

**City of Clewiston  
Firefighters' Retirement Plan & Trust**

115 W. Ventura Ave.  
Clewiston, FL 33440

Tuesday, July 16, 2024

9:00 AM

## Meeting Agenda

**1. Call To Order**

**2. Roll Call:**

|                      |                        |                         |
|----------------------|------------------------|-------------------------|
| Travis Reese (Chair) | Elected Firefighter    | Term Expires May 2024   |
| Michael Irey         | Elected Firefighter    | Term Expires May 2024   |
| Jerry Cochrane       | City Appointee         | Term Expires May 2024   |
| Vacant               | City Appointee         | Term Expires May 2024   |
| Chuck Pelham         | 5 <sup>th</sup> Member | Term Expires March 2026 |

**3. Actuarial Valuation 10/01/2023**

**4. Approve the Assumption Rate**

**5. Trustee Comments**

**6. Public Comments**

**7. Next Meeting: September 18, 2024**

**8. Adjournment**

One or more council members may be in attendance at this meeting.

All meetings are open to the public. Pursuant to Chapter 286.0105, Florida Statutes, if a person decides to appeal any decision made at this meeting with respect to any matter considered at such meeting, he may need to ensure that a verbatim record of the proceedings is made which record includes the testimony and evidence upon which the appeal is based.

City of Clewiston  
Firefighters Retirement System

Actuarial Valuation  
As of October 1, 2023

Determines the Contribution  
For the 2024/25 Fiscal Year



|  | <u>Page</u>                                       |
|--|---|
| Discussion                                     | 1   |
| <br><b><u>Funding Results</u></b>              |   |
| Table I-A                                      | Minimum Required Contribution I-1                 |
| Table I-B                                      | Sensitivity Analysis I-3                          |
| Table I-C                                      | Gain and Loss Analysis I-4                        |
| Table I-D                                      | Present Value of Future Benefits I-5              |
| Table I-E                                      | Present Value of Accrued Benefits I-6             |
| Table I-F                                      | Present Value of Vested Benefits I-7              |
| Table I-G                                      | Entry Age Normal Accrued Liability I-8            |
| <br><b><u>Accounting Results</u></b>           |   |
| GASB 67/68 Supplement as of September 30, 2023 |   |
| <br><b><u>Assets</u></b>                       |   |
| Table II-A                                     | Actuarial Value of Assets II-1                    |
| Table II-B                                     | Market Value of Assets II-2                       |
| Table II-C                                     | Investment Return II-3                            |
| Table II-D                                     | Asset Reconciliation II-4                         |
| Table II-E                                     | Historical Trust Fund Detail II-5                 |
| Table II-F                                     | Other Reconciliations II-6                        |
| Table II-G                                     | Historical Chapter 175/185 Contributions II-7     |
| <br><b><u>Data</u></b>                         |   |
| Table III-A                                    | Summary of Participant Data III-1                 |
| Table III-B                                    | Data Reconciliation III-2                         |
| Table III-C                                    | Active Participant Data III-3                     |
| Table III-D                                    | Active Age-Service Distribution III-4             |
| Table III-E                                    | Active Age-Service-Salary Table III-5             |
| Table III-F                                    | Inactive Participant Data III-6                   |
| Table III-G                                    | Projected Benefit Payments III-7                  |
| <br><b><u>Methods &amp; Assumptions</u></b>    |   |
| Table IV-A                                     | Summary of Actuarial Methods and Assumptions IV-1 |
| Table IV-B                                     | Changes in Actuarial Methods and Assumptions IV-3 |
| <br><b><u>Plan Provisions</u></b>              |   |
| Table V-A                                      | Summary of Plan Provisions V-1                    |
| Table V-B                                      | Summary of Plan Amendments V-5                    |



April 5, 2024

## Introduction

This report presents the results of the October 1, 2023 actuarial valuation for the City of Clewiston Firefighters Retirement System. The report is based on the participant data and asset information provided by the pension plan administrator and, except for a cursory review for reasonableness including a comparison to the data provided for the previous valuation, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of October 1, 2023 and to determine the minimum required contribution under Chapter 112, Florida Statutes, for the 2024/25 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the normal cost rate.

## Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2024/25 plan year. The minimum required contribution rate is 84.42% of covered payroll, which represents an increase of 29.15% of payroll from the prior valuation.

The normal cost rate is 82.72% of payroll, which is 29.43% of payroll higher than the normal cost rate that was developed in the prior valuation. Table I-C provides a breakdown of the sources of change in the normal cost rate. Significantly, the rate increased by 0.16% due to investment shortfalls and increased by another 29.27% of payroll due to demographic experience. The market value of assets only earned 5.48% during the 2022/23 plan year, whereas a 7.00% annual investment return was required to maintain a stable contribution rate. The demographic loss occurred primarily because there are several participants who are eligible to retire and who were assumed to retire prior to the valuation date, but



who are still working and accruing benefits such that their projected liability is increasing significantly for every additional year that they work.

Chapter 112, Florida Statutes, sets forth the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the City must contribute an amount equal to the annual normal cost of the plan plus an adjustment as necessary to reflect interest on any delayed payment of the contribution beyond the valuation date. On this basis, the City's 2024/25 minimum required contribution will be equal to 84.42% multiplied by the total pensionable earnings for the 2024/25 plan year for the active employees who are covered by the plan and reduced by the portion of the Chapter 175 contribution that is allowed to be recognized during the 2024/25 plan year.

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$2,468,440. As illustrated in Table I-A, current assets are sufficient to cover \$341,060 of this amount, the employer's 2023/24 expected contribution will cover \$175,017 of this amount, the employer's 2024/25 expected contribution will cover \$278,027 of this amount, and future employee contributions are expected to cover \$105,410 of this amount, leaving \$1,568,926 to be covered by future employer funding beyond the 2024/25 fiscal year. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

#### Identification and Assessment of Risk

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, there is always a risk that, should these assumptions not be realized, the liabilities of the plan, the contributions required to fund the plan, and the funded status of the plan may be significantly different than the amounts shown in this report.

Although a thorough analysis of the risk of not meeting the assumptions is beyond the scope of this report, this discussion is intended to identify the significant risks faced by the plan. In some cases, a more detailed review of the risks, including numerical analysis, may be appropriate to help the plan sponsor and other interested parties assess the specific impact of not realizing certain assumptions. For example, Table I-B illustrates the impact that alternative long-term investment returns would have on the contribution rate. Note that this report is not intended to provide advice on the management or reduction of the identified risks nor is this report intended to provide investment advice.

The most significant risk faced by most defined benefit pension plans is investment risk, i.e. the risk that long-term investment returns will be less than assumed. Other related risks include a risk that, if the investments of the plan decline dramatically over a short period of time (such as occurred with many pension plans in 2008), the plan's assets may not have sufficient time to recover before benefits become due. Even if the assets of the plan grow in accordance with the assumed investment return over time, if benefit payments are expected to be large in the short-term (for example, if the



plan provides an actuarial equivalent lump sum payment option and a large number of participants are expected to become entitled to such a lump sum in the near future), the plan's assets may not be sufficient to support such a high level of benefit payments. We have provided a 10-year projection of the expected benefit payments in Table III-G to help the Trustees in formulating an investment policy that is expected to provide an investment return that meets both the short- and long-term cash flow needs of the pension plan.

Another source of risk is demographic experience. This is the risk that participants will receive salary increases that are different than the amount assumed, that participants will retire, become disabled, or terminate their employment at a rate that is different than assumed, and that participants will live longer than assumed, just to cite a few examples of the demographic risk faced by the plan. Although for most pension plans, the demographic risk is not as significant as the investment risk, particularly in light of the fact that the mortality assumption includes a component for future life expectancy increases, the demographic risk can nevertheless be a significant contributing factor to liabilities and contribution rates that become higher than anticipated.

A third source of risk is the risk that the plan sponsor (or other contributing entities) will not make, or will not have the ability to make, the contributions that are required to keep the plan funded at a sufficient level. Material changes in the number of covered employees, covered payroll, and, in some cases, hours worked by active participants can also significantly impact the plan's liabilities and the level of contributions received by the plan.

Finally, an actuarial funding method has been used to allocate the gap between projected liabilities and assets to each year in the future. The contribution rate under some funding methods is higher during the early years of the plan and then is lower during the later years of the plan. Other funding methods provide for lower contribution rates initially, with increasing contribution rates over time.

The Trustees have adopted the aggregate funding method for this plan, which is expected to result in a contribution rate that is level as a percentage of payroll over the working life of the plan's active participants. A brief description of the actuarial funding method is provided in Table IV-A.

### Change in the Application of the Actuarial Valuation Results

This report is based on the assumption that the pension board will approve a change in the application of the valuation results such that the October 1, 2023 actuarial valuation will be used to determine the required contribution rate for the 2024/25 fiscal year instead of the 2023/24 fiscal year. For the 2023/24 transition year, the required contribution rate developed in the October 1, 2022 actuarial valuation will apply for a second year. Therefore, the minimum required contribution rate for the 2023/24 fiscal year is 55.27% of pensionable earnings.

### Contribution Shortfall

The employer's contribution for the 2022/23 fiscal year fell short of the minimum required contribution by \$108,192. Therefore, we have added this amount to the employer contribution receivable as of October 1, 2023. Furthermore, it is our understanding that Florida state law requires the City to make pension deposits at least on a quarterly basis



throughout each fiscal year. We have assumed that the City will begin making contributions to the plan on a semi-monthly basis for each payroll period. If the City does not begin contributing to the plan on a semi-monthly basis, then the interest adjustment will have to change accordingly for the 2024/25 fiscal year.

### Contents of the Report

Tables I-D through I-G provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of October 1, 2023, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

### Certification

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

For the firm,



Charles T. Carr  
Consulting Actuary  
Southern Actuarial Services Company, Inc.

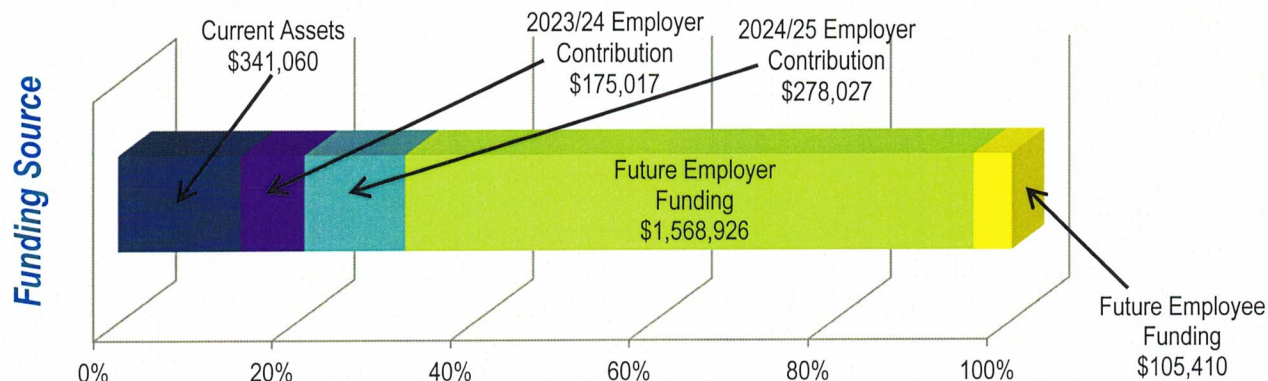
Enrolled Actuary No. 23-04927

*The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.*



Minimum Required Contribution

Table I-A



**For the 2024/25 Plan Year**

|   |               |
|---|---------------|
| Present Value of Future Benefits                                  | \$2,047,115   |
| Present Value of Future Administrative Expenses                   | \$143,298     |
| Actuarial Value of Assets   | (\$341,060)   |
| Present Value of Future Employee Contributions                    | (\$105,410)   |
| Present Value of Future Normal Costs                              | \$1,743,943   |
| <hr/>   |               |
| Present Value of Future Payroll                                   | ÷ \$2,108,222 |
| Normal Cost Rate  | = 82.721%     |
| Expected Payroll  | x \$316,659   |
| <hr/>   |               |
| Normal Cost   | \$261,944     |
| Adjustment to Reflect Semi-Monthly Employer Contributions         | \$9,344       |
| Expected Employer Contribution for the 2023/24 Plan Year          | (\$175,017)   |
| Remaining Contribution Due/(Credit) for the 2023/24 Plan Year     | \$96,271      |
|   | x 0.07        |
| One Year's Interest Charge/(Credit) on the Remaining Contribution | \$6,739       |
| <hr/>   |               |
| Preliminary Employer Contribution for the 2024/25 Plan Year       | \$278,027     |
| Expected Payroll for the 2024/25 Plan Year                        | ÷ \$329,325   |

**Minimum Required Contribution Rate** 84.42%

*(The actual contribution should be based on the minimum required contribution rate multiplied by the actual payroll for the year.)*

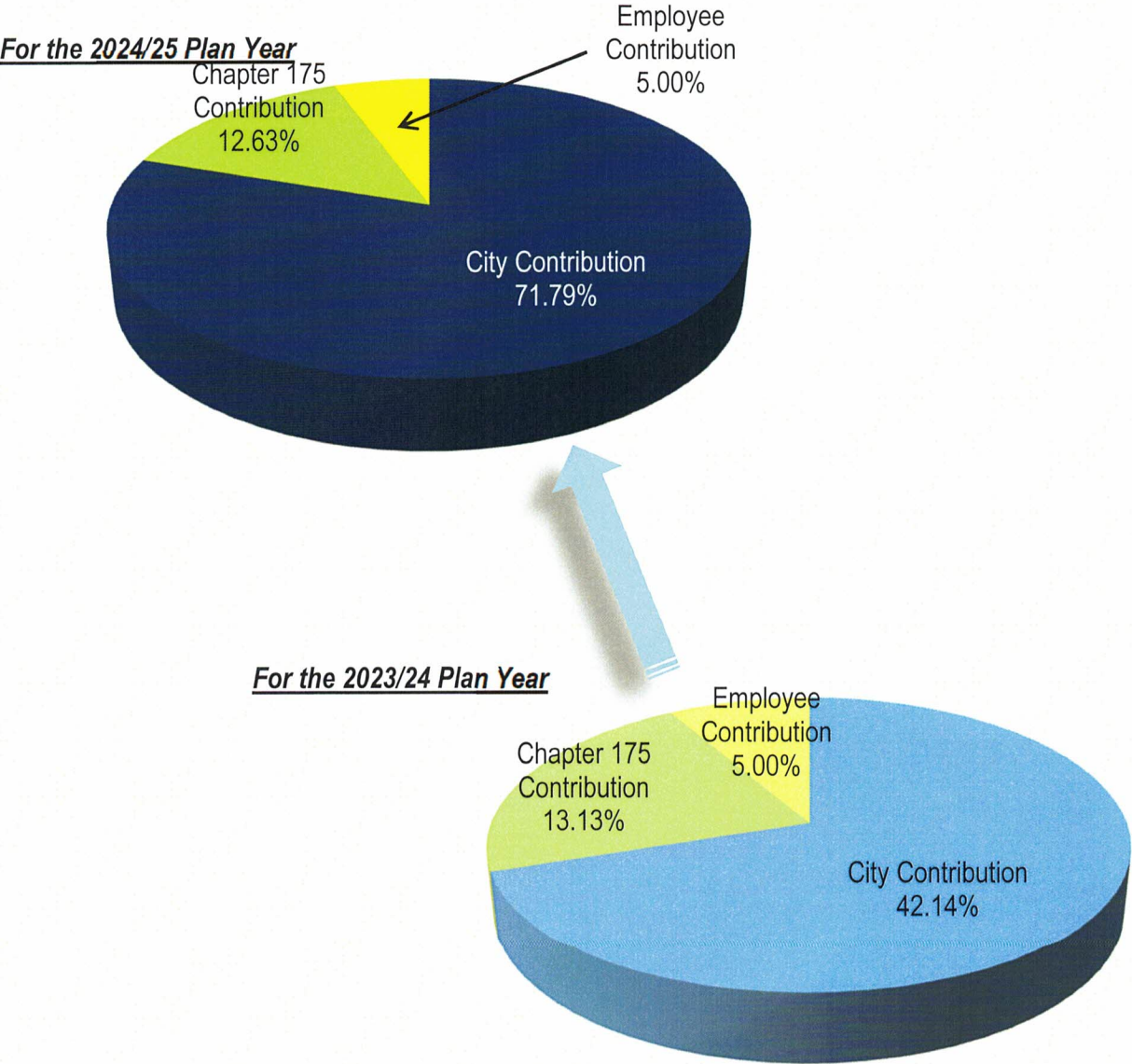




Minimum Required Contribution

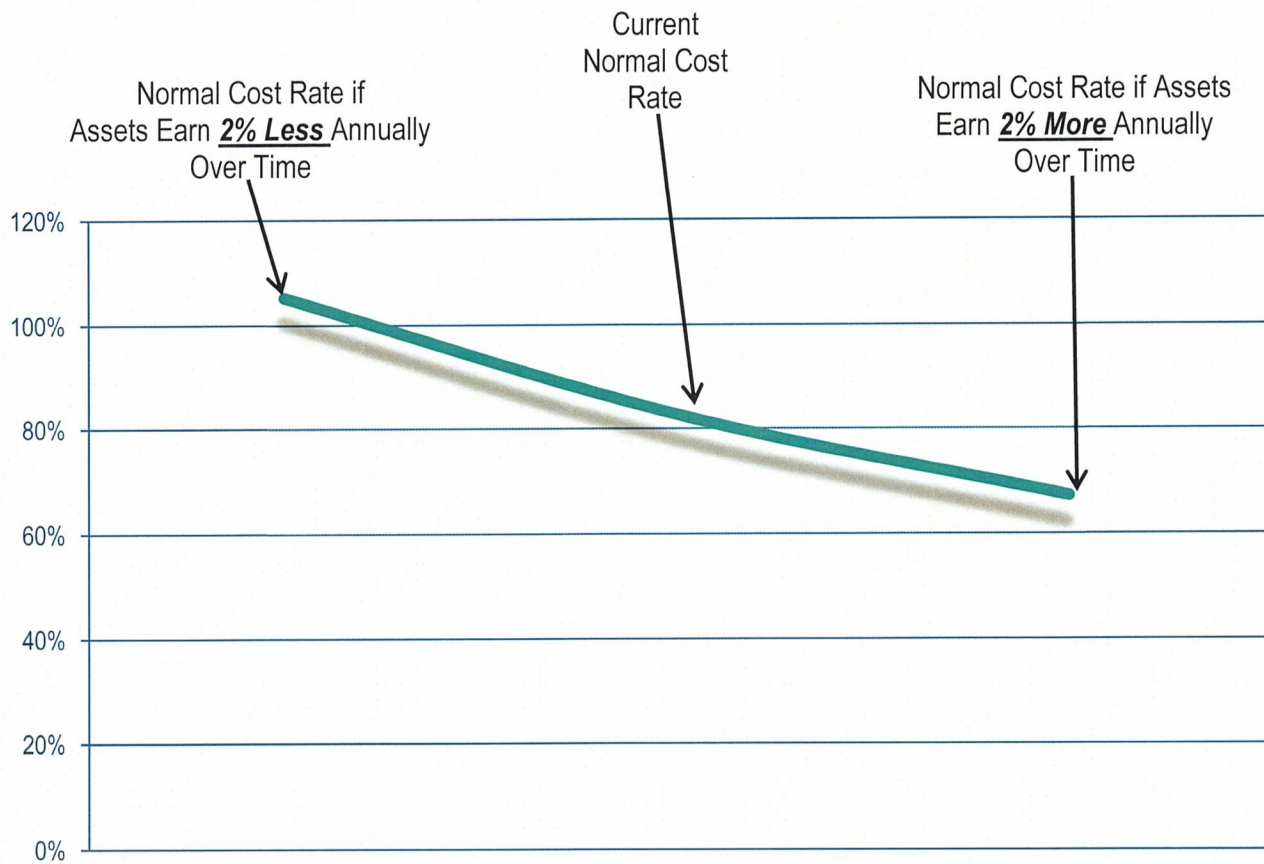
Table I-A  
(continued)

The minimum required contribution rate of 84.42% includes both the City contribution and the allowable Chapter 175 contribution (if any). In addition, employees are required to contribute 5.00% of pensionable earnings. The actual City contribution rate is expected to be approximately 71.79% based on the allowable Chapter 175 contribution (if any) for the previous year. The chart below shows the expected contribution rate by source for the 2024/25 plan year based on the expected payroll. A comparative chart shows the contribution rate by source for the previous plan year.



Sensitivity Analysis

Table I-B



*The line above illustrates the sensitivity of the normal cost rate to changes in the long-term investment return.*



## Gain and Loss Analysis

## Table I-C

|   |               |
|---|---------------|
| Previous normal cost rate                               | 53.29%        |
| Increase (decrease) due to investment gains and losses  | 0.16%         |
| Increase (decrease) due to demographic experience       | 29.27% *      |
| Increase (decrease) due to plan amendments              | 0.00%         |
| Increase (decrease) due to actuarial assumption changes | 0.00%         |
| Increase (decrease) due to actuarial method changes     | 0.00%         |
| Current normal cost rate                                | <u>82.72%</u> |

\* *balancing item*



Present Value of Future Benefits

Table I-D

|  | <u>Old Assumptions<br/>w/o Amendment</u> | <u>Old Assumptions<br/>w/ Amendment</u> | <u>New Assumptions<br/>w/ Amendment</u> |
|--|--|---|---|
| <i>Actively Employed Participants</i>      |  |   |   |
| Retirement benefits                        | \$1,613,393                              | \$1,613,393                             | \$1,613,393                             |
| Termination benefits                       | \$55,770                                 | \$55,770                                | \$55,770                                |
| Disability benefits                        | \$123,994                                | \$123,994                               | \$123,994                               |
| Death benefits                             | \$4,011                                  | \$4,011                                 | \$4,011                                 |
| Refund of employee contributions           | \$7,347                                  | \$7,347                                 | \$7,347                                 |
| Sub-total                                  | <b>\$1,804,515</b>                       | <b>\$1,804,515</b>                      | <b>\$1,804,515</b>                      |
| <i>Deferred Vested Participants</i>        |  |   |   |
| Retirement benefits                        | \$0                                      | \$0                                     | \$0                                     |
| Termination benefits                       | \$0                                      | \$0                                     | \$0                                     |
| Disability benefits                        | \$0                                      | \$0                                     | \$0                                     |
| Death benefits                             | \$0                                      | \$0                                     | \$0                                     |
| Refund of employee contributions           | \$0                                      | \$0                                     | \$0                                     |
| Sub-total                                  | <b>\$0</b>                               | <b>\$0</b>                              | <b>\$0</b>                              |
| <i>Due a Refund of Contributions</i>       | <b>\$1,522</b>                           | <b>\$1,522</b>                          | <b>\$1,522</b>                          |
| <i>Deferred Beneficiaries</i>              | <b>\$0</b>                               | <b>\$0</b>                              | <b>\$0</b>                              |
| <i>Retired Participants</i>                |  |   |   |
| Service retirements                        | \$241,078                                | \$241,078                               | \$241,078                               |
| Disability retirements                     | \$0                                      | \$0                                     | \$0                                     |
| Beneficiaries receiving                    | \$0                                      | \$0                                     | \$0                                     |
| DROP participants                          | \$0                                      | \$0                                     | \$0                                     |
| Sub-total                                  | <b>\$241,078</b>                         | <b>\$241,078</b>                        | <b>\$241,078</b>                        |
| <i>Grand Total</i>                         | <b><u>\$2,047,115</u></b>                | <b><u>\$2,047,115</u></b>               | <b><u>\$2,047,115</u></b>               |
| Present Value of Future Payroll            | \$2,108,222                              | \$2,108,222                             | \$2,108,222                             |
| Present Value of Future Employee Contribs. | \$105,410                                | \$105,410                               | \$105,410                               |
| Present Value of Future Employer Contribs. | \$1,743,943                              | \$1,743,943                             | \$1,743,943                             |



## Present Value of Accrued Benefits

Table I-E

|  | <u>Old Assumptions<br/>w/o Amendment</u> | <u>Old Assumptions<br/>w/ Amendment</u> | <u>New Assumptions<br/>w/ Amendment</u> |
|--|--|---|---|
| <i><u>Actively Employed Participants</u></i> |  |   |   |
| Retirement benefits                          | \$1,137,742                              | \$1,137,742                             | \$1,137,742                             |
| Termination benefits                         | \$21,367                                 | \$21,367                                | \$21,367                                |
| Disability benefits                          | \$90,988                                 | \$90,988                                | \$90,988                                |
| Death benefits                               | \$2,214                                  | \$2,214                                 | \$2,214                                 |
| Refund of employee contributions             | \$2,151                                  | \$2,151                                 | \$2,151                                 |
| Sub-total                                    | <b>\$1,254,462</b>                       | <b>\$1,254,462</b>                      | <b>\$1,254,462</b>                      |
| <i><u>Deferred Vested Participants</u></i>   |  |   |   |
| Retirement benefits                          | \$0                                      | \$0                                     | \$0                                     |
| Termination benefits                         | \$0                                      | \$0                                     | \$0                                     |
| Disability benefits                          | \$0                                      | \$0                                     | \$0                                     |
| Death benefits                               | \$0                                      | \$0                                     | \$0                                     |
| Refund of employee contributions             | \$0                                      | \$0                                     | \$0                                     |
| Sub-total                                    | <b>\$0</b>                               | <b>\$0</b>                              | <b>\$0</b>                              |
| <i><u>Due a Refund of Contributions</u></i>  | <b>\$1,522</b>                           | <b>\$1,522</b>                          | <b>\$1,522</b>                          |
| <i><u>Deferred Beneficiaries</u></i>         | <b>\$0</b>                               | <b>\$0</b>                              | <b>\$0</b>                              |
| <i><u>Retired Participants</u></i>           |  |   |   |
| Service retirements                          | \$241,078                                | \$241,078                               | \$241,078                               |
| Disability retirements                       | \$0                                      | \$0                                     | \$0                                     |
| Beneficiaries receiving                      | \$0                                      | \$0                                     | \$0                                     |
| DROP participants                            | \$0                                      | \$0                                     | \$0                                     |
| Sub-total                                    | <b>\$241,078</b>                         | <b>\$241,078</b>                        | <b>\$241,078</b>                        |
| <i><u>Grand Total</u></i>                    | <b><u>\$1,497,062</u></b>                | <b><u>\$1,497,062</u></b>               | <b><u>\$1,497,062</u></b>               |



Present Value of Vested Benefits

Table I-F

|  | <u>Old Assumptions<br/>w/o Amendment</u> | <u>Old Assumptions<br/>w/ Amendment</u> | <u>New Assumptions<br/>w/ Amendment</u> |
|--|--|---|---|
| <i><u>Actively Employed Participants</u></i> |  |   |   |
| Retirement benefits                          | \$1,064,319                              | \$1,064,319                             | \$1,064,319                             |
| Termination benefits                         | \$13,785                                 | \$13,785                                | \$13,785                                |
| Disability benefits                          | \$90,988                                 | \$90,988                                | \$90,988                                |
| Death benefits                               | \$2,001                                  | \$2,001                                 | \$2,001                                 |
| Refund of employee contributions             | \$3,076                                  | \$3,076                                 | \$3,076                                 |
| Sub-total                                    | <b>\$1,174,169</b>                       | <b>\$1,174,169</b>                      | <b>\$1,174,169</b>                      |
| <i><u>Deferred Vested Participants</u></i>   |  |   |   |
| Retirement benefits                          | \$0                                      | \$0                                     | \$0                                     |
| Termination benefits                         | \$0                                      | \$0                                     | \$0                                     |
| Disability benefits                          | \$0                                      | \$0                                     | \$0                                     |
| Death benefits                               | \$0                                      | \$0                                     | \$0                                     |
| Refund of employee contributions             | \$0                                      | \$0                                     | \$0                                     |
| Sub-total                                    | <b>\$0</b>                               | <b>\$0</b>                              | <b>\$0</b>                              |
| <i><u>Due a Refund of Contributions</u></i>  | <b>\$1,522</b>                           | <b>\$1,522</b>                          | <b>\$1,522</b>                          |
| <i><u>Deferred Beneficiaries</u></i>         | <b>\$0</b>                               | <b>\$0</b>                              | <b>\$0</b>                              |
| <i><u>Retired Participants</u></i>           |  |   |   |
| Service retirements                          | \$241,078                                | \$241,078                               | \$241,078                               |
| Disability retirements                       | \$0                                      | \$0                                     | \$0                                     |
| Beneficiaries receiving                      | \$0                                      | \$0                                     | \$0                                     |
| DROP participants                            | \$0                                      | \$0                                     | \$0                                     |
| Sub-total                                    | <b>\$241,078</b>                         | <b>\$241,078</b>                        | <b>\$241,078</b>                        |
| <i><u>Grand Total</u></i>                    | <b><u>\$1,416,769</u></b>                | <b><u>\$1,416,769</u></b>               | <b><u>\$1,416,769</u></b>               |



## Entry Age Normal Accrued Liability

Table I-G

|  | <u>Old Assumptions<br/>w/o Amendment</u> | <u>Old Assumptions<br/>w/ Amendment</u> | <u>New Assumptions<br/>w/ Amendment</u> |
|--|--|---|---|
| <i><u>Actively Employed Participants</u></i> |  |   |   |
| Retirement benefits                          | \$1,322,497                              | \$1,322,497                             | \$1,322,497                             |
| Termination benefits                         | \$32,737                                 | \$32,737                                | \$32,737                                |
| Disability benefits                          | \$75,546                                 | \$75,546                                | \$75,546                                |
| Death benefits                               | \$2,781                                  | \$2,781                                 | \$2,781                                 |
| Refund of employee contributions             | \$3,140                                  | \$3,140                                 | \$3,140                                 |
| Sub-total                                    | <b>\$1,436,701</b>                       | <b>\$1,436,701</b>                      | <b>\$1,436,701</b>                      |
| <i><u>Deferred Vested Participants</u></i>   |  |   |   |
| Retirement benefits                          | \$0                                      | \$0                                     | \$0                                     |
| Termination benefits                         | \$0                                      | \$0                                     | \$0                                     |
| Disability benefits                          | \$0                                      | \$0                                     | \$0                                     |
| Death benefits                               | \$0                                      | \$0                                     | \$0                                     |
| Refund of employee contributions             | \$0                                      | \$0                                     | \$0                                     |
| Sub-total                                    | <b>\$0</b>                               | <b>\$0</b>                              | <b>\$0</b>                              |
| <i><u>Due a Refund of Contributions</u></i>  | <b>\$1,522</b>                           | <b>\$1,522</b>                          | <b>\$1,522</b>                          |
| <i><u>Deferred Beneficiaries</u></i>         | <b>\$0</b>                               | <b>\$0</b>                              | <b>\$0</b>                              |
| <i><u>Retired Participants</u></i>           |  |   |   |
| Service retirements                          | \$241,078                                | \$241,078                               | \$241,078                               |
| Disability retirements                       | \$0                                      | \$0                                     | \$0                                     |
| Beneficiaries receiving                      | \$0                                      | \$0                                     | \$0                                     |
| DROP participants                            | \$0                                      | \$0                                     | \$0                                     |
| Sub-total                                    | <b>\$241,078</b>                         | <b>\$241,078</b>                        | <b>\$241,078</b>                        |
| <u>Grand Total</u>                           | <b><u>\$1,679,301</u></b>                | <b><u>\$1,679,301</u></b>               | <b><u>\$1,679,301</u></b>               |



Actuarial Value of Assets

Table II-A

|  |                         |
|--|-------------------------|
| Market Value of Assets as of October 1, 2023           | \$341,060               |
| Minus advance employer contributions                   | \$0                     |
| <b>Actuarial Value of Assets as of October 1, 2023</b> | <b><u>\$341,060</u></b> |

| <u>Historical Actuarial Value of Assets</u> |           |
|---|-----------|
| October 1, 2014                             | N/A       |
| October 1, 2015                             | N/A       |
| October 1, 2016                             | N/A       |
| October 1, 2017                             | N/A       |
| October 1, 2018                             | N/A       |
| October 1, 2019                             | N/A       |
| October 1, 2020                             | N/A       |
| October 1, 2021                             | \$0       |
| October 1, 2022                             | \$117,956 |
| October 1, 2023                             | \$341,060 |



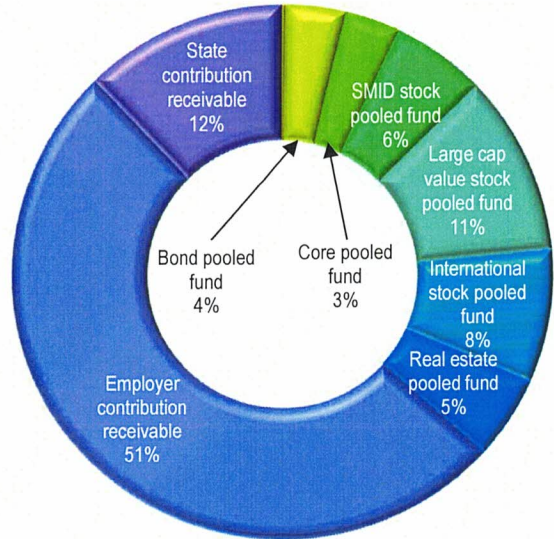


Market Value of Assets

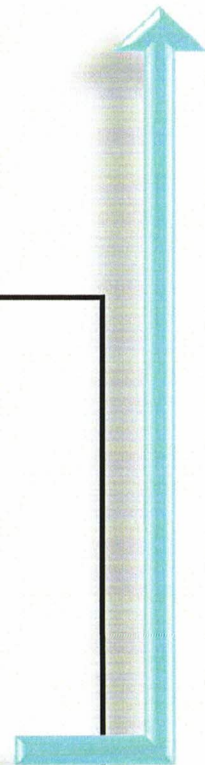
Table II-B

As of October 1, 2023

|                                   |                         |
|-----------------------------------|-------------------------|
| <b>Market Value of Assets</b>     | <b><u>\$341,060</u></b> |
| Cash                              | \$750                   |
| Bond pooled fund                  | \$12,254                |
| Core pooled fund                  | \$11,253                |
| SMID stock pooled fund            | \$19,256                |
| Large cap value stock pooled fund | \$36,636                |
| International stock pooled fund   | \$27,634                |
| Real estate pooled fund           | \$17,255                |
| Employer contribution receivable  | \$174,442               |
| State contribution receivable     | \$41,580                |

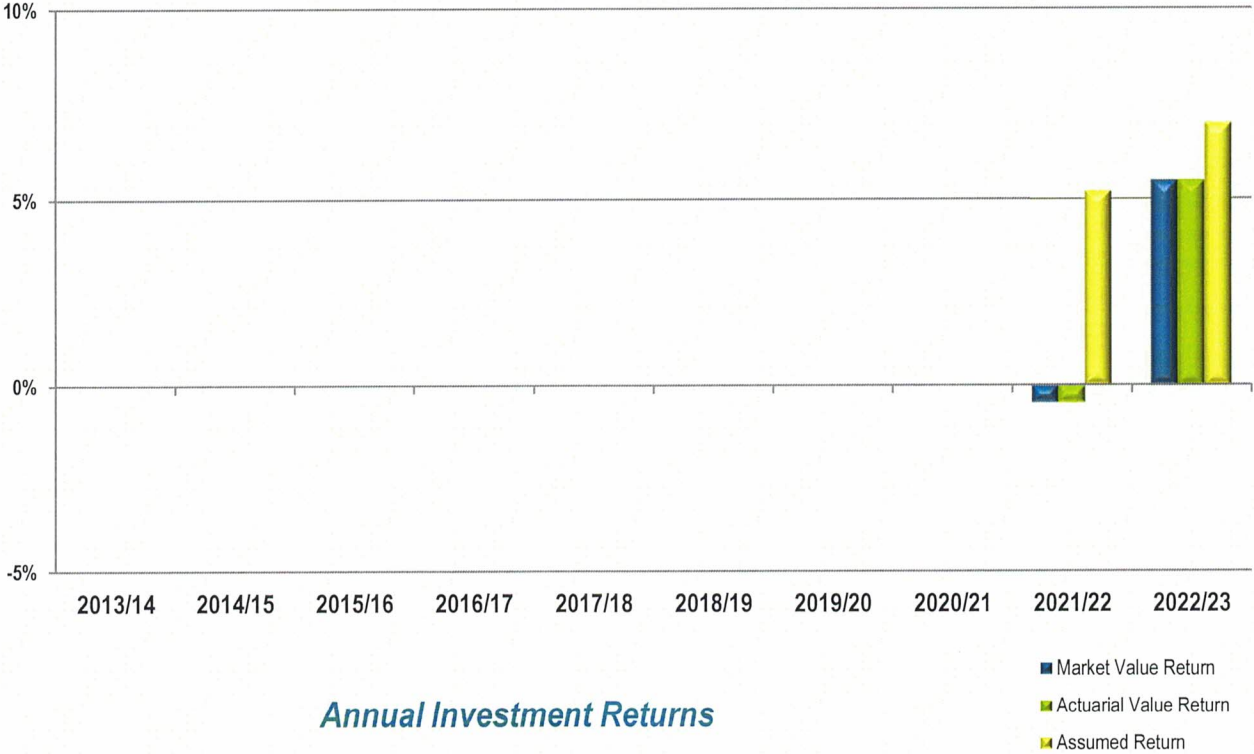


| <u>Historical Market Value of Assets</u> |           |
|--|-----------|
| October 1, 2014                          | N/A       |
| October 1, 2015                          | N/A       |
| October 1, 2016                          | N/A       |
| October 1, 2017                          | N/A       |
| October 1, 2018                          | N/A       |
| October 1, 2019                          | N/A       |
| October 1, 2020                          | N/A       |
| October 1, 2021                          | \$0       |
| October 1, 2022                          | \$117,956 |
| October 1, 2023                          | \$341,060 |



Investment Return

Table II-C



*Annual Investment Returns*

| Plan Year | Market Value Return | Actuarial Value Return | Assumed Return |
|-----------|---------------------|------------------------|----------------|
| 2013/14   | N/A                 | N/A                    | N/A            |
| 2014/15   | N/A                 | N/A                    | N/A            |
| 2015/16   | N/A                 | N/A                    | N/A            |
| 2016/17   | N/A                 | N/A                    | N/A            |
| 2017/18   | N/A                 | N/A                    | N/A            |
| 2018/19   | N/A                 | N/A                    | N/A            |
| 2019/20   | N/A                 | N/A                    | N/A            |
| 2020/21   | N/A                 | N/A                    | N/A            |
| 2021/22   | -0.46%              | -0.46%                 | 5.21%          |
| 2022/23   | 5.48%               | 5.48%                  | 7.00%          |
| 2yr. Avg. | 2.47%               | 2.47%                  | 6.10%          |



## Asset Reconciliation

## Table II-D

|                                  | <u>Market Value</u>      | <u>Actuarial Value</u>   |
|----------------------------------|--------------------------|--------------------------|
| <b>As of October 1, 2022</b>     | <b>\$117,956</b>         | <b>\$117,956</b>         |
| <b><i>Increases Due To:</i></b>  |                          |                          |
| Employer Contributions           | \$174,442                | \$174,442                |
| Chapter 175/185 Contributions    | \$41,580                 | \$41,580                 |
| Employee Contributions           | \$19,557                 | \$19,557                 |
| Service Purchase Contributions   | \$0                      | \$0                      |
| Total Contributions              | <u>\$235,579</u>         | <u>\$235,579</u>         |
| Interest and Dividends           | \$0                      |                          |
| Realized Gains (Losses)          | \$0                      |                          |
| Unrealized Gains (Losses)        | \$12,240                 |                          |
| Total Investment Income          | <u>\$12,240</u>          | \$12,240                 |
| Other Income                     | \$0                      |                          |
| <b>Total Income</b>              | <u><b>\$247,819</b></u>  | <u><b>\$247,819</b></u>  |
| <b><i>Decreases Due To:</i></b>  |                          |                          |
| Monthly Benefit Payments         | (\$13,151)               | (\$13,151)               |
| Refund of Employee Contributions | \$0                      | \$0                      |
| Total Benefit Payments           | <u>(\$13,151)</u>        | <u>(\$13,151)</u>        |
| Investment Expenses              | \$0                      |                          |
| Administrative Expenses          | (\$11,564)               | (\$11,564)               |
| Advance Employer Contribution    |                          | \$0                      |
| <b>Total Expenses</b>            | <u><b>(\$24,715)</b></u> | <u><b>(\$24,715)</b></u> |
| <b>As of October 1, 2023</b>     | <u><b>\$341,060</b></u>  | <u><b>\$341,060</b></u>  |



## Historical Trust Fund Detail

## Table II-E

Income

| <u>Plan</u><br><u>Year</u> | <u>Employer</u><br><u>Contribs.</u> | <u>Chapter</u><br><u>Contribs.</u> | <u>Employee</u><br><u>Contribs.</u> | <u>Service</u>                      |                                       | <u>Realized</u>                 | <u>Unrealized</u>               | <u>Other</u><br><u>Income</u> |
|----------------------------|-------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|---------------------------------------|---------------------------------|---------------------------------|-------------------------------|
|                            |                                     |                                    |                                     | <u>Purchase</u><br><u>Contribs.</u> | <u>Interest /</u><br><u>Dividends</u> | <u>Gains /</u><br><u>Losses</u> | <u>Gains /</u><br><u>Losses</u> |                               |
| 2013/14                    | N/A                                 | N/A                                | N/A                                 | N/A                                 | N/A                                   | N/A                             | N/A                             | N/A                           |
| 2014/15                    | N/A                                 | N/A                                | N/A                                 | N/A                                 | N/A                                   | N/A                             | N/A                             | N/A                           |
| 2015/16                    | N/A                                 | N/A                                | N/A                                 | N/A                                 | N/A                                   | N/A                             | N/A                             | N/A                           |
| 2016/17                    | N/A                                 | N/A                                | N/A                                 | N/A                                 | N/A                                   | N/A                             | N/A                             | N/A                           |
| 2017/18                    | N/A                                 | N/A                                | N/A                                 | N/A                                 | N/A                                   | N/A                             | N/A                             | N/A                           |
| 2018/19                    | N/A                                 | N/A                                | N/A                                 | N/A                                 | N/A                                   | N/A                             | N/A                             | N/A                           |
| 2019/20                    | N/A                                 | N/A                                | N/A                                 | N/A                                 | N/A                                   | N/A                             | N/A                             | N/A                           |
| 2020/21                    | N/A                                 | N/A                                | N/A                                 | N/A                                 | N/A                                   | N/A                             | N/A                             | N/A                           |
| 2021/22                    | \$107,824                           | \$0                                | \$12,654                            | \$0                                 | \$0                                   | \$0                             | -\$272                          | \$0                           |
| 2022/23                    | \$174,442                           | \$41,580                           | \$19,557                            | \$0                                 | \$0                                   | \$0                             | \$12,240                        | \$0                           |

Expenses

| <u>Plan</u><br><u>Year</u> | <u>Monthly</u><br><u>Benefit</u><br><u>Payments</u> | <u>Contrib.</u><br><u>Refunds</u> | <u>Admin.</u><br><u>Expenses</u> | <u>Invest.</u><br><u>Expenses</u> | <u>Other Actuarial Adjustments</u>                    |     |
|----------------------------|---|-----------------------------------|----------------------------------|-----------------------------------|---|-----|
|                            |   |                                   |                                  |                                   | <u>Advance</u><br><u>Employer</u><br><u>Contribs.</u> |     |
| 2013/14                    | N/A   | N/A                               | N/A                              | N/A                               |   | N/A |
| 2014/15                    | N/A   | N/A                               | N/A                              | N/A                               |   | N/A |
| 2015/16                    | N/A   | N/A                               | N/A                              | N/A                               |   | N/A |
| 2016/17                    | N/A   | N/A                               | N/A                              | N/A                               |   | N/A |
| 2017/18                    | N/A   | N/A                               | N/A                              | N/A                               |   | N/A |
| 2018/19                    | N/A   | N/A                               | N/A                              | N/A                               |   | N/A |
| 2019/20                    | N/A   | N/A                               | N/A                              | N/A                               |   | N/A |
| 2020/21                    | N/A   | N/A                               | N/A                              | N/A                               |   | N/A |
| 2021/22                    | \$0   | \$0                               | \$2,250                          | \$0                               |   | \$0 |
| 2022/23                    | \$13,151  | \$0                               | \$11,564                         | \$0                               |   | \$0 |

Note: Information was not available to separate the investment expenses from the investment income nor was information available to separate the investment income by source.



## Other Reconciliations

Table II-F

**Advance Employer Contribution**

|   |                   |
|---|-------------------|
| Advance Employer Contribution as of October 1, 2022 | \$0               |
| Additional Employer Contribution                    | \$216,022         |
| Minimum Required Contribution                       | (\$216,022)       |
| Immediate Application of the Advance Contribution   | \$0               |
| Net Increase in Advance Employer Contribution       | <u>\$0</u>        |
| Advance Employer Contribution as of October 1, 2023 | <u><u>\$0</u></u> |

**Excess Chapter 175/185 Contribution**

|   |                   |
|---|-------------------|
| Excess Chapter 175/185 Contribution as of October 1, 2022 | \$0               |
| Additional Chapter 175/185 Contribution                   | \$41,580          |
| Allowable Chapter 175/185 Contribution                    | (\$41,580)        |
| Transfer to Share Plan                                    | \$0               |
| Net Increase in Excess Chapter 175/185 Contribution       | <u>\$0</u>        |
| Excess Chapter 175/185 Contribution as of October 1, 2023 | <u><u>\$0</u></u> |



Historical Chapter 175/185 Contributions

Table II-G

**Total Accumulated Excess Chapter 175/185 Contribution** \$0

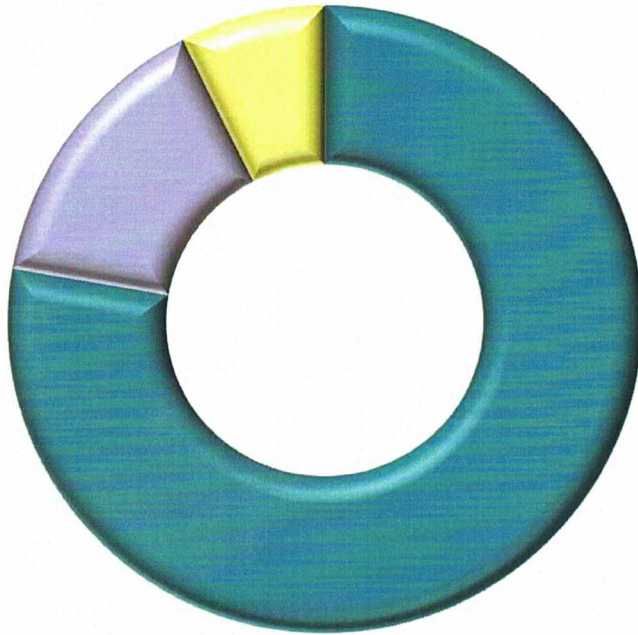
|                   | Chapter 175<br>Regular<br><u>Distribution</u> | Chapter 175<br>Supplemental<br><u>Distribution</u> | Chapter 185<br><u>Distribution</u> | <u>Allowable<br/>Amount</u> |
|-------------------|---|--|------------------------------------|-----------------------------|
| 2022 Distribution | \$26,932                                      | \$14,648   | \$0                                | (\$41,580)                  |



Summary of Participant Data

Table III-A

As of October 1, 2023

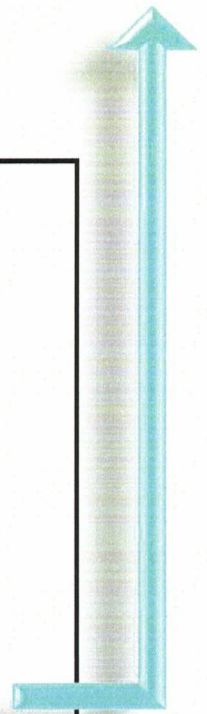


Participant Distribution by Status

|   |                               |           |
|---|-------------------------------|-----------|
| <u>Actively Employed Participants</u>   |                               |           |
| ◆                                       | Active Participants           | 21        |
| ◆                                       | DROP Participants             | 0         |
| <u>Inactive Participants</u>            |                               |           |
| ◆                                       | Deferred Vested Participants  | 0         |
| ◆                                       | Due a Refund of Contributions | 4         |
| ◆                                       | Deferred Beneficiaries        | 0         |
| <u>Participants Receiving a Benefit</u> |                               |           |
| ◆                                       | Service Retirements           | 2         |
| ◆                                       | Disability Retirements        | 0         |
| ◆                                       | Beneficiaries Receiving       | 0         |
| <b>Total Participants</b>               |                               | <b>27</b> |

Number of Participants Included in Prior Valuations

|                 | <i>Active</i> | <i>DROP</i> | <i>Inactive</i> | <i>Retired</i> | <i>Total</i> |
|-----------------|---------------|-------------|-----------------|----------------|--------------|
| October 1, 2014 | N/A           | N/A         | N/A             | N/A            | N/A          |
| October 1, 2015 | N/A           | N/A         | N/A             | N/A            | N/A          |
| October 1, 2016 | N/A           | N/A         | N/A             | N/A            | N/A          |
| October 1, 2017 | N/A           | N/A         | N/A             | N/A            | N/A          |
| October 1, 2018 | N/A           | N/A         | N/A             | N/A            | N/A          |
| October 1, 2019 | N/A           | N/A         | N/A             | N/A            | N/A          |
| October 1, 2020 | N/A           | N/A         | N/A             | N/A            | N/A          |
| October 1, 2021 | 0             | 0           | 0               | 0              | 0            |
| October 1, 2022 | 22            | 0           | 1               | 0              | 23           |
| October 1, 2023 | 21            | 0           | 4               | 2              | 27           |



## Data Reconciliation

Table III-B

|                            | <u>Active</u> | <u>DROP</u> | <u>Deferred Vested</u> | <u>Due a Refund</u> | <u>Def. Benef.</u> | <u>Service Retiree</u> | <u>Disabled Retiree</u> | <u>Benef. Rec'v.</u> | <u>Total</u> |
|----------------------------|---------------|-------------|------------------------|---------------------|--------------------|------------------------|-------------------------|----------------------|--------------|
| <u>October 1, 2022</u>     | 22            | 0           | 0                      | 1                   | 0                  | 0                      | 0                       | 0                    | 23           |
| <u>Change in Status</u>    |               |             |                        |                     |                    |                        |                         |                      |              |
| Re-employed                |               |             |                        |                     |                    |                        |                         |                      |              |
| Terminated                 | (3)           |             |                        | 3                   |                    |                        |                         |                      |              |
| Retired                    | (2)           |             |                        |                     |                    | 2                      |                         |                      |              |
| <u>Participation Ended</u> |               |             |                        |                     |                    |                        |                         |                      |              |
| Transferred Out            |               |             |                        |                     |                    |                        |                         |                      |              |
| Cashed Out                 |               |             |                        |                     |                    |                        |                         |                      |              |
| Died                       |               |             |                        |                     |                    |                        |                         |                      |              |
| <u>Participation Began</u> |               |             |                        |                     |                    |                        |                         |                      |              |
| Newly Hired                | 4             |             |                        |                     |                    |                        |                         |                      | 4            |
| Transferred In             |               |             |                        |                     |                    |                        |                         |                      |              |
| New Beneficiary            |               |             |                        |                     |                    |                        |                         |                      |              |
| <u>Other Adjustment</u>    |               |             |                        |                     |                    |                        |                         |                      |              |
| <u>October 1, 2023</u>     | 21            | 0           | 0                      | 4                   | 0                  | 2                      | 0                       | 0                    | 27           |



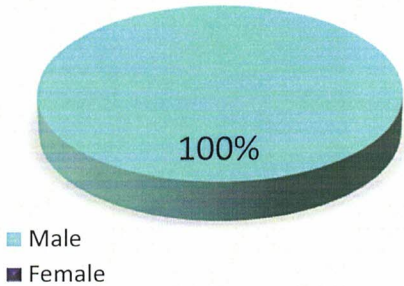


Active Participant Data

Table III-C

As of October 1, 2023

**Gender Mix**



|   |            |
|---|------------|
| <i>Average Age</i>  | 42.4 years |
| <i>Average Service</i>  | 8.9 years  |
| <i>Total Annualized Compensation for the Prior Year</i>       | \$392,955  |
| <i>Total Expected Compensation for the Current Year</i>       | \$316,659  |
| <i>Average Increase in Compensation for the Prior Year</i>    |            |
| <i>Expected Increase in Compensation for the Current Year</i> | 4.00%      |

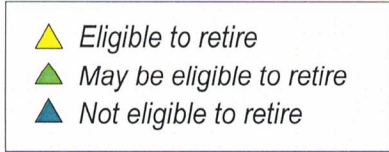
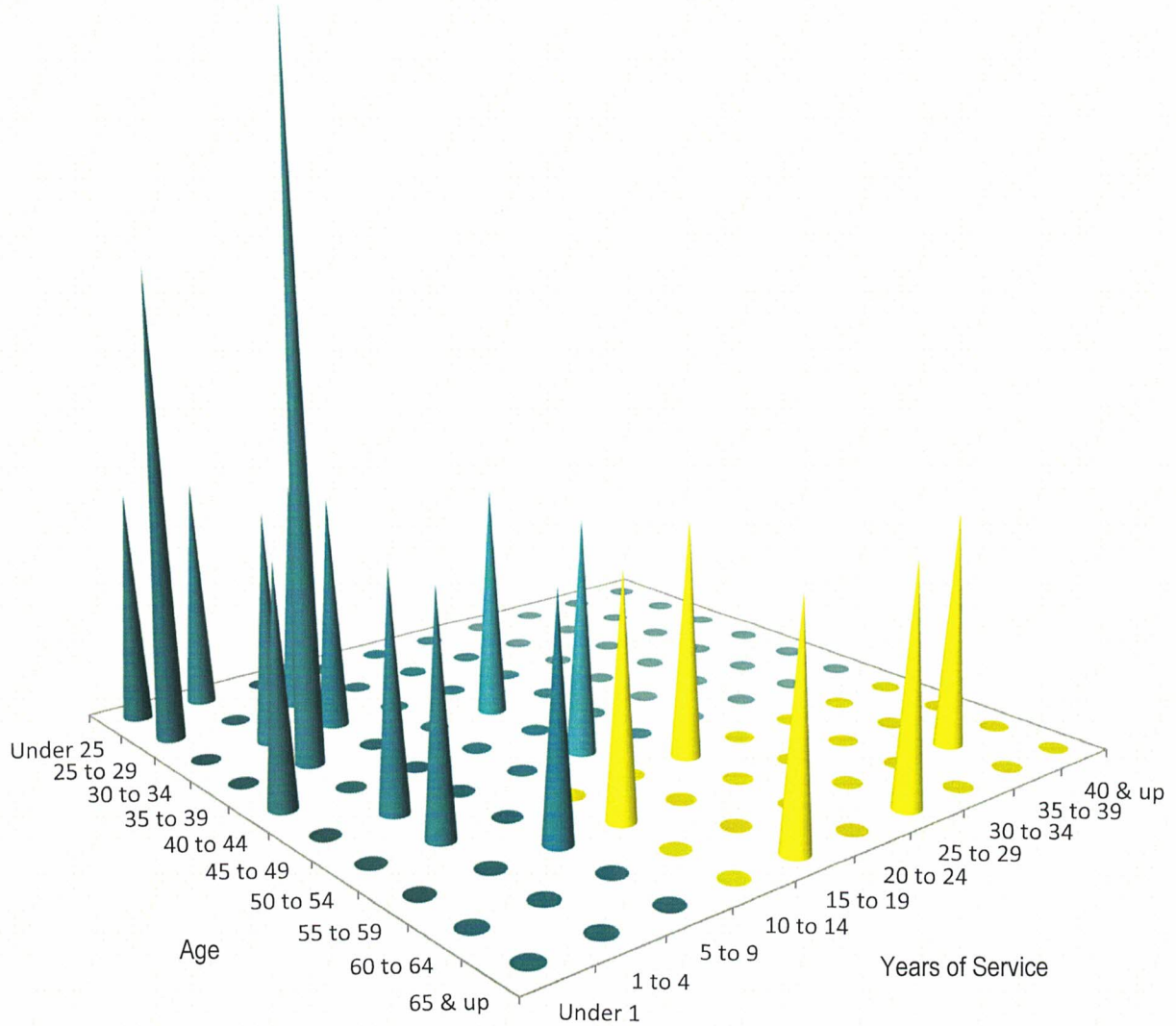
**Active Participant Statistics From Prior Valuations**

|                 | <i>Average Age</i> | <i>Average Service</i> | <i>Average Salary</i> | <i>Average Expected Salary Increase</i> | <i>Average Actual Salary Increase</i> |
|-----------------|--------------------|------------------------|-----------------------|---|---------------------------------------|
| October 1, 2014 | N/A                | N/A                    | N/A                   | N/A                                     | N/A                                   |
| October 1, 2015 | N/A                | N/A                    | N/A                   | N/A                                     | N/A                                   |
| October 1, 2016 | N/A                | N/A                    | N/A                   | N/A                                     | N/A                                   |
| October 1, 2017 | N/A                | N/A                    | N/A                   | N/A                                     | N/A                                   |
| October 1, 2018 | N/A                | N/A                    | N/A                   | N/A                                     | N/A                                   |
| October 1, 2019 | N/A                | N/A                    | N/A                   | N/A                                     | N/A                                   |
| October 1, 2020 | N/A                | N/A                    | N/A                   | N/A                                     | N/A                                   |
| October 1, 2021 | N/A                | N/A                    | N/A                   | N/A                                     | N/A                                   |
| October 1, 2022 | 45.1               | 11.5                   | \$15,243              | N/A                                     | N/A                                   |
| October 1, 2023 | 42.4               | 8.9                    | \$18,712              | 4.00%                                   |                                       |



# Active Age-Service Distribution

Table III-D



## Active Age-Service-Salary Table

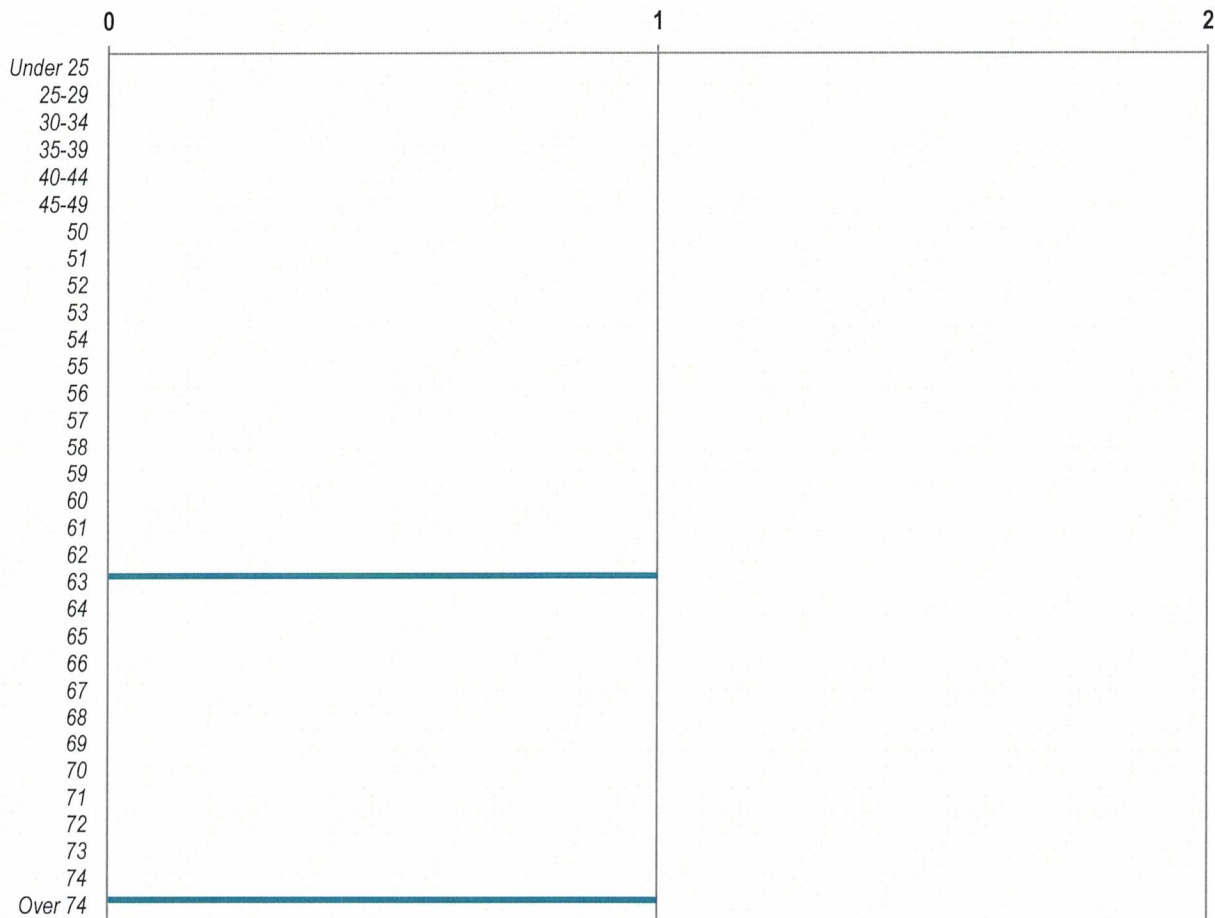
Table III-E

| Attained Age       | Completed Years of Service |        |        |          |          |          |          |          |          |         | Total |        |
|--------------------|----------------------------|--------|--------|----------|----------|----------|----------|----------|----------|---------|-------|--------|
|                    | Under 1                    | 1 to 4 | 5 to 9 | 10 to 14 | 15 to 19 | 20 to 24 | 25 to 29 | 30 to 34 | 35 to 39 | 40 & up |       |        |
| <b>Under 25</b>    | 1                          | 1      | 0      | 0        | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 2      |
| Avg.Pay            | 7,368                      | 15,295 | 0      | 0        | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 11,332 |
| <b>25 to 29</b>    | 2                          | 0      | 1      | 0        | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 3      |
| Avg.Pay            | 15,568                     | 0      | 8,120  | 0        | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 13,085 |
| <b>30 to 34</b>    | 0                          | 1      | 1      | 0        | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 2      |
| Avg.Pay            | 0                          | 9,435  | 18,635 | 0        | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 14,035 |
| <b>35 to 39</b>    | 0                          | 3      | 0      | 0        | 1        | 0        | 0        | 0        | 0        | 0       | 0     | 4      |
| Avg.Pay            | 0                          | 18,113 | 0      | 0        | 17,930   | 0        | 0        | 0        | 0        | 0       | 0     | 18,068 |
| <b>40 to 44</b>    | 1                          | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 1      |
| Avg.Pay            | 12,540                     | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 12,540 |
| <b>45 to 49</b>    | 0                          | 1      | 0      | 0        | 1        | 0        | 0        | 0        | 0        | 0       | 0     | 2      |
| Avg.Pay            | 0                          | 9,855  | 0      | 0        | 12,165   | 0        | 0        | 0        | 0        | 0       | 0     | 11,010 |
| <b>50 to 54</b>    | 0                          | 1      | 0      | 0        | 0        | 1        | 0        | 0        | 0        | 0       | 0     | 2      |
| Avg.Pay            | 0                          | 13,990 | 0      | 0        | 0        | 108,972  | 0        | 0        | 0        | 0       | 0     | 61,481 |
| <b>55 to 59</b>    | 0                          | 0      | 1      | 1        | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 2      |
| Avg.Pay            | 0                          | 0      | 18,645 | 19,480   | 0        | 0        | 0        | 0        | 0        | 0       | 0     | 19,063 |
| <b>60 to 64</b>    | 0                          | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 1        | 0       | 0     | 1      |
| Avg.Pay            | 0                          | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 11,065   | 0       | 0     | 11,065 |
| <b>65 &amp; up</b> | 0                          | 0      | 0      | 0        | 1        | 0        | 1        | 0        | 0        | 0       | 0     | 2      |
| Avg.Pay            | 0                          | 0      | 0      | 0        | 10,070   | 0        | 13,915   | 0        | 0        | 0       | 0     | 11,993 |
| <b>Total</b>       | 4                          | 7      | 3      | 1        | 3        | 1        | 1        | 0        | 1        | 0       | 0     | 21     |
| Avg.Pay            | 12,761                     | 14,702 | 15,133 | 19,480   | 13,388   | 108,972  | 13,915   | 0        | 11,065   | 0       | 0     | 18,712 |



Inactive Participant Data

Table III-F



**Age at Retirement**

- Service Retirements
- Disability Retirements
- DROP Participants

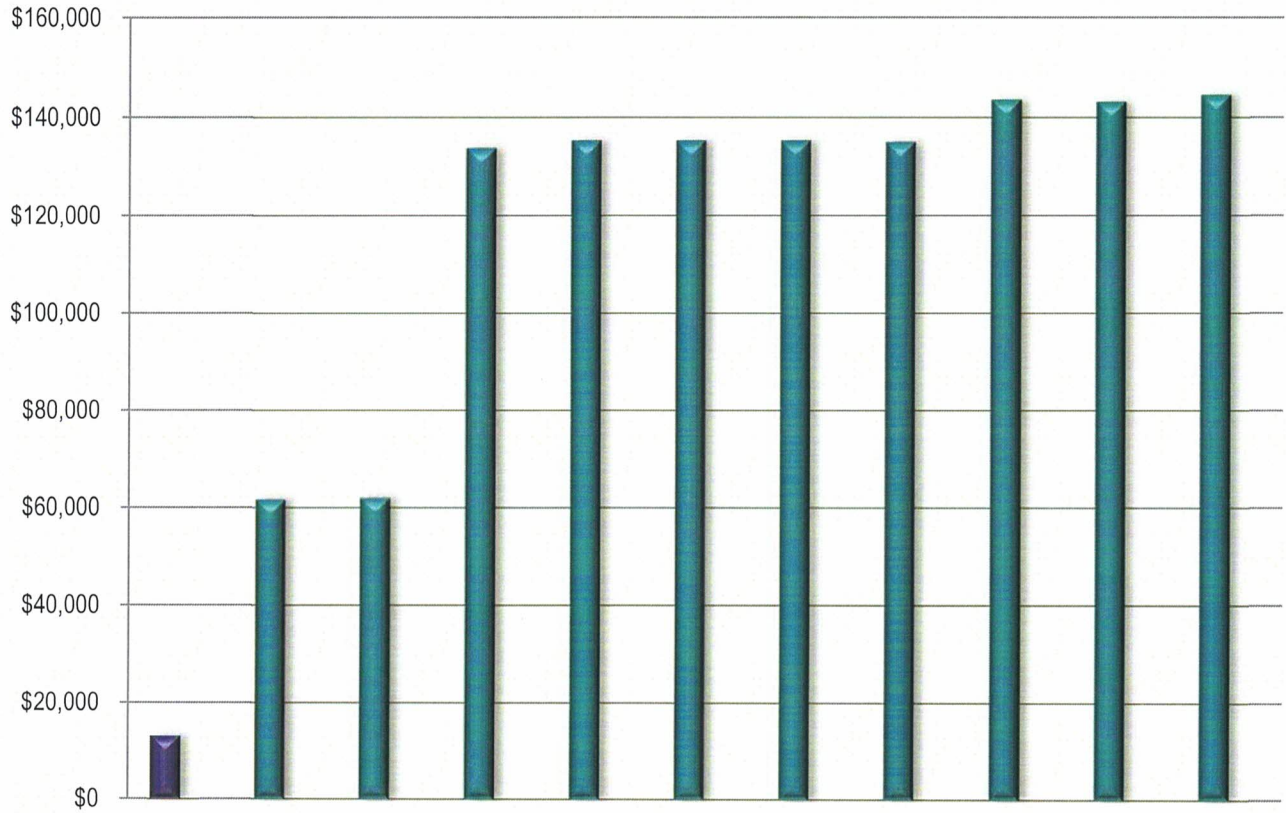
Average Monthly Benefit

|                              |                |
|------------------------------|----------------|
| Service Retirements          | \$992.87       |
| Disability Retirements       | Not applicable |
| Beneficiaries Receiving      | Not applicable |
| DROP Participants            | Not applicable |
| Deferred Vested Participants | Not applicable |
| Deferred Beneficiaries       | Not applicable |



Projected Benefit Payments

Table III-G



Actual

For the period October 1, 2022 through September 30, 2023 \$13,151

Projected

|   |           |
|---|-----------|
| For the period October 1, 2023 through September 30, 2024 | \$61,810  |
| For the period October 1, 2024 through September 30, 2025 | \$62,102  |
| For the period October 1, 2025 through September 30, 2026 | \$133,814 |
| For the period October 1, 2026 through September 30, 2027 | \$135,356 |
| For the period October 1, 2027 through September 30, 2028 | \$135,354 |
| For the period October 1, 2028 through September 30, 2029 | \$135,328 |
| For the period October 1, 2029 through September 30, 2030 | \$135,021 |
| For the period October 1, 2030 through September 30, 2031 | \$143,639 |
| For the period October 1, 2031 through September 30, 2032 | \$143,250 |
| For the period October 1, 2032 through September 30, 2033 | \$144,657 |



## Summary of Actuarial Methods and Assumptions

## Table IV-A

*NOTE: The following assumptions and methods have been selected and approved by the Board of Trustees based in part on the advice of the plan's enrolled actuary in accordance with the authority granted to the Board under the pension ordinances and State law.*

**1. Actuarial Cost Method**

Aggregate cost method. Under this actuarial cost method, a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the expected future payroll for current active participants. The normal cost is equal to the level funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

**2. Asset Method**

The actuarial value of assets is equal to the market value of assets.

**3. Interest (or Discount) Rate**

7.00% per annum

**4. Salary Increases**

Plan compensation is assumed to increase at the rate of 4.00% per annum, unless actual plan compensation is known for a prior plan year.

**5. Decrements**

- Pre-retirement mortality: Sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year
- Post-retirement mortality: For non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018



## Summary of Actuarial Methods and Assumptions

## Table IV-A

(continued)

**5. Decrements (continued)**

- Disability: Sex-distinct rates set forth in the Wyatt 1985 Disability Study (Class 4); all disabilities are assumed to be service-related.
- Termination: Sex-distinct withdrawal rates set forth in the Scale 255 table.
- Retirement: Retirement is assumed to occur at normal retirement age.

**6. Form of Payment**

Future retirees have been assumed to select the 10-year certain and life annuity.

**7. Marriage Assumption**

100% of non-retired participants are assumed to be married, with husbands assumed to be three years younger than wives.

**8. Expenses**

The total projected benefit liability has been loaded by 7.00% to account for anticipated administrative expenses. In addition, the interest rate set forth in item 3. above is assumed to be net of investment expenses and commissions.



## Changes in Actuarial Methods and Assumptions

## Table IV-B

There were no assumption or method changes since the completion of the previous valuation.





## Summary of Plan Provisions

## Table V-A

**1. Monthly Accrued Benefit**

2.75% of Average Final Compensation multiplied by Credited Service, limited to 100% of Average Final Compensation

**2. Normal Retirement Age and Benefit**

- **Age**

Age 55 with at least 10 years of Credited Service; or  
Age 52 with at least 25 years of Credited Service

- **Amount**

Monthly Accrued Benefit

- **Form of Payment**

Actuarially increased single life annuity (optional);  
10-year certain and life annuity (normal form of payment);  
Actuarially reduced 50% joint and contingent annuity (optional);  
Actuarially reduced 66 $\frac{2}{3}$ % joint and contingent annuity (optional);  
Actuarially reduced 75% joint and contingent annuity (optional); or  
Actuarially reduced 100% joint and contingent annuity (optional)

*(Note: A participant may change his joint annuitant up to two times after retirement.)*

**3. Early Retirement Age and Benefit**

- **Age**

Age 50 with at least 10 years of Credited Service

- **Amount**

Monthly Accrued Benefit (payable at Normal Retirement Age); or  
Monthly Accrued Benefit reduced by 3% for each year by which the participant's Early Retirement Date precedes his Normal Retirement Date (payable at Early Retirement Age)

- **Form of Payment**

Same as for Normal Retirement



## Summary of Plan Provisions

## Table V-A

(continued)

**4. Service Incurred Disability Eligibility and Benefit****• Eligibility**

The participant is eligible if his disability was incurred during the course of his employment with the City.

**• Condition**

The Board must find that the participant has a physical or mental condition resulting from bodily injury, disease, or a mental disorder which renders him incapable of employment as a firefighter.

**• Amount Payable**

A monthly 10-year certain and life annuity equal to the larger of (a) or (b), as follows, but offset as necessary to preclude the total of the participant's worker's compensation, disability benefit, and other City-provided disability compensation from exceeding his Average Final Compensation:

- (a) Monthly Accrued Benefit; or
- (b) 42% of Average Final Compensation

**5. Non-Service Incurred Disability Eligibility and Benefit****• Eligibility**

The participant must have earned at least 10 years of Credited Service if his disability was incurred other than during the course of his employment with the City.

**• Condition**

Same as for a Service Incurred Disability Benefit

**• Amount Payable**

A monthly 10-year certain and life annuity equal to the larger of (a) or (b), as follows, but offset as necessary to preclude the total of the participant's worker's compensation, disability benefit, and other City-provided disability compensation from exceeding his Average Final Compensation:

- (a) Monthly Accrued Benefit; or
- (b) 25% of Average Final Compensation

**6. Delayed Retirement Age and Benefit****• Age**

After Normal Retirement Age

**• Amount**

Monthly Accrued Benefit

**• Form of Payment**

Same as for Normal Retirement



## Summary of Plan Provisions

## Table V-A

(continued)

**7. Deferred Vested Benefit**

- **Age**  
Any age with at least 10 years of Credited Service
- **Amount**  
Monthly Accrued Benefit (payable at Normal Retirement Age); or  
Monthly Accrued Benefit reduced by 3% for each year by which the participant's Early Retirement Date precedes his Normal Retirement Date (payable at Early Retirement Age)
- **Form of Payment**  
Same as for Normal Retirement

**8. Pre-Retirement Death Benefit**

In the case of the death of a vested participant prior to retirement, his beneficiary will receive the Actuarial Equivalent of the participant's Monthly Accrued Benefit payable for 10 years beginning on the first day of the month coincident with or next following the participant's death. Alternatively, if the beneficiary is the participant's surviving spouse, the spouse may choose to commence receipt of the pre-retirement death benefit as of the participant's Early or Normal Retirement Date and the benefit will be reduced by 3% for each year by which the participant's Early Retirement Date precedes his Normal Retirement Date. In the case of the death of a non-vested participant prior to retirement, his beneficiary will receive the participant's Accumulated Contributions in lieu of any other benefits payable from the plan.

**9. Average Final Compensation**

Average of the highest five years of Compensation out of the last 10 years of employment (or career average, if higher).

**10. Compensation**

W-2 compensation excluding overtime, extra duty pay, special detail pay, and payments for unused sick and annual leave; annual compensation in excess of \$200,000 (as indexed) is excluded in accordance with Internal Revenue Code (IRC) §401(a)(17).

**11. Credited Service**

The elapsed time from the participant's date of hire until his date of termination, retirement, or death.



## Summary of Plan Provisions

## Table V-A

(continued)

**12. Participation Requirement**

All full-time and volunteer firefighters of the City of Clewiston other than part-time and auxiliary firefighters automatically become a participant in the plan on their date of hire.

**13. Accumulated Contributions**

The Employee Contributions accumulated with no interest; if the participant terminates his employment with less than 10 years of Credited Service, he receives his Accumulated Contributions in lieu of any other benefits payable from the plan.

**12. Participant Contribution**

5.00% of earnings

**13. Definition of Actuarially Equivalent**

Based on 7.00% interest per annum and the unisex mortality table promulgated by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 417(e)(3).

**14. Plan Effective Date**

January 1, 2022

**15. Deferred Retirement Option Plan (DROP)**

A participant who reaches his Normal Retirement Age is eligible to participate in the DROP for a period of up to 60 months. Based on the participant's election upon entry into the DROP, the DROP accounts are credited with interest at the rate of 3.00% per year or based on the actual investment return of the pension trust fund. The participant may change his DROP account investment credit one time after participation in the DROP commences.



## Summary of Plan Amendments

## Table V-B

No significant plan changes were adopted since the completion of the previous valuation.

