

1

FY2020/21

MONTHLY FINANCIAL UPDATED

No. 3: November 2020



November 19th, 2020

REVENUE UPDATE FY2020/21

SPOTLIGHTED SOURCES



November 19th, 2020

RETAIL AND HOSPITALITY TRANSACTION PRIVILEGE TAX (TPT)

INTERNET SALES TPT			
Month	FY2019	FY2020	FY2021
July	-	-	\$ 70,445
August	-	-	67,895
September	-	-	73,345
October	-	\$ 41,088	-
November	-	91,237	-
December	-	68,748	-
January	-	59,513	-
February	-	51,582	-
March	-	65,163	-
April	-	65,923	-
May	-	70,653	-
June	-	68,351	-
Total	\$ -	\$ 582,258	\$ 211,685

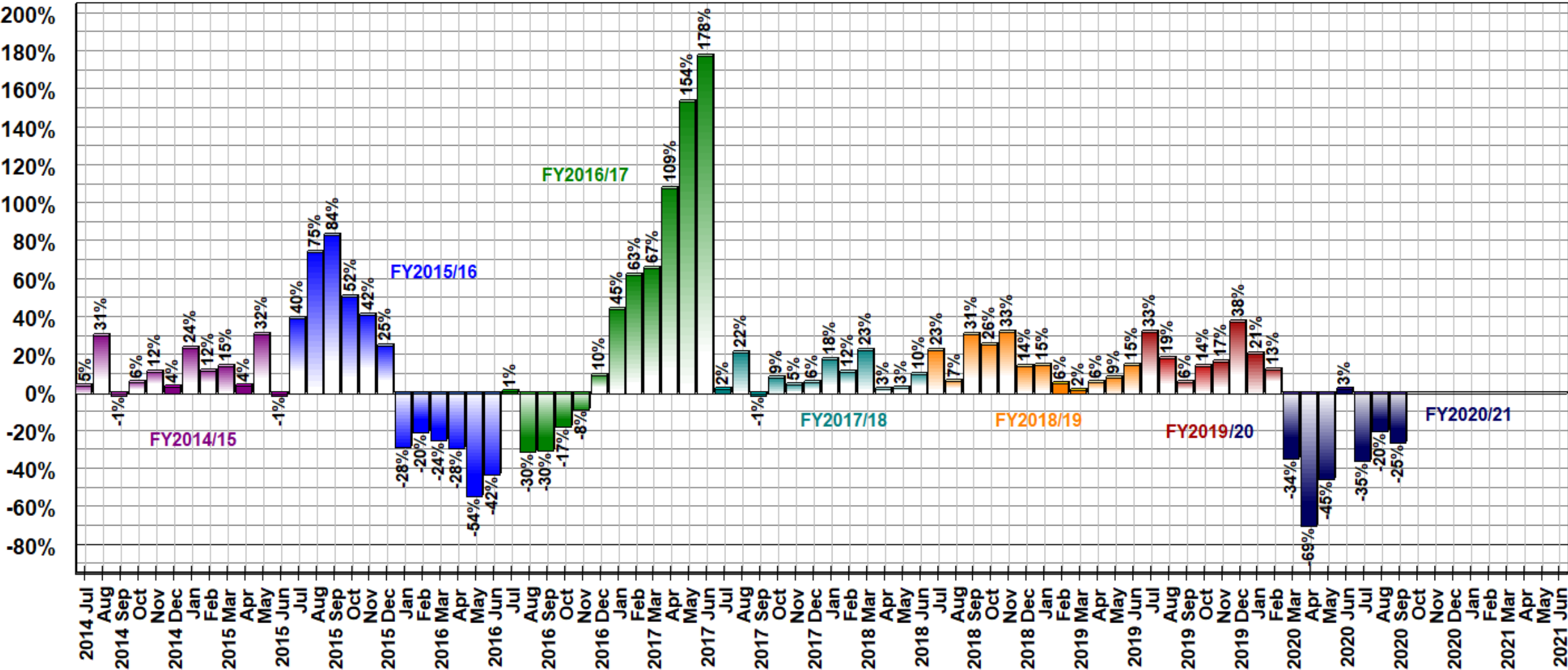


November 19th, 2020

Retail & Hospitality TPT

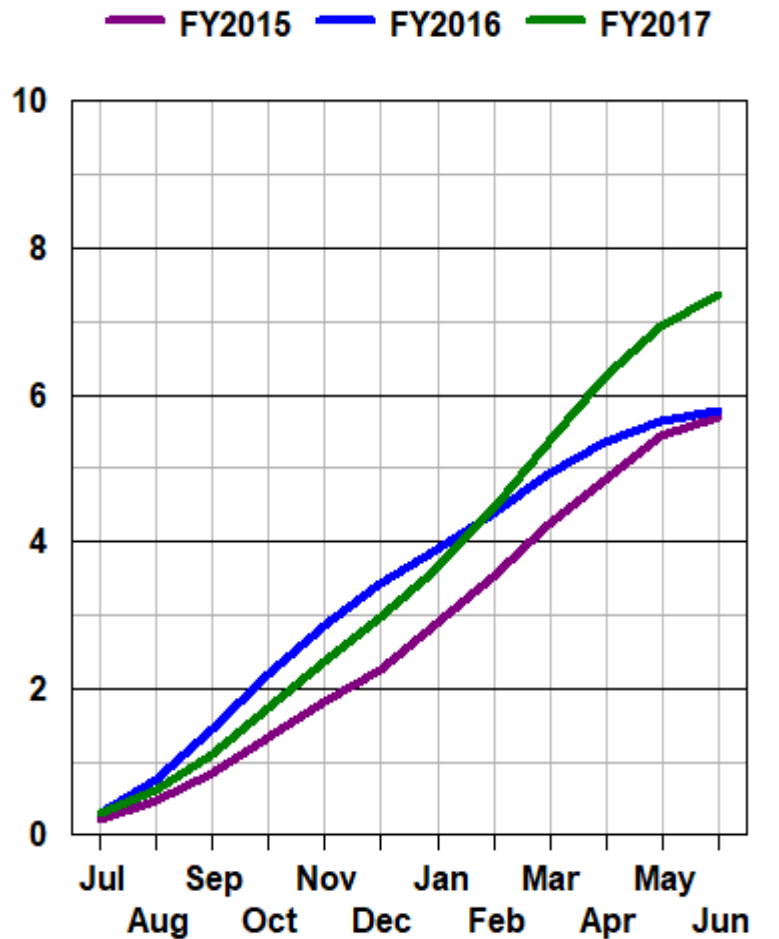
Change in Monthly Collections

Change in Monthly Collects from Previous Year

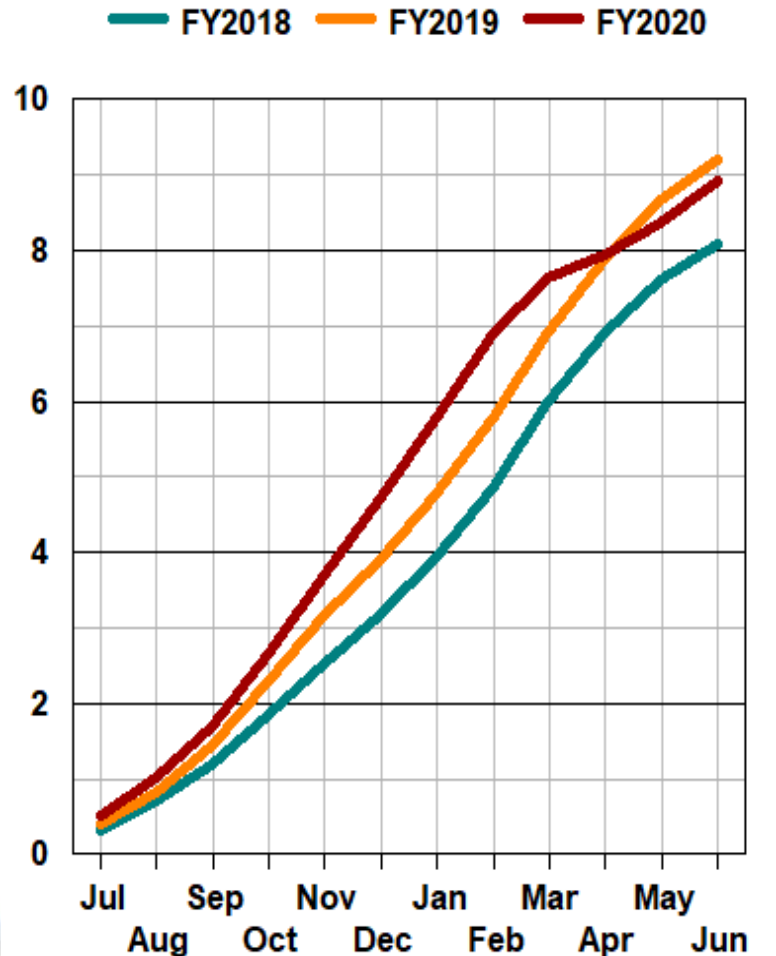


Retail & Hospitality TPT Accumulated Collections by Month

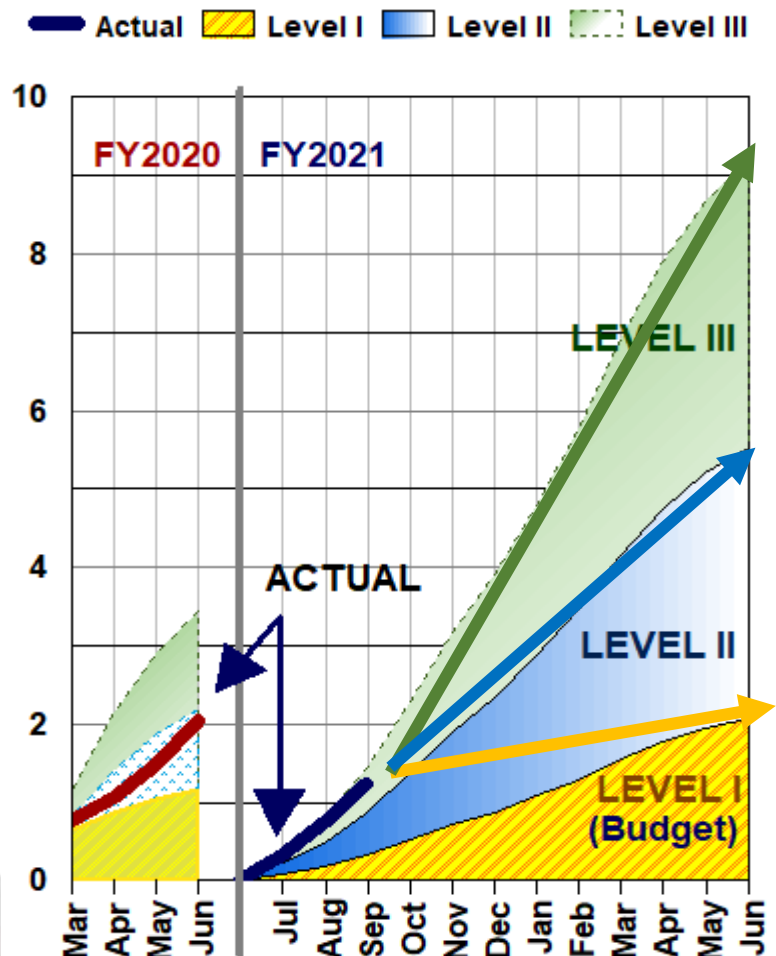
Historical FY2015 to FY2017



Historical FY2018 to FY2020



Current Actual FY2021

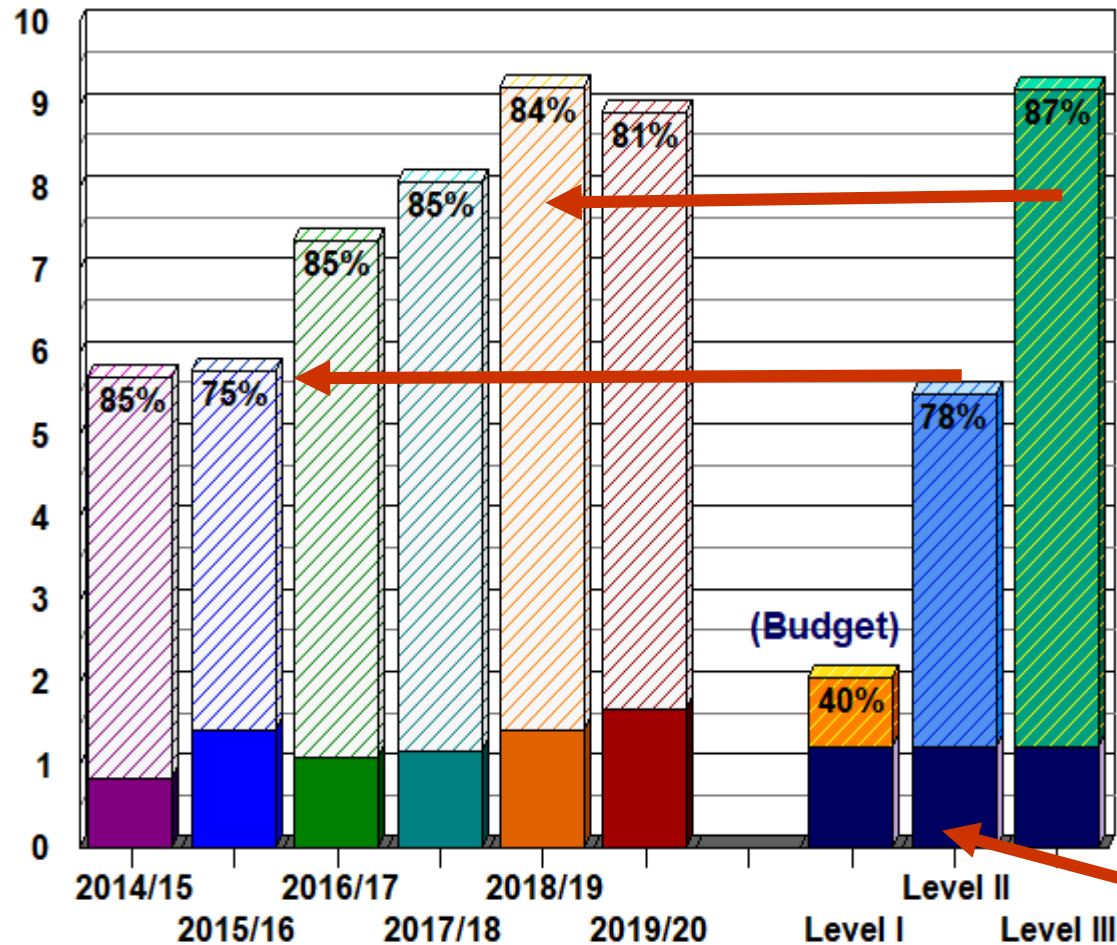


(All amounts are in Millions)

Retail & Hospitality TPT

Conclusion

INTERPOLATION – PERCENTAGE OF TOTAL



(All amounts are in Millions)

SUMMARY and FACTORS IMPACTING 2021

- ▶ The Town budgeted Retail and Hospitality TPT at **LEVEL I** to ensure the Town does not over extend recurring expenditures and risk mid-year reductions.
- ▶ As this revenue moves to **LEVEL II** and **LEVEL III**, expenditure priorities can be authorized by the Mayor and Council.
- ▶ Internet sales TPT; effective October 2019. This greatly impacted Paradise Valley through during the State's "stay at-home" executive orders.
- ▶ Tourism and resort activity is the primary factor for this revenue. Partial business reopening, "staycations" and local support have keep this revenue from being the worse case scenario during the "off-season".
- ▶ Though revenue is being collected near **LEVEL III**, it is **September** with the real test will be the FY2020/21 tourism season.

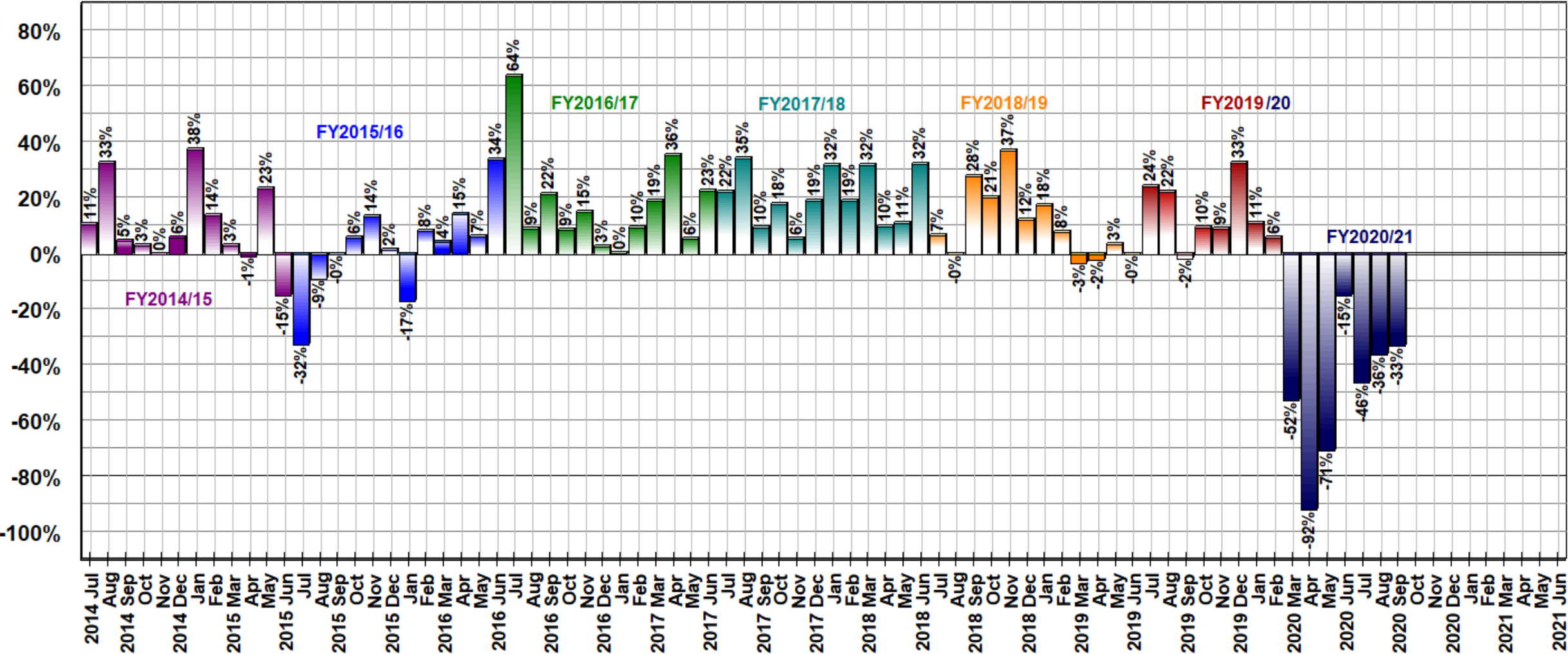
July, August, September

TRANSIENT LODGING TAX (TLT) “Occupancy Tax”



November 19th, 2020

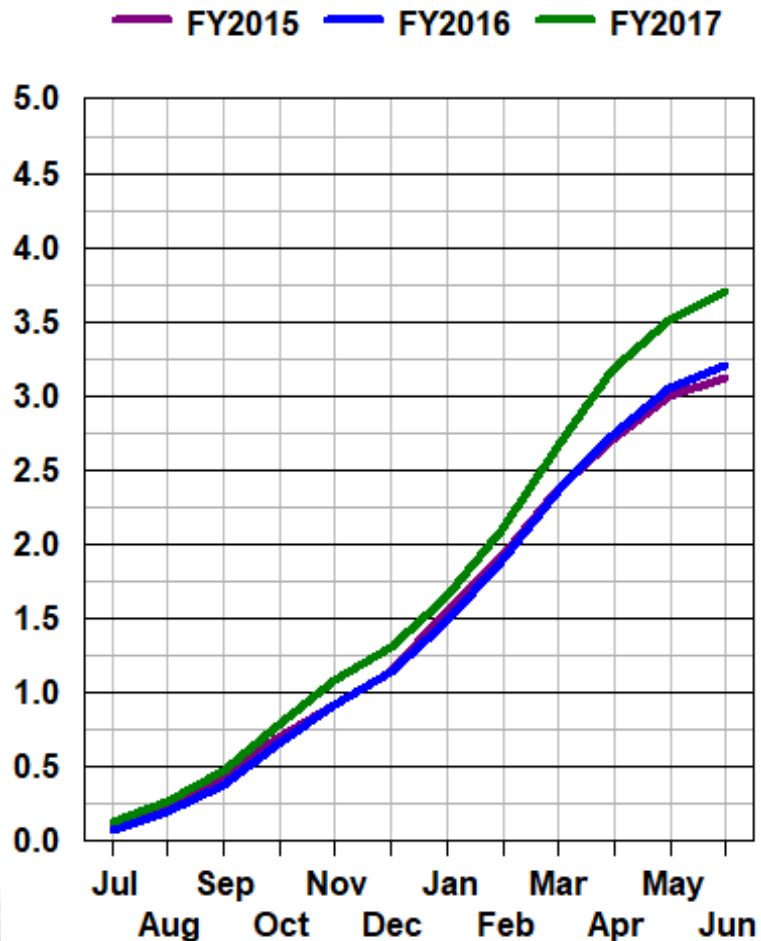
Change in Monthly Collects from Previous Year



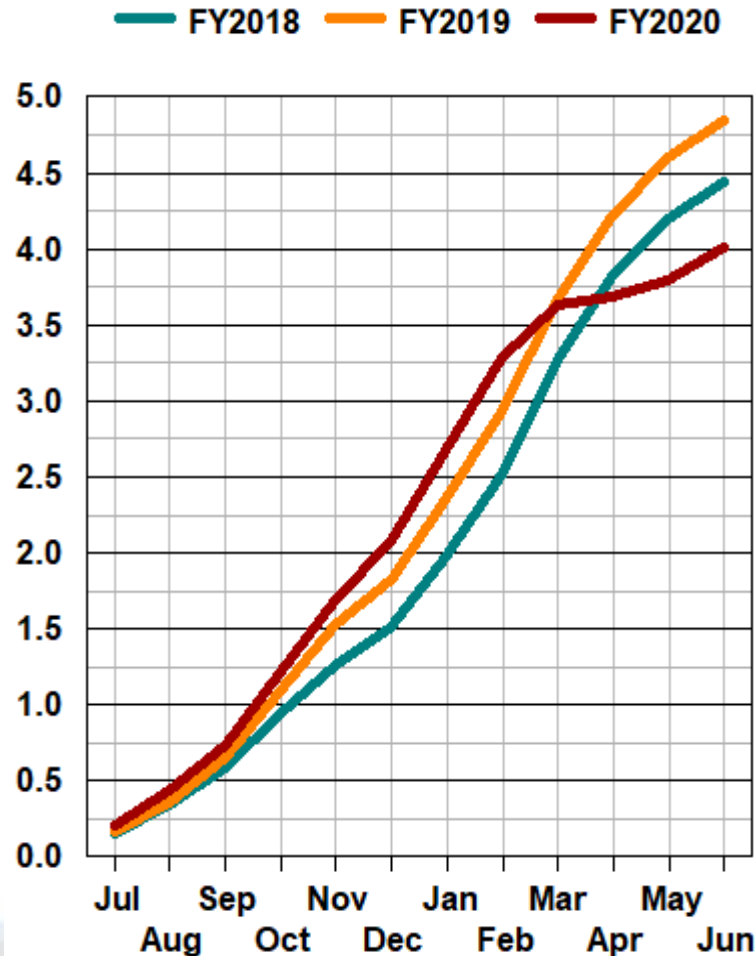
NEW Occupancy TLT

Accumulated Collections by Month

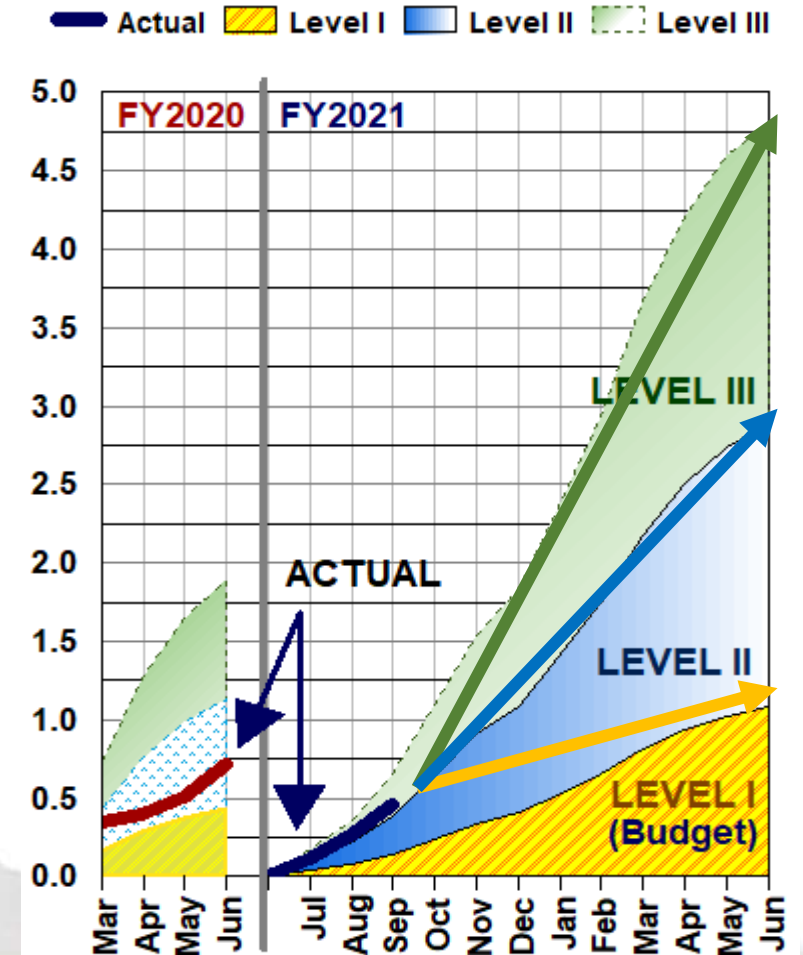
Historical FY2015 to FY2017



Historical FY2018 to FY2020



Current Actual FY2021

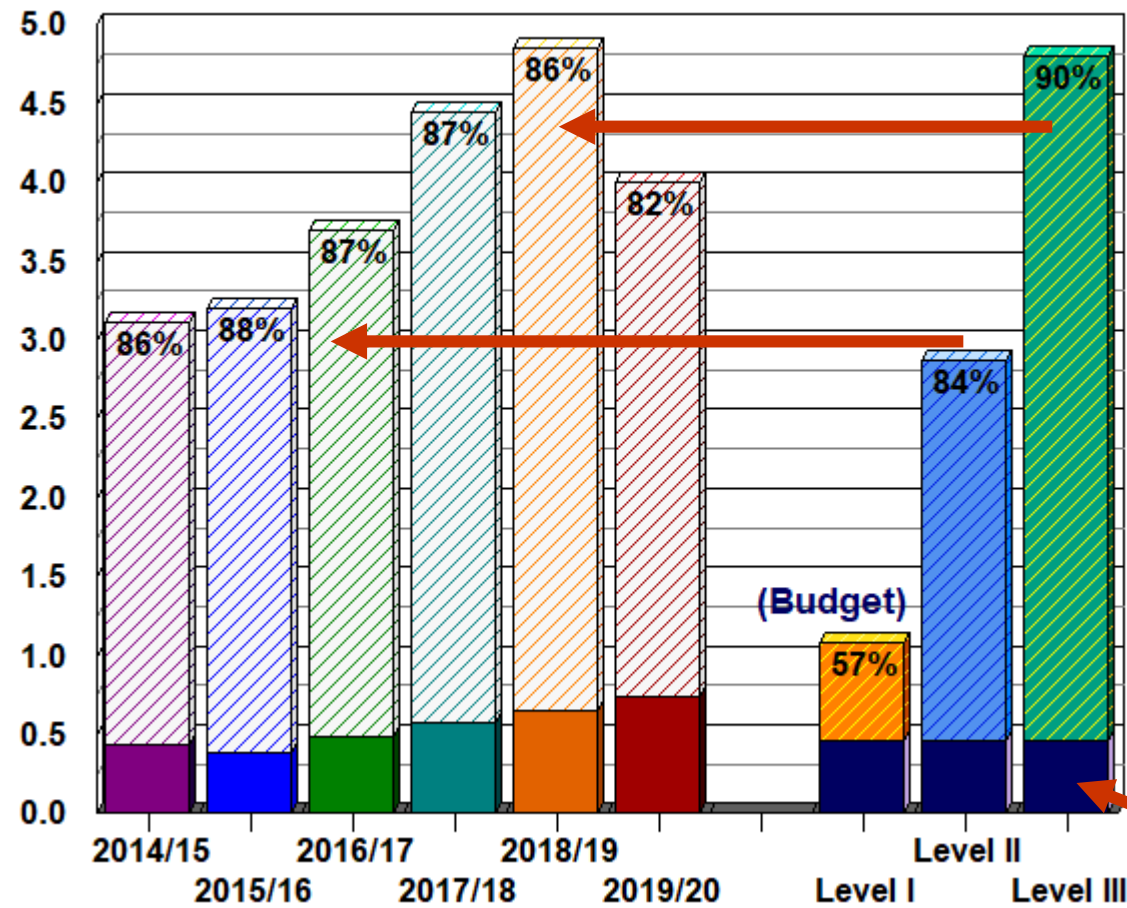


(All amounts are in Millions)

Occupancy TLT

Conclusion

INTERPOLATION – PERCENTAGE OF TOTAL



(All amounts are in Millions)

SUMMARY

- ▶ The Town budgeted Retail and Hospitality TPT at **LEVEL I** to ensure the Town does not over extend expenditures.
- ▶ As this revenue moves to **LEVEL II / LEVEL III**, expenditure priorities can be authorized by the Mayor and Council. (After the “new calendar year”)

Factors impacting FY2021:

- ▶ Tourism and resort activity is the primary factor for this revenue. Partial business reopening, “staycations” and local support have keep this revenue from being the worse case scenario.
- ▶ Though revenue is being collected in the **LEVEL II** range, this is **September** and the real test will be the FY2020/21 tourism season.

July, August, September,

STATE SHARED REVENUES (Income Tax, TPT, Auto, HURF)

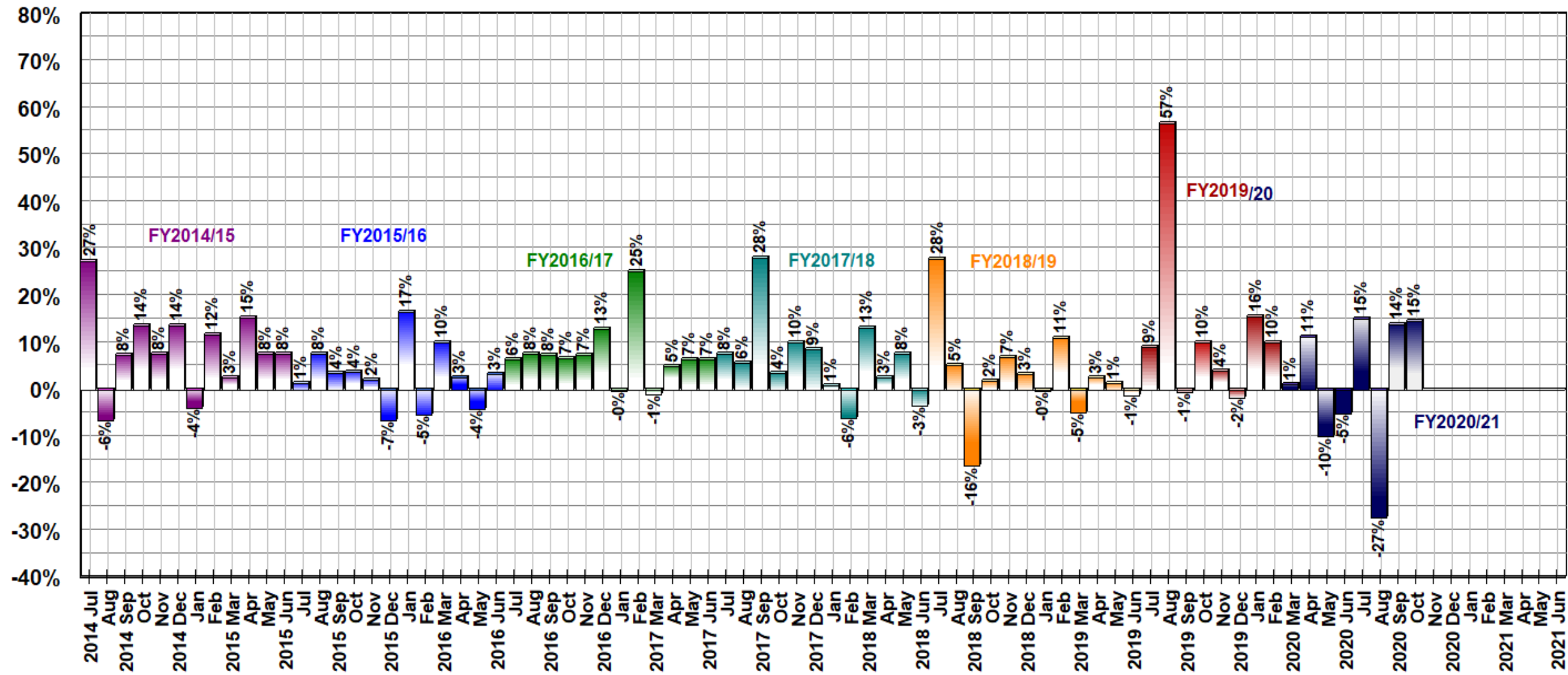


November 19th, 2020

State Shared Revenues

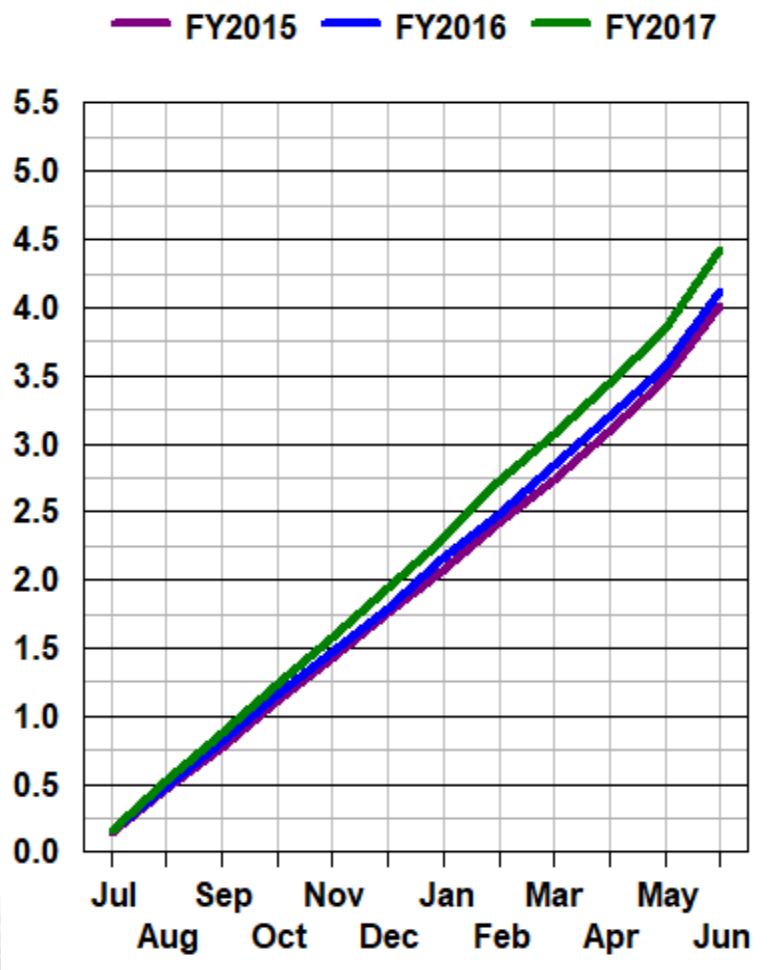
Change in Monthly Collections

Change in Monthly Collects from Previous Year

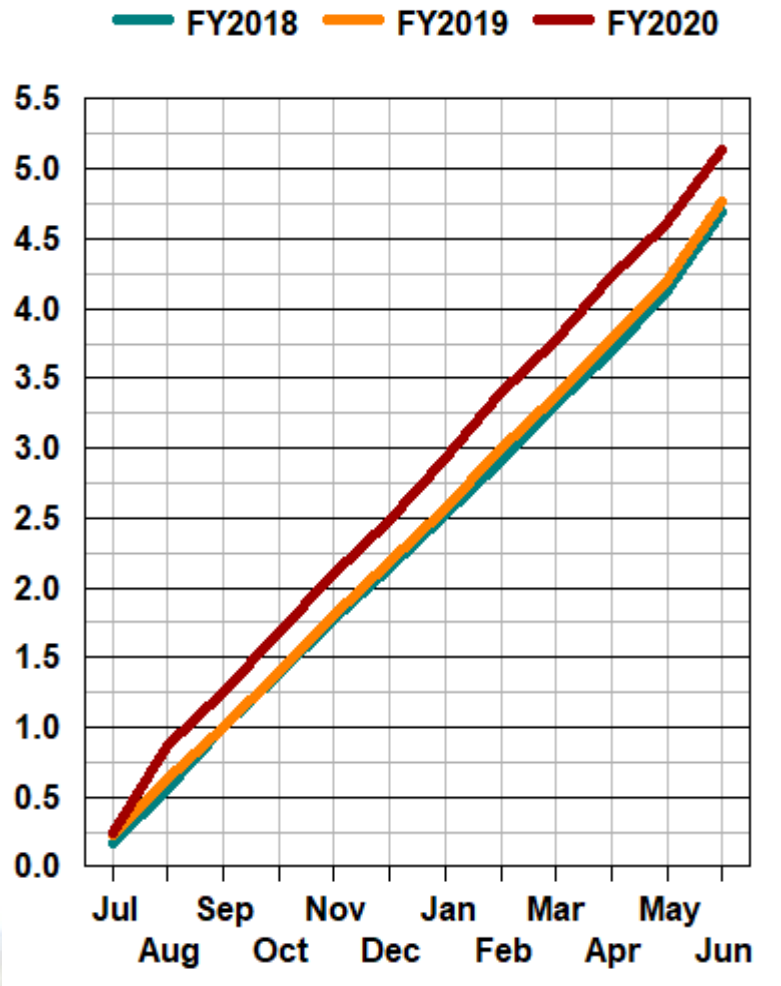


State Shared Revenues Accumulated Collections by Month

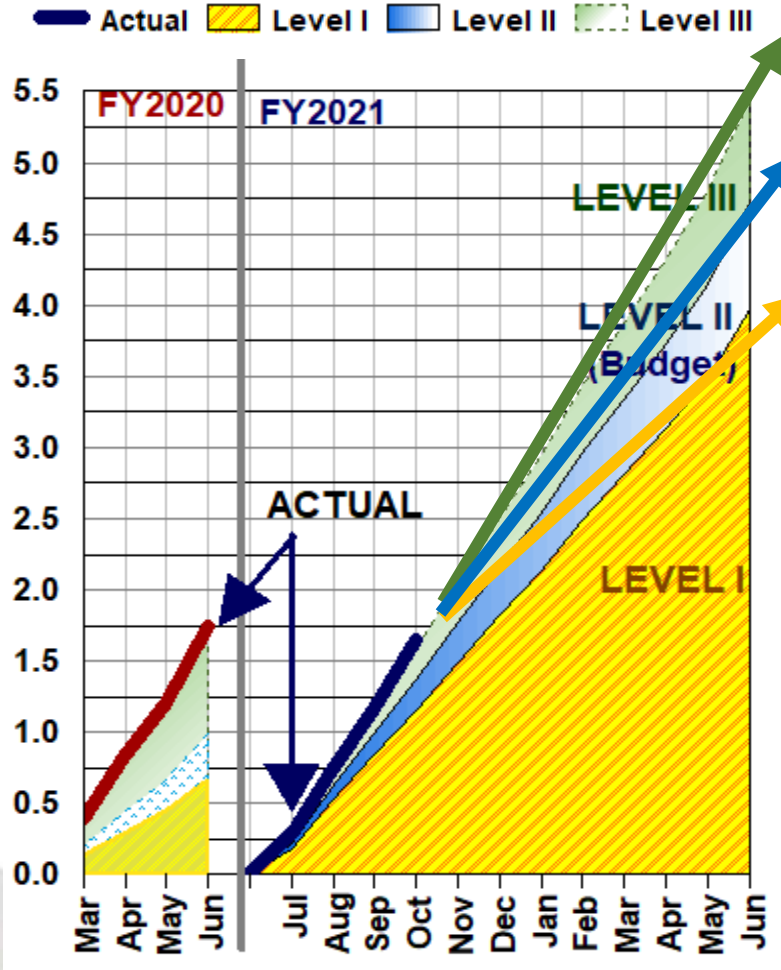
Historical FY2015 to FY2017



Historical FY2018 to FY2020



Current Actual FY2021

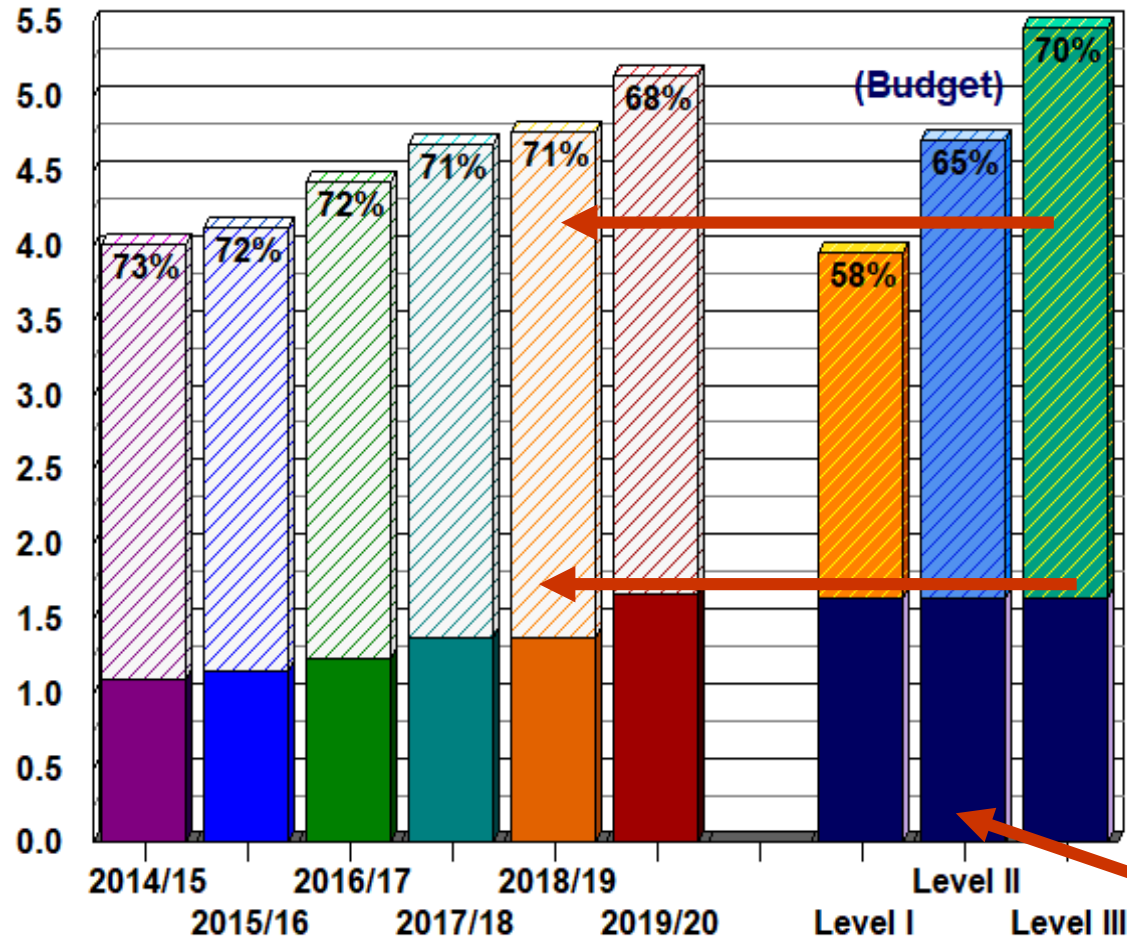


(All amounts are in Millions)

State Shared Revenues

Conclusion

INTERPOLATION – PERCENTAGE OF TOTAL



(All amounts are in Millions)

SUMMARY

- ▶ The Town budgeted State Shared Revenues, in aggregate, at **LEVEL II** to ensure the Town does not over extend expenditures and not to over restrict operations.
- ▶ As this revenue sources moves to **LEVEL III**, priorities can be authorized by the Mayor and Council. (Feb-June '21)
- ▶ If this revenue shows signs of moving to **LEVEL I**, the Mayor and Council would be notified and mitigating actions assessed for considerations, if necessary.

Factors impacting FY2021:

- ▶ The overall economic condition and activity of the State.
- ▶ The Town's population growth compared to the rest of the State; revenues are distributed based on population
- ▶ Revenue is trending slightly above in the **LEVEL II** range.

State Shared Revenues include:

- ▶ State income tax (last year's taxes paid);
- ▶ State transaction privilege tax (steady);
- ▶ Automobile taxes and licensing (strong) ; and
- ▶ "HURF" Highway User Revenue Fund (very strong).

July, August, September,

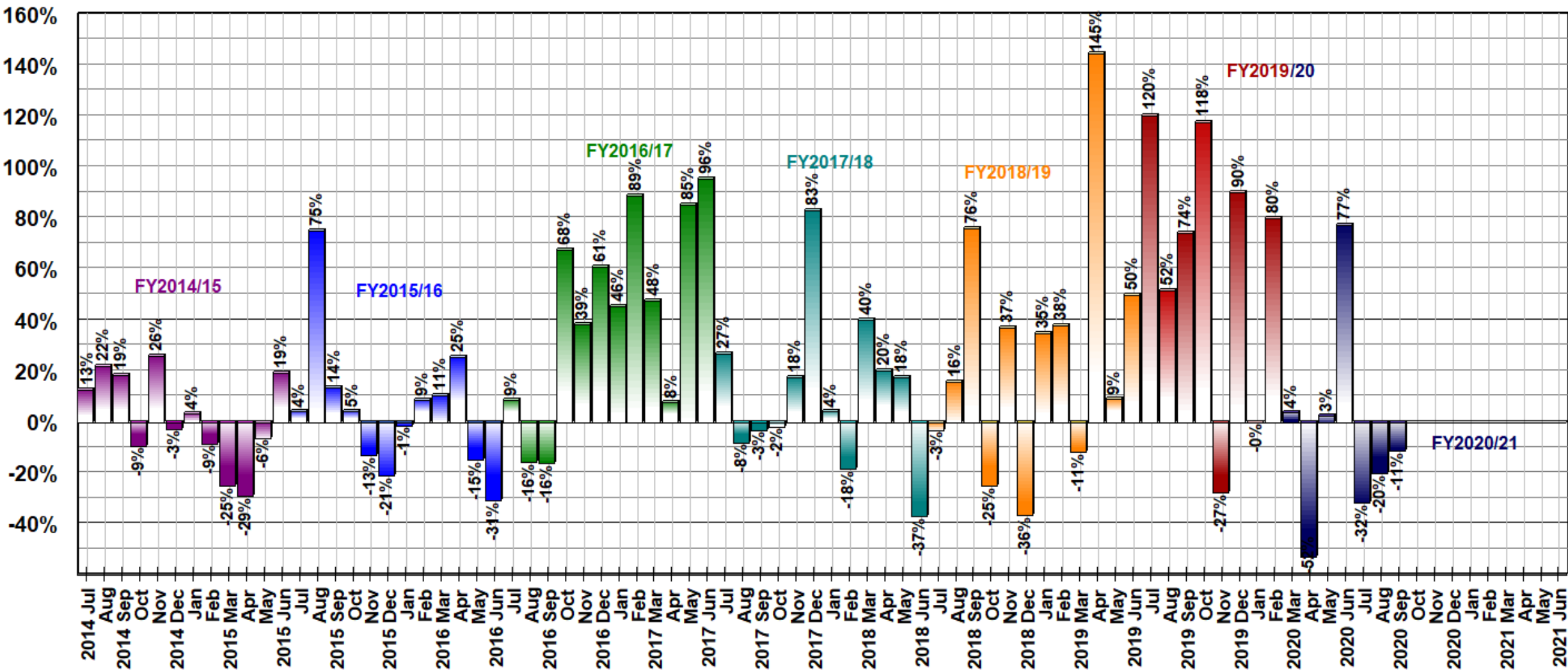
CONSTRUCTION AND CONTRACTING TRANSACTION PRIVILEGE TAX (TPT)



November 19th, 2020

Construction & Contracting Change in Monthly Collections

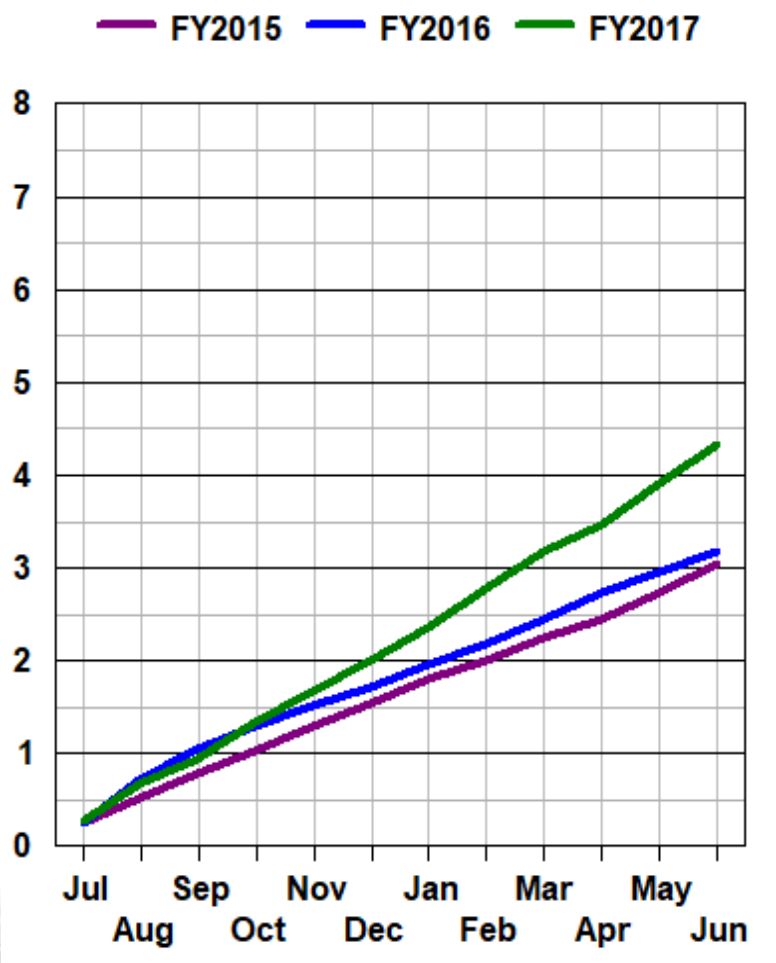
Change in Monthly Collects from Previous Year



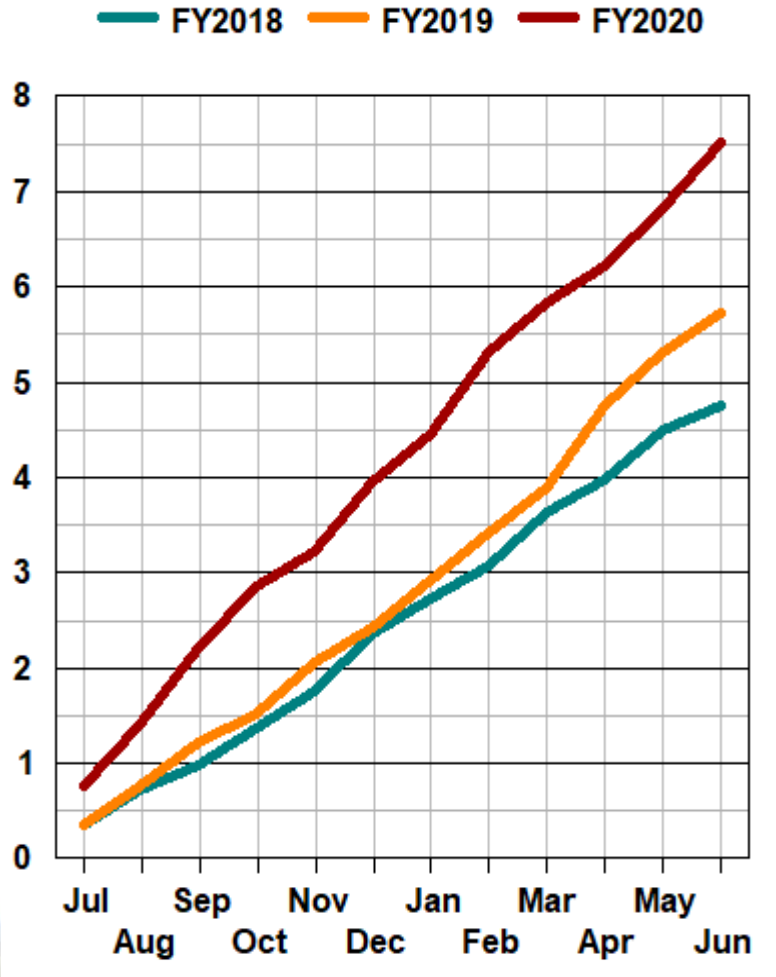
Construction & Contracting

Accum. Collections by Month

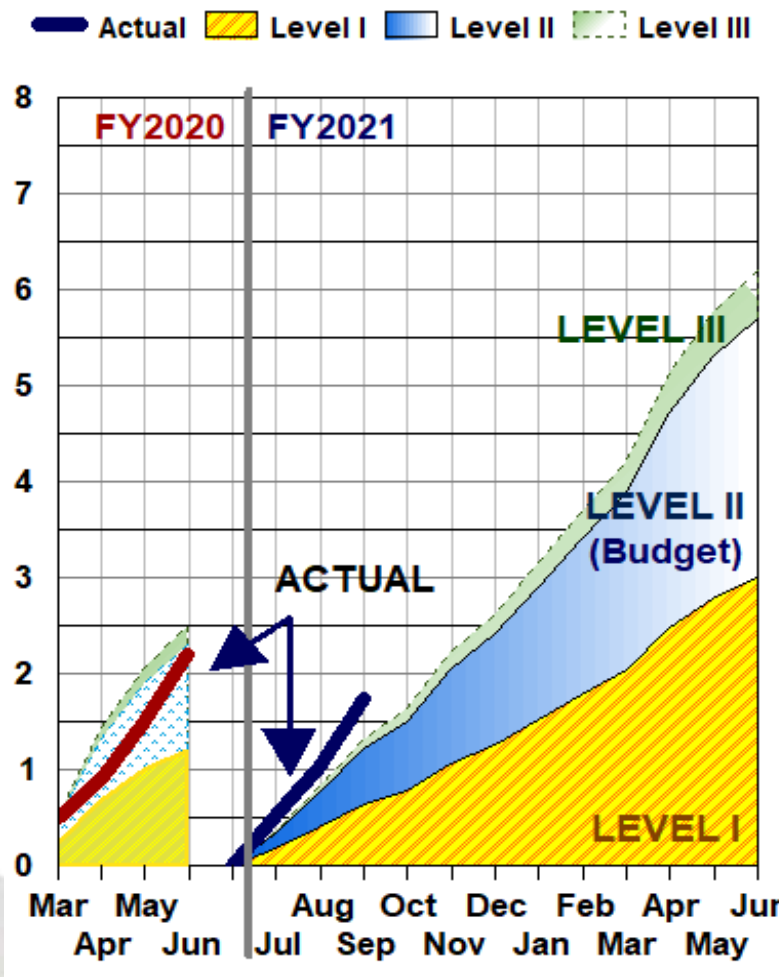
Historical FY2015 to FY2017



Historical FY2018 to FY2020



Current Actual FY2021

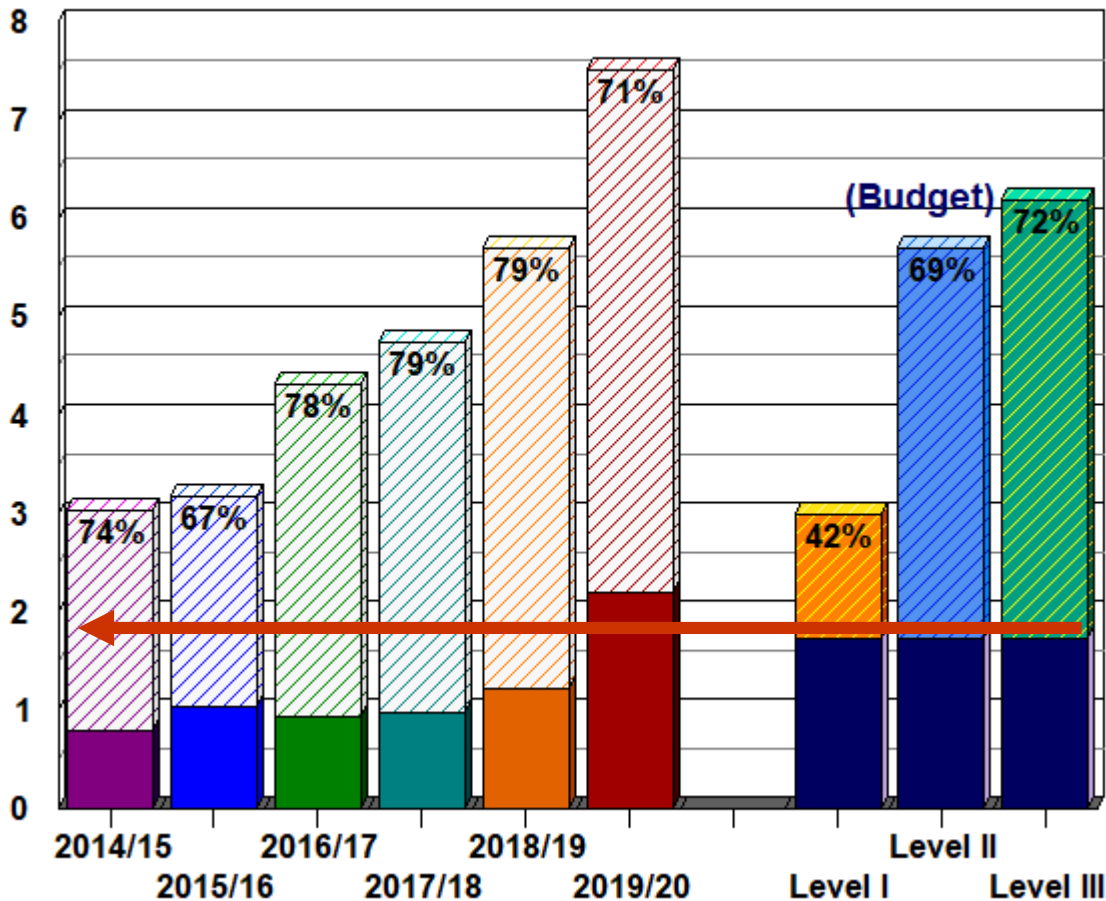


(All amounts are in Millions)

Construction & Contracting TPT

Conclusion

INTERPOLATION – PERCENTAGE OF TOTAL



(All amounts are in Millions)

SUMMARY

- ▶ The Town budgeted Construction TPT at **LEVEL II** to ensure the Town does not over extend CIP expenditures.
- ▶ Per Town policy, if this revenue moves to **LEVEL III**, it is transferred to the Capital Improvement Program (CIP), where it will be placed in a contingency account for subsequent budgets and Council considerations.
- ▶ If this revenue shows signs of moving to **LEVEL I**, the Mayor and Council would be notified and mitigating actions assessed for considerations if necessary; this would most likely impact subsequent years' CIP.

Factors impacting FY2021:

- ▶ Though some sectors slumped since March 2020, construction in Paradise Valley continued to be strong.
- ▶ Major developments are still on the horizon.
- ▶ The first \$500,000 Construction TPT collected funds general Town operations; all collections in excess of \$500,00 funds the Town's CIP.

BUILDING PERMITS

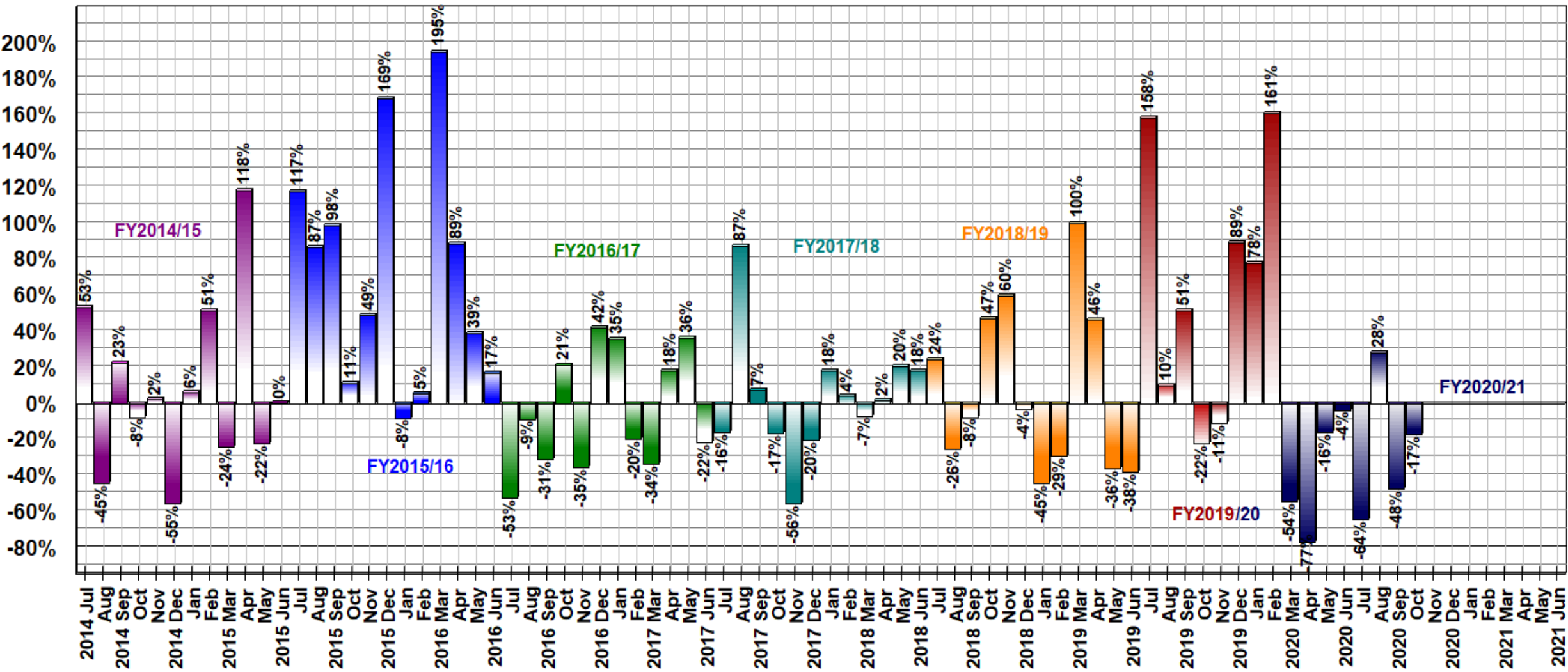


November 19th, 2020

Building Permits

Change in Monthly Collections

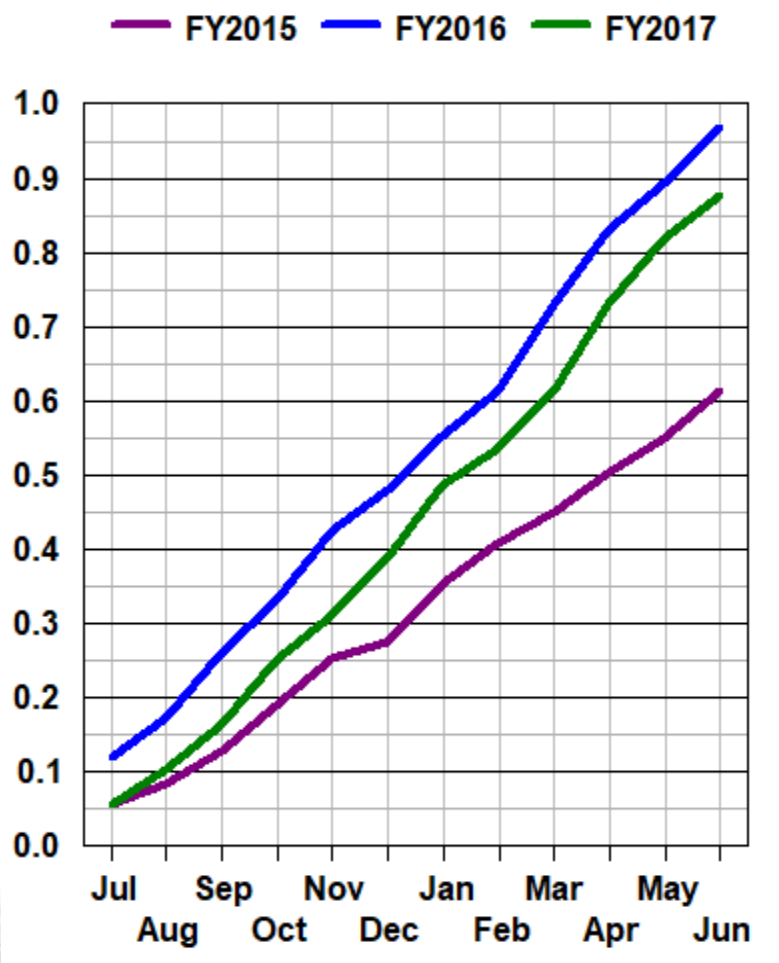
Change in Monthly Collects from Previous Year



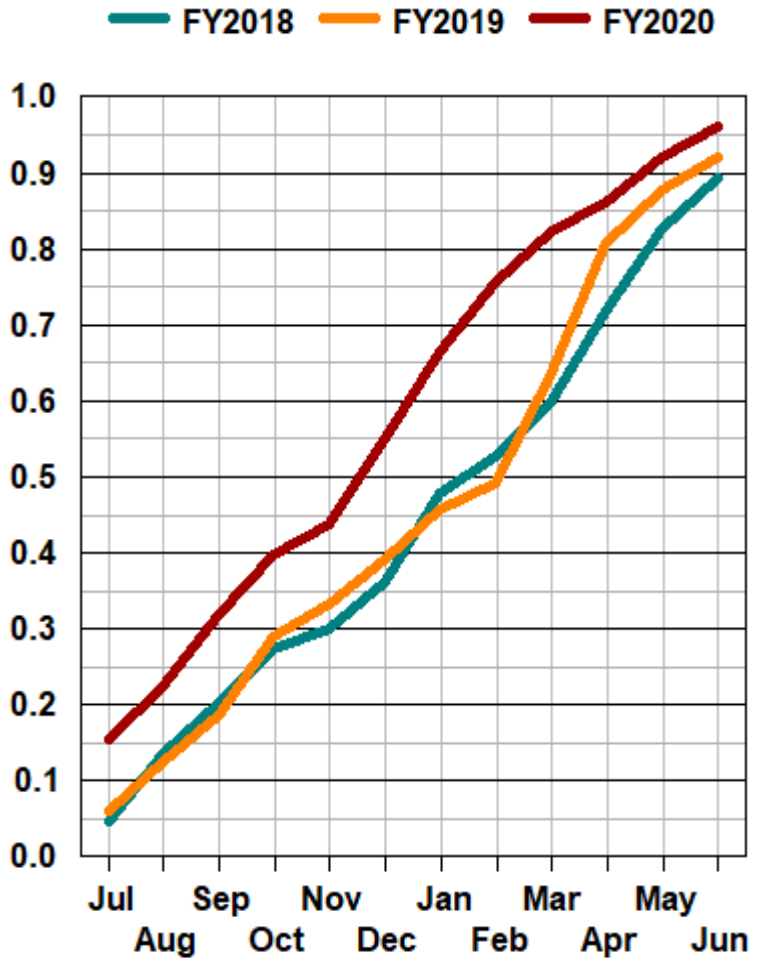
Building Permits

Accum. Collections by Month

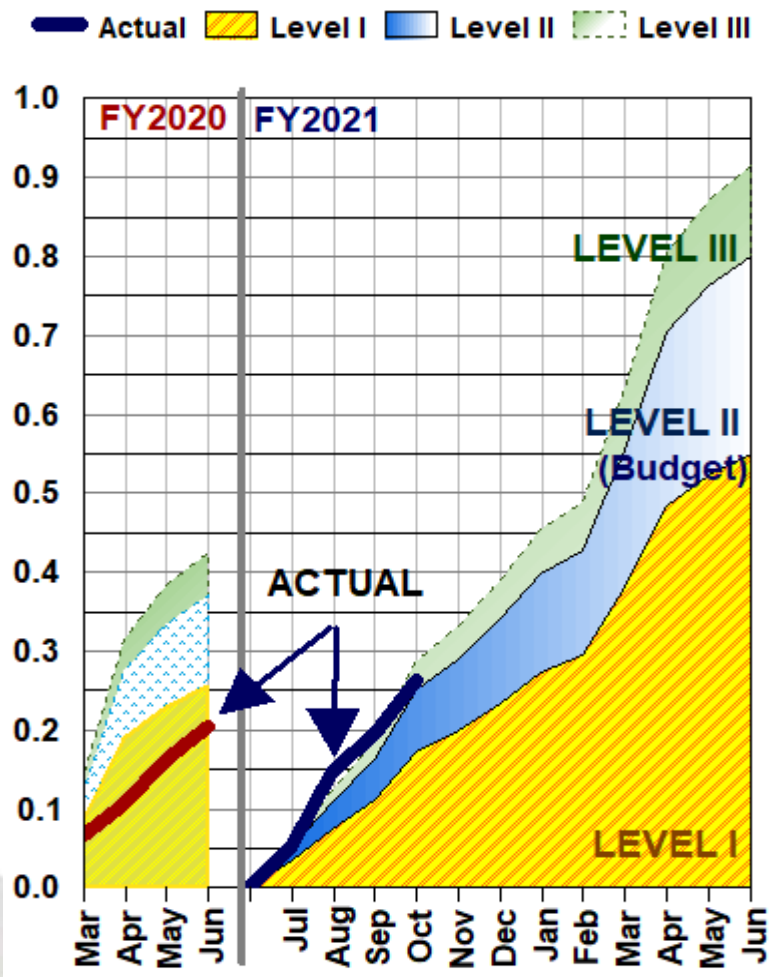
Historical FY2015 to FY2017



Historical FY2018 to FY2020

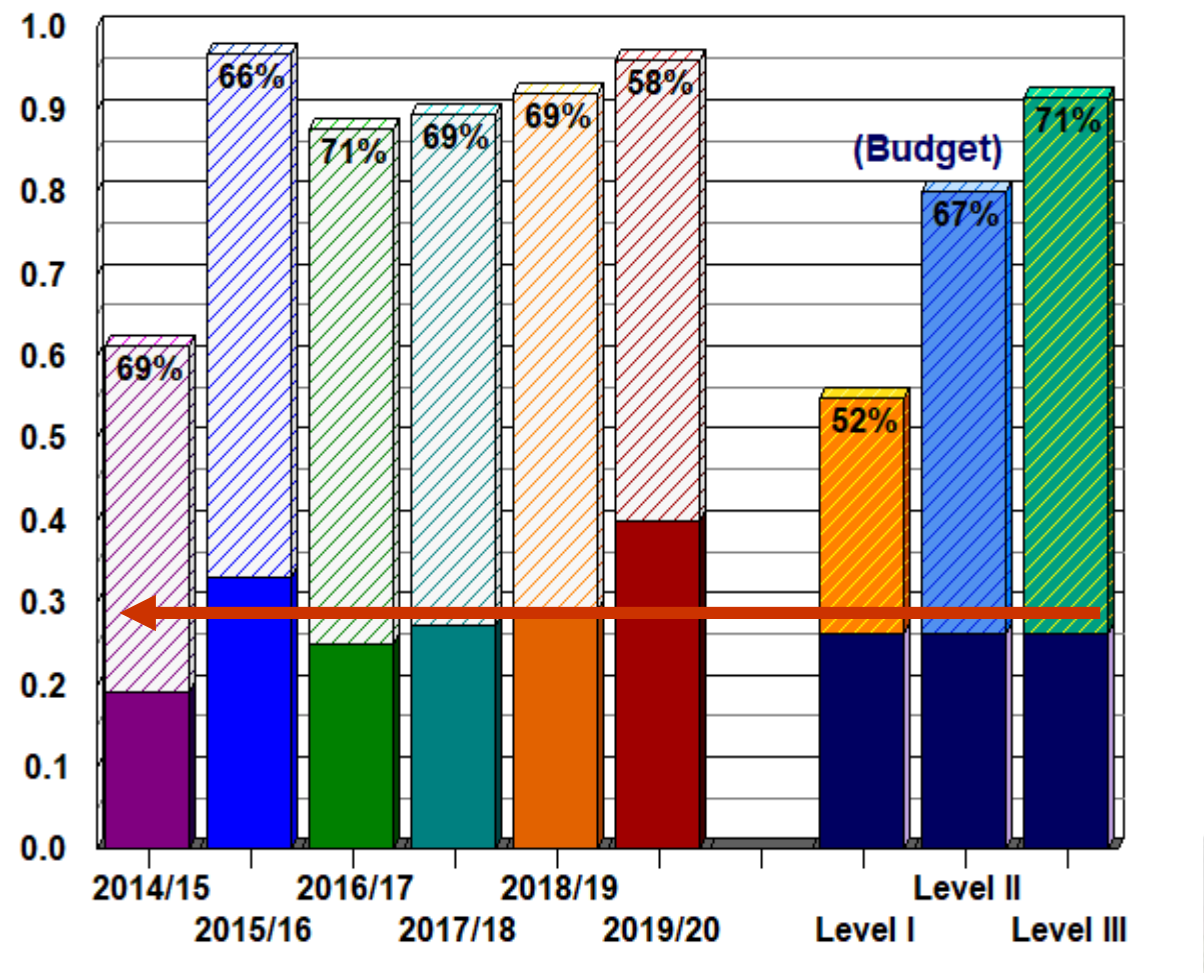


Current Actual FY2021



(All amounts are in Millions)

INTERPOLATION – PERCENTAGE OF TOTAL



(All amounts are in Millions)

SUMMARY

- ▶ The Town budgeted Building permits at **LEVEL II** to ensure the Town does not over extend expenditures, but not under estimate activity.
- ▶ If this revenue shows signs of slowing to **LEVEL I**, the Mayor and Council will be notified and mitigating actions assessed for considerations if necessary.

Factors impacting FY2021:

- ▶ Though some sectors slumped since March 2020, construction in Paradise Valley continued to be strong.
- ▶ Major developments are still on the horizon.
- ▶ The first \$550,000 of Building permit revenue collected is considered recurring and funds general Town operations; all collections in excess of \$550,00 is considered non-recurring and funds non-recurring expenditures.

Conclusion

Next Steps

RECOMMENDATION

- As outlined with the FY2021 budget:
- ▶ Remain flexible, adaptive, patient and ready to transition as needed.
 - ▶ Continue to provide monthly financial updates:
 - ❖ Cycle different revenues, focus on most impactful to the Town’s finances.
 - ❖ Review of the first quarter department expenditures (December’s report).
 - ❖ Provide notice if any revenue trend or risk indicator signals a materially adverse impact to the Town’s financial condition.

OPENING BUDGET PRIORITIES

- ▶ Management is cautious not over extend the Town and risk the need to pull back on programs or service commitments, unless warranted to mitigate an unforeseen economic crisis.
- ▶ Council has approved \$2,400,000 for paying the PSPRS Unfunded Liability; but before making payments, staff needs direction regarding the timing.

CONSIDERATION FACTORS FOR PRIORITIES

- ▶ Sustainability and impact of overall Town operations.
- ▶ One-time revenues are not used for recurring programs.
- ▶ Recurring revenues can be used for capital, contractual and other one-time expenditures.
- ▶ Continue to maintain an appropriate level of Emergency Reserves for unforeseen emergencies.



CAPITAL IMPROVEMENT PLAN (“CIP”) BUDGET AMENDMENT (“BA”)



November 19th, 2020

RESOLUTION NUMBER 2020-35

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF PARADISE VALLEY, ARIZONA AMENDING THE FISCAL YEAR 2020/21 ADOPTED BUDGET.

WHEREAS, budget amendments are consistent with Generally Accepted Accounting Principles (GAAP) and recommended budgeted practices;

WHEREAS, the Town of Paradise Valley's Adopted Financial Management Policies requires the approval of the Town Council for the use contingency accounts in excess of \$25,000;

WHEREAS, the Town of Paradise Valley's Adopted Financial Management Policies requires the approval of the Town Council for shifts in appropriations within funds and in departments exceeding \$50,000;

WHEREAS, the Town of Paradise Valley's Adopted Financial Management Policies require that amendments to the capital improvement fund be approved by the Town Council;

WHEREAS, adjustments do not increase the total budget or enable the Town Council to increase spending in excess of the Adopted Budget or the Annual Expenditure Limitation;

Section 1. Record the FY2020/21 budget amendment of \$218,227 for two Lincoln Median projects to affirm budget authority for contracts awarded on June 25, 2020, Council agenda item #20-295 from the CIP Contingency.

Description	Current Budget	Budget Increase	Budget Reduction	Amended Budget
Capital Improvement Projects Fund:				
2020-13 Lincoln Medians West of Tatum	\$ 695,000	\$ 83,359	-	\$ 778,359
2020-14 Lincoln Medians East of Tatum	1,420,000	134,868	-	1,554,868
2099-99 CIP Contingency	590,000	-	\$ (218,227)	371,773

Section 2. Record the FY2020/21 budget amendment from the CIP Contingency and adding \$73,025 to the Lincoln Median East of Tatum (project 2020-14) to subsurface utility located on Town owned facilities and Crown Castle relocations of Town-owned conduit and pull boxes with fiber; and \$4,450 for the Doubletree and 56th Street Improvements (project 2020-11) for underground utility potholing

Description	Current Budget	Budget Increase	Budget Reduction	Amended Budget
Capital Improvement Projects Fund:				
2020-14 Lincoln Medians East of Tatum	\$ 1,554,868	\$ 73,025	-	\$ 1,627,893
2020-11 Double and 56th Street Improvements	-	4,450	-	4,450
2099-99 CIP Contingency	371,773	-	\$ (77,475)	294,298

Section 3. Record the FY2020/21 budget amendment of \$37,471 for sewer pipe lining as identified by the sewer assessment program.

Description	Current Budget	Budget Increase	Budget Reduction	Amended Budget
Wastewater Enterprise Fund:				
2019-05 Sewer System Improvements	\$ 400,000	\$ 37,471	-	\$ 437,471
2017-06 Sewer System Assessments	605,000	-	\$ (37,471)	567,529



PSPRS UNFUNDED LIABILITY

**KEY QUESTION: TIMING OF CASH
PAYMENTS**



November 19th, 2020

Key Question:

Timing of Cash Payments

TIMING IMPLICATIONS

- Important dates to consider when making payments:
- ▶ Participation in the investment pool starts payment is received; any time during the year.
 - ▶ Payments received before June 30, 2021 will be reflective in the min. contribution rates for FY2023.

Methods of Cash Payments

- Cash payments can be at any interval, including:
- ▶ Annual, semi-annual;
 - ▶ Quarterly, monthly; or
 - ▶ Bi-weekly with contributions via payroll

Amount in Adopted Budget, as Amended

- Contingency with Budget Authority and AEL capacity:
- ▶ Priority Two = \$2,400,000 (Available)
 - ▶ Priority Three = \$3,000,000
(Pending Revenue Rebound and Council Action)

KEY QUESTION

- Timing of PSPRS Unfunded Liability Payments:
- ▶ Hold payments until CY2021 (transition factors)
 - ▶ Lump payment of \$2,400,000
 - ▶ Four Monthly payments of \$600,000 (Dec-Mar)
 - ▶ Two Quarterly payments of \$1,200,000 (Jan/Apr)

Estimated Balance; as Been Cautioned

- ▶ The Unfunded Liability in GASB reports is greater than Actuarial Valuations
- ▶ Different basis used in reports, sign of markets and changes in assumptions (See appendix)
- ▶ Not cause for alarm; isn't a precise science and are designed smoothen over time
- ▶ Next Actuarial expected by March 2021; and include \$3,000,000 paid in July 2019 (FY2020).

PSPRS UNFUNDED LIABILITY (APPENDIX)

ACTUARIAL VALUATION & GASB REPORTING

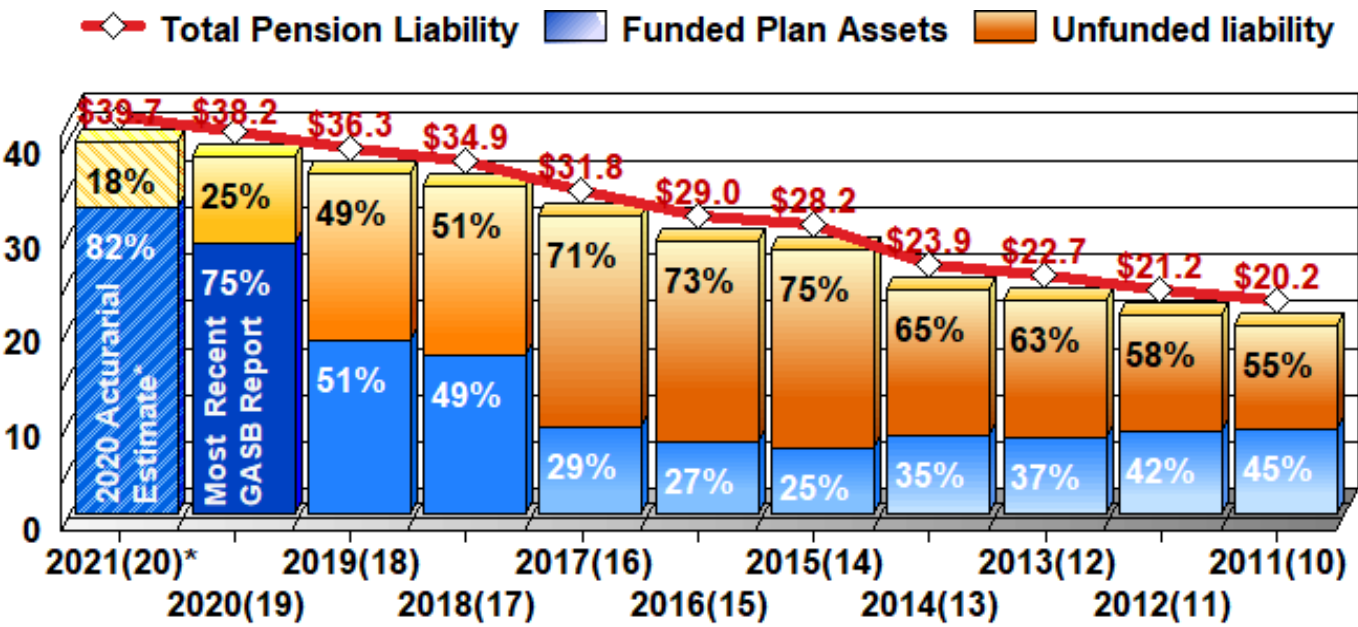


November 19th, 2020

Estimated Balance

Appendix

PAFR Preview Page 11



PSPRS GASB Report		Town CAFR Date 20xx (PSPRS GASB Report Measurement Date 20xx)									
Is one year arrears	Estimate 21(20)	20(19)	19(18)	18(17)	17(16)	16(15)	15(14)	14(13)	13(12)	12(11)	
Town's plan assets	\$ 32.7	\$ 28.8	\$ 18.6	\$ 17.0	\$ 9.3	\$ 7.7	\$ 7.1	\$ 8.4	\$ 8.3	\$ 9.0	
Unfunded liability	7.0	9.4	17.7	17.9	22.5	21.3	21.1	15.5	14.4	12.2	
Total pension liability	\$ 39.7	\$ 38.2	\$ 36.3	\$ 34.9	\$ 31.8	\$ 29.0	\$ 28.2	\$ 23.9	\$ 22.7	\$ 21.2	

PSPRS Actuarial Year		Town Fiscal Year Date 20xx (PSPRS Actuarial Measurement Date 20xx)									
Is two years arrears	Actual 21(19)	20(18)	19(17)	18(16)	17(15)	16(14)	15(13)	14(12)	13(11)	12(10)	
Normal base rate	17.5%	14.8%	14.7%	15.0%	11.0%	11.7%	11.9%	12.4%	13.2%	11.9%	
Unfunded liability rate	21.4%	42.5%	44.5%	52.2%	59.2%	60.1%	48.5%	37.8%	35.8%	25.8%	
Total contribution rate	38.9%	57.3%	59.2%	67.2%	70.2%	71.8%	60.4%	50.2%	49.0%	37.7%	

Reconciliation GASB Reports to Actuarial Valuation

► Both reports have integral roles for estimates

PSPRS Fiscal Year	Financial Statements:	Actuarial:	Difference:	
	Plan Fiduciary	Present Assets	Statements	
	Net Position	(Funding Value)	Minus Actuarial	
			Amount	%
2013	\$ 7,473,478	\$ 8,362,281	\$ (888,803)	-10.6%
2014	7,072,742	7,172,192	(99,450)	-1.4%
2015	7,705,189	7,885,294	(180,105)	-2.3%
2016	9,349,880	10,141,239	(791,359)	-7.8%
2017	16,999,937	17,549,901	(549,964)	-3.1%
2018	18,606,745	19,020,328	(413,583)	-2.2%
2019	28,775,016	29,762,486	(987,470)	-3.3%

- Reports use:
- Same Total Pension Liability; but
 - Different basis for determining Assets (Position); which results in
 - Differing estimates for the “Unfunded Liability”.
- As cautioned: the Unfunded Liability is creeping up; lag time with economy.

Contribution Rates

ARIZONA PUBLIC SAFETY PERSONNEL
RETIREMENT SYSTEM

PARADISE VALLEY POLICE DEPT. (076)

ACTUARIAL VALUATION
AS OF JUNE 30, 2019

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

Arizona Public Safety Personnel Retirement System
Actuarial Valuation Report as of June 30, 2019 – Paradise Valley Police Dept. (076)

7

Contribution Rate Summary

	Tier 1		Tier 2		Tier 3		
Membership Date On or After	7/1/1968		7/20/2011		7/20/2011		7/1/2017
Participates in Social Security	N/A	N/A	Yes	No	Yes	No	N/A
Available Retirement Plan ¹	DB Only	DB Only	DB Only	Hybrid	DB Only	Hybrid	DC Only
Employee Contribution Rate							
PSPRS DB Rate	7.65%	11.65%	11.65%	11.65%	9.94%	9.94%	
PSPRS DC Rate				3.00%		3.00%	9.00%
PSPDCRP Disability Program Rate							1.41%
Total EE Contribution Rate	7.65%	11.65%	11.65%	14.65%	9.94%	12.94%	10.41%
Employer Contribution Rate							
PSPRS DB Normal Cost	17.53%	17.53%	17.53%	17.53%	9.94%	9.94%	
PSPRS DB Tier 1 & 2 Legacy Cost ²	21.37%	21.37%	21.37%	21.37%	21.37%	21.37%	21.37%
PSPRS DC Rate ³				4.00%		3.00%	9.00%
PSPDCRP Disability Program Rate							1.41%
Total ER Contribution Rate	38.90%	38.90%	38.90%	42.90%	31.31%	34.31%	31.78%

Estimated Unfunded “Actuarial” Liability

Arizona Public Safety Personnel Retirement System
Actuarial Valuation Report as of June 30, 2019 – Paradise Valley Police Dept. (076)

Derivation of Experience (Gain)/Loss

		Tiers 1 & 2	
		Pension	Health
(1)	Unfunded Actuarial Accrued Liability as of June 30, 2018	17,322,469	173,331
(2)	Normal Cost Developed in Last Valuation	433,931	9,376
(3)	Actual Contributions	10,736,527	22,303
(4)	Expected Interest On (1), (2), and (3)	923,811	12,710
(5)	Expected Unfunded Actuarial Accrued Liability as of June 30, 2019 (1)+(2)-(3)+(4)	7,943,684	173,114
(6)	Changes to UAAL Due to Assumptions, Methods and Benefits	1,328,614	12,869
(7)	Change to UAAL Due to Actuarial (Gain)/Loss	(870,453)	(131,833)
(8)	Unfunded Actuarial Accrued Liability as of June 30, 2019	8,401,845	54,150

Two Reports – Diff Basis

Actuarial Valuation for Town’s Contribution Rates

ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

CONSOLIDATED REPORT

ACTUARIAL VALUATION
AS OF JUNE 30, 2019

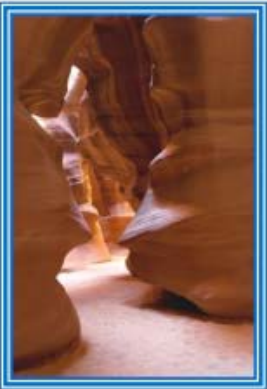
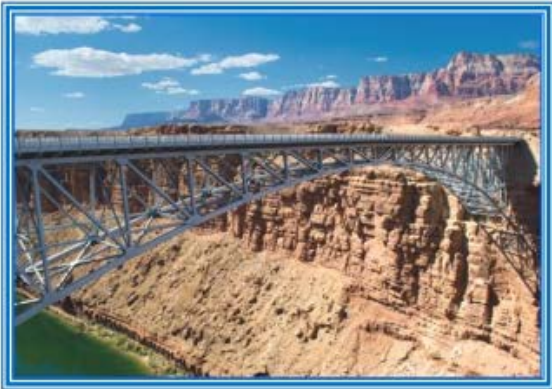
CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING JUNE 30, 2021

Arizona Public Safety Personnel Retirement System
Actuarial Valuation Report as of June 30, 2019

Employer					
Number	Employer Name	Total AAL	Total Assets	Funded Percent	Unfunded Liability
061	COCONINO COUNTY SHERIFF'S DEPT.	51,515,171	36,253,254	70.4%	15,261,917
064	BUCKSKIN FIRE DISTRICT	8,793,699	3,264,975	37.1%	5,528,724
065	SNOWFLAKE POLICE DEPT.	6,025,046	2,720,563	45.2%	3,304,483
066	COTTONWOOD POLICE DEPT.	19,496,199	8,413,050	43.2%	11,083,149
067	LAKE HAVASU CITY POLICE DEPT.	60,815,101	30,155,333	49.6%	30,659,768
069	SOUTH TUCSON POLICE DEPT.	10,654,526	469,684	4.4%	10,184,842
070	APACHE JUNCTION POLICE DEPT.	41,303,934	15,151,579	36.7%	26,152,355
071	NAVAJO COUNTY SHERIFF'S DEPT.	19,808,982	6,529,976	33.0%	13,279,006
072	MOHAVE VALLEY FIRE DISTRICT	9,672,230	8,842,662	91.4%	829,568
073	PEORIA FIRE DEPT.	111,165,549	73,692,956	66.3%	37,472,593
074	PEORIA POLICE DEPT.	141,525,343	75,605,258	53.4%	65,920,085
076	PARADISE VALLEY POLICE DEPT.	38,164,331	29,762,486	78.0%	8,401,845

GASB Reporting for Town’s Financial Statements

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION BY EMPLOYER PENSION & OPEB (Non-Risk Pool)



FOR THE FISCAL YEAR ENDING JUNE 30, 2019

► Next slides

GASB Reporting for Town's CAFR

Appendix

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION BY EMPLOYER - PENSION
 AGENT MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN
 MEASUREMENT DATE: JUNE 30, 2019
 REPORTING DATE: JUNE 30, 2020

SYS	EMPLOYER	NET POSITION RESTRICTED FOR PENSION PAYMENTS JUNE 30, 2018	ADDITIONS				
			MEMBER CONTRIBUTIONS	EMPLOYER CONTRIBUTIONS	NON- EMPLOYER CONTRIBUTIONS	NET INVESTMENT INCOME	TOTAL ADDITIONS
080	NOGALES POLICE DEPARTMENT	15,773,661	244,244	1,571,338	-	846,862	2,662,444
053	NORTHERN AZ. CONSOLIDATED FD #1	5,051,173	94,731	437,518	26,355	276,917	835,521
147	NORTHWEST FIRE DISTRICT	66,856,899	1,031,068	4,168,089	325,867	3,688,346	9,213,370
244	ORACLE FIRE DISTRICT	799,501	18,515	31,879	6,073	43,537	100,004
122	ORO VALLEY POLICE DEPT.	33,414,678	575,136	2,624,761	-	1,843,370	5,043,267
097	PAGE FIRE DEPARTMENT	2,408,805	66,450	326,812	18,761	138,804	550,827
096	PAGE POLICE DEPARTMENT	4,790,873	101,240	1,658,508	-	303,632	2,063,380
254	PALOMINAS FIRE DISTRICT	971,946	10,800	3,608	8,108	67,125	89,641
076	PARADISE VALLEY POLICE DEPARTMENT	18,593,436	237,748	10,736,527	-	1,341,038	12,315,313

GASB Reporting for Town's CAFR

Appendix

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION BY EMPLOYER - PENSION
AGENT MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN
 MEASUREMENT DATE: JUNE 30, 2019
 REPORTING DATE: JUNE 30, 2020

SYS	EMPLOYER	DEDUCTIONS			NET TRANSFERS & OTHER ADJUSTMENTS			NET INCREASE (DECREASE)	NET POSITION RESTRICTED FOR PENSION PAYMENTS JUNE 30, 2019
		PENSION BENEFITS INCLUDING REFUNDS	ADMINISTRATIVE EXPENSES	TOTAL DEDUCTIONS	NET TRANSFERS	SYSTEM MERGERS	OTHER ADJUSTMENTS		
080	NOGALES POLICE DEPARTMENT	1,440,860	15,725	1,456,585	-	-	-	1,205,859	16,979,520
053	NORTHERN AZ. CONSOLIDATED FD #1	371,123	5,800	376,923	-	-	-	458,598	5,509,771
147	NORTHWEST FIRE DISTRICT	2,752,321	65,093	2,817,414	90,731	-	-	6,486,687	73,343,586
244	ORACLE FIRE DISTRICT	23,801	1,736	25,537	-	-	-	74,467	873,968
122	ORO VALLEY POLICE DEPT.	1,884,430	33,037	1,917,467	46,863	-	1	3,172,664	36,587,342
097	PAGE FIRE DEPARTMENT	79,936	3,388	83,324	-	-	-	467,503	2,876,308
096	PAGE POLICE DEPARTMENT	422,346	6,268	428,614	-	-	-	1,634,766	6,425,639
254	PALOMINAS FIRE DISTRICT	3,956	2,143	6,099	284,504	-	-	368,046	1,339,992
076	PARADISE VALLEY POLICE DEPARTMENT	2,160,406	24,283	2,184,689	50,956	-	-	10,181,580	28,775,016

GASB Reporting for Town's CAFR

Appendix

Reconciliation GASB Reports to Actuarial Valuation

Diff basis	Financial Statements:	Actuarial:	Difference:	
			Statements	
PSPRS Fiscal Year	Plan Fiduciary Net Position	Assets (Funding Value)	Minus Actuarial	
			Amount	%
2013	\$ 7,473,478	\$ 8,362,281	\$ (888,803)	-10.6%
2014	7,072,742	7,172,192	(99,450)	-1.4%
2015	7,705,189	7,885,294	(180,105)	-2.3%
2016	9,349,880	10,141,239	(791,359)	-7.8%
2017	16,999,937	17,549,901	(549,964)	-3.1%
2018	18,606,745	19,020,328	(413,583)	-2.2%
2019	28,775,016	29,762,486	(987,470)	-3.3%

PSPRS Fiscal Year	Financial Statements:	Actuarial:	Difference:	
			Statements	
	Total Pension Liability	Total Accrued Liability	Minus Actuarial	
			Amount	%
2013	\$ 23,854,802	\$ 24,386,754	\$ (531,952)	-2.2%
2014	28,203,076	28,203,076	-	0.0%
2015	29,018,758	29,018,758	-	0.0%
2016	31,825,548	31,825,548	-	0.0%
2017	34,948,185	34,948,185	-	0.0%
2018	36,342,797	36,342,797	-	0.0%
2019	38,164,331	38,164,331	-	0.0%

Town's CAFR; Note 7

TOWN OF PARADISE VALLEY, ARIZONA
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2020

NOTE 7 PENSIONS (Continued)

Changes in the Net Pension Liability

PSPRS - Police	Pension Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at June 30, 2019	\$ 36,342,797	\$ 18,606,745	\$ 17,736,052
Adjustments to beginning of year	-	(13,309)	13,309
Changes for the year:			
Service cost	671,680	-	671,680
Interest on the total liability	2,659,136	-	2,659,136
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the liability	(677,490)	-	(677,490)
Changes of assumptions or other inputs	1,328,614	-	1,328,614
Contributions - employer	-	10,736,527	(10,736,527)
Contributions - employee	-	237,748	(237,748)
Net investment income	-	1,341,038	(1,341,038)
Benefit payments, including refunds of employee contributions	(2,160,406)	(2,160,406)	-
Administrative expense	-	(24,283)	24,283
Other changes	-	50,956	(50,956)
Net changes	1,821,534	10,181,580	(8,360,046)
Balances at June 30, 2020	\$ 38,164,331	\$ 28,775,016	\$ 9,389,315

**\$8.4
Actuarial**

FY2020/21 MONTHLY FINANCIAL UPDATED No. 3: November 2020



November 19th, 2020