

BONITA SPRINGS FIRE CONTROL AND RESCUE DISTRICT  
GENERAL EMPLOYEES' RETIREMENT SYSTEM

ACTUARIAL VALUATION  
AS OF OCTOBER 1, 2024

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



**FOSTER & FOSTER**  
ACTUARIES AND CONSULTANTS

February 13, 2025

Board of Trustees  
Bonita Springs Fire Control and Rescue District  
General Employees' Pension Board

Re: Bonita Springs Fire Control and Rescue District General Employees' Retirement System

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Bonita Springs Fire Control and Rescue District General Employees' Retirement System. 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 Chapter 112, 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 Bonita Springs Fire Control and Rescue District, 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 Bonita Springs Fire Control and Rescue District, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the General 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 239-433-5500.

Respectfully submitted,

Foster & Foster, Inc.

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

By:   
Kevin H. Peng, ASA, EA, MAAA  
Enrolled Actuary #23-7783

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Enclosures

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## SUMMARY OF REPORT

The regular annual actuarial valuation of the Bonita Springs Fire Control and Rescue District General Employees' Retirement System, 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, 2022 actuarial valuation report, are as follows:

Valuation Date Applicable to Fiscal Year Ending	10/1/2024 <u>9/30/2026</u>	10/1/2022 <u>9/30/2024</u>
Minimum Required Contribution % of Projected Annual Payroll	36.4%	34.1%
Member Contributions (Est.) % of Projected Annual Payroll	7.0%	7.0%
District Required Contribution <sup>1</sup> % of Projected Annual Payroll	29.4%	27.1%

<sup>1</sup> The District is required by Resolution to contribute a minimum of 15.0% of Members' Salaries.

As you can see, the Minimum Required Contribution shows an increase when compared to the results set forth in the October 1, 2022 actuarial valuation report. The increase is attributable to the assumption changes as described in the next page. The increase was offset in part by net favorable actuarial experience during the past two years.

Plan experience was favorable overall on the basis of the plan's actuarial assumptions. The primary source of actuarial gain was inactive mortality experience. This gain was offset in part by losses associated with a two year rolling average investment return (Actuarial Value) of 5.64% which fell short of the 7.40% assumption, average salary increases of 11.65% in 2023 and 6.91% in 2024 which exceeded the assumptions for those years, and unfavorable turnover experience.

## CHANGES SINCE PRIOR VALUATION

### Plan Changes

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

### Actuarial Assumption/Method Changes

As a result of an Experience Study dated May 14, 2024, the Board of Trustees has implemented the following changes to the assumptions and methods in conjunction with this valuation report (see Assumptions and Methods section of this report for full details):

- ❖ Entry Age Normal Cost Spread Method – We are now spreading Normal Costs over the full career of each Member instead of starting from the first valuation date an employee becomes a Member.
- ❖ Investment Return – The assumed rate is lowered from 7.40% to 7.25%, net of investment-related expenses.
- ❖ Salary Increases – The assumed rates are increased for Members with less than 10 years of service.
- ❖ Retirement Rates – The assumed rates are modified, generally decreasing at first eligibility for normal retirement.
- ❖ Withdrawal Rates – The assumed rates are adjusted to 7% for the first five years of service and 3% each year thereafter.

The impact of these changes on the funding requirements can be seen in the Comparative Summary of Principal Valuation Results section that follows.

## CONTRIBUTION IMPACT OF ANNUAL CHANGES

(1) Contribution Determined as of October 1, 2022	27.1%
(2) Summary of Contribution Impact by component:	
Change in Normal Cost Rate	-0.4%
Change in Administrative Expense Percentage	0.1%
Payroll Change Effect on UAAL Amortization	-0.4%
Investment Return (Actuarial Asset Basis)	1.7%
Salary Increases	1.2%
Active Decrements	0.4%
Inactive Mortality	-3.3%
UAAL Amortization Impact from Contribution Policy	-0.1%
Assumption Change	3.3%
Other	<u>-0.2%</u>
Total Change in Contribution	2.3%
(3) Contribution Determined as of October 1, 2024	29.4%

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Assump <u>10/1/2024</u>	Old Assump <u>10/1/2024</u>	<u>10/1/2022</u>
<b>A. Participant Data</b>			
Actives	15	15	17
Service Retirees	12	12	10
DROP Retirees	0	0	0
Beneficiaries	0	0	0
Disability Retirees	0	0	1
Terminated Vested	<u>0</u>	<u>0</u>	<u>0</u>
Total	27	27	28
Projected Annual Payroll	1,127,608	1,119,391	1,081,189
Annual Rate of Payments to:			
Service Retirees	271,690	271,690	178,704
DROP Retirees	0	0	0
Beneficiaries	0	0	0
Disability Retirees	0	0	31,636
Terminated Vested	0	0	0
<b>B. Assets</b>			
Actuarial Value (AVA) <sup>1</sup>	5,758,571	5,758,571	4,918,565
Market Value (MVA) <sup>1</sup>	6,111,177	6,111,177	4,127,545
<b>C. Liabilities</b>			
Present Value of Benefits			
Actives			
Retirement Benefits	4,445,233	3,772,954	4,546,001
Disability Benefits	151,562	95,653	97,791
Death Benefits	24,939	12,989	14,030
Vested Benefits	199,135	158,008	148,896
Refund of Contributions	9,416	17,545	32,331
Service Retirees	3,406,338	3,359,538	2,078,115
DROP Retirees <sup>1</sup>	494,243	494,243	0
Beneficiaries	0	0	0
Disability Retirees	0	0	395,699
Terminated Vested	<u>0</u>	<u>0</u>	<u>0</u>
Total	8,730,866	7,910,930	7,312,863

C. Liabilities - (Continued)	New Assump <u>10/1/2024</u>	Old Assump <u>10/1/2024</u>	<u>10/1/2022</u>
Present Value of Future Salaries	9,392,671	7,057,322	7,441,677
Present Value of Future Member Contributions	657,487	494,013	520,917
Normal Cost (Retirement)	217,532	190,425	184,211
Normal Cost (Disability)	9,656	7,089	6,774
Normal Cost (Death)	1,667	936	981
Normal Cost (Vesting)	13,480	11,250	10,794
Normal Cost (Refunds)	3,067	4,605	8,999
Total Normal Cost	<u>245,402</u>	<u>214,305</u>	<u>211,759</u>
Present Value of Future Normal Costs	1,956,177	1,213,488	1,321,930
Accrued Liability (Retirement)	2,683,297	2,681,026	3,367,962
Accrued Liability (Disability)	77,656	54,844	53,234
Accrued Liability (Death)	13,861	8,062	8,224
Accrued Liability (Vesting)	97,285	91,890	77,195
Accrued Liability (Refunds)	2,009	7,839	10,504
Accrued Liability (Inactives) <sup>1</sup>	<u>3,900,581</u>	<u>3,853,781</u>	<u>2,473,814</u>
Total Actuarial Accrued Liability (EAN AL)	6,774,689	6,697,442	5,990,933
Unfunded Actuarial Accrued Liability (UAAL)	1,016,118	938,871	1,072,368
Funded Ratio (AVA / EAN AL)	85.0%	86.0%	82.1%

D. Actuarial Present Value of Accrued Benefits	New Assump <u>10/1/2024</u>	Old Assump <u>10/1/2024</u>	<u>10/1/2022</u>
Vested Accrued Benefits			
Inactives <sup>1</sup>	3,900,581	3,853,781	2,473,814
Actives	1,053,676	1,159,431	1,876,779
Member Contributions	473,526	473,526	600,485
Total	<u>5,427,783</u>	<u>5,486,738</u>	<u>4,951,078</u>
Non-vested Accrued Benefits	<u>251,086</u>	<u>265,667</u>	<u>252,903</u>
Total Present Value Accrued Benefits (PVAB)	5,678,869	5,752,405	5,203,981
Funded Ratio (MVA / PVAB)	107.6%	106.2%	79.3%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	(73,536)	0	
Plan Experience	0	635,005	
Benefits Paid	0	(454,846)	
Interest	0	368,265	
Other	0	0	
Total	<u>(73,536)</u>	<u>548,424</u>	

Valuation Date Applicable to Fiscal Year Ending	New Assump 10/1/2024 <u>9/30/2026</u>	Old Assump 10/1/2024 <u>9/30/2026</u>	10/1/2022 <u>9/30/2024</u>
<b>E. Pension Cost</b>			
Normal Cost (with interest) % of Projected Annual Payroll <sup>2</sup>	22.6	19.9	20.3
Administrative Expenses (with interest) % of Projected Annual Payroll <sup>2</sup>	2.3	2.3	2.2
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 15 years (as of 10/1/2024, with interest) % of Projected Annual Payroll <sup>2</sup>	11.5	10.9	11.6
Minimum Required Contribution % of Projected Annual Payroll <sup>2</sup>	36.4	33.1	34.1
Expected Member Contributions % of Projected Annual Payroll <sup>2</sup>	7.0	7.0	7.0
Expected District Contribution % of Projected Annual Payroll <sup>2</sup>	29.4	26.1	27.1
<b>F. Past Contributions</b>			
Plan Years Ending:	<u>9/30/2024</u>		<u>10/1/2023</u>
Total Required Contribution	377,790		380,157
District Requirement	300,238		296,737
Actual Contributions Made:			
Members (excluding buyback)	77,552		83,420
District	<u>300,238</u>		<u>296,737</u>
Total	377,790		380,157
<b>G. Net Actuarial (Gain)/Loss</b>	(20,124)		

<sup>1</sup> The asset values and liabilities include accumulated DROP Plan Balances as of 9/30/2024 and 9/30/2022.

<sup>2</sup> Contributions developed as of 10/1/2024 are expressed as a percentage of Projected Annual Payroll at 10/1/2024 of \$1,127,608 after assumption changes and of \$1,119,391 before assumption changes.

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

<u>Year</u>	<u>Projected Unfunded Actuarial Accrued Liability</u>
2024	1,016,118
2025	955,318
2026	890,109
2029	664,722
2033	280,234
2036	49,423
2039	0

I. (i) 5 Year Comparison of Actual and Assumed Salary Increases

	<u>Actual</u>	<u>Assumed</u>
Year Ended 9/30/2024	6.91%	5.83%
Year Ended 9/30/2023	11.65%	6.14%
Year Ended 9/30/2022	11.40%	6.32%
Year Ended 9/30/2021	9.54%	6.47%
Year Ended 9/30/2020	6.74%	6.72%

(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	23.97%	7.55%	7.40%
Year Ended 9/30/2023	13.42%	3.76%	7.40%
Year Ended 9/30/2022	-19.37%	4.32%	7.40%
Year Ended 9/30/2021	18.88%	9.72%	7.40%
Year Ended 9/30/2020	11.17%	8.75%	7.60%

(iii) Average Annual Payroll Growth

(a) Payroll as of:	10/1/2024	\$1,127,608
	10/1/2014	526,980
(b) Total Increase		113.98%
(c) Number of Years		10.00
(d) Average Annual Rate		7.90%

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 a copy of the report to the following office to comply with Chapter 112 Florida Statutes:

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

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

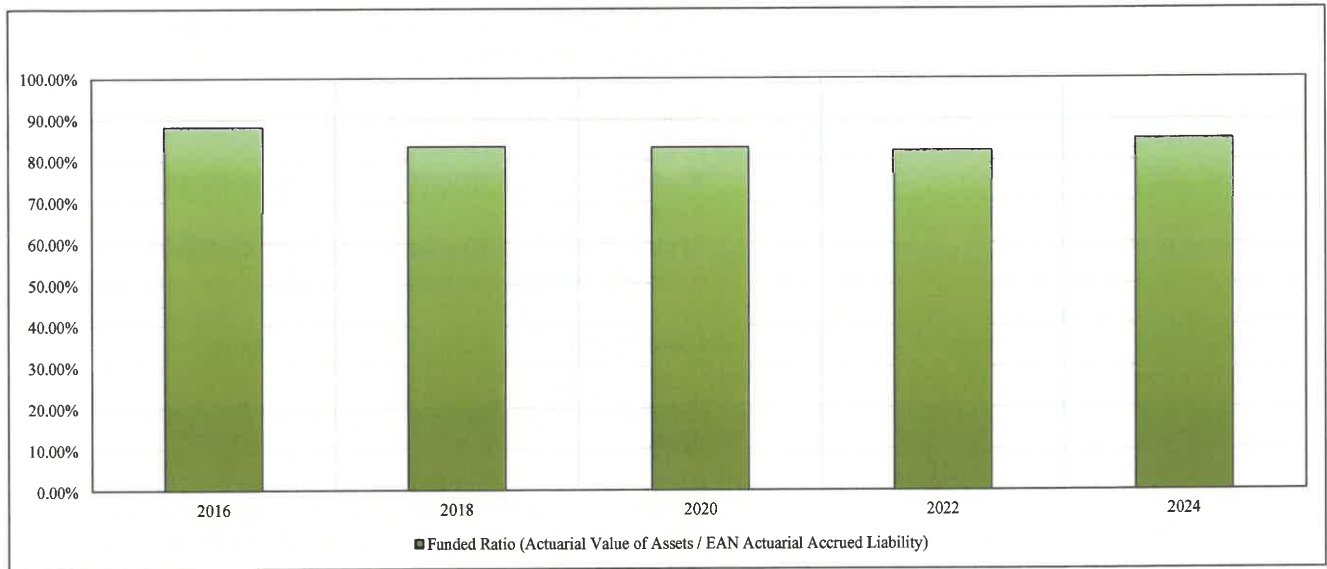
(1) Unfunded Actuarial Accrued Liability as of October 1, 2022	\$1,072,368
(2) Sponsor Normal Cost developed as of October 1, 2022	136,076
(3) Expected administrative expenses for the year ended October 1, 2023	23,025
(4) Expected interest on (1), (2) and (3)	90,277
(5) Sponsor contributions to the System during the year ended October 1, 2023	296,737
(6) Expected interest on (5)	10,979
(7) Expected Unfunded Actuarial Accrued Liability as of September 30, 2024 (1)+(2)+(3)+(4)-(5)-(6)	1,014,030
(8) Sponsor Normal Cost developed as of October 1, 2023	146,552
(9) Expected administrative expenses for the year ended September 30, 2024	23,025
(10) Expected interest on (7), (8) and (9)	86,735
(11) Sponsor contributions to the System during the year ended September 30, 2024	300,238
(12) Expected interest on (11)	11,109
(13) Expected Unfunded Actuarial Accrued Liability as of September 30, 2024 (7)+(8)+(9)+(10)-(11)-(12)	958,995
(14) Change to UAAL due to Assumption Change	77,247
(15) Change to UAAL due to Actuarial (Gain)/Loss	(20,124)
(16) Unfunded Actuarial Accrued Liability as of October 1, 2024	1,016,118

<u>Type of Base</u>	<u>Date Established</u>	<u>Years Remaining</u>	<u>10/1/2024 Amount</u>	<u>Amortization Amount</u>
Initial Base	10/1/2016	12	167,121	19,881
Actuarial Loss	10/1/2018	9	144,259	20,865
Assump Change	10/1/2018	9	45,586	6,593
Actuarial Loss	10/1/2020	11	161,169	20,290
Asmp/Mthd Change	10/1/2020	11	(123,377)	(15,533)
Benefits Change	10/1/2020	11	274,594	34,570
Actuarial Loss	10/1/2022	13	289,643	32,773
Actuarial Gain	10/1/2024	15	(20,124)	(2,093)
Assump Change	10/1/2024	15	77,247	8,033
			1,016,118	125,379

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2022	\$1,072,368
(2) Expected UAAL as of October 1, 2024	958,995
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	173,881
Salary Increases	125,724
Active Decrements	44,906
Inactive Mortality	(338,980)
Other	<u>(25,655)</u>
Increase in UAAL due to (Gain)/Loss	(20,124)
Assumption Changes	<u>77,247</u>
(4) Actual UAAL as of October 1, 2024	\$1,016,118

### HISTORY OF FUNDING PROGRESS



## ACTUARIAL ASSUMPTIONS AND METHODS

### Mortality Rate

#### *Healthy Active Lives:*

**Female:** PubG.H-2010 (Below Median) for Employees.

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

#### *Healthy Retiree Lives:*

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

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

PubG.H-2010 for Disabled Retirees, set forward three years.

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, 2023 FRS valuation report for non-special-risk employees.

### Interest Rate

7.25% (prior year 7.40%) 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.

Salary Increases

Salary Scale		
Service	Current Rate	Prior Rate
0	12.00%	10.00%
1-4	10.00%	7.50%
5-9	6.00%	5.50%
10+	5.50%	5.50%

This is based on the experience study dated May 14, 2024.

Payroll Growth

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.

Administrative Expenses

\$24,979 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Amortization Method

New UAAL amortization bases are amortized over 15 years. The amortization payment is subject to a minimum based on a 30-year amortization of the UAAL, if the UAAL is positive, in order to comply with Actuarial Standard of Practice No. 4.

Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Disability Rate

Table (1202), sample rates below.

% Becoming Disabled During the Year	
Age	Rate
20	0.05%
30	0.06%
40	0.12%
50	0.43%
60	1.61%
65	0.00%

This is confirmed based on the experience study dated May 14, 2024.

Retirement Age

% Retiring During the Year	
Number of Years after Normal Retirement Eligibility	Rate
0	40.0%
1-4	20.0%
5+	100.0%

Previously, the rate is in table below:

% Retiring During the Year	
Age	Rate
50	25.0%
51-54	5.0%
55	25.0%
56-64	50.0%
65+	100.0%

Additionally, the assumed rate of retirement is 2.0% (5% previously ) for each year of eligibility for early retirement. This is based on the experience study dated May 14, 2024.

Termination Rate

% Terminating During the Year		
Service	Current Rate	Prior Rate
<5	7.0%	9.4%
5+	3.0%	3.9%

Previously, Table 1305 for service <7 and half of table 1305 for service after 7 years. See table below for sample rates.

% Terminating During the Year Service		
Age	(<7 Years )	(7+ Years )
	Rate	Rate
<30	16.2%	7.6%
30-34	15.0%	7.5%
35-39	9.8%	5.0%
40-44	7.3%	3.4%
45+	0.8%	1.9%

This is based on the experience study dated May 14, 2024.

Funding Method

Entry Age Normal Actuarial Cost Method. The following loads are applied for determining the minimum required contribution:

Interest - A half year, based on current 7.25% assumption.

Salary - None.

Asset Valuation Method

All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.

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

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.

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.

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 is the current year's cost for benefits yet to be funded. Under the Entry Age Normal cost method, it is determined for each participant as the present value of future benefits, determined as of the Member's entry age, amortized as a level percentage of compensation over the anticipated number of years of participation, determined as of the entry age.

Payroll Under Assumed Ret. Age is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members, excluding any Members who are assumed to retire with 100% probability on the valuation date.

Projected Annual Payroll is the projected annual rate of pay for the fiscal year following the fiscal year beginning on 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 plan participants.

Total Annual Payroll is the projected annual rate of pay for the fiscal year beginning on the valuation date of all covered Members.

Total Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 30 years. The required amount is adjusted for interest according to the timing of contributions during the year.

Unfunded Actuarial Accrued Liability (UAAL) is the difference between the actuarial accrued liability (described above) and the Actuarial Value of Assets. Under the Entry Age Normal Actuarial Cost Method, an actuarial gain or loss, based on actual versus expected UAAL, is determined in conjunction with each valuation 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 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.
- **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.
- **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 130.0% on October 1, 2018 to 125.0% 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 57.6%. 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 83.3% on October 1, 2018 to 85.0% 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, increased from -0.7% on October 1, 2018 to 2.0% on October 1, 2024. The current Net Cash Flow Ratio of 2.0% indicates that contributions are generally in excess of 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 10 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 \$10,412,576. 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>10/1/2022</u>	<u>10/1/2020</u>	<u>10/1/2018</u>
<u>Support Ratio</u>				
Total Actives	15	17	16	13
Total Inactives <sup>1</sup>	12	11	11	10
Actives / Inactives <sup>1</sup>	125.0%	154.5%	145.5%	130.0%
<u>Asset Volatility Ratio</u>				
Market Value of Assets (MVA)	6,111,177	4,127,545	4,228,633	3,511,424
Total Annual Payroll	1,127,608	1,217,272	962,887	765,388
MVA / Total Annual Payroll	542.0%	339.1%	439.2%	458.8%
<u>Accrued Liability (AL) Ratio</u>				
Inactive Accrued Liability	3,900,581	2,473,814	2,559,625	2,016,272
Total Accrued Liability (EAN)	6,774,689	5,990,933	5,088,655	3,978,863
Inactive AL / Total AL	57.6%	41.3%	50.3%	50.7%
<u>Funded Ratio</u>				
Actuarial Value of Assets (AVA)	5,758,571	4,918,565	4,228,633	3,316,379
Total Accrued Liability (EAN)	6,774,689	5,990,933	5,088,655	3,978,863
AVA / Total Accrued Liability (EAN)	85.0%	82.1%	83.1%	83.3%
<u>Net Cash Flow Ratio</u>				
Net Cash Flow <sup>2</sup>	123,701	82,697	116,535	(24,015)
Market Value of Assets (MVA)	6,111,177	4,127,545	4,228,633	3,511,424
Ratio	2.0%	2.0%	2.8%	-0.7%

<sup>1</sup> Excludes terminated participants awaiting a refund of member contributions.

<sup>2</sup> Determined as total contributions minus benefit payments and administrative expenses.

STATEMENT OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2023

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	245,732.86	245,732.86
Total Cash and Equivalents	245,732.86	245,732.86
Investments:		
Mutual Funds:		
Fixed Income	1,745,305.61	1,528,992.36
Equity	2,296,290.54	3,043,365.02
Total Investments	4,041,596.15	4,572,357.38
Total Assets	4,287,329.01	4,818,090.24
<u>LIABILITIES</u>		
Total Liabilities	0.00	0.00
NET POSITION RESTRICTED FOR PENSIONS	4,287,329.01	4,818,090.24

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

ADDITIONS

Contributions:

Member	83,420.12	
District	296,737.44	
<b>Total Contributions</b>		<b>380,157.56</b>

Investment Income:

Unrealized Gain (Loss)	410,827.12	
Net Increase in Fair Value of Investments	410,827.12	
Interest & Dividends	173,024.44	
Less Investment Expense <sup>1</sup>	(22,750.00)	
<b>Net Investment Income</b>		<b>561,101.56</b>

<b>Total Additions</b>		<b>941,259.12</b>
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DEDUCTIONS

Distributions to Members:

Benefit Payments	226,255.56	
Lump Sum DROP Distributions	0.00	
Refunds of Member Contributions	0.00	

<b>Total Distributions</b>		<b>226,255.56</b>
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Administrative Expense		24,458.06
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<b>Total Deductions</b>		<b>250,713.62</b>
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<b>Net Increase in Net Position</b>		<b>690,545.50</b>
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**NET POSITION RESTRICTED FOR PENSIONS**

Beginning of the Year		4,127,544.74
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End of the Year		4,818,090.24
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<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION  
September 30, 2023

Actuarial Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year 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 Market Value of Assets.

Plan Year Ending	Gain/(Loss)	<u>Gains/Losses Not Yet Recognized</u>				
		Amounts Not Yet Recognized by Valuation Year				
		2023	2024	2025	2026	2027
09/30/2021	490,257	196,104	98,053	0	0	0
09/30/2022	(1,356,469)	(813,881)	(542,587)	(271,293)	0	0
09/30/2023	250,874	200,699	150,524	100,349	50,174	0
Total		(417,078)	(294,010)	(170,944)	50,174	0

Development of Investment Gain/Loss

Market Value of Assets, 09/30/2022	4,127,545
Contributions Less Benefit Payments & Admin Expenses	129,444
Expected Investment Earnings*	310,228
Actual Net Investment Earnings	561,102
2023 Actuarial Investment Gain/(Loss)	<u>250,874</u>

\*Expected Investment Earnings =  $0.074 * (4,127,545 + 0.5 * 129,444)$

Development of Actuarial Value of Assets

(1) Market Value of Assets, 09/30/2023	4,818,090
(2) Gains/(Losses) Not Yet Recognized	<u>(417,078)</u>
(3) Actuarial Value of Assets, 09/30/2023, (1) - (2)	5,235,168
(4) Limited Actuarial Value of Assets, 09/30/2023	5,235,168
(A) 09/30/2022 Actuarial Assets:	4,918,565
(I) Net Investment Income:	
1. Interest and Dividends	173,024
2. Realized Gain (Loss)	0
3. Unrealized Gain (Loss)	410,827
4. Change in Actuarial Value	(373,942)
5. Investment Expenses	<u>(22,750)</u>
Total	187,160
(B) 09/30/2023 Actuarial Assets:	5,235,168
Actuarial Assets Rate of Return = $2I/(A+B-I)$ :	3.76%
Market Value of Assets Rate of Return:	13.42%
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	(181,604)

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
 SEPTEMBER 30, 2023  
 Actuarial Asset Basis

REVENUES

Contributions:		
Member	83,420.12	
District	296,737.44	
<b>Total Contributions</b>		<b>380,157.56</b>
Earnings from Investments:		
Interest & Dividends	173,024.44	
Unrealized Gain (Loss)	410,827.12	
Change in Actuarial Value	(373,942.00)	
<b>Total Earnings and Investment Gains</b>		<b>209,909.56</b>

EXPENDITURES

Distributions to Members:		
Benefit Payments	226,255.56	
Lump Sum DROP Distributions	0.00	
Refunds of Member Contributions	0.00	
<b>Total Distributions</b>		<b>226,255.56</b>
Expenses:		
Investment related <sup>1</sup>	22,750.00	
Administrative	24,458.06	
<b>Total Expenses</b>		<b>47,208.06</b>
<b>Change in Net Assets for the Year</b>		<b>316,603.50</b>
<b>Net Assets Beginning of the Year</b>		<b>4,918,564.74</b>
<b>Net Assets End of the Year<sup>2</sup></b>		<b>5,235,168.24</b>

<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

<sup>2</sup>Net Assets may be limited for actuarial consideration.

STATEMENT OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2024

<u>ASSETS</u>	COST VALUE	MARKET VALUE
Cash and Cash Equivalents:		
Short Term Investments	359,756.59	359,756.59
Total Cash and Equivalents	359,756.59	359,756.59
Receivables:		
District Contributions in Transit	2.40	2.40
Total Receivable	2.40	2.40
Investments:		
Mutual Funds:		
Fixed Income	1,815,934.10	1,738,151.47
Equity	2,402,948.65	4,013,267.02
Total Investments	4,218,882.75	5,751,418.49
Total Assets	4,578,641.74	6,111,177.48
<u>LIABILITIES</u>		
Total Liabilities	0.00	0.00
NET POSITION RESTRICTED FOR PENSIONS	4,578,641.74	6,111,177.48

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

ADDITIONS

Contributions:

Member	77,552.22	
District	300,237.88	
<b>Total Contributions</b>		<b>377,790.10</b>
<b>Investment Income:</b>		
Unrealized Gain (Loss)	1,001,774.51	
Net Increase in Fair Value of Investments	1,001,774.51	
Interest & Dividends	191,611.42	
Less Investment Expense <sup>1</sup>	(24,000.00)	
<b>Net Investment Income</b>		<b>1,169,385.93</b>
<b>Total Additions</b>		<b>1,547,176.03</b>

DEDUCTIONS

Distributions to Members:

Benefit Payments	198,334.98	
Lump Sum DROP Distributions	0.00	
Refunds of Member Contributions	30,255.18	
<b>Total Distributions</b>		<b>228,590.16</b>
Administrative Expense		25,498.63
<b>Total Deductions</b>		<b>254,088.79</b>
<b>Net Increase in Net Position</b>		<b>1,293,087.24</b>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>		
Beginning of the Year		4,818,090.24
End of the Year		6,111,177.48

<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

ACTUARIAL ASSET VALUATION  
September 30, 2024

Actuarial Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year 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 Market Value of Assets.

Plan Year Ending	Gain/(Loss)	<u>Gains/Losses Not Yet Recognized</u>				
		Amounts Not Yet Recognized by Valuation Year				
		2024	2025	2026	2027	2028
09/30/2021	490,257	98,053	0	0	0	0
09/30/2022	(1,356,469)	(542,587)	(271,293)	0	0	0
09/30/2023	250,874	150,524	100,349	50,174	0	0
09/30/2024	808,270	646,616	484,962	323,308	161,654	0
Total		352,606	314,018	373,482	161,654	0

Development of Investment Gain/Loss

Market Value of Assets, 09/30/2023	4,818,090
Contributions Less Benefit Payments & Admin Expenses	123,701
Expected Investment Earnings*	361,116
Actual Net Investment Earnings	1,169,386
2024 Actuarial Investment Gain/(Loss)	<u>808,270</u>

\*Expected Investment Earnings =  $0.074 * (4,818,090 + 0.5 * 123,701)$

Development of Actuarial Value of Assets

(1) Market Value of Assets, 09/30/2024	6,111,177
(2) Gains/(Losses) Not Yet Recognized	352,606
(3) Actuarial Value of Assets, 09/30/2024, (1) - (2)	<u>5,758,571</u>
(4) Limited Actuarial Value of Assets, 09/30/2024	5,758,571

(A) 09/30/2023 Actuarial Assets: 5,235,168

(I) Net Investment Income:	
1. Interest and Dividends	191,611
2. Realized Gain (Loss)	0
3. Unrealized Gain (Loss)	1,001,775
4. Change in Actuarial Value	(769,684)
5. Investment Expenses	(24,000)
Total	<u>399,702</u>

(B) 09/30/2024 Actuarial Assets: 5,758,571

Actuarial Assets Rate of Return = $2I/(A+B-I)$ :	7.55%
Market Value of Assets Rate of Return:	23.97%

Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis) 7.723

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

REVENUES

Contributions:		
Member	77,552.22	
District	300,237.88	
<b>Total Contributions</b>		<b>377,790.10</b>
Earnings from Investments:		
Interest & Dividends	191,611.42	
Unrealized Gain (Loss)	1,001,774.51	
Change in Actuarial Value	(769,684.00)	
<b>Total Earnings and Investment Gains</b>		<b>423,701.93</b>

EXPENDITURES

Distributions to Members:		
Benefit Payments	198,334.98	
Lump Sum DROP Distributions	0.00	
Refunds of Member Contributions	30,255.18	
<b>Total Distributions</b>		<b>228,590.16</b>
Expenses:		
Investment related <sup>1</sup>	24,000.00	
Administrative	25,498.63	
<b>Total Expenses</b>		<b>49,498.63</b>
<b>Change in Net Assets for the Year</b>		<b>523,403.24</b>
<b>Net Assets Beginning of the Year</b>		<b>5,235,168.24</b>
<b>Net Assets End of the Year<sup>2</sup></b>		<b>5,758,571.48</b>

<sup>1</sup>Investment related expenses include investment advisory, custodial and performance monitoring fees.

<sup>2</sup>Net Assets may be limited for actuarial consideration.

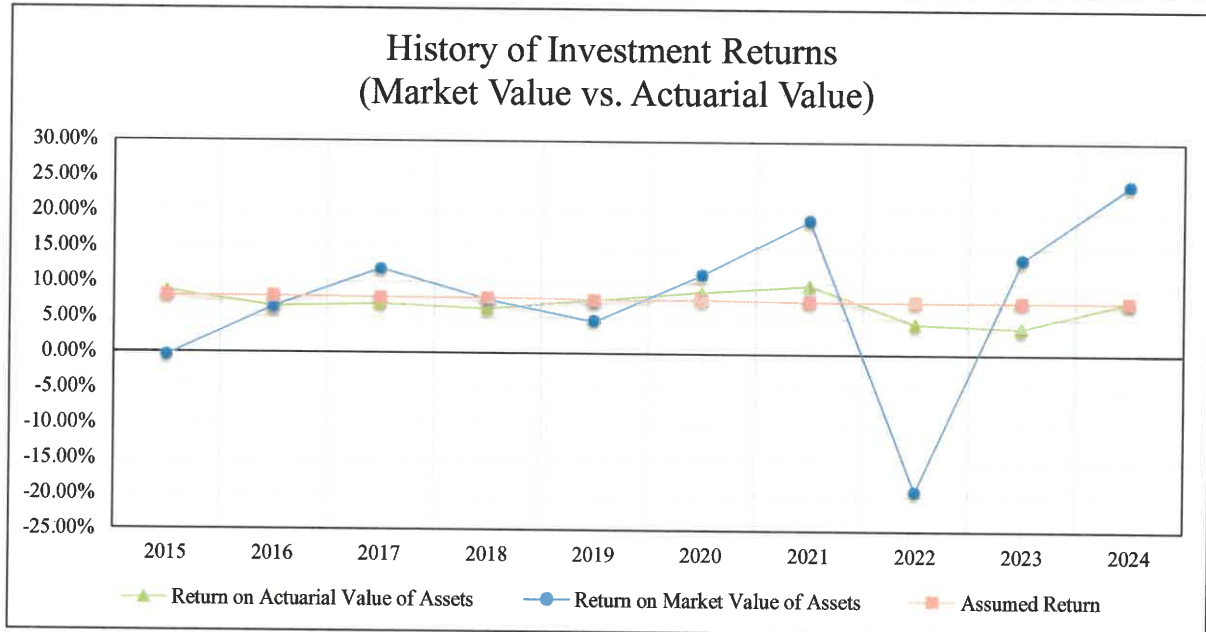
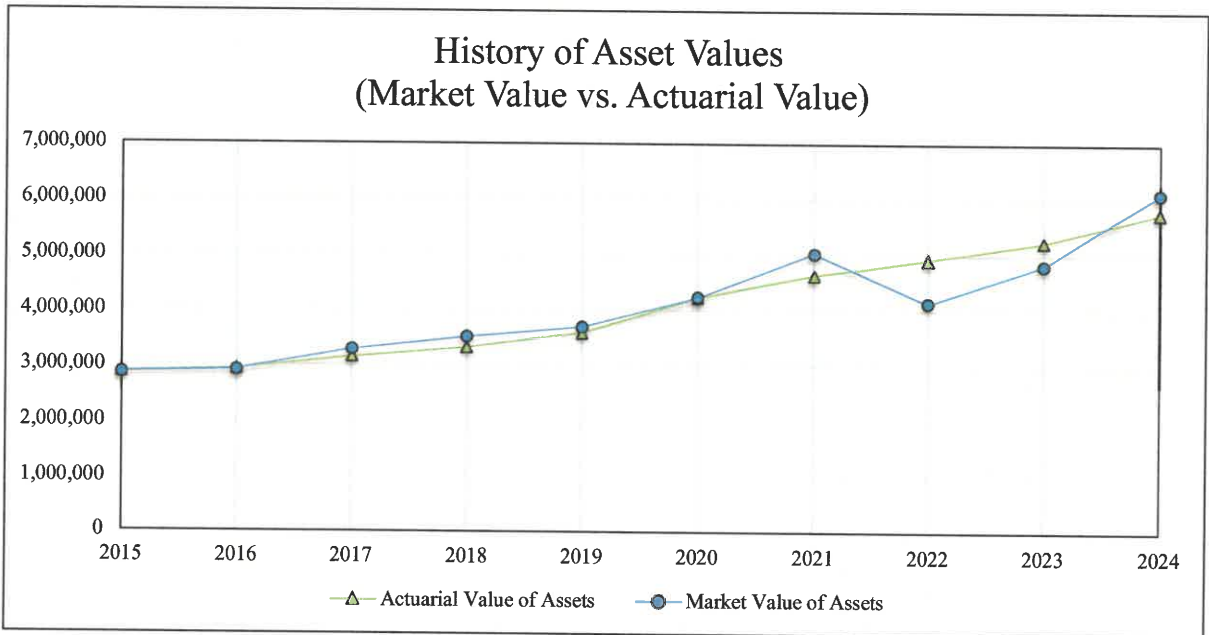
DEFERRED RETIREMENT OPTION PLAN ACTIVITY  
October 1, 2022 to September 30, 2023

Beginning of the Year Balance	0.00
Plus Additions	112,400.80
Investment Return Earned	6,151.02
Less Distributions	0.00
End of the Year Balance	118,551.82

**DEFERRED RETIREMENT OPTION PLAN ACTIVITY**  
October 1, 2023 to September 30, 2024

Beginning of the Year Balance	118,551.82
Plus Additions	353,784.59
Investment Return Earned	21,906.96
Less Distributions	0.00
End of the Year Balance	494,243.37

## HISTORY OF ASSET VALUES AND INVESTMENT RETURNS



STATISTICAL DATA

	<u>10/1/2024</u>	<u>10/1/2022</u>	<u>10/1/2020</u>	<u>10/1/2018</u>
<u>Actives</u>				
Number	15	17	16	13
Average Current Age	48.1	46.1	45.8	49.5
Average Age at Employment	39.9	37.5	38.8	41.9
Average Past Service	8.2	8.6	7.0	7.6
Average Annual Salary	\$75,174	\$71,604	\$60,180	\$58,876
<u>Service Retirees</u>				
Number	12	10	9	9
Average Current Age	70.6	71.0	68.4	66.5
Average Annual Benefit	\$22,641	\$17,870	\$16,879	\$16,444
<u>DROP Retirees</u>				
Number	0	0	1	0
Average Current Age	N/A	N/A	73.7	N/A
Average Annual Benefit	N/A	N/A	\$26,849	N/A
<u>Beneficiaries</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>Disability Retirees</u>				
Number	0	1	1	1
Average Current Age	N/A	55.1	53.1	51.1
Average Annual Benefit	N/A	\$31,636	\$27,643	\$27,643
<u>Terminated Vested</u>				
Number	0	0	0	2
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A

## 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												0
20 - 24												0
25 - 29				1								1
30 - 34						2						2
35 - 39												0
40 - 44					1	2		2				5
45 - 49												0
50 - 54						1						1
55 - 59	1					1		2				4
60 - 64						1						1
65+					1							1
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>7</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2022	17
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	(1)
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	(2)
f. DROP	<u>0</u>
g. Continuing participants	14
h. New entrants / Rehires	<u>1</u>
i. Total active life participants in valuation	<u>15</u>

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

	Service Retirees, Vested Receiving	DROP Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	<u>Total</u>
a. Number prior valuation	10	0	0	1	0	0	11
Retired	2						2
DROP							0
Vested (Deferred Annuity)							0
Vested (Due Refund)							0
Hired/Terminated in Same Year							0
Death, With Survivor							0
Death, No Survivor				(1)			(1)
Disabled							0
Refund of Contributions							0
Rehires							0
Expired Annuities							0
Data Corrections							0
b. Number current valuation	12	0	0	0	0	0	12

SUMMARY OF CURRENT PLAN  
(THROUGH RESOLUTION NO. 23-08-02)

<u>Credited Service</u>	Total years and fractional parts of years of contributing employment with the District as a General Employee. Part-time service included as of June 8, 2020.
<u>Salary</u>	Regular pay for services rendered, including longevity pay and incentive pay effective December 12, 2005, but not including overtime, or any other non-regular compensation. Plus tax deferred, tax shelter or tax exempt items of income.
<u>Average Final Compensation</u>	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination.
<u>Member Contributions</u>	7.0% of Salary
<u>District Contributions</u>	Remaining amount required in order to fund to actuarial soundness. District has a minimum contribution of 15.0% of Salaries.
<u>Normal Retirement</u>	
Date	Earlier of: 1) Age 55 and 7 years of Credited Service, or 2) 25 years of Credited Service, regardless of age.
Benefit	2.48% of Average Final Compensation times Credited Service.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Earlier of 1.) Age 50 and 7 Years of Credited Service, or 2.) 20 years of Credited Service, regardless of age.
Benefit	Accrued benefit, reduced 7.0% per year.
<u>Cost of Living Adjustment (COLA)</u>	Current and Future Normal, Early, Disability Retirees and their Beneficiaries, including Pre-Retirement Death Beneficiaries receive a 2.00% increase in their benefits each October 1 <sup>st</sup> following retirement (the first adjustment will be a prorated amount of 2.00%).

Vesting

Schedule 100% after 7 years of Credited Service.

Disability

Eligibility

Service Incurred Covered from Date of Employment.

Non-Service Incurred 7 years of Credited Service.

Exclusions Disability resulting from use of drugs, illegal participation in riots, service in military, etc.

Benefit Benefit accrued to date of disability.

Duration Payable for life with 10 years certain (options available) or until recovery (as determined by the Board).

Death Benefits

Pre-Retirement

Vested Monthly accrued benefit payable to designated beneficiary for 10 years at Member's Normal or Early (reduced) Retirement Date.

Non-Vested Refund of accumulated contributions without interest.

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

Deferred Retirement Option Plan

Eligibility Satisfaction of Normal Retirement requirements (earlier of (1) Age 55 with 7 years of Credited Service, or (2) 25 years of Credited Service).

Participation Not to exceed 60 months.

Rate of Return At the Member's election: (1) 6.5% annual rate, or (2) actual net rate of investment return (total return net of brokerage commissions, management fees, and transaction costs), credited each fiscal quarter. One change between the above is allowed.

Form of Distribution Cash lump sum (options available) at termination of employment.

