

CITY OF GROSSE POINTE WOODS
EMPLOYEES RETIREMENT SYSTEM

ACTUARIAL VALUATION
AS OF JUNE 30, 2024

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR BEGINNING JULY 1, 2025

P.A. 202 VALUATION
AS OF JUNE 30, 2024



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS



February 19, 2025

Board of Trustees
City of Grosse Pointe Woods Employees Retirement System

Re: Actuarial Valuation Report – City of Grosse Pointe Woods Employees Retirement System

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Grosse Pointe Woods Employees Retirement System. The funding valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. Use of the results for other purposes may not be applicable and could produce significantly different results.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the Retirement System, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

The funding percentages and unfunded accrued liability as measured based on the actuarial value of assets will differ from similar measures based on the market value of assets. These measures, as provided, are appropriate for determining the adequacy of future contributions, but may not be appropriate for the purpose of settling a portion or all of its liabilities.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the Board, financial reports prepared by the custodian bank and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

The undersigned is familiar with the immediate and long-term aspects of pension valuations and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Grosse Pointe Woods, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the City of Grosse Pointe Woods Employees Retirement System. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 630-620-0200.

Respectfully submitted,

Foster & Foster, Inc.


By: 
Jason L. Franken, FSA, EA, MAAA

TABLE OF CONTENTS

Section	Title	Page
I	Introduction	
	a. Summary of Report	5
	b. Changes Since Prior Valuation	6
	c. Comparative Summary of Principal Valuation Results	7
	d. Contribution Requirements by Division	12
II	Valuation Information	
	a. Development of Amortization Payment	13
	b. Detailed Actuarial (Gain)/Loss Analysis	14
	c. Reconciliation of Changes in Contribution Requirement	15
	d. P.A.202 Requirements	16
	e. Funding History	17
	f. Projection of Benefit Payments	18
	g. Supplemental Annuity Valuation	19
	h. Actuarial Assumptions and Methods	21
	i. Glossary	24
	j. Discussion of Risk	25
III	Trust Fund	29
IV	Member Statistics	
	a. Statistical Data	35
	b. Age and Service Distribution	37
	c. Valuation Participant Reconciliation	42
V	Summary of Current Plan	43

SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Grosse Pointe Woods Employees Retirement System, performed as of June 30, 2024, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year beginning July 1, 2025.

The contribution requirements, compared with those set forth in the June 30, 2023 actuarial report, are as follows:

Valuation Date	6/30/2024	6/30/2023
Applicable to Fiscal Year Beginning	<u>7/1/2025</u>	<u>7/1/2024</u>
Total Recommended Contribution	\$2,893,867	\$2,628,546
% of Projected Annual Payroll	49.22%	46.42%
Member Contributions (Est.)	(347,522)	(333,413)
% of Projected Annual Payroll	(5.91%)	(5.89%)
City Recommended Contribution	2,546,345	2,295,133
% of Projected Annual Payroll	43.31%	40.53%

As you can see, the Total Recommended Contribution shows an increase from the June 30, 2023 actuarial valuation report. The increase is attributable to the natural increase in the amortization payment due to the payroll growth assumption and unfavorable plan experience.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of unfavorable experience included an average salary increase of 11.16% which exceeded the 4.64% assumption and lower than expected inactive mortality. There were no significant sources of favorable experience.

CHANGES SINCE THE PRIOR VALUATION

The valuation reflects no plan changes.

The valuation reflects the following assumption change:

- The interest rate assumption was lowered from 7.40% to 7.30%.

The valuation reflects no method changes.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

Valuation Date	New Assump <u>6/30/2024</u>	Old Assump <u>6/30/2024</u>	<u>6/30/2023</u>
A. Participant Data			
Number Included			
Actives	76	76	76
Service Retirees	92	92	90
Beneficiaries	19	19	18
Disability Retirees	0	0	0
Terminated Vested	<u>14</u>	<u>14</u>	<u>12</u>
Total	201	201	196
Total Projected Annual Payroll	\$5,878,408	\$5,878,408	\$5,661,562
Payroll Under Assumed Ret. Age	5,878,408	5,878,408	5,661,562
Annual Rate of Payments to:			
Service Retirees	3,291,240	3,291,240	3,150,364
Beneficiaries	615,592	615,592	556,774
Disability Retirees	0	0	0
Terminated Vested	148,381	148,381	134,569
B. Assets			
Actuarial Value	43,567,802	43,567,802	42,304,500
Market Value	43,710,963	43,710,963	40,385,352
C. Liabilities			
Present Value of Benefits (PVB)			
Actives			
Retirement Benefits	22,108,853	21,635,445	20,943,983
Disability Benefits	1,328,845	1,302,315	1,233,681
Death Benefits	295,568	289,682	279,276
Vested Benefits	818,685	800,242	800,171
Service Retirees ¹	42,983,543	42,564,738	41,152,637
Beneficiaries	5,894,934	5,852,814	5,377,261
Disability Retirees	0	0	0
Terminated Vested	<u>1,326,499</u>	<u>1,310,136</u>	<u>1,187,645</u>
Total	74,756,927	73,755,372	70,974,654

¹ Includes reserve for EROP balances. \$0 as of 6/30/2024 and \$0 as of 6/30/2023.

C. Liabilities - (Continued)	New Assump <u>6/30/2024</u>	Old Assump <u>6/30/2024</u>	<u>6/30/2023</u>
Present Value of Future Salaries	49,576,075	49,280,205	47,164,655
Normal Cost (Retirement)	665,058	647,108	621,011
Normal Cost (Disability)	69,305	67,840	62,509
Normal Cost (Death)	16,630	16,291	15,195
Normal Cost (Vesting)	<u>75,849</u>	<u>74,415</u>	<u>70,514</u>
Total Normal Cost (EAN)	826,842	805,654	769,229
Present Value of Future Normal Costs	6,799,380	6,579,088	6,239,476
Accrued Liability (Retirement)	16,511,272	16,225,797	15,803,923
Accrued Liability (Disability)	693,501	684,506	661,826
Accrued Liability (Death)	172,127	169,570	167,436
Accrued Liability (Vesting)	375,671	368,723	384,450
Accrued Liability (Inactives) ¹	<u>50,204,976</u>	<u>49,727,688</u>	<u>47,717,543</u>
Total Actuarial Accrued Liability	67,957,547	67,176,284	64,735,178
Unfunded Actuarial Accrued Liability (UAAL)	24,389,745	23,608,482	22,430,678
Funded Ratio (AVA / AL)	64.1%	64.9%	65.4%

¹ Includes reserve for EROP balances. \$0 as of 6/30/2024 and \$0 as of 6/30/2023.

	New Assump <u>6/30/2024</u>	Old Assump <u>6/30/2024</u>	<u>6/30/2023</u>
D. Actuarial Present Value of Accrued Benefits			
Vested Accrued Benefits			
Inactives ¹	50,204,976	49,727,688	47,717,543
Actives	5,164,051	4,986,503	4,728,682
Member Contributions	<u>4,089,089</u>	<u>4,089,089</u>	<u>4,107,306</u>
Total	59,458,116	58,803,280	56,553,531
Non-vested Accrued Benefits	<u>3,008,992</u>	<u>2,963,718</u>	<u>2,760,465</u>
Total Present Value Accrued Benefits	62,467,108	61,766,998	59,313,996
Funded Ratio (MVA / PVAB)	70.0%	70.8%	68.1%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	700,110	0	
Plan Experience	0	2,163,975	
Benefits Paid	0	(3,953,914)	
Interest	0	4,242,941	
Other	<u>0</u>	<u>0</u>	
Total	0	2,453,002	

¹ Includes reserve for EROP balances. \$0 as of 6/30/2024 and \$0 as of 6/30/2023.

	New Assump	Old Assump	
Valuation Date	6/30/2024	6/30/2024	6/30/2023
Applicable to Fiscal Year Beginning	<u>7/1/2025</u>	<u>7/1/2025</u>	<u>7/1/2024</u>

E. Pension Cost

Normal Cost ¹	\$887,201	\$865,272	\$826,152
% of Total Annual Payroll ¹	15.09	14.72	14.59
Administrative Expenses ¹	65,453	65,514	61,218
% of Total Annual Payroll ¹	1.11	1.11	1.08
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 19 years (as of 6/30/2024) ¹	1,941,213	1,894,448	1,741,176
% of Total Annual Payroll ¹	33.02	32.23	30.75
Total Recommended Contribution	2,893,867	2,825,234	2,628,546
% of Total Annual Payroll ¹	49.22	48.06	46.42
Expected Member Contributions ¹	(347,522)	(347,846)	(333,413)
% of Total Annual Payroll ¹	(5.91)	(5.92)	(5.89)
Expected City Contribution	2,546,345	2,477,388	2,295,133
% of Total Annual Payroll ¹	43.31	42.14	40.53

F. Past Contributions

Plan Years Ending:	<u>6/30/2024</u>
Total Recommended Contribution	2,190,832
City Requirement	1,878,969
Actual Contributions Made:	
Members (excluding buyback)	311,863
City	<u>1,956,340</u>
Total	2,268,203

G. Net Actuarial (Gain)/Loss 996,434

¹ Contributions developed as of 6/30/2024 displayed above have been adjusted to account for assumed interest.

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2024	24,389,745
2025	24,228,984
2026	23,998,251
2030	22,340,886
2035	20,114,676
2039	18,494,524
2043	17,004,869

I. (i) 3 Year Comparison of Actual and Assumed Salary Increases

		<u>Actual</u>	<u>Assumed</u>
Year Ended	6/30/2024	11.16%	4.64%
Year Ended	6/30/2023	11.60%	4.57%
Year Ended	6/30/2022	2.73%	4.55%

(ii) 3 Year Comparison of Investment Return on Actuarial Value

		<u>Actual</u>	<u>Assumed</u>
Year Ended	6/30/2024	7.26%	7.40%
Year Ended	6/30/2023	5.51%	7.50%
Year Ended	6/30/2022	4.66%	7.50%

PENSION COST BY DIVISION

	<u>General</u>	<u>Public Safety</u>	<u>Total</u>
Projected Payroll	2,882,541	2,995,867	5,878,408
Total Normal Cost ¹	372,842	514,359	887,201
% of Total Annual Payroll ¹	12.93	17.17	15.09
Administrative Expenses ¹	32,096	33,357	65,453
% of Total Annual Payroll ¹	1.11	1.11	1.11
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 19 years (as of 6/30/2024) ¹	951,895	989,318	1,941,213
% of Total Annual Payroll ¹	33.02	33.02	33.02
Total Recommended Contribution ¹	1,356,833	1,537,034	2,893,867
% of Total Annual Payroll ¹	47.07	51.31	49.22
Expected Member Contributions ¹	(154,648)	(192,874)	(347,522)
% of Total Annual Payroll ¹	(5.36)	(6.44)	(5.91)
Expected City Contribution	1,202,185	1,344,160	2,546,345
% of Total Annual Payroll ¹	41.71	44.87	43.31

¹ Contributions developed as of 6/30/2024 displayed above have been adjusted to account for assumed interest

DEVELOPMENT OF JUNE 30, 2024 AMORTIZATION PAYMENT

(1)	Unfunded Actuarial Accrued Liability as of June 30, 2023	\$22,430,678
(2)	Sponsor Normal Cost developed as of June 30, 2023	457,277
(3)	Expected administrative expenses for the year ended June 30, 2024	57,000
(4)	Expected interest on (1), (2) and (3)	1,695,818
(5)	Sponsor contributions to the System during the year ended June 30, 2024	1,956,340
(6)	Expected interest on (5)	72,385
(7)	Expected Unfunded Actuarial Accrued Liability as of June 30, 2024, (1)+(2)+(3)+(4)-(5)-(6)	22,612,048
(8)	Change to UAAL due to Assumption Change	781,263
(9)	Change to UAAL due to Actuarial (Gain)/Loss	996,434
(10)	Unfunded Accrued Liability as of June 30, 2024	24,389,745
(11)	UAAL Subject to Amortization (100% AAL less Actuarial Assets)	24,389,745

<u>Date</u> <u>Established</u>	<u>Years</u> <u>Remaining</u>	<u>6/30/2024</u> <u>Amount</u>	<u>Amortization</u> <u>Amount</u>
6/30/2024	19	24,389,745	1,809,145

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of June 30, 2023	\$22,430,678
(2) Expected UAAL as of June 30, 2024	22,612,048
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	58,663
Salary Increases	496,342
Active Decrements	125,513
Inactive Mortality	323,153
Other	<u>(7,237)</u>
Change in UAAL due to (Gain)/Loss	996,434
Change to UAAL due to Assumption Change	<u>781,263</u>
(4) Actual UAAL as of June 30, 2024	\$24,389,745

RECONCILIATION OF CHANGES IN CONTRIBUTION REQUIREMENT

(1) Contribution Determined as of June 30, 2023	\$ 2,295,133
(2) Summary of Contribution Impact by component:	
Change in Normal Cost	39,120
Change in Assumed Administrative Expense	4,296
Investment Return (Actuarial Asset Basis)	4,707
Salary Increases	39,829
New Entrants	1,698
Active Decrements	10,072
Inactive Mortality	25,931
Contributions (More) or Less than Recommended	(6,438)
Increase in Amortization Payment Due to Payroll Growth Assumption	52,235
Change in Expected Member Contributions	(14,433)
Assumption Change	68,957
Other	25,238
Total Change in Contribution	251,212
(3) Contribution Determined as of June 30, 2024	\$2,546,345

P.A. 202 REPORTING
AS OF JUNE 30, 2024

Michigan Public Act 202 of 2017 requires municipal retirement systems in the state to submit information concerning their actuarial accrued liabilities and funded status based on uniform assumptions. The information is to be furnished by the municipality on Form 5572.

Form 5572

Line

24	Actuarial Value of Assets	43,567,802
25	Actuarial Accrued Liabilities	71,616,248
26	Funded Ratio	60.8%
27	Actuarially Determined Contribution	3,616,131

The information was calculated based on the following assumptions, in compliance with the Uniform Assumptions pursuant to PA 202, applicable for fiscal year 2024. All other assumptions are as described in the Actuarial Assumptions and Methods section of this report.

Investment Rate of Return	6.90%
Discount Rate (equivalent single rate used)	6.79%
Periods with sufficient assets	6.90%
Periods without sufficient assets	3.65%
Salary Increase	Experience-based rates
Mortality Table	Pub-2010 with MP-2021
Amortization Period for Unfunded	
Actuarial Accrued Liability	15 years
Cost Method	Entry Age Normal
Amortization Method	Level percent of pay
Payroll Growth Assumption	3.00%

FUNDING HISTORY

Valuation Date	Applicable Fiscal Year Beginning	Valuation Assets ¹	Actuarial Accrued Liabilities ¹	Funded Ratio	Unfunded Actuarial Accrued Liabilities ¹	General Recommended Employer Contribution - as a% of Payroll	Public Safety Recommended Employer Contribution - as a% of Payroll
6/30/2005	7/1/2006	33,329	36,141	92.2%	2,812	12.54%	15.50%
6/30/2006	7/1/2007	33,549	36,846	91.1%	3,297	15.21%	18.59%
6/30/2007	7/1/2008	35,801	38,744	92.4%	2,943	14.65%	17.98%
6/30/2008	7/1/2009	37,728	36,310	103.9%	(1,418)	6.22%	7.98%
6/30/2009	7/1/2010	37,149	40,417	91.9%	3,268	10.56%	12.26%
6/30/2010	7/1/2011	36,074	41,541	86.8%	5,467	12.64%	14.28%
6/30/2011	7/1/2012	37,667	42,738	88.1%	5,071	12.55%	14.25%
6/30/2012	7/1/2013	37,369	44,747	83.5%	7,378	15.29%	16.99%
6/30/2013	7/1/2014	37,171	44,950	82.7%	7,779	16.12%	18.14%
6/30/2014	7/1/2015	37,751	45,453	83.1%	7,702	16.82%	19.24%
6/30/2015	7/1/2016	39,363	49,481	79.6%	10,118	20.28%	23.57%
6/30/2016	7/1/2017	39,271	51,299	76.6%	12,028	23.55%	26.03%
6/30/2017	7/1/2018	40,087	50,976	78.6%	10,889	22.31%	24.18%
6/30/2018	7/1/2019	40,347	53,727	75.1%	13,380	25.39%	28.75%
6/30/2019	7/1/2020	39,610	55,232	71.7%	15,622	27.56%	31.19%
6/30/2020	7/1/2021	39,021	59,469	65.6%	20,448	33.85%	38.46%
6/30/2021	7/1/2022	41,122	63,086	65.2%	21,964	33.64%	37.54%
6/30/2022	7/1/2023	41,704	62,517	66.7%	20,814	32.09%	34.30%
6/30/2023	7/1/2024	42,305	64,735	65.4%	22,431	39.14%	42.04%
6/30/2024	7/1/2025	43,568	67,958	64.1%	24,390	41.71%	44.87%

¹Dollar values reported in thousands.

PROJECTION OF BENEFIT PAYMENTS

Year	Payments for Current Actives	Payments for Current Inactives	Total Payments
2024	180,293	3,904,066	4,084,359
2025	266,367	3,957,109	4,223,476
2026	315,752	3,991,077	4,306,829
2027	397,463	4,030,927	4,428,390
2028	452,097	4,074,282	4,526,379
2029	475,605	4,124,946	4,600,551
2030	800,780	4,134,147	4,934,927
2031	1,240,002	4,136,271	5,376,273
2032	1,200,923	4,131,396	5,332,319
2033	1,290,370	4,119,638	5,410,008
2034	1,523,458	4,105,540	5,628,998
2035	1,969,462	4,089,489	6,058,951
2036	2,299,498	4,066,029	6,365,527
2037	2,513,398	4,024,463	6,537,861
2038	2,609,113	3,974,381	6,583,494
2039	2,610,903	3,919,674	6,530,577
2040	2,737,450	3,857,846	6,595,296
2041	2,795,110	3,788,216	6,583,326
2042	2,717,057	3,710,577	6,427,634
2043	2,698,562	3,624,892	6,323,454
2044	2,838,468	3,536,845	6,375,313
2045	2,979,000	3,448,615	6,427,615
2046	3,179,678	3,328,618	6,508,296
2047	3,400,421	3,192,326	6,592,747
2048	3,625,188	3,059,950	6,685,138
2049	3,605,008	2,908,705	6,513,713
2050	3,756,074	2,734,939	6,491,013
2051	3,908,942	2,566,358	6,475,300
2052	4,135,147	2,414,994	6,550,141
2053	4,228,870	2,268,383	6,497,253
2054	4,131,469	2,123,430	6,254,899
2055	4,205,818	1,976,337	6,182,155
2056	4,317,566	1,829,321	6,146,887
2057	4,342,129	1,682,816	6,024,945
2058	4,401,306	1,538,283	5,939,589
2059	4,293,078	1,405,759	5,698,837
2060	4,234,074	1,281,863	5,515,937
2061	4,240,655	1,165,721	5,406,376
2062	4,146,226	1,057,278	5,203,504
2063	4,068,649	956,600	5,025,249

SUPPLEMENTAL ANNUITY VALUATION

Valuation Date	6/30/2024	6/30/2023
Applicable to Fiscal Year Beginning	<u>7/1/2025</u>	<u>7/1/2024</u>
Total Actuarial Accrued Liability	4,190,100	4,017,964
Market Value of Assets	<u>2,957,047</u>	<u>2,591,233</u>
Unfunded Actuarial Accrued Liability	1,233,053	1,426,731
 Pension Cost		
Total Normal Cost (EAN) ¹	37,608	36,472
Administrative Expenses ¹	4,016	4,696
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 10 years (as of 6/30/2024) ¹	178,001	206,907
Total Recommended Contribution	219,625	248,075

¹ Contributions developed as of 6/30/2024 displayed above have been adjusted to account for assumed interest.

SUPPLEMENTAL ANNUITY VALUATION
BY DIVISION

	<u>General</u>	<u>Public Safety</u>	<u>Total</u>
Total Actuarial Accrued Liability	3,894,098	296,002	4,190,100
Market Value of Assets	<u>2,748,152</u>	<u>208,895</u>	<u>2,957,047</u>
Unfunded Actuarial Accrued Liability	1,145,946	87,107	1,233,053
 Pension Cost - Total			
Total Normal Cost	37,608	0	37,608
Administrative Expenses	4,016	0	4,016
UAAL Amortization	<u>165,427</u>	<u>12,574</u>	<u>178,001</u>
Total Recommended Contribution	207,051	12,574	219,625
 Pension Cost - Dollars Per Active Member			
Total Normal Cost	818	0	
UAAL Amortization	<u>3,596</u>	<u>419</u>	
Total Recommended Contribution	4,501	419	
 Participant Summary			
Counts			
Actives	46	30 ¹	76
Retirees and Beneficiaries	53	8	61
 Supplemental Annuities			
Total Annuities	260,710	40,711	301,421
Average Annuities	4,919	5,089	4,941

¹ Summarized for cost per active member only. Currently no Public Safety members are eligible.

ACTUARIAL ASSUMPTIONS AND METHODS

Interest Rate	7.30% (previously 7.40%) per year compounded annually, net of investment related expenses.
Mortality Rate	Active Lives PubS-2010 and PubG-2010 Employee mortality tables, with generational improvements using Scale MP-2018. Inactive Lives PubS-2010 and PubG-2010 Healthy Retiree mortality tables, with generational improvements using Scale MP-2018.
Retirement Age	See table later in this section.
Disability Rate	0.20% for all general employees. 0.60% for all public safety employees. 100% of disabilities are assumed to be in the non-duty.
Termination Rate	See table later in this section.
Inflation	2.50%.
Salary Increases	See table below.

Ages	Inflation	Merit and Longevity	
		General	Public Safety
20	3.50%	3.84%	2.99%
25	3.50%	3.13%	2.99%
30	3.50%	2.69%	2.60%
35	3.50%	2.37%	1.10%
40	3.50%	2.14%	0.20%
45	3.50%	1.68%	0.20%
50	3.50%	1.14%	0.20%
55	3.50%	0.66%	0.10%
60	3.50%	0.16%	0.00%

Marital Status	90% of Members are assumed to be married.
Spouse's Age	Males are assumed to be three years older than females.
Member Contribution Interest	2.00%.
Cost-of-Living Adjustment	2.50%.

Annuity Withdrawal Assumptions 100% of members are assumed to elect a lump sum of member contributions in exchange for a reduced annuity benefit at retirement. The annuity offset is equal to the annuitized value of the member contributions using a 7.40% assumed interest rate.

EROP Assumptions 100% of eligible members elect to enter EROP according to the assumed retirement rates.

Members are assumed to remain in EROP for 5 years and take their balance at the end of the EROP period.

The EROP is assumed to continue beyond the six-year sunset provision. Members who become eligible to enter EROP after the six-year sunset are assumed to elect EROP when eligible.

Funding Method Entry Age Normal.

Actuarial Asset Method Investment gains and losses are smoothed over a five-year period. In the first year, 20% of the gain or loss is recognized. In the second year 40%, in the third year 60%, in the fourth year 80%, and in the fifth year 100% of the gain or loss is recognized. The actuarial investment gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of the Market Value of Assets.

Funding Policy Amortization Method The UAAL is amortized according to a level percentage of payroll method. The initial amortization amount is 100% of the Accrued Liability less the Actuarial Value of Assets. Ultimately, the amortization period will be a 15-year rolling methodology, with a phase in to 15 years as follows:

2023	20 Year Amortization
2024	19 Year Amortization
2025	18 Year Amortization
2026	17 Year Amortization
2027	16 Year Amortization
2028 and Later	15 Year Amortization

The use of a rolling amortization methodology with a reasonable amortization period and coupled with a payroll growth rate that is not too high will produce a significant annual payment towards the principal on the UAAL, resulting in an annual decrease in the UAAL, assuming the actuarial assumptions materialize.

The UAAL for the supplemental plan is amortized over a 10-year rolling period according to a level dollar basis.

Payroll Growth 3.00%.

Administrative Expenses

Expenses paid out of the fund other than investment-related expenses are assumed to be equal to the average of those paid in the previous 3 years, rounded to the nearest 1,000.

Basis for Assumptions

Experience study dated April 24, 2023.

Decrement Tables

General - % Terminating During the Year							Public Safety - % Terminating During the Year						
Age	Service						Age	Service					
	0	1	2	3	4	5+		0	1	2	3	4	5+
<							< 27	3%	3%	4%	8%	3%	3.0%
27	10%	15%	15%	20%	8%	7.0%	30	3%	3%	4%	8%	3%	3.0%
30	10%	15%	15%	20%	8%	7.0%	35	3%	3%	4%	8%	3%	2.0%
35	10%	15%	15%	20%	8%	5.0%	40	3%	3%	4%	8%	3%	1.0%
40	10%	15%	15%	20%	8%	4.0%	45	3%	3%	4%	8%	3%	0.5%
45	10%	15%	15%	20%	8%	3.0%	50	3%	3%	4%	8%	3%	0.5%
50	10%	15%	15%	20%	8%	3.0%	55+	3%	3%	4%	8%	3%	1.0%
55+	10%	15%	15%	20%	8%	1.0%							

% Retiring During the Year		
	General	Public Safety
Age	Rate	Rate
50-53	20%	20%
54	35%	20%
55	35%	30%
56	35%	10%
57-58	20%	10%
59	40%	10%
60	40%	40%
61-62	10%	40%
63	10%	50%
64	10%	70%
65-66	30%	100%
67	40%	100%
68	50%	100%
69	70%	100%
70+	100%	100%

GLOSSARY

Total Annual Payroll is the projected annual rate of pay for the fiscal year following the valuation date of all covered members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current Members, Retirees, Beneficiaries, Disability Retirees and Vested Terminations.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded.

Unfunded Accrued Liability is the excess of the Accrued Actuarial Liability over the Actuarial Value of Assets.

Total Recommended Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over a closed period (19 years as of June 30, 2024). The recommended amount is adjusted for interest according to the timing of contributions during the year.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals:

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined under various assumption scenarios. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. It is possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.
- Salary Increases: When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.
- Payroll Growth: The plan's payroll growth assumption, if one is used, causes a predictable annual increase in the plan's amortization payment in order to produce an amortization payment that remains constant as a percentage of payroll if all assumptions are realized. If payroll does not increase according to the plan's payroll growth assumption, the plan's amortization payment can increase significantly as a percentage of payroll even if all assumptions other than the payroll growth assumption are realized.
- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

- **Contribution Risk:** This risk results from the potential that actual employer contributions may deviate from actuarially determined contributions, which are determined in accordance with the Board’s funding policy. The funding policy is intended to result in contribution requirements that if paid when due, will result in a reasonable expectation that assets will accumulate to be sufficient to pay plan benefits when due. Contribution deficits, particularly large deficits and those that occur repeatedly, increase future contribution requirements and put the plan at risk for not being able to pay plan benefits when due.

Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature plans with a substantial inactive liability. Similarly, mature plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled “Plan Maturity Measures and Other Risk Metrics”. Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members, has decreased from 67.8% on June 30, 2021 to 60.8% on June 30, 2024, indicating that the plan has been maturing.
- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the liability associated with members who are no longer employed but are due a benefit from the plan, to the Total Accrued Liability, is 73.9%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors will need to be made up for over a shorter time horizon than would be needed for a less mature plan.
- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has decreased from 65.2% on June 30, 2021 to 64.1% on June 30, 2024.
- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, stayed approximately the same from June 30, 2021 to June 30, 2024. The current Net Cash Flow Ratio of -4.0% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

Low Default-Risk Obligation Measure

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a “low-default-risk obligation measure” (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 8 in terms of member data, plan provisions, and assumptions/methods, including the use of the Entry Age Normal Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.21%, resulting in an LDROM of \$101,821,942. The LDROM should not be considered the “correct” liability measurement; it simply shows a possible outcome if the Board elected to hold a very low risk asset portfolio. Given that plan benefits are paid over time through the combination of contributions and investment returns, prudent investments selected by the Board help to balance asset accumulation through these two sources.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modeling, as well as the identification of additional risks, can be provided at the request of the audience addressed on page 2 of this report.

PLAN MATURITY MEASURES AND OTHER RISK METRICS

	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>
<u>Support Ratio</u>				
Total Actives	76	76	79	78
Total Inactives	125	120	119	115
Actives / Inactives	60.8%	63.3%	66.4%	67.8%
 <u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	43,710,963	40,385,352	38,115,937	45,943,628
Total Annual Payroll	5,878,408	5,661,562	5,668,368	5,616,709
MVA / Total Annual Payroll	743.6%	713.3%	672.4%	818.0%
 <u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	50,204,976	47,717,543	45,385,090	43,672,884
Total Accrued Liability	67,957,547	64,735,178	62,517,270	63,085,667
Inactive AL / Total AL	73.9%	73.7%	72.6%	69.2%
 <u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	43,567,802	42,304,500	41,703,710	41,121,607
Total Accrued Liability	67,957,547	64,735,178	62,517,270	63,085,667
AVA / Total Accrued Liability	64.1%	65.4%	66.7%	65.2%
 <u>Net Cash Flow Ratio</u>				
Net Cash Flow ¹	(1,744,039)	(1,653,442)	(1,303,740)	(1,712,263)
Market Value of Assets (MVA)	43,710,963	40,385,352	38,115,937	45,943,628
Ratio	-4.0%	-4.1%	-3.4%	-3.7%

¹ Determined as total contributions minus benefit payments and administrative expenses.

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

<u>ASSETS</u>	MARKET VALUE
Total Cash and Equivalents	697,788
Receivables:	
Accrued Interest and Dividends	1,477
Total Receivable	1,477
Investments:	
Equity Securities	24,458,762
Other Investments	18,552,936
Total Investments	43,011,698
Total Assets	43,710,963
 <u>LIABILITIES</u>	
Total Liabilities	0
Net Assets:	
Active and Retired Members' Equity	43,710,963
NET POSITION RESTRICTED FOR PENSIONS	43,710,963
TOTAL LIABILITIES AND NET ASSETS	43,710,963

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FOR THE YEAR ENDED June 30, 2024
 Market Value Basis

ADDITIONS

Contributions:		
Member	311,863	
City	1,956,340	
 Total Contributions		 2,268,203
Investment Income:		
Interest & Dividends		5,124,133
Less Expenses ¹		(54,483)
 Net Investment Income		 5,069,650
 Total Additions		 7,337,853

DEDUCTIONS

Distributions to Members:		
Benefit Payments	3,953,914	
 Total Distributions		 3,953,914
 Administrative Expenses		 58,328
 Total Deductions		 4,012,242
 Net Increase in Net Position		 3,325,611

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		40,385,352
 End of the Year		 43,710,963

¹ Expenses include investment advisory, custodial and performance monitoring fees

ACTUARIAL ASSET VALUATION
June 30, 2024

Development of Actuarial Value of Assets

Market Value of Assets, 6/30/2024	43,710,963
(Gains)/Losses Not Yet Recognized	<u>(143,161)</u>
Preliminary Actuarial Value of Assets, 6/30/2024	43,567,802
6/30/2024 Limited Actuarial Assets, Total	43,567,802

Development of Investment Gain/Loss

Market Value of Assets, 6/30/2023	40,385,352
Actuarial Value of Assets, 6/30/2023	42,304,500
Contributions Less Benefit Payments and Administrative Expenses	(1,744,039)
Expected Investment Earnings ¹	3,066,004
Actual Net Investment Earnings	<u>5,069,650</u>
2024 Actuarial Investment Gain/(Loss)	2,003,646

¹ Expected Investment Earnings = 7.40% x (42,304,500 + 0.5 x -1,744,039)

Gains/(Losses) Not Yet Recognized

Plan Year Ending	Gain/(Loss)	Amounts Not Yet Recognized by Valuation Year				
		2024	2025	2026	2027	2028
6/30/2021	9,247,348	1,849,470	0	0	0	0
6/30/2022	(9,558,691)	(3,823,476)	(1,911,738)	0	0	0
6/30/2023	857,083	514,250	342,833	171,417	0	0
6/30/2024	2,003,646	1,602,917	1,202,188	801,458	400,729	0
Total		143,161	(366,717)	972,875	400,729	0

Development of Asset Returns

(A) 6/30/2023 Actuarial Assets:	42,304,500
(I) Net Investment Income:	
1. Interest and Dividends	5,124,133
2. Change in Actuarial Value	(2,062,309)
3. Investment Expenses	<u>(54,483)</u>
Total	3,007,341
(B) 6/30/2024 Preliminary Actuarial Assets:	43,567,802
Actuarial Asset Rate of Return = (2 x I) / (A + B - I):	7.26%
Market Value of Assets Rate of Return:	12.83%
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(58,663)

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
June 30, 2024
Actuarial Asset Basis

INCOME	
Contributions:	
Member	311,863
City	1,956,340
Total Contributions	2,268,203
Earnings from Investments	
Interest & Dividends	5,124,133
Change in Actuarial Value	(2,062,309)
Total Earnings and Investment Gains	3,061,824
EXPENSES	
Administrative Expenses:	
Investment Related ¹	54,483
Other	58,328
Total Administrative Expenses	112,811
Distributions to Members:	
Benefit Payments	3,953,914
Total Distributions	3,953,914
Change in Net Assets for the Year	1,263,302
Net Assets Beginning of the Year	42,304,500
Net Assets End of the Year	43,567,802
Excess Earnings Reserve	

¹ Investment Related expenses include investment advisory, custodial and performance monitoring fees.

SUPPLEMENTAL ANNUITY
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

<u>ASSETS</u>	MARKET VALUE
Total Cash and Equivalents	47,206
Receivables:	
Accrued Interest and Dividends	100
Total Receivable	100
Investments:	
Equity Securities	1,654,635
Other Investments	1,255,106
Total Investments	2,909,741
Total Assets	2,957,047
 <u>LIABILITIES</u>	
Total Liabilities	0
Net Assets:	
Active and Retired Members' Equity	2,957,047
NET POSITION RESTRICTED FOR PENSIONS	2,957,047
TOTAL LIABILITIES AND NET ASSETS	2,957,047

SUPPLEMENTAL ANNUITY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED June 30, 2024
Market Value Basis

ADDITIONS

Contributions:

Member	0
City	345,827

Total Contributions	345,827
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Investment Income:

Interest & Dividends	328,778
Less Expenses ¹	(3,496)

Net Investment Income	325,282
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Total Additions	671,109
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DEDUCTIONS

Distributions to Members:

Benefit Payments	301,553
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Total Distributions	301,553
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Administrative Expenses	3,742
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Total Deductions	305,295
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Net Increase in Net Position	365,814
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year	2,591,233
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End of the Year	2,957,047
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¹ Expenses include investment advisory, custodial and performance monitoring fees

STATISTICAL DATA

Valuation Date	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>
<u>Actives</u>				
Number	76	76	79	78
Average Current Age	43.3	43.4	44.4	45.1
Average Age at Employment	32.5	32.2	33.2	33.0
Average Past Service	10.8	11.2	11.2	12.1
Average Annual Salary	\$73,941	\$71,163	\$68,679	\$68,880
<u>Service Retirees</u>				
Number	92	90	86	86
Average Current Age	69.6	69.5	69.1	69.4
Average Annual Benefit	\$35,774	\$35,004	\$35,037	\$33,872
EROP Retirees incl. in Retirees	0	0	0	0
<u>Beneficiaries</u>				
Number	19	18	17	16
Average Current Age	75.1	74.3	74.6	74.8
Average Annual Benefit	\$32,400	\$30,932	\$30,187	\$30,894
EDROs incl. in Beneficiaries	3	3	3	2
<u>Disability Retirees</u>				
Number	0	0	0	0
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
<u>Terminated Vested</u>				
Number	14	12	16	13
Average Current Age	53.5	53.6	50.7	N/A
Average Annual Benefit ¹	\$12,365	\$12,234	\$11,409	\$11,460

¹ Average Annual Benefit for Terminated Vested members reflects the benefit for members entitled to a future annual benefit from the plan.

STATISTICAL DATA BY DIVISION

	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>
<u>Actives - General</u>				
Number	46	47	50	49
Average Current Age	44.6	44.5	45.1	46.3
Average Age at Employment	35.6	35.0	35.9	35.8
Average Past Service	9.0	9.6	9.2	10.6
Average Annual Salary	\$59,713	\$59,224	\$56,213	\$57,476
<u>Actives - Public Safety</u>				
Number	30	29	29	29
Average Current Age	41.3	41.6	43.3	43.1
Average Age at Employment	27.7	27.7	28.6	28.5
Average Past Service	13.5	13.9	14.6	14.6
Average Annual Salary	\$95,756	\$90,511	\$90,172	\$88,148

AGE AND SERVICE DISTRIBUTION
TOTAL

AGE	PAST SERVICE											Total	Total Pay ¹
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+		
20 - 24	1	1	0	0	0	0	0	0	0	0	0	2	\$ 118,722
25 - 29	3	2	0	2	1	0	0	0	0	0	0	8	\$ 499,862
30 - 34	1	2	2	0	0	3	1	0	0	0	0	9	\$ 614,237
35 - 39	1	0	2	2	1	2	1	0	0	0	0	9	\$ 530,879
40 - 44	1	1	0	0	0	0	1	5	4	0	0	12	\$ 1,047,874
45 - 49	0	0	0	0	0	2	2	1	8	0	0	13	\$ 1,092,619
50 - 54	1	0	1	0	0	4	0	0	6	1	0	13	\$ 1,064,990
55 - 59	1	0	0	0	0	1	1	1	1	0	0	5	\$ 401,436
60 - 64	0	1	1	0	1	1	0	0	0	0	0	4	\$ 195,540
65+	0	0	0	0	0	0	1	0	0	0	0	1	\$ 53,326
Total	9	7	6	4	3	13	7	7	19	1	0	76	\$ 5,619,486

¹ Total Pay is salaries for the period ending 6/30/2024.

AGE AND SERVICE DISTRIBUTION
GENERAL

AGE	PAST SERVICE											Total	Total Pay ¹
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+		
20 - 24	1	0	0	0	0	0	0	0	0	0	0	1	\$ 51,492
25 - 29	2	1	0	1	1	0	0	0	0	0	0	5	\$ 276,794
30 - 34	1	1	1	0	0	0	1	0	0	0	0	4	\$ 175,374
35 - 39	0	0	2	2	0	2	1	0	0	0	0	7	\$ 385,461
40 - 44	1	1	0	0	0	0	1	2	0	0	0	5	\$ 325,132
45 - 49	0	0	0	0	0	2	1	0	4	0	0	7	\$ 445,389
50 - 54	1	0	1	0	0	3	0	0	2	1	0	8	\$ 554,578
55 - 59	1	0	0	0	0	0	1	1	1	0	0	4	\$ 283,712
60 - 64	0	1	1	0	1	1	0	0	0	0	0	4	\$ 195,540
65+	0	0	0	0	0	0	1	0	0	0	0	1	\$ 53,326
Total	7	4	5	3	2	8	6	3	7	1	0	46	\$ 2,746,799

¹ Total Pay is salaries for the period ending 6/30/2024.

AGE AND SERVICE DISTRIBUTION
PUBLIC SAFETY

AGE	PAST SERVICE											Total	Total Pay ¹
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+		
20 - 24	0	1	0	0	0	0	0	0	0	0	0	1	\$ 67,230
25 - 29	1	1	0	1	0	0	0	0	0	0	0	3	\$ 223,069
30 - 34	0	1	1	0	0	3	0	0	0	0	0	5	\$ 438,863
35 - 39	1	0	0	0	1	0	0	0	0	0	0	2	\$ 145,418
40 - 44	0	0	0	0	0	0	0	3	4	0	0	7	\$ 722,742
45 - 49	0	0	0	0	0	0	1	1	4	0	0	6	\$ 647,229
50 - 54	0	0	0	0	0	1	0	0	4	0	0	5	\$ 510,413
55 - 59	0	0	0	0	0	1	0	0	0	0	0	1	\$ 117,724
60 - 64	0	0	0	0	0	0	0	0	0	0	0	0	\$ 0
65+	0	0	0	0	0	0	0	0	0	0	0	0	\$ 0
Total	2	3	1	1	1	5	1	4	12	0	0	30	\$2,872,687

¹ Total Pay is salaries for the period ending 6/30/2024.

AGE DISTRIBUTION
RETIREES, DISABLEDS AND BENEFICIARIES

AGE	<u>General</u>		<u>Public Safety</u>		<u>Total</u>	
	Count	Annual Pensions	Count	Annual Pensions	Count	Annual Pensions
< 45	0	\$ 0	0	\$ 0	0	\$ 0
45 - 49	0	\$ 0	2	\$ 92,189	2	\$ 92,189
50 - 54	2	\$ 55,015	0	\$ 0	2	\$ 55,015
55 - 59	4	\$ 120,427	4	\$ 186,845	8	\$ 307,272
60 - 64	10	\$ 204,606	10	\$ 485,623	20	\$ 690,229
65 - 69	9	\$ 205,994	10	\$ 539,398	19	\$ 745,392
70 - 74	16	\$ 407,061	7	\$ 353,094	23	\$ 760,154
75 - 79	5	\$ 63,523	10	\$ 418,750	15	\$ 482,273
80 - 84	6	\$ 169,364	7	\$ 309,058	13	\$ 478,422
85 - 89	5	\$ 97,821	2	\$ 154,292	7	\$ 252,113
90 - 94	1	\$ 14,866	1	\$ 28,905	2	\$ 43,771
95 - 99	0	\$ 0	0	\$ 0	0	\$ 0
100 +	0	\$ 0	0	\$ 0	0	\$ 0
Total	58	\$ 1,338,677	53	\$ 2,568,155	111	\$ 3,906,831

AGE DISTRIBUTION
INACTIVE VESTED MEMBERS

AGE	<u>General</u>		<u>Public Safety</u>		<u>Total</u>	
	Count	Annual Pensions	Count	Annual Pensions	Count	Annual Pensions
< 45	2	\$ 21,551	0	\$ 0	2	\$ 21,551
45 - 49	1	\$ 14,570	0	\$ 0	1	\$ 14,570
50 - 54	1	\$ 7,744	0	\$ 0	1	\$ 7,744
55 - 59	7	\$ 98,276	0	\$ 0	7	\$ 98,276
60 - 64	0	\$ 0	0	\$ 0	0	\$ 0
65+	1	\$ 6,240	0	\$ 0	1	\$ 6,240
Total	12	\$ 148,381	0	\$ 0	12	\$ 148,381

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 6/30/2023	76
b. Terminations	
i. Vested (partial or full) with deferred benefits	(1)
ii. Non-vested or full lump sum distribution received	0
iii. Refunded	(4)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(4)
f. EROP	<u>0</u>
g. Continuing participants	67
h. New entrants	<u>9</u>
i. Total active life participants in valuation	76

2. Non-Active lives (including beneficiaries receiving benefits)

	Service Retirees, Vested Receiving <u>Benefits</u>	Receiving Death <u>Benefits</u>	Receiving Disability <u>Benefits</u>	Vested <u>Deferred</u>	<u>Total</u>
a. Number prior valuation	90	18	0	12	120
Retired	4	0	0	0	4
EROP	0	0	0	0	0
Vested Deferred	0	0	0	1	1
Death, With Survivor	(1)	1	0	0	0
Death, No Survivor	(1)	0	0	0	(1)
Disabled	0	0	0	0	0
Refund of Contributions	0	0	0	0	0
Rehires	0	0	0	0	0
New EDROs	0	0	0	0	0
Data Corrections	0	0	0	0	0
Hired/Termed in Same Year	0	0	0	1	1
b. Number current valuation	92	19	0	14	125

SUMMARY OF CURRENT PLAN PROVISIONS

Plan Administration	<p>The Plan is a single employer defined benefit pension plan administered by a Board of Trustees comprised of five members:</p> <ul style="list-style-type: none">a.) The Mayor,b.) A member of the City Council,c.) A resident appointed by the Mayor, andd.) Two employees (one general and one public safety).
Final Average Compensation (FAC)	<p>General members: Highest 4 years.</p> <p>Communications Dispatcher: Highest 4 years.</p> <p>Public Safety Officers: Highest 4 years.</p> <p>Public Safety Command Officers: Highest 3 calendar years of compensation out of the last eight calendar years prior to retirement.</p>
Regular Retirement	
Eligibility	<p>Age 50 with 25 years of service, age 55 with 20 years of service, or age 60 with 10 or more years of service.</p>
Annual Benefit	<p>General members hired before March 30, 2011: FAC times sum of 2.00% times the first 25 years of service plus 1.00% times years of service in excess of 25 years.</p> <p>General members hired after March 30, 2011: 1.75% times FAC times years of service.</p> <p>Dispatchers/Communications Dispatcher hired before July 1, 2011: 2.125% times FAC times years of service.</p> <p>Dispatchers/Communications Dispatcher hired after July 1, 2011: 1.75% times FAC times years of service.</p> <p>Public Safety Officers and Command: 2.50% times FAC times years of service, maximum of 75% of FAC.</p>

Duty Disability Retirement

Eligibility	No age or service requirements.
Benefit	Computed as regular retirement with additional service credit granted to the earlier of the date the member would attain age 55 years or the date the member would have satisfied regular retirement eligibility conditions had the member continued in City employment. General/Communications Dispatcher members have worker's compensation offsets. Public Safety members, depending upon whether or not they are eligible for a service retirement at the time of injury, may elect to choose between worker's compensation benefits or a disability pension.

Non-Duty Disability Retirement

Eligibility	10 or more years of credited service.
Benefit	Computed as a regular retirement.

Deferred Retirement

Eligibility	10 or more years of service.
Annual Benefit	Computed as regular retirement but based on service and final average compensation at time of termination. Benefits begin at age 60.

Duty Death in Service Survivor's Pension

Eligibility	No age or service requirements. Must be in receipt of worker's compensation.
Benefit	Upon termination of worker's compensation a benefit equal to the worker's compensation amount shall be paid to the widow, unmarried children under 18 and dependent parents. Maximum benefit to the widow: 50% of final average compensation, to the children: 20% of final average compensation, and to the parents: 16-2/3% of final average compensation.

Non-Duty Death in Service Survivor's Pension

Eligibility	10 years of service.
Benefit	Computed as a regular retirement but actuarially reduced in accordance with a 100% joint and survivor election.

Employee Retention Option Plan (EROP)

Eligibility	Command and Public Safety Officers: Age 50 with 25 years of service, or Age 55 with 20 years of service. 5-year maximum period of participation.										
Benefit	85% of participant's regular monthly accrued retirement benefit deposited into EROP account earning 3.00% interest. Not subject to COLA increases. Member contributions cease upon EROP entry.										
Member Contributions	General members: 5.00% of annual compensation. Communications Dispatcher hired before July 1 2008: 6.00% of annual compensation. Communications Dispatcher hired after July 1 2008: 5.00% of annual compensation. Public Safety Members: 6.00% of annual compensation.										
Annuity Withdrawal	A member may withdraw accumulated member contributions in a lump sum at retirement. The retirement allowance is reduced by the actuarial equivalent of the annuity withdrawn, based on actuarial assumptions concerning interest and mortality used in the annual actuarial valuation.										
Pop-Up Provision	Upon the death of the beneficiary, a retiree who had previously selected either Option II or Option III will have the retirement allowance recomputed as a straight life allowance.										
Supplemental Annuities											
Eligibility	Age 50 with 25 years of service, age 55 with 20 years of service, or age 60 with 20 years of service. General members who qualify for a disability retirement are also eligible. Public Safety members with retirements effective after December 31, 1994 are not eligible.										
Amount	<table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Years of Service</th> <th style="text-align: left; border-bottom: 1px solid black;">Monthly Benefit</th> </tr> </thead> <tbody> <tr> <td>10-14</td> <td>\$250</td> </tr> <tr> <td>15-19</td> <td>300</td> </tr> <tr> <td>20-24</td> <td>350</td> </tr> <tr> <td>25+</td> <td>400</td> </tr> </tbody> </table>	Years of Service	Monthly Benefit	10-14	\$250	15-19	300	20-24	350	25+	400
Years of Service	Monthly Benefit										
10-14	\$250										
15-19	300										
20-24	350										
25+	400										

Post-Retirement Cost-of-Living

Eligibility

Hired before July 1, 2016.

Amount

Annual adjustments based upon changes in the Consumer Price Index subject to a maximum increase of 2.5% of the adjusted retirement allowance. The cost-of-living adjustment shall be paid on both the base pensions and, for retirements on or after 7/1/90, supplemental annuity distributions.