b) - (c)
2015	\$ 4,393,440	\$ -	\$ 4,393,440	\$ -	\$ -
2016	503,665	-	402,932	100,733	-
2017	-	12,150,782	(7,290,470)	-	4,860,312
2018	14,319,150	-	5,727,660	8,591,490	-
2019	-	20,727,029	(4,145,406)	-	16,581,623
Subtotal				<u>\$ 8,692,223</u>	<u>\$ 21,441,935</u>
Net				<u><u>\$ -</u></u>	<u><u>\$ 12,749,712</u></u>

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 68

Exhibit 4.1 - Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred Outflows of Resources and Deferred Inflows of Resources arising from changes in proportion and differences between employer contributions and proportionate share of contributions are recognized in Pension Expense over the average expected remaining service life of all active and inactive members.

Balances at December 31, 2019					
	Proportionate Share* Outflows	Proportionate Share* Inflows	Amounts Recognized in Pension Expense through December 31, 2019	Deferred Outflows of Resources	Deferred Inflows of Resources
Year	(a)	(b)	(c)	(a) - (c)	(b) - (c)
2015	\$ 254,447	\$ 254,447	\$ 206,533	\$ 47,914	\$ 47,914
2016	650,393	650,393	430,725	219,668	219,668
2017	161,014	161,014	79,973	81,041	81,041
2018	638,023	638,023	227,459	410,564	410,564
2019	189,076	189,076	33,702	155,374	155,374
				\$ 914,561	\$ 914,561

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

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

Year ended December 31		
2020	\$	(1,610,013)
2021	\$	(1,710,746)
2022	\$	(362,302)
2023	\$	(3,612,139)
2024	\$	-
Thereafter	\$	-
Total Deferred Outflows	\$	6,664,023
Total Deferred Inflows	\$	13,959,223

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 68

Exhibit 4.2 - Pension Expense

The Pension Expense and deferred outflows and inflows of resources primarily result from changes in the components of the net pension liability (NPL). Most changes in the NPL are included in the Pension Expense in the period of the change, including service cost, interest on total pension liability, changes in benefit terms and projected earnings on the pension plan's investments. Other changes in the net pension liability are included in Pension Expense over the current and future periods. These include the effects on the total pension liability of changes of economic and demographic assumptions and differences between expected and actual experience. In addition, the effect on the net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings are included in Pension Expense over the current and future periods. The Pension Expense for the reporting period ending December 31, 2019 is presented below:

Fiscal Year Ended December 31, 2019

1. Service cost		\$ 6,154,751
2. Interest on the total pension liability		
a. Total Pension Liability, beginning of year	204,284,020	
b. Service cost, beginning of year	6,154,751	
c. Benefit payments, including refunds of employee contributions	<u>(10,730,738)</u>	
d. Interest on Total Pension Liability		15,380,505
3. Differences between expected and actual experience		41,362
4. Changes of benefit terms		-
5. Changes of assumptions		1,959,624
6. Employee contributions		(4,128,998)
7. Projected earnings on pension plan investments		
a. Fiduciary Net Position, beginning of year	154,325,424	
b. Employer contributions	7,012,999	
c. Employee contributions	4,128,998	
d. Benefit payments, including refunds of employee contributions	<u>(10,730,738)</u>	
e. Administrative expenses and other	<u>(437,670)</u>	
f. Total projected earnings		(11,525,068)
8. Differences between projected and actual earnings on plan investments		(2,732,311)
9. Pension plan administrative expenses		437,670
10. Other changes in Fiduciary Net Position		<u>-</u>
11. Total Pension Expense		<u><u>\$ 5,587,535</u></u>

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 68

Exhibit 4.3 - Proportionate Share of Contributions

The basis of an employer's allocation of the collective pension amount is based on the allocation of the Total Pension Liability as of the beginning of the measurement period. The schedule of employer allocations for 2019 and 2018, based on the Total Pension Liability as of January 1, 2018 shows the proportionate relationship of each employer to all employers and each employer's allocation percentage.

Entity	2019		2018	
	Total Pension Liability	Proportionate Share of Total Pension Liability ¹	Total Pension Liability	Proportionate Share of Total Pension Liability ²
Up-Island	6,550,615	3.206621%	6,203,881	3.206622%
Dukes County	14,304,298	7.002162%	13,547,149	7.002162%
Tisbury	36,556,664	17.895019%	34,621,662	17.895019%
Edgartown	51,550,772	25.234853%	48,822,108	25.234853%
Oak Bluffs	35,078,699	17.171534%	33,221,928	17.171533%
West Tisbury	14,200,620	6.951410%	13,448,959	6.951410%
Chilmark	9,888,825	4.840724%	9,365,394	4.840724%
Aquinnah	4,440,376	2.173629%	4,205,340	2.173629%
Gosnold	953,386	0.466696%	902,922	0.466696%
MV Transit Authority	1,724,604	0.844219%	1,633,318	0.844219%
MV Regional School	16,378,932	8.017726%	15,511,969	8.017725%
MV Landbank	3,278,209	1.604731%	3,104,688	1.604731%
MV Refuse	2,695,778	1.319623%	2,553,086	1.319622%
MV Commission	4,301,543	2.105668%	4,073,856	2.105668%
OB Water Dept	2,380,699	1.165387%	2,254,685	1.165387%
Total	204,284,020	100.000000%	193,470,945	100.000000%

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 68

Exhibit 4.4 - Pension Amounts by Employer

The Schedule of Pension Amounts by Employer is provided in Appendix C. The schedule shows the Net Pension Liability, the various categories of Deferred Outflows of Resources and Deferred Inflows of Resources and Pension Expense for each employer. The schedule includes the differences between expected and actual experience, differences between projected and actual investment earnings and changes of assumptions. Further, each employer is required to recognize Deferred Outflows of Resources and Deferred Inflows of Resources related to (1) the net impact from changes in proportion between periods and (2) differences between actual contributions made by an employer and their proportionate share of contributions.

Each employer's allocation of Pension Expense and Net Pension Liability can be based on the proportion of its Total Pension Liability to the aggregate amount of Total Pension Liability.

Under GASB 68, gains and losses (investment, experience or assumption changes) and changes in employer's proportionate shares related to pensions are recognized in Pension Expense systematically over time.

The first amortized amounts are recognized in Pension Expense for the year the gain or loss occurs. The remaining amounts are categorized as Deferred Inflows and Deferred Outflows to be recognized in future Pension Expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (actives, inactives and retirees) as of the beginning of the measurement period

For 2019:

- ◆ Net Pension Liability, Deferred Outflows of Resources, Deferred Inflows of Resources and Pension Expense are allocated to each employer based on its proportionate share of Total Pension Liability shown in Exhibit 4.3.
- ◆ The change in Total Pension Liability as a result of the difference between expected and actual experience is amortized over the average of the expected future service lives of all participants, with the first amortized amount recognized in Pension Expense in the current year. Similar Deferred Outflows of Resources and Deferred Inflows of Resources were established during prior years, with the first amortized amount recognized in Pension Expense in 2016.
- ◆ Net difference between projected and actual investment earnings (gain on pension plan investments for 2019) is amortized over 5 years, with the first amortized amount recognized in Pension Expense in the current year. Similar Deferred Outflows of Resources and Deferred Inflows of Resources were established during prior years, with the first amortized amount recognized in Pension Expense in 2014.

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 68

Exhibit 4.4 - Pension Amounts by Employer

For 2019 (continued):

- ◆ The change in Total Pension Liability as a result of changes in assumptions is amortized over the average of the expected future service lives of all participants, with the first amortized amount recognized in Pension Expense in the current year. Similar Deferred Outflows of Resources and Deferred Inflows of Resources were established during prior years, with the first amortized amount recognized in Pension Expense in 2016.

- ◆ The net effect of the difference in the employer's proportionate shares of the collective employer contribution and the actual employer contribution is amortized over the average expected remaining service lives of all members, with the first amortized amount recognized in pension expense in 2016.

- ◆ The net effect of the change in the employer's proportionate shares of the collective Net Pension Liability, collective Deferred Outflows and Deferred Inflows is amortized over the average expected remaining service lives of all members, with the first amortized amount recognized in Pension Expense in the current year. Similar Deferred Outflows of Resources and Deferred Inflows of Resources were established during prior years, with the first amortized amount recognized in 2015.

- ◆ No adjustments have been made for employer contributions made subsequent to the measurement date as defined in paragraph 57 of GASB 68.

SECTION 5 - GLOSSARY OF TERMS

Actuarial Assumptions – Assumptions, based upon past experience or standard tables, used to predict the occurrence of future events affecting the commencement, amount and duration of pension benefits, such as: changes in compensation, mortality, withdrawal, disablement and retirement; rates of investment earnings and asset appreciation or depreciation; and any other relevant items.

Actuarial Cost Method (or Funding Method) – A procedure for allocating the Actuarial Present Value of projected benefit payments to the current year (Service Cost) and the past (Total Pension Liability).

Actuarial (Experience) Gain or Loss – A measure of the difference between actual experience and that expected based upon the set of Actuarial Assumptions during the period between the valuation date and the most recent immediately preceding valuation date.

Actuarial Present Value of Projected Benefit Payments – The dollar value on the valuation date of all benefits expected to be paid to current members based upon the Actuarial Assumptions and the terms of the Plan.

Actuarially Determined Contribution – A target or recommended contribution to a defined benefit pension plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

Actuarial Valuation Date – The date as of which an actuarial valuation is performed. This date may be up to 24 months prior to the measurement date and up to 30 months prior to the employer's reporting date.

Covered Payroll – The payroll on which contributions to a pension plan are based.

Deferred Inflow of Resources – Acquisition of resources by a government that is applicable to future reporting periods. Under GASB 68, deferred inflows of resources are made up of experience gains, assumption changes reducing the Total Pension Liability and investment gains that are recognized in future reporting periods.

Deferred Outflow of Resources – Consumption of resources by a government that is applicable to future reporting periods. Under GASB 68, deferred outflows of resources are made up of experience losses, assumption changes increasing the Total Pension Liability and investment losses that are recognized in future reporting periods.

Discount Rate – Single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the sum of:

- (1) a long-term expected rate of return on pension plan investments *to the extent that the pension plan's assets are sufficient to pay benefits and pension plan assets are expected to be invested using a strategy to achieve that return* and
- (2) a tax-exempt, high-quality municipal bond rate *to the extent that the conditions for use of the long-term expected rate of return are not met.*

SECTION 5 - GLOSSARY OF TERMS

Entry Age Normal Actuarial Cost Method – A method under which the actuarial present value of the projected benefits of each individual in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age.

Fiduciary Net Position – The fair market value of assets as of the measurement date.

Funded Ratio – The Actuarial Value of Assets expressed as a percentage of the Actuarial Accrued Liability.

GASB – Governmental Accounting Standards Board.

Long-Term Expected Rate of Return – Long-term expected rate of return on pension plan investments expected to be used to finance the payment of benefits, net of investment expenses.

Measurement Date – The date as of which the Total Pension Liability and Fiduciary Net Position are measured.

Municipal Bond Rate – Yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Net Pension Liability – The liability of the employer for benefits provided through a defined benefit pension plan. It is calculated as the Total Pension Liability less the Fiduciary Net Position.

Present Value of Future Benefits – The actuarial present value of the cost to finance benefits payable in the future, discounted to reflect the expected effects of the time value of money and the probabilities of payment.

Reporting Date – The last day of the Plan or employer's fiscal year.

Service Cost – The portion of the actuarial present value of projected benefit amounts that is attributed to a valuation year.

Total Pension Liability – The portion of the actuarial present value of projected benefit amounts that is attributed to past periods of employee service using the Entry Age Normal cost method based on the requirements of GASB 67 and GASB 68.

Unfunded Actuarial Accrued Liability – The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets.

APPENDIX A - CALCULATION OF MONEY-WEIGHTED RATE OF RETURN

	Plan Investments/ Net External Cash Flows (a)	Periods Invested (b)	Period Weight (c)=(b)÷12	(d)=(a) x (1+r _{mw}) ^(c)
Beginning value - January 1, 2019	\$ 154,325,424	12	1.00	\$ 186,721,874
Monthly net external cash flows:				
January	(732,281)	11	0.92	(872,045)
February	(1,020,493)	10	0.83	(1,196,120)
March	(622,410)	9	0.75	(718,034)
April	(456,043)	8	0.67	(517,818)
May	(382,222)	7	0.58	(427,160)
June	(214,499)	6	0.50	(235,941)
July	5,905,760	5	0.42	6,393,788
August	(518,416)	4	0.33	(552,414)
September	(531,517)	3	0.25	(557,451)
October	(741,649)	2	0.17	(765,582)
November	(579,107)	1	0.08	(588,376)
December	(133,611)	0	0.00	(133,611)
Ending value - December 31, 2019				\$ 186,551,110
Money-weighted rate of return				20.99%

Note: Beginning and ending values are based on amounts reported in the System's 2019 Annual Statement, and monthly cash flows are based on amounts provided by the Retirement Board.

APPENDIX B - SCHEDULE OF DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Year	Differences between Expected and Actual Experience	Recognition Period (Years)										
			2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2015	-		-	-	-	-	-	-	-	-	-	-
2016	743,316	6.04	123,066	123,066	123,066	4,920	-	-	-	-	-	-
2017	-	6.04	-	-	-	-	-	-	-	-	-	-
2018	(458,358)	5.61	(81,704)	(81,704)	(81,704)	(81,704)	(49,838)	-	-	-	-	-
2019	-	5.61	-	-	-	-	-	-	-	-	-	-

Net Increase (Decrease) in Pension Expense 41,362 41,362 41,362 (76,784) (49,838) - - - - -

Year	Changes of Assumptions	Recognition Period (Years)										
			2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2015	-		-	-	-	-	-	-	-	-	-	-
2016	6,062,453	6.04	1,003,717	1,003,717	1,003,717	40,151	-	-	-	-	-	-
2017	-	6.04	-	-	-	-	-	-	-	-	-	-
2018	5,362,639	5.61	955,907	955,907	955,907	955,907	583,104	-	-	-	-	-
2019	-	5.61	-	-	-	-	-	-	-	-	-	-

Net Increase (Decrease) in Pension Expense 1,959,624 1,959,624 1,959,624 996,058 583,104 - - - - -

APPENDIX B - SCHEDULE OF DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Year	Differences between Projected and Actual Earnings on Pension Plan Investments	Recognition Period (Years)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2015	4,393,440	5	878,688	-	-	-	-	-	-	-	-	-
2016	503,665	5	100,733	100,733	-	-	-	-	-	-	-	-
2017	(12,150,782)	5	(2,430,156)	(2,430,156)	(2,430,156)	-	-	-	-	-	-	-
2018	14,319,150	5	2,863,830	2,863,830	2,863,830	2,863,830	-	-	-	-	-	-
2019	(20,727,029)	5	(4,145,406)	(4,145,406)	(4,145,406)	(4,145,406)	(4,145,405)	-	-	-	-	-
Net Increase (Decrease) in Pension Expense			(2,732,311)	(3,610,999)	(3,711,732)	(1,281,576)	(4,145,405)	-	-	-	-	-

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	Up-Island
◆ Current Proportionate Share		3.206621%
◆ Prior Proportionate Share		3.206622%
Beginning Net Pension Liability	\$ 49,958,596	\$ 1,601,983
Ending Net Pension Liability	\$ 28,537,428	\$ 915,087
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 8,050
◆ Changes of Assumptions	5,498,410	176,313
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	84,284
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 268,647
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 9,458
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	408,835
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	5,193
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 423,486
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 179,171
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	32,378
Total Employer Pension Expense	\$ 5,587,535	\$ 211,549
Covered Payroll:	\$ 39,841,053	\$ 1,246,776
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 915,087
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 1,710,565
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 241,868
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (19,249)
◆ 2021	\$ (1,710,746)	\$ (28,508)
◆ 2022	\$ (362,302)	\$ 2,722
◆ 2023	\$ (3,612,139)	\$ (109,117)
◆ 2024	\$ -	\$ (687)
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	Dukes County
◆ Current Proportionate Share		7.002162%
◆ Prior Proportionate Share		7.002162%
Beginning Net Pension Liability	\$ 49,958,596	\$ 3,498,182
Ending Net Pension Liability	\$ 28,537,428	\$ 1,998,237
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 17,579
◆ Changes of Assumptions	5,498,410	385,008
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	43,670
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 446,257
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 20,653
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	892,755
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	210,986
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 1,124,394
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 391,248
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	(70,875)
Total Employer Pension Expense	\$ 5,587,535	\$ 320,373
Covered Payroll:	\$ 39,841,053	\$ 2,567,730
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 1,998,237
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 3,735,287
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 528,156
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (183,608)
◆ 2021	\$ (1,710,746)	\$ (179,183)
◆ 2022	\$ (362,302)	\$ (51,313)
◆ 2023	\$ (3,612,139)	\$ (266,508)
◆ 2024	\$ -	\$ 2,475
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	
	Dukes County Retirement System	Tisbury
◆ Current Proportionate Share		17.895019%
◆ Prior Proportionate Share		17.895019%
Beginning Net Pension Liability	\$ 49,958,596	\$ 8,940,100
Ending Net Pension Liability	\$ 28,537,428	\$ 5,106,778
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 44,926
◆ Changes of Assumptions	5,498,410	983,942
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	15,044
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 1,043,912
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 52,781
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	2,281,563
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	67,187
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 2,401,531
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 999,890
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	(21,771)
Total Employer Pension Expense	\$ 5,587,535	\$ 978,119
Covered Payroll:	\$ 39,841,053	\$ 6,444,578
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 5,106,778
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 9,546,056
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 1,349,777
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (309,883)
◆ 2021	\$ (1,710,746)	\$ (323,007)
◆ 2022	\$ (362,302)	\$ (68,876)
◆ 2023	\$ (3,612,139)	\$ (651,522)
◆ 2024	\$ -	\$ (4,331)
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	Edgartown
◆ Current Proportionate Share		25.234853%
◆ Prior Proportionate Share		25.234853%
Beginning Net Pension Liability	\$ 49,958,596	\$ 12,606,978
Ending Net Pension Liability	\$ 28,537,428	\$ 7,201,379
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 63,352
◆ Changes of Assumptions	5,498,410	1,387,515
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	155,872
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 1,606,739
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 74,431
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	3,217,373
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	237,192
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 3,528,996
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 1,410,009
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	(29,982)
Total Employer Pension Expense	\$ 5,587,535	\$ 1,380,027
Covered Payroll:	\$ 39,841,053	\$ 9,244,751
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 7,201,378
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 13,461,474
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 1,903,403
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (436,269)
◆ 2021	\$ (1,710,746)	\$ (447,780)
◆ 2022	\$ (362,302)	\$ (109,018)
◆ 2023	\$ (3,612,139)	\$ (920,203)
◆ 2024	\$ -	\$ (8,987)
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	Oak Bluffs
◆ Current Proportionate Share		17.171534%
◆ Prior Proportionate Share		17.171533%
Beginning Net Pension Liability	\$ 49,958,596	\$ 8,578,657
Ending Net Pension Liability	\$ 28,537,428	\$ 4,900,314
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 43,109
◆ Changes of Assumptions	5,498,410	944,161
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	10,518
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 997,788
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 50,647
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	2,189,321
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	121,426
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 2,361,394
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 959,465
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	(44,218)
Total Employer Pension Expense	\$ 5,587,535	\$ 915,247
Covered Payroll:	\$ 39,841,053	\$ 6,481,725
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 4,900,314
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 9,160,115
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 1,295,207
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (320,682)
◆ 2021	\$ (1,710,746)	\$ (338,371)
◆ 2022	\$ (362,302)	\$ (79,517)
◆ 2023	\$ (3,612,139)	\$ (625,793)
◆ 2024	\$ -	\$ 757
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	
	Dukes County Retirement System	West Tisbury
◆ Current Proportionate Share		6.951410%
◆ Prior Proportionate Share		6.951410%
Beginning Net Pension Liability	\$ 49,958,596	\$ 3,472,827
Ending Net Pension Liability	\$ 28,537,428	\$ 1,983,754
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 17,452
◆ Changes of Assumptions	5,498,410	382,217
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	73,713
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 473,382
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 20,503
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	886,285
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	43,515
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 950,303
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 388,412
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	5,282
Total Employer Pension Expense	\$ 5,587,535	\$ 393,694
Covered Payroll:	\$ 39,841,053	\$ 2,668,327
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 1,983,754
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 3,708,214
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 524,328
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (106,637)
◆ 2021	\$ (1,710,746)	\$ (109,612)
◆ 2022	\$ (362,302)	\$ (17,059)
◆ 2023	\$ (3,612,139)	\$ (246,955)
◆ 2024	\$ -	\$ 3,342
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	Chilmark
◆ Current Proportionate Share		4.840724%
◆ Prior Proportionate Share		4.840724%
Beginning Net Pension Liability	\$ 49,958,596	\$ 2,418,358
Ending Net Pension Liability	\$ 28,537,428	\$ 1,381,418
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 12,153
◆ Changes of Assumptions	5,498,410	266,163
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	57,402
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 335,718
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 14,278
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	617,178
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	90,022
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 721,478
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 270,477
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	(7,360)
Total Employer Pension Expense	\$ 5,587,535	\$ 263,117
Covered Payroll:	\$ 39,841,053	\$ 2,561,418
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 1,381,418
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 2,582,273
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 365,124
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (85,296)
◆ 2021	\$ (1,710,746)	\$ (93,239)
◆ 2022	\$ (362,302)	\$ (26,991)
◆ 2023	\$ (3,612,139)	\$ (181,440)
◆ 2024	\$ -	\$ 1,206
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	Aquinnah
◆ Current Proportionate Share		2.173629%
◆ Prior Proportionate Share		2.173629%
Beginning Net Pension Liability	\$ 49,958,596	\$ 1,085,914
Ending Net Pension Liability	\$ 28,537,428	\$ 620,298
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 5,457
◆ Changes of Assumptions	5,498,410	119,515
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	95,694
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 220,666
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 6,411
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	277,131
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	11,399
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 294,941
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 121,452
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	28,092
Total Employer Pension Expense	\$ 5,587,535	\$ 149,544
Covered Payroll:	\$ 39,841,053	\$ 1,016,159
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 620,298
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 1,159,517
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 163,951
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (6,904)
◆ 2021	\$ (1,710,746)	\$ (11,277)
◆ 2022	\$ (362,302)	\$ 8,824
◆ 2023	\$ (3,612,139)	\$ (69,101)
◆ 2024	\$ -	\$ 4,183
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	Gosnold
◆ Current Proportionate Share		0.466696%
◆ Prior Proportionate Share		0.466696%
Beginning Net Pension Liability	\$ 49,958,596	\$ 233,155
Ending Net Pension Liability	\$ 28,537,428	\$ 133,183
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 1,172
◆ Changes of Assumptions	5,498,410	25,661
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	11,241
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 38,074
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 1,377
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	59,502
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	2,068
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 62,947
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 26,077
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	1,954
Total Employer Pension Expense	\$ 5,587,535	\$ 28,031
Covered Payroll:	\$ 39,841,053	\$ 207,030
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 133,183
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 248,958
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 35,202
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (5,560)
◆ 2021	\$ (1,710,746)	\$ (5,650)
◆ 2022	\$ (362,302)	\$ 1,352
◆ 2023	\$ (3,612,139)	\$ (15,161)
◆ 2024	\$ -	\$ 146
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	MV Transit Authority
◆ Current Proportionate Share		0.844219%
◆ Prior Proportionate Share		0.844219%
Beginning Net Pension Liability	\$ 49,958,596	\$ 421,760
Ending Net Pension Liability	\$ 28,537,428	\$ 240,918
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 2,119
◆ Changes of Assumptions	5,498,410	46,419
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	47,046
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 95,584
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 2,490
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	107,635
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	15,783
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 125,908
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 47,171
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	12,610
Total Employer Pension Expense	\$ 5,587,535	\$ 59,781
Covered Payroll:	\$ 39,841,053	\$ 556,886
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 240,918
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 450,347
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 63,677
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (982)
◆ 2021	\$ (1,710,746)	\$ (5,669)
◆ 2022	\$ (362,302)	\$ 3,004
◆ 2023	\$ (3,612,139)	\$ (26,432)
◆ 2024	\$ -	\$ (245)
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	MV Regional School
◆ Current Proportionate Share		8.017726%
◆ Prior Proportionate Share		8.017725%
Beginning Net Pension Liability	\$ 49,958,596	\$ 4,005,543
Ending Net Pension Liability	\$ 28,537,428	\$ 2,288,053
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 20,129
◆ Changes of Assumptions	5,498,410	440,847
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	196,432
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 657,408
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 23,648
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	1,022,237
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	-
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 1,045,885
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 447,993
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	73,348
Total Employer Pension Expense	\$ 5,587,535	\$ 521,341
Covered Payroll:	\$ 39,841,053	\$ 3,967,504
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 2,288,053
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 4,277,037
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 604,757
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (55,738)
◆ 2021	\$ (1,710,746)	\$ (79,032)
◆ 2022	\$ (362,302)	\$ 6,416
◆ 2023	\$ (3,612,139)	\$ (268,572)
◆ 2024	\$ -	\$ 8,449
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	MV Landbank
◆ Current Proportionate Share		1.604731%
◆ Prior Proportionate Share		1.604731%
Beginning Net Pension Liability	\$ 49,958,596	\$ 801,701
Ending Net Pension Liability	\$ 28,537,428	\$ 457,949
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 4,029
◆ Changes of Assumptions	5,498,410	88,235
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	35,265
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 127,529
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 4,733
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	204,599
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	61,830
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 271,162
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 89,665
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	(3,840)
Total Employer Pension Expense	\$ 5,587,535	\$ 85,825
Covered Payroll:	\$ 39,841,053	\$ 788,004
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 457,949
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 856,040
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 121,041
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (29,676)
◆ 2021	\$ (1,710,746)	\$ (32,336)
◆ 2022	\$ (362,302)	\$ (15,275)
◆ 2023	\$ (3,612,139)	\$ (63,323)
◆ 2024	\$ -	\$ (3,023)
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	MV Refuse
◆ Current Proportionate Share		1.319623%
◆ Prior Proportionate Share		1.319622%
Beginning Net Pension Liability	\$ 49,958,596	\$ 659,265
Ending Net Pension Liability	\$ 28,537,428	\$ 376,586
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 3,313
◆ Changes of Assumptions	5,498,410	72,558
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	25,971
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 101,842
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 3,892
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	168,248
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	8,906
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 181,046
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 73,734
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	8,478
Total Employer Pension Expense	\$ 5,587,535	\$ 82,212
Covered Payroll:	\$ 39,841,053	\$ 637,180
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 376,586
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 703,950
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 99,536
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (12,768)
◆ 2021	\$ (1,710,746)	\$ (15,593)
◆ 2022	\$ (362,302)	\$ (3,067)
◆ 2023	\$ (3,612,139)	\$ (47,087)
◆ 2024	\$ -	\$ (689)
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	MV Commission
◆ Current Proportionate Share		2.105668%
◆ Prior Proportionate Share		2.105668%
Beginning Net Pension Liability	\$ 49,958,596	\$ 1,051,962
Ending Net Pension Liability	\$ 28,537,428	\$ 600,903
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 5,286
◆ Changes of Assumptions	5,498,410	115,778
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	14,241
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 135,305
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 6,211
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	268,467
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	16,141
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 290,819
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 117,655
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	(686)
Total Employer Pension Expense	\$ 5,587,535	\$ 116,969
Covered Payroll:	\$ 39,841,053	\$ 843,978
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 600,903
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 1,123,264
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 158,825
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (34,588)
◆ 2021	\$ (1,710,746)	\$ (37,068)
◆ 2022	\$ (362,302)	\$ (6,642)
◆ 2023	\$ (3,612,139)	\$ (76,128)
◆ 2024	\$ -	\$ (1,088)
◆ Thereafter	\$ -	\$ -

APPENDIX C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

Pension Amounts as of December 31, 2019	Dukes County Retirement System	OB Water Dept
◆ Current Proportionate Share		1.165387%
◆ Prior Proportionate Share		1.165387%
Beginning Net Pension Liability	\$ 49,958,596	\$ 582,211
Ending Net Pension Liability	\$ 28,537,428	\$ 332,571
Total Deferred Outflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 251,052	\$ 2,926
◆ Changes of Assumptions	5,498,410	64,078
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	48,168
Total Deferred Outflows of Resources	\$ 6,664,023	\$ 115,172
Total Deferred Inflows of Resources:		
◆ Differences Between Expected and Actual Experience	\$ 294,950	\$ 3,437
◆ Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	12,749,712	148,583
◆ Changes of Assumptions	-	-
◆ Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	914,561	22,913
Total Deferred Inflows of Resources	\$ 13,959,223	\$ 174,933
Employer Pension Expense:		
◆ Proportionate Share of Plan Pension Expense	\$ 5,587,535	\$ 65,116
◆ Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	16,590
Total Employer Pension Expense	\$ 5,587,535	\$ 81,706
Covered Payroll:	\$ 39,841,053	\$ 609,007
Sensitivity of the Net Pension Liability to Changes in the Discount Rate:		
◆ Current discount rate: 7.5%	\$ 28,537,428	\$ 332,571
◆ 1% decrease in the discount rate: 6.5%	\$ 53,344,768	\$ 621,673
◆ 1% increase in the discount rate: 8.5%	\$ 7,542,754	\$ 87,902
Deferred Outflows of Resources and Deferred Inflows of Resources Recognized in Future Pension Expense:		
◆ 2020	\$ (1,610,013)	\$ (2,173)
◆ 2021	\$ (1,710,746)	\$ (4,421)
◆ 2022	\$ (362,302)	\$ (6,862)
◆ 2023	\$ (3,612,139)	\$ (44,797)
◆ 2024	\$ -	\$ (1,508)
◆ Thereafter	\$ -	\$ -

APPENDIX D - CALCULATION OF SINGLE DISCOUNT RATE

Under GASB 67, a series of projections and calculations are used to determine the discount rate for the purpose of the measurement of the Total Pension Liability. The discount rate is the single rate that reflects (1) the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits, to the extent that the pension plan's Fiduciary Net Position is projected to be sufficient to make projected benefit payments and pension plan assets are expected to be invested using a strategy to achieve that return, and (2) a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, to the extent that the conditions for use of the long-term expected rate of return are not met.

Projected cash flows into and out of the pension plan are assumed to be contributions to the pension plan, benefit payments, pension plan administrative expenses and pension plan investment earnings. These projected cash flows are used to project the pension plan's Fiduciary Net Position at the beginning of each period. The pension plan's projected Fiduciary Net Position at the beginning of each period is compared to the amount of benefit payments projected to occur in that period.

It is assumed that the pension plan's Fiduciary Net Position is expected to always be invested using a strategy to achieve the long-term expected rate of return on pension plan investments.

The benefit payments that are projected to occur in a period are discounted using the long-term expected rate of return on pension plan investments if the amount of the pension plan's beginning Fiduciary Net Position is projected to be sufficient to make the benefit payments in that period. In periods in which benefit payments are projected to be greater than the amount of the pension plan's Fiduciary Net Position, they are discounted using a municipal bond rate as required by GASB 67.

For purposes of this valuation, the long-term expected rate of return on pension plan investments is 7.5%; the municipal bond rate is 2.74%, based on the December 2019 Bond Buyer Index as published by the Federal Reserve. For each period, the pension plan's Fiduciary Net Position is projected to be sufficient to make the benefit payments in that period, therefore, the resulting single discount rate is based solely on the long-term expected rate of return of 7.5%.