

CITY OF MONTICELLO
FIREFIGHTERS' RETIREMENT TRUST FUND

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2024

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2026



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

March 25, 2025

Board of Trustees
City of Monticello
Firefighters' Pension Board

Re: City of Monticello Firefighters' Retirement Trust Fund

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Monticello Firefighters' Retirement Trust Fund. The 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 may 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 provisions of Chapters 112 and 175, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

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. 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.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by the City of Monticello, 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.

Additionally, 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 that apply the funding rules to generate the results. All internally developed models are reviewed as part of the valuation 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.

In our opinion, the Minimum Required Contribution set forth in this report constitutes a reasonable actuarially determined contribution under Actuarial Standard of Practice No. 4.

The undersigned are 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 Monticello, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Firefighters' Retirement Trust Fund. 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 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

By:



Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #23-6595

By:



Danny Ibele, ASA, MAAA

PTD/DDI/lke

Enclosures

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SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Monticello Firefighters' Retirement Trust Fund, performed as of October 1, 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 ending September 30, 2026.

The contribution requirements, compared with those set forth in the October 1, 2021 actuarial valuation report, are as follows:

Valuation Date Applicable to Fiscal Year Ending	10/1/2024 <u>9/30/2026</u>	10/1/2021 <u>9/30/2023</u>
Minimum Required Contribution	\$16,067	\$8,492
Member Contributions (Est.)	0	0
City And State Required Contribution	16,067	8,492
State Contribution (Est.) ¹	20,005	14,122
City Required Contribution (Est.)	\$0	\$0

¹ Represents the amounts received in fiscals 2024 (left column) and 2023 (right column). Per a Mutual Consent Agreement, the City will be able to use all State Monies that are received to offset any funding requirements.

As you can see, the Minimum Required Contribution shows an increase when compared to the results set forth in the October 1, 2021 actuarial valuation report. The increase is attributable to an increase in the level of administrative expenses.

CHANGES SINCE PRIOR VALUATION

Plan Changes

There have been no changes in benefits since the prior valuation.

Actuarial Assumption/Method Changes

The interest rate for the plan has changed from 7.75% to 6.50%, net of investment related expenses.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Assump <u>10/1/2024</u>	Old Assump <u>10/1/2024</u>	<u>10/1/2021</u>
A. Participant Data			
Actives	12	12	10
Service Retirees	12	12	9
Beneficiaries	0	0	0
Disability Retirees	0	0	0
Terminated Vested	<u>1</u>	<u>1</u>	<u>3</u>
Total	25	25	22
Projected Annual Payroll	0	0	0
Annual Rate of Payments to:			
Service Retirees	56,518	56,518	42,257
Beneficiaries	0	0	0
Disability Retirees	0	0	0
Terminated Vested	3,678	3,678	11,835
B. Assets			
Actuarial Value (AVA)	1,204,799	1,204,799	1,205,730
Market Value (MVA)	1,204,799	1,204,799	1,205,730
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	253,929	193,966	194,624
Disability Benefits	4,182	3,363	3,006
Death Benefits	1,174	889	703
Vested Benefits	26,481	17,718	12,063
Refund of Contributions	0	0	0
Service Retirees	568,042	517,240	396,882
Beneficiaries	0	0	0
Disability Retirees	0	0	0
Terminated Vested	<u>37,323</u>	<u>32,070</u>	<u>117,798</u>
Total	891,131	765,246	725,076

C. Liabilities - (Continued)	New Assump <u>10/1/2024</u>	Old Assump <u>10/1/2024</u>	<u>10/1/2021</u>
Present Value of Future Salaries	0	0	0
Present Value of Future Member Contributions	0	0	0
Total Normal Cost	0	0	0
Present Value of Future Normal Costs (EAN)	119,723	82,393	50,096
Accrued Liability (Retirement)	150,074	121,790	152,122
Accrued Liability (Disability)	1,913	1,634	1,619
Accrued Liability (Death)	631	511	486
Accrued Liability (Vesting)	13,425	9,608	6,073
Accrued Liability (Refunds)	0	0	0
Accrued Liability (Inactives)	<u>605,365</u>	<u>549,310</u>	<u>514,680</u>
Total Actuarial Accrued Liability (EAN AL)	771,408	682,853	674,980
Total Actuarial Accrued Liability (Aggregate)	1,204,799	1,204,799	1,205,730
Unfunded Actuarial Accrued Liability (UAAL)	0	0	0
Funded Ratio (AVA / EAN AL)	156.2%	176.4%	178.6%

D. Actuarial Present Value of Accrued Benefits	New Assump <u>10/1/2024</u>	Old Assump <u>10/1/2024</u>	<u>10/1/2021</u>
Vested Accrued Benefits			
Inactives	605,365	549,310	514,680
Actives	77,850	61,424	85,090
Member Contributions	<u>0</u>	<u>0</u>	<u>0</u>
Total	683,215	610,734	599,770
Non-vested Accrued Benefits	<u>50,000</u>	<u>40,517</u>	<u>51,033</u>
Total Present Value			
Accrued Benefits (PVAB)	733,215	651,251	650,803
Funded Ratio (MVA / PVAB)	164.3%	185.0%	185.3%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	81,964	0	
Plan Experience	0	16,118	
Benefits Paid	0	(160,400)	
Interest	0	144,730	
Other	<u>0</u>	<u>0</u>	
Total	81,964	448	

	New Assump	Old Assump	
Valuation Date	10/1/2024	10/1/2024	10/1/2021
Applicable to Fiscal Year Ending	<u>9/30/2026</u>	<u>9/30/2026</u>	<u>9/30/2023</u>
E. Pension Cost			
Normal Cost ¹	\$0	\$0	\$0
Administrative Expenses ¹	16,067	16,164	8,492
Payment Required to Amortize Unfunded Actuarial Accrued Liability (as of 10/1/2024) ¹	0	0	0
Minimum Required Contribution	16,067	16,164	8,492
Expected Member Contributions ¹	0	0	0
Expected City and State Contribution	16,067	16,164	8,492
F. Past Contributions			
Plan Years Ending:	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>9/30/2022</u>
City and State Requirement	8,492	8,492	8,990
Actual Contributions Made:			
City	0	0	0
State	<u>20,005</u>	<u>14,122</u>	<u>13,774</u>
Total	20,005	14,122	13,774
G. Net Actuarial (Gain)/Loss	N/A		

¹ Contributions developed as of 10/1/2024 displayed above have been adjusted to account for assumed salary increase and interest components.

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

	<u>Projected Unfunded</u>
<u>Year</u>	<u>Actuarial Accrued Liability</u>

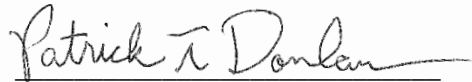
N/A – Aggregate Actuarial Cost Method

(ii) 5 Year Comparison of Investment Return on Market Value and Actuarial Value

		<u>Market Value</u>	<u>Actuarial Value</u>	<u>Assumed</u>
Year Ended	9/30/2024	25.29%	25.29%	7.75%
Year Ended	9/30/2023	11.50%	11.50%	7.75%
Year Ended	9/30/2022	-17.00%	-17.00%	7.75%
Year Ended	9/30/2021	19.51%	19.51%	7.75%
Year Ended	9/30/2020	9.68%	9.68%	7.75%

STATEMENT BY ENROLLED ACTUARY

This actuarial valuation was prepared and completed 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 Part VII, 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 increase in plan costs or required contribution rates have been taken into account in the valuation.



Patrick T. Donlan, EA, ASA, MAAA
Enrolled Actuary #23-6595

Please let us know when the report is approved by the Board and unless otherwise directed we will provide copies of the report to the following offices to comply with Chapter 112, Florida Statutes:

Mr. Keith Brinkman
Bureau of Local
Retirement Systems
Post Office Box 9000
Tallahassee, FL 32315-9000

Mr. Steve Bardin
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
Post Office Box 3010
Tallahassee, FL 32315-3010

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:

Female: PubS.H-2010 for Employees, set forward one year.

Male: PubS.H-2010 (Below Median) for Employees, set forward one year.

Healthy Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

Interest Rate

6.50% (prior year 7.75%) per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

<u>Salary Increases</u>	None (all volunteers).
<u>Payroll Growth</u>	0.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.
<u>Retirement Age</u>	Earlier of: 1) Age 55 and the completion of 10 years of service or 2) Age 52 and the completion of 25 years of service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year. We feel this assumption is reasonable based upon the plan provisions but do not have sufficient data to develop retirement rates.
<u>Early Retirement</u>	Commencing with the earliest Early Retirement Age, members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
<u>Disability Rate</u>	See table below (1201). It is assumed that 90% of disablements and active Member deaths are service related. This assumption was developed from those used by other plans containing Florida Municipal Firefighters.
<u>Termination Rate</u>	See table below (1302). This assumption was developed from those used by other plans containing Florida Municipal Firefighters.
<u>Administrative Expenses</u>	\$15,561 annually, based on the average of actual expenses incurred in the prior two fiscal years.
<u>Funding Method</u>	Aggregate Actuarial Cost Method.

<u>Age</u>	<u>% Becoming Disabled During the Year</u>	<u>% Terminating During the Year</u>
20	0.03%	6.0%
30	0.04	5.0
40	0.07	2.6
50	0.18	0.8

Low-Default-Risk Obligation Measure

Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.06% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2024. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

GLOSSARY

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current plan participants.

Actuarial Value of Assets is the asset value used in the valuation to determine contribution requirements. It represents the plan's Market Value of Assets (see below), with adjustments according to the plan's Actuarial Asset Method. These adjustments produce a "smoothed" value that is likely to be less volatile from year to year than the Market Value of Assets.

Market Value of Assets is the fair market value of plan assets as of the valuation date. This amount may be adjusted to produce an Actuarial Value of Assets for plan funding purposes.

Normal (Current Year's) Cost Rate is determined in the aggregate as the ratio of (a) and (b) as follows:

- (a) The present value of benefits for all Plan participants, less the actuarial value of assets.
- (b) The present value of future compensation over the anticipated number of years of participation, determined as of the valuation date.

The Normal Cost dollar requirement is the ratio of (a) and (b).

Aggregate Actuarial Cost Method is the method used to determine required contributions under the Plan. The use of this method involves the systematic funding of the Normal Cost (described above).

Total Required Contribution is equal to the Normal Cost plus an adjustment for interest according to the timing of sponsor contributions during the year.

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 using various actuarial assumptions. 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.
- 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.

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, closed 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 closed plans with a substantial inactive liability. Similarly, mature closed 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 175.0% on October 1, 2015 to 92.3% on October 1, 2024, indicating that the plan has been maturing during the period.
- 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 78.5%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan. Please note Chapter 112, Florida Statutes, requires that the plan sponsor contributes the minimum required contribution; thus, there is minimal solvency risk to the plan.
- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has increased from 130.2% on October 1, 2015 to 156.2% on October 1, 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, decreased from 2.3% on October 1, 2015 to -4.8% on October 1, 2024. The current Net Cash Flow Ratio of -4.8% 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, under 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 4.06%, resulting in an LDROM of \$1,018,984. 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. The Board actually invests the pension plan’s contributions in a diversified portfolio of stocks and bonds and other investments with the objective of maximizing investment returns at a reasonable level of risk. Consequently, the difference between the plan’s Actuarial Accrued Liability disclosed earlier in this section and the LDROM can be thought of as representing the expected taxpayer savings from investing in the plan’s diversified portfolio compared to investing only in high quality bonds.

The actuarial valuation reports the funded status and develops contributions based on the expected return of the plan’s investment portfolio. If instead, the plan switched to investing exclusively in high quality bonds, the LDROM illustrates that reported funded status would be lower (which also implies that the Actuarially Determined Contributions would be higher), perhaps significantly. Unnecessarily high contribution requirements in the near term may not be affordable and could imperil plan sustainability and benefit security.

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>10/1/2024</u>	<u>10/1/2021</u>	<u>10/1/2018</u>	<u>10/1/2015</u>
<u>Support Ratio</u>				
Total Actives	12	10	16	14
Total Inactives ¹	13	12	8	8
Actives / Inactives ¹	92.3%	83.3%	200.0%	175.0%
 <u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	605,365	514,680	292,498	294,205
Total Accrued Liability (EAN)	771,408	674,980	617,610	553,991
Inactive AL / Total AL	78.5%	76.3%	47.4%	53.1%
 <u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	1,204,799	1,205,730	917,656	721,100
Total Accrued Liability (EAN)	771,408	674,980	617,610	553,991
AVA / Total Accrued Liability (EAN)	156.2%	178.6%	148.6%	130.2%
 <u>Net Cash Flow Ratio</u>				
Net Cash Flow ²	(57,886)	(24,130)	(14,042)	16,235
Market Value of Assets (MVA)	1,204,799	1,205,730	917,656	721,100
Ratio	-4.8%	-2.0%	-1.5%	2.3%

¹ Excludes terminated participants awaiting a refund of member contributions.

² Determined as total contributions minus benefit payments and administrative expenses.

PARTIAL HISTORY OF PREMIUM TAX REFUNDS

Received During Fiscal Year	<u>Amount</u>	<u>Increase from Previous Year</u>
1998	15,279.46	_____ %
1999	13,325.59	-12.8%
2000	16,135.67	21.1%
2001	15,326.44	-5.0%
2002	16,042.21	4.7%
2003	16,900.83	5.4%
2004	16,691.24	-1.2%
2005	16,330.63	-2.2%
2006	21,865.05	33.9%
2007	24,495.72	12.0%
2008	25,230.56	3.0%
2009	23,029.54	-8.7%
2010	24,499.10	6.4%
2011	19,871.01	-18.9%
2012	21,815.62	9.8%
2013	24,592.97	12.7%
2014	26,621.14	8.2%
2015	25,851.18	-2.9%
2016	22,313.02	-13.7%
2017	20,841.43	-6.6%
2018	16,570.51	-20.5%
2019	17,245.85	4.1%
2020	16,657.04	-3.4%
2021	12,015.31	-27.9%
2022	13,773.70	14.6%
2023	14,122.38	2.5%
2024	20,005.31	41.7%

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Prepaid Expenses	932.23	932.23
Money Market	6,760.96	6,760.96
Total Cash and Equivalents	7,693.19	7,693.19
Receivables:		
State Contributions	12,519.52	12,519.52
Investment Income	26.34	26.34
Total Receivable	12,545.86	12,545.86
Investments:		
Mutual Funds:		
Fixed Income	425,305.40	416,435.38
Equity	435,351.32	778,595.92
Total Investments	860,656.72	1,195,031.30
Total Assets	880,895.77	1,215,270.35
<u>LIABILITIES</u>		
Payables:		
Investment Expenses	3,000.00	3,000.00
Administrative Expenses	7,471.71	7,471.71
Total Liabilities	10,471.71	10,471.71
NET POSITION RESTRICTED FOR PENSIONS	870,424.06	1,204,798.64

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

ADDITIONS

Contributions:

State	20,005.31	
Total Contributions		20,005.31

Investment Income:

Net Realized Gain (Loss)	(5,663.64)	
Unrealized Gain (Loss)	235,363.29	
Net Increase in Fair Value of Investments	229,699.65	
Interest & Dividends	27,225.26	
Less Investment Expense ¹	(6,359.52)	
Net Investment Income		250,565.39
Total Additions		270,570.70

DEDUCTIONS

Distributions to Members:

Benefit Payments	56,620.44	
Refunds of Member Contributions	0.00	
Total Distributions		56,620.44
Administrative Expense		21,271.13
Total Deductions		77,891.57
Net Increase in Net Position		192,679.13

NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year		1,012,119.51
End of the Year		1,204,798.64

Actuarial Asset Rate of Return		25.3%
Actuarial Gain/(Loss) due to Investment Return		173,780.82

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

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Money Market	19,270.04	19,270.04
Total Cash and Equivalents	19,270.04	19,270.04
Receivables:		
Investment Income	78.18	78.18
Total Receivable	78.18	78.18
Investments:		
Mutual Funds:		
Fixed Income	457,208.56	380,481.26
Equity	436,551.44	612,290.03
Total Investments	893,760.00	992,771.29
Total Assets	913,108.22	1,012,119.51
<u>LIABILITIES</u>		
Total Liabilities	0.00	0.00
NET POSITION RESTRICTED FOR PENSIONS	913,108.22	1,012,119.51

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023
Market Value Basis

ADDITIONS

Contributions:			
State		14,122.38	
Total Contributions			14,122.38
Investment Income:			
Net Realized Gain (Loss)	17,845.53		
Unrealized Gain (Loss)	70,421.12		
Net Increase in Fair Value of Investments		88,266.65	
Interest & Dividends		25,003.23	
Less Investment Expense ¹		(6,413.28)	
Net Investment Income			106,856.60
Total Additions			120,978.98
<u>DEDUCTIONS</u>			
Distributions to Members:			
Benefit Payments		56,620.44	
Refunds of Member Contributions		0.00	
Total Distributions			56,620.44
Administrative Expense			9,850.00
Total Deductions			66,470.44
Net Increase in Net Position			54,508.54
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			957,610.97
End of the Year			1,012,119.51
Actuarial Asset Rate of Return			11.5%
Actuarial Gain/(Loss) due to Investment Return			34,781.87

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

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Money Market	15,879.89	15,879.89
Total Cash and Equivalents	15,879.89	15,879.89
Receivables:		
Investment Income	25.91	25.91
Total Receivable	25.91	25.91
Investments:		
Mutual Funds:		
Fixed Income	448,272.50	379,229.46
Equity	465,592.50	563,225.71
Total Investments	913,865.00	942,455.17
Total Assets	929,770.80	958,360.97
<u>LIABILITIES</u>		
Payables:		
Administrative Expenses	750.00	750.00
Total Liabilities	750.00	750.00
NET POSITION RESTRICTED FOR PENSIONS	929,020.80	957,610.97

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022
Market Value Basis

ADDITIONS

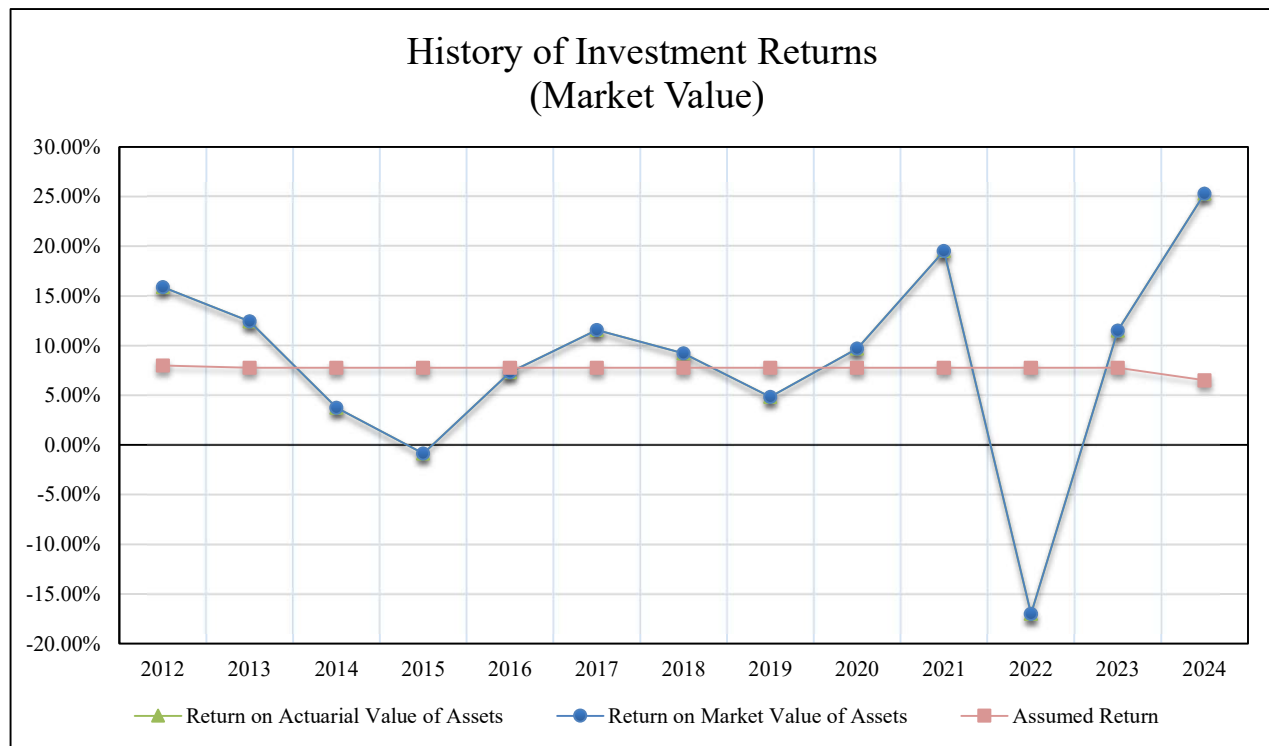
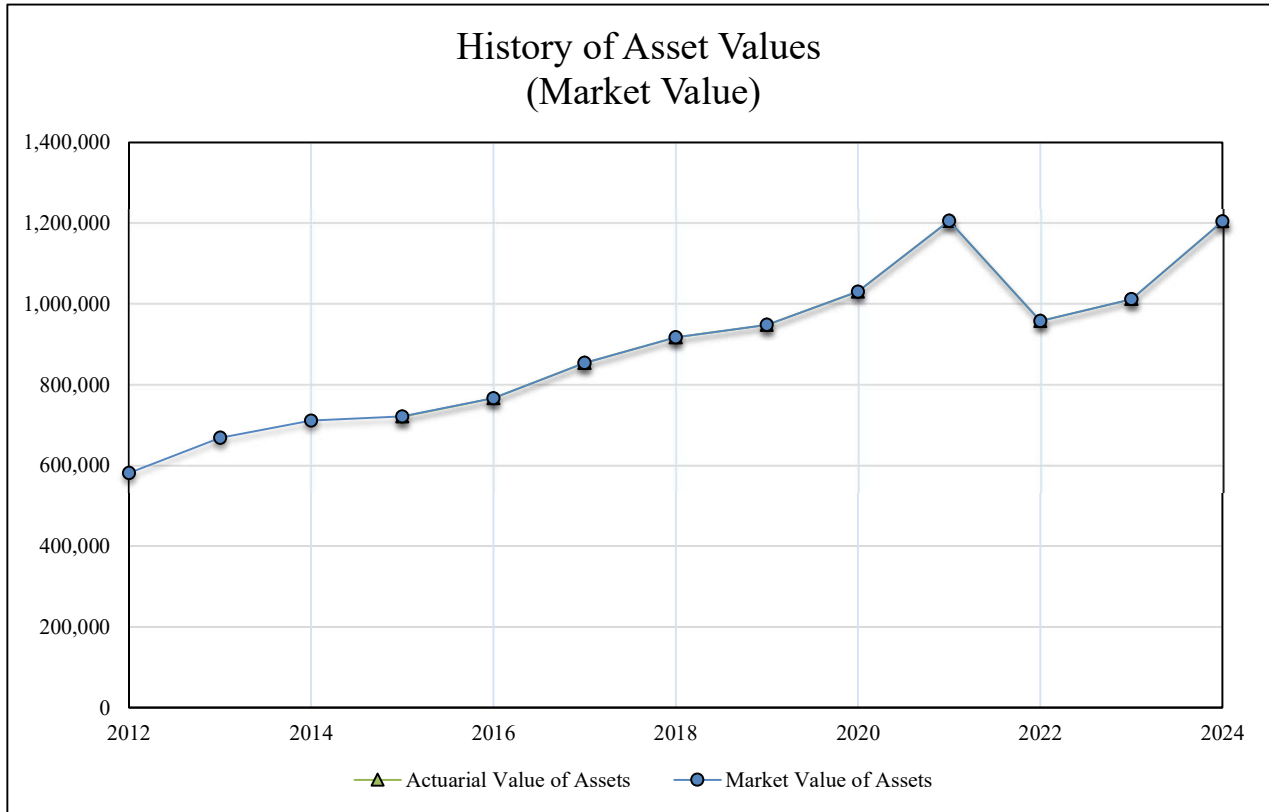
Contributions:			
State		13,773.70	
Total Contributions			13,773.70
Investment Income:			
Net Realized Gain (Loss)	44,625.43		
Unrealized Gain (Loss)	(258,441.54)		
Net Increase in Fair Value of Investments		(213,816.11)	
Interest & Dividends		18,433.56	
Less Investment Expense ¹		(6,411.35)	
Net Investment Income			(201,793.90)
Total Additions			(188,020.20)
<u>DEDUCTIONS</u>			
Distributions to Members:			
Benefit Payments		47,519.63	
Refunds of Member Contributions		0.00	
Total Distributions			47,519.63
Administrative Expense			12,579.00
Total Deductions			60,098.63
Net Increase in Net Position			(248,118.83)
NET POSITION RESTRICTED FOR PENSIONS			
Beginning of the Year			1,205,729.80
End of the Year			957,610.97
Actuarial Asset Rate of Return			-17.0%
Actuarial Gain/(Loss) due to Investment Return			(293,680.08)

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

RECONCILIATION OF CITY SHORTFALL/(PREPAID) CONTRIBUTION
FOR THE FISCAL YEAR ENDED (FYE) SEPTEMBER 30, 2024

(1) Required City and State Contributions	\$8,492.00
(2) Less Allowable State Contribution	(<u>20,005.31</u>)
(3) Required City Contribution for Fiscal 2024	0.00
(4) Less 2023 Prepaid Contribution	0.00
(5) Less Actual City Contributions	<u>0.00</u>
(6) Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2024	\$0.00

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS



STATISTICAL DATA

	<u>10/1/2024</u>	<u>10/1/2021</u>	<u>10/1/2018</u>	<u>10/1/2015</u>
<u>Actives</u>				
Number	12	10	16	14
Average Current Age	34.6	38.3	42.2	44.3
Average Age at Employment	28.1	30.7	33.4	36.7
Average Past Service	6.5	7.6	8.8	7.6
<u>Service Retirees</u>				
Number	12	9	5	3
Average Current Age	68.8	68.4	65.5	68.1
Average Annual Benefit	\$4,710	\$4,695	\$3,472	\$3,816
<u>Beneficiaries</u>				
Number	0	0	N/A	N/A
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
<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	1	3	3	5
Average Current Age	51.8	54.5	53.7	51.6
Average Annual Benefit	\$3,678	\$3,945	\$4,053	\$3,581

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19		1										1
20 - 24					1							1
25 - 29	1					1						2
30 - 34			2				1					3
35 - 39						1						1
40 - 44	1						1					2
45 - 49									1			1
50 - 54												0
55 - 59												0
60 - 64						1						1
65+												0
Total	2	1	2	0	1	3	2	0	1	0	0	12

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2021	10
b. Terminations	
i. Vested (partial or full) with deferred annuity	0
ii. Vested in refund of member contributions only	0
iii. Refund of member contributions or full lump sum distribution	(3)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(1)
f. Continuing participants	6
g. New entrants / Rehires	<u>6</u>
h. Total active life participants in valuation	12

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 (Deferred Annuity)	Vested (Due Refund)	<u>Total</u>
a. Number prior valuation	9	0	0	3	0	12
Retired	3			(2)		1
Vested (Deferred Annuity)						0
Vested (Due Refund)						0
Hired/Terminated in Same Year						0
Death, With Survivor						0
Death, No Survivor						0
Disabled						0
Refund of Contributions						0
Rehires						0
Expired Annuities						0
Data Corrections						0
b. Number current valuation	12	0	0	1	0	13

SUMMARY OF CURRENT PLAN

<u>Eligibility</u>	Employees who are classified as full-time and volunteer Firefighters shall participate in the System as a condition of employment.
<u>Credited Service</u>	Total service with the City as a Firefighter.
<u>Salary</u>	Fixed pay.
<u>Average Final Compensation</u>	Average of the best five (5) years of Salary paid during the last ten (10) years of Credited Service.
<u>Member Contributions</u>	5.0% of Salary.
<u>City and State Contributions</u>	Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, over 30 years.
<u>Normal Retirement</u>	
Date	Earlier of: 1) age 55 and 10 years of Credited Service, or 2) age 52 and 25 years of Credited Service.
Benefit	Greater of: 2.75% of Average Final Compensation times Credited Service, or \$25 per month per year of Credited Service.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Age 50 and 10 Years of Credited Service.
Benefit	Accrued benefit, reduced 3% for each year prior to Normal Retirement.
<u>Vesting</u>	
Schedule	100% after 10 years of Credited Service.
Benefit Amount	Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability

Eligibility

Service Incurred

Covered from Date of Employment.

Non-Service Incurred

10 years of Credited Service.

Benefit

Benefit accrued to date of disability, but not less than 42% of Average Final Compensation (Service Incurred), or 25% of Average Final Compensation (Non-Service Incurred).

Duration

Payable for life (with 10 year guarantee) or until recovery (as determined by the Board). Options available.

Death Benefits

Pre-Retirement
Vested

Beneficiary receives (at their election) either 1) refund of member contributions, or 2) the Member's accrued benefit payable for 10 years at the Member's otherwise Normal Retirement Date, or earlier on a reduced basis.

Non-Vested

Refund of member contributions.

Post-Retirement

Benefits payable to beneficiary in accordance with option selected at retirement.

Board of Trustees

- 1) Two City Council appointees,
- 2) Two Members of the Plan elected by the membership,
and
- 3) Fifth Member elected by other 4 and appointed by the Council.