



**City of Sanibel  
Municipal Police  
Officers' Retirement  
Trust Fund**

**Actuarial Valuation**

*As of October 1, 2025  
Contributions Applicable to the Plan/  
Fiscal Year Ending September 30, 2027*

**FOSTER & FOSTER**  
ACTUARIES AND CONSULTANTS

February 9, 2026

Board of Trustees  
City of Sanibel Municipal Police Officers' Retirement Trust Fund

Re: City of Sanibel Municipal Police Officers' Retirement Trust Fund

Dear Board,

This report details the annual actuarial valuation of the City of Sanibel Municipal Police Officers' Retirement Trust Fund as of October 1, 2025.

The valuation was performed to measure the plan's liability and funding levels and to determine the actuarially appropriate funding requirements for the plan year ending September 30, 2027. This report was prepared for use by the Board. Use of the results for other purposes may not be applicable and could produce significantly different results.

#### **DATA AND ASSUMPTIONS**

In preparing this report, we have relied on personnel and plan design supplied by the City of Sanibel. Assets were determined based on financial reports supplied by the custodian bank. In our opinion, the assumptions used in the valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated fund experience. Other sets of assumptions and methods could also be reasonable and could produce materially different results. 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.

#### **DISCLOSURES AND LIMITATIONS**

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of this report, we did not provide an analysis of these potential differences.

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 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.

#### **ACTUARIAL CERTIFICATION**

The valuation has been conducted in accordance with all applicable laws and regulations, as well as generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board; specifically No. 4 Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, No. 23 Data Quality, No. 27 Selection of Assumptions for Measuring Pension Obligations, No. 44 Selection and Use of Asset Valuation Methods for Pension Valuations, and No. 51 Assessment and Disclosure of Risk Associated with Measuring Pension Obligations.

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 this report has any direct financial interest or indirect material interest in the City of Eustis, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the City of Sanibel Municipal Police Officers' Retirement Trust Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

Respectfully submitted,  
Foster & Foster, Inc.



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Sara E. Carlson, ASA, EA, MAAA



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## SUMMARY

The regular annual actuarial valuation of the City of Sanibel Municipal Police Officers' Retirement Trust Fund, performed as of October 1, 2025, has been completed and the results are presented in this report. The contribution amounts set forth herein are applicable to the plan/fiscal year ended September 30, 2027.

The contribution requirements, compared with those set forth in the October 1, 2024 actuarial report, are as follows:

Valuation Date	10/1/2025	10/1/2024
Applicable to Fiscal Year Ending	9/30/2027	9/30/2026
<b>FUNDED STATUS</b>		
Total Actuarial Accrued Liability	\$ 35,413,940	\$ 33,057,305
Actuarial Value of Assets	31,478,711	28,745,642
Unfunded Actuarial Accrued Liability	\$ 3,935,229	\$ 4,311,663
Funded Ratio	88.89%	86.96%
<b>CONTRIBUTION REQUIREMENTS (AS A PERCENTAGE OF PAYROLL)</b>		
Normal Cost	35.63%	35.37%
Administrative Expenses	2.19%	2.94%
Amortization Payment	40.33%	51.26%
Minimum Required Contribution <sup>2</sup>	<u>78.15%</u>	<u>89.57%</u>
Member Contributions	(8.00)%	(8.00)%
<b>Expected City and State Contribution</b>	<b><u>70.15%</u></b>	<b><u>81.57%</u></b>
State Contribution (Est.) <sup>1</sup>	(121,609)	(121,609)
% of Payroll (Est.)	<u>(5.15)%</u>	<u>(5.15)%</u>
City Required Contribution (Est.) <sup>2</sup>	65.00%	76.42%

<sup>1</sup> Represents the amount received in calendar 2025. As per a Mutual Consent Agreement between the Membership and the City, all State Monies received each year will be available to offset the City's required contribution.

<sup>2</sup> The required contribution from the combination of City and State sources for the year ending September 30, 2027 is 70.15% of the actual payroll realized in that year. As a budgeting tool, the City may contribute 65.00% of each Member's Salary and then make a one-time adjustment to account for the actual State Monies received.

As you can see, the Minimum Required Contribution shows a decrease when compared to the results set forth in the October 1, 2024 actuarial valuation report. The decrease is attributable to an increase in the Projected Annual Payroll, thus the payment toward the Unfunded Actuarial Accrued Liability is smaller when represented as a percentage of this payroll (when represented as a dollar amount, the Minimum Required Contribution increased).

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an average salary increase of 10.88% which exceeded the 6.92% assumption and inactive mortality experience. These losses were offset in part by a gain associated with an investment return of 8.76% (Actuarial Asset Basis) which exceeded the 7.50% assumption.

## **CHANGES SINCE PRIOR VALUATION**

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### **PLAN CHANGES**

There have been no plan changes since the prior valuation.

### **ACTUARIAL ASSUMPTION/METHOD CHANGES**

Since the previous valuation, as mandated by Chapter 2015-157, Laws of Florida, the mortality rates were updated to align with those outlined in Milliman's July 1, 2024 FRS valuation report for special-risk employees.

There were no method changes since the prior valuation.

## VALUATION RESULTS

### PRINCIPAL VALUATION RESULTS

Valuation Date	New Assump 10/1/2025	Old Assump 10/1/2025	10/1/2024
<b>PARTICIPANT DATA</b>			
Actives	19	19	16
Service Retirees	26	26	25
DROP Retirees	5	5	5
Beneficiaries	1	1	1
Disability Retirees	3	3	3
Terminated Vested	9	9	8
Total	<u>63</u>	<u>63</u>	<u>58</u>
Projected Annual Payroll	\$ 2,172,831	\$ 2,172,831	\$ 1,653,382
Annual Rate of Payments to:			
Service Retirees	\$ 1,496,106	\$ 1,496,106	\$ 1,420,652
DROP Retirees	376,914	376,914	365,961
Beneficiaries	33,632	33,632	32,652
Disability Retirees	56,988	56,988	56,988
Terminated Vested	56,872	56,872	56,872
<b>ASSETS</b>			
Actuarial Value (AVA)	\$ 31,478,711	\$ 31,478,711	\$ 28,745,642
Market Value (MVA)	33,177,814	33,177,814	29,875,559
<b>LIABILITIES</b>			
Present Value of Benefits			
Actives			
Retirement Benefits	\$ 15,822,964	\$ 15,550,041	\$ 13,218,622
Death Benefits	46,098	60,333	52,542
Disability Benefits	324,291	315,925	252,703
Vested Benefits	0	0	0
Refund of Contributions	13,354	13,345	6,121
Service Retirees	18,864,057	18,744,373	18,062,887
DROP Retirees	7,548,745	7,519,557	7,026,439
Beneficiaries	291,609	296,157	299,854
Disability Retirees	414,083	405,554	418,925
Terminated Vested	450,192	444,178	420,197
Total	<u>\$ 43,775,393</u>	<u>\$ 43,349,463</u>	<u>\$ 39,758,290</u>

Valuation Date	New Assump 10/1/2025	Old Assump 10/1/2025	10/1/2024
<b>LIABILITIES (CONTINUED)</b>			
Present Value of Future Salaries	\$ 24,969,851	\$ 24,930,632	\$ 20,230,145
Present Value of Member Contributions	\$ 1,997,588	\$ 1,994,451	\$ 1,618,412
Normal Cost			
Retirement	\$ 717,109	\$ 704,455	\$ 544,218
Death	2,540	3,350	2,746
Disability	21,800	21,363	14,199
Vesting	0	0	0
Refunds	4,829	4,827	2,499
Total Normal Cost	\$ 746,278	\$ 733,995	\$ 563,662
Present Value of Future Normal Costs (EAN)	\$ 8,361,453	\$ 8,213,704	\$ 6,700,985
Actuarial Accrued Liability (EAN AL)			
Actives			
Retirement	\$ 7,709,935	\$ 7,587,543	\$ 6,711,126
Death	18,137	23,857	21,253
Disability	114,800	112,158	95,516
Vesting	0	0	0
Refunds	2,382	2,382	1,108
Inactives <sup>1</sup>	27,568,686	27,409,819	26,228,302
Total Actuarial Accrued Liability	\$ 35,413,940	\$ 35,135,759	\$ 33,057,305
Unfunded Actuarial Accrued Liability (UAAL)	\$ 3,935,229	\$ 3,657,048	\$ 4,311,663
Funded Ratio (AVA / EAN AL)	88.89%	89.59%	86.96%

## ACTUARIAL PRESENT VALUE OF ACCRUED BENEFITS

	New Assump	Old Assump	
Valuation Date	10/1/2025	10/1/2025	10/1/2024
<b>Vested Accrued Benefits</b>			
Inactives <sup>1</sup>	\$ 27,568,686	\$ 27,409,819	\$ 26,228,302
Actives	3,143,191	3,086,249	2,998,288
Member Contributions	1,001,847	1,001,847	923,368
<b>Total</b>	<u>\$ 31,713,724</u>	<u>\$ 31,497,915</u>	<u>\$ 30,149,958</u>
Non-vested Accrued Benefits	<u>864,353</u>	<u>845,026</u>	<u>627,096</u>
Total Present Value of Accrued Benefits (PVAB)	\$ 32,578,077	\$ 32,342,941	\$ 30,777,054
Funded Ratio (MVA / PVAB)	101.80%	102.60%	97.07%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	\$ 0	\$ 0	
Assumption Changes	235,136	0	
Plan Experience	0	847,590	
Benefits Paid	0	(1,532,513)	
Interest	0	2,250,810	
Other	0	0	
<b>Total</b>	<u>\$ 235,136</u>	<u>\$ 1,565,887</u>	

## CONTRIBUTION REQUIREMENTS

	New Assump	Old Assump	
Valuation Date	10/1/2025	10/1/2025	10/1/2024
Applicable to Fiscal Year Ending	9/30/2027	9/30/2027	9/30/2026
<b>CALCULATION OF CONTRIBUTION REQUIREMENT<sup>2</sup></b>			
Normal Cost	\$ 842,011	\$ 828,153	\$ 628,776
% of Total Annual Payroll	35.63%	35.05%	35.37%
Administrative Expenses	51,718	51,718	52,213
% of Total Annual Payroll	2.19%	2.19%	2.94%
UAAL Amortization Payment	953,039	919,962	911,295
% of Projected Annual Payroll	40.33%	38.93%	51.26%
Minimum Required Contribution	\$ 1,846,768	\$ 1,799,833	\$ 1,592,284
% of Projected Annual Payroll	78.15%	76.17%	89.57%
Expected Member Contributions	(189,036)	(189,036)	(142,217)
% of Projected Annual Payroll	(8.00)%	(8.00)%	(8.00)%
Expected City and State Contribution	\$ 1,657,732	\$ 1,610,797	\$ 1,450,067
% of Projected Annual Payroll	70.15%	68.17%	81.57%
<b>PAST CONTRIBUTIONS FOR PLAN YEAR ENDING 9/30/2025</b>			
Total Required Contribution	\$ 1,692,751		
City and State Requirement	1,531,556		
Actual Contributions Made:			
Members (excluding buyback)	161,195		
City	1,505,782		
State	121,609		
Total	\$ 1,788,586		

<sup>1</sup> The asset values and liabilities include accumulated DROP Plan Balances as of 9/30/2025 and 9/30/2024.

<sup>2</sup> Contributions developed as of 10/1/2025 and 10/1/2024 displayed above have been adjusted to account for assumed salary increases (8.75% for 2025 and 7.52% for 2024) and interest. Contributions developed as of 10/1/2025 are expressed as a percentage of Projected Annual Payroll at 10/1/2026 of \$2,362,954. Contributions developed as of 10/1/2024 are expressed as a percentage of Projected Annual Payroll at 10/1/2025 of \$1,777,716.

## CONTRIBUTION IMPACT OF ANNUAL CHANGES

Valuation Date	10/1/2025
Contribution Determined, Prior Year	75.47%
Summary of Impact on Contribution by Component	
Change in State Contribution Percentage	0.95%
Change in Normal Cost	(0.32)%
Change in Assumed Administrative Expense Payroll	(0.75)%
Change Effect on UAAL Amortization Investment Return (Actuarial Asset Basis)	(11.90)% (1.87)%
Salary Increases	1.74%
Active Decrements	0.37%
Inactive Mortality	0.87%
UAAL Amortization Impact from Contribution Policy	(4.49)%
UAAL Amortization Credit from 2015 Fully Recognized	3.00%
Assumption Change	1.98%
Other	(0.05)%
Total Change in Contribution	(10.47)%
Contribution Determined, Current Year	65.00%

## OTHER INFORMATION

### ILLUSTRATION OF AMORTIZATION OF THE TOTAL UNFUNDED ACTUARIAL ACCRUED LIABILITY

Year	Projected Unfunded Actuarial Accrued Liability
2025	3,935,229
2026	3,322,339
2027	2,652,126
2030	1,508,974
2034	391,788
2037	28,553
2040	0

### 5-YEAR COMPARISON OF ACTUAL AND ASSUMED SALARY INCREASES

Year Ended	Actual	Assumed
9/30/2025	10.88%	6.92%
9/30/2024	(2.46)%	5.61%
9/30/2023	20.26%	5.62%
9/30/2022	13.99%	5.73%
9/30/2021	10.74%	5.72%

### 5-YEAR COMPARISON OF INVESTMENT RETURN ON MARKET VALUE AND ACTUARIAL VALUE OF ASSETS

Year Ended	Market Value	Actuarial Value	Assumed
9/30/2025	10.31%	8.76%	7.50%
9/30/2024	21.81%	7.16%	7.50%
9/30/2023	10.32%	3.31%	7.50%
9/30/2022	(17.07)%	4.31%	7.50%
9/30/2021	21.16%	8.94%	7.50%

### AVERAGE ANNUAL PAYROLL GROWTH

Valuation Date	Payroll
10/1/2025	2,172,831
10/1/2015	1,420,439
Total Increase	52.97%
Number of Years	10.00
Average Annual Rate	4.34%

**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.



Sara E. Carlson, ASA, EA, MAAA  
Enrolled Actuary #23-8546

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

## DEVELOPMENT OF ACTUARIAL (GAIN)/LOSS

### DEVELOPMENT OF ACTUARIAL (GAIN)/LOSS

	Actuarial Accrued Liability	Actuarial Valuation of Assets	Unfunded Actuarial Accrued Liability
Actual, Beginning of Year	\$ 33,057,305	\$ 28,745,642	\$ 4,311,663
Total Normal Cost	563,662		563,662
Benefit Payments	(1,532,513)	(1,532,513)	0
Administrative Expenses		(50,725)	50,725
Employer Contribution		1,505,782	(1,505,782)
Member Contribution	0	161,195	(161,195)
State Contribution	0	121,609	(121,609)
Interest	2,465,142	2,156,881	308,261
Expected, End of Year	\$ 34,553,596	\$ 31,107,871	\$ 3,445,725
Actual End of Year (before changes)	35,135,759	31,478,711	3,657,048
Actuarial (Gain)/Loss	\$ 582,163	\$ (370,840)	\$ 211,323

### SUMMARY OF COMPONENTS OF (GAIN)/LOSS

Investment Return (Actuarial Asset Basis)	\$ (370,840)
Salary Increases	346,331
Active Decrements	72,893
Inactive Mortality	173,357
Other	(10,418)
Change due to Actuarial (Gain)/Loss	\$ 211,323

## UNFUNDED ACTUARIAL ACCRUED LIABILITY

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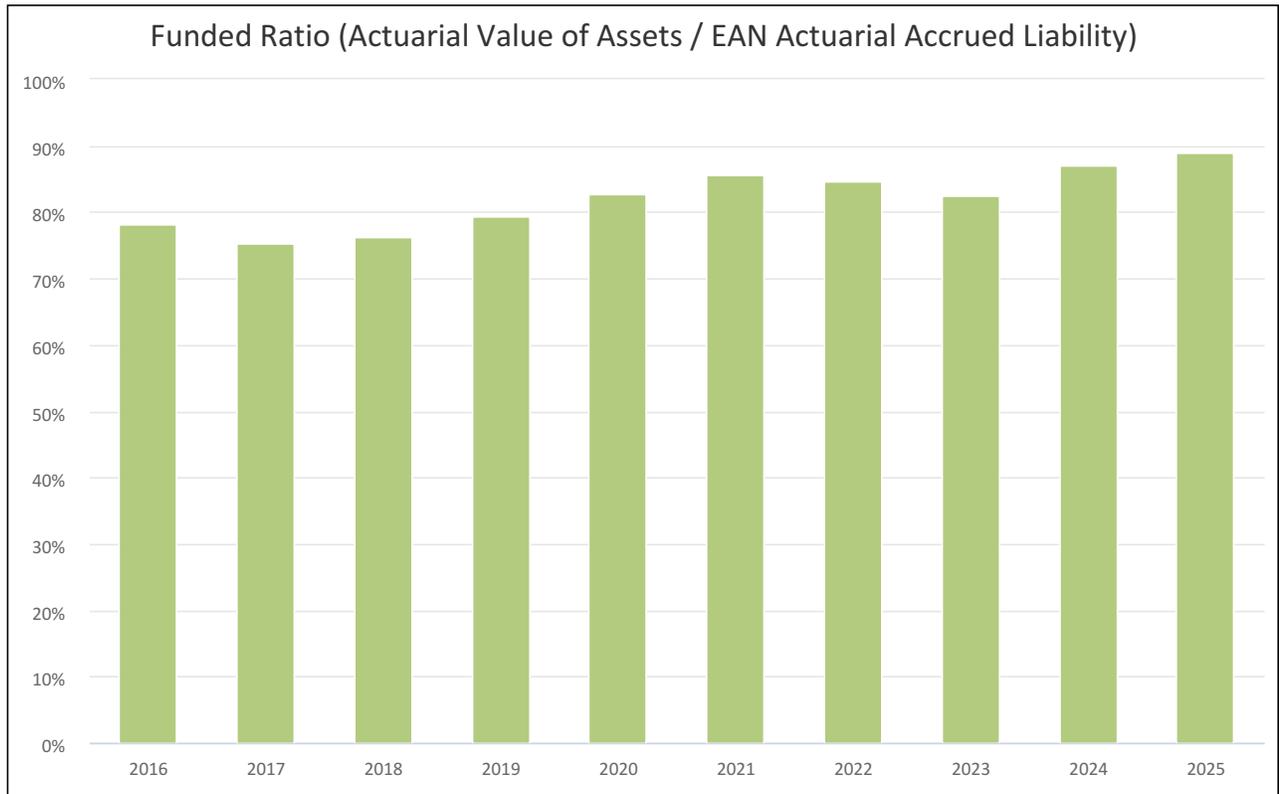
### DEVELOPMENT OF UNFUNDED ACTUARIAL ACCRUED LIABILITY

Unfunded Actuarial Accrued Liability as of October 1, 2024	\$	4,311,663
Expected Unfunded Actuarial Accrued Liability as of October 1, 2025	\$	3,445,725
Change to UAAL due to Actuarial (Gain)/Loss		211,323
Change to UAAL due to Assumption Change		278,181
Unfunded Actuarial Accrued Liability as of October 1, 2025	\$	<u>3,935,229</u>

## SCHEDULE OF AMORTIZATION PAYMENTS

Unfunded Liability Base	Date Established	Years Remaining	Current Balance	Payment
"A"	10/1/2000	5	(57,149)	(13,140)
"B"	10/1/2001	6	145,489	28,833
Method Change	10/1/2004	9	594,987	86,767
Actuarial Loss	10/1/2004	3	266,229	95,233
Benefit Change	10/1/2005	10	323,803	43,882
Assum. Change	10/1/2005	10	(67,156)	(9,101)
Actuarial Gain	10/1/2005	3	(36,177)	(12,941)
Actuarial Loss	10/1/2006	3	78,225	27,982
Actuarial Loss	10/1/2007	3	219,782	78,618
Method Change	10/1/2008	3	68,987	24,677
Assum. Change	10/1/2010	5	88,558	20,361
Assum. Change	10/1/2010	5	(48,621)	(11,179)
Actuarial Gain	10/1/2016	1	(10,564)	(10,564)
Assum. Change	10/1/2016	11	402,015	51,120
Actuarial Loss	10/1/2017	2	304,616	157,813
Actuarial Loss	10/1/2018	3	209,584	74,970
Method Change	10/1/2018	13	(89,530)	(10,249)
Actuarial Gain	10/1/2019	4	(24,257)	(6,737)
Actuarial Gain	10/1/2020	5	(20,023)	(4,604)
Assump Change	10/1/2020	15	(252,655)	(26,626)
Actuarial Loss	10/1/2021	6	29,189	5,785
Actuarial Loss	10/1/2022	7	755,703	132,723
Actuarial Loss	10/1/2023	13	1,477,179	169,105
Asmp/Mthd Change	10/1/2023	13	73,072	8,365
Actuarial Gain	10/1/2024	14	(985,561)	(107,997)
Actuarial Loss	10/1/2025	15	211,323	22,270
Assumption Change	10/1/2025	15	278,181	29,316
Total Unfunded Liability			3,935,229	844,682

## HISTORY OF FUNDING PROGRESS



## ASSET INFORMATION

### STATEMENT OF FIDUCIARY NET POSITION

	Market Value 9/30/2025
<b>ASSETS</b>	
Cash and Cash Equivalents:	
Short Term Investments	\$ 1,445,309.00
Checking Account	2,587.33
Cash	0.89
Total Cash and Equivalents	<u>\$ 1,447,897.22</u>
<b>RECEIVABLES</b>	
Member Contributions in Transit	\$ 50.42
State Contributions	121,609.40
Investment Income	4,779.27
Total Receivable	<u>\$ 126,439.09</u>
<b>INVESTMENTS</b>	
Corporate Bonds/Fixed Income	8,901,820.17
Stocks/Equity	14,766,321.22
Alternative	2,957,992.50
Pooled/Common/Commingled Funds:	
Equity	2,699,009.11
Real Estate	2,290,334.48
Total Investments	<u>\$ 31,615,477.48</u>
<b>TOTAL ASSETS</b>	<b>\$ 33,189,813.79</b>
<b>LIABILITIES</b>	
Payables:	
Investment Expenses/Unpaid Investment Expenses	10,000.00
Administrative Expenses/Unpaid Administrative Expenses	2,000.00
Total Liabilities	<u>\$ 12,000.00</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<b>\$ 33,177,813.79</b>

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

	Year Ended 9/30/2025
<b>ADDITIONS</b>	
Contributions:	
Member	\$ 161,195.21
Employer	1,505,782.00
State	121,609.40
Total Contributions	<u>\$ 1,788,586.61</u>
Investment Income:	
Net Realized Gain (Loss)	\$ 1,241,701.26
Unrealized Gain (Loss)	57,601.67
Net Increase in Fair Value of Investments	<u>\$ 1,299,302.93</u>
Interest & Dividends	1,873,277.41
Less Investment Expense <sup>1</sup>	<u>(75,673.52)</u>
Net Investment Income	<u>\$ 3,096,906.82</u>
Total Additions	<u>\$ 4,885,493.43</u>
<b>DEDUCTIONS</b>	
Distributions To Members:	
Benefit Payments	<u>\$ 1,532,513.36</u>
Total Distributions	<u>\$ 1,532,513.36</u>
Administrative Expense	<u>\$ 50,725.10</u>
Total Deductions	<u>\$ 1,583,238.46</u>
<b>NET INCREASE IN NET POSITION</b>	<u>\$ 3,302,254.97</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	
Beginning of the Year	\$ 29,875,558.82
End of the Year	<u>\$ 33,177,813.79</u>

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

## DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS

	9/30/2025	
<b>ACTUARIAL VALUE OF ASSETS</b>		
Market Value of Assets	\$	33,177,814
Total Deferred Investment (Gains)/Losses		(1,699,103)
Preliminary Actuarial Value of Assets	\$	31,478,711
Limited Actuarial Value of Assets	\$	31,478,711
<b>DEVELOPMENT OF ACTUARIAL (GAIN)/LOSS</b>		
Market Value of Assets, Prior Year	\$	29,875,559
Contributions		1,788,587
Benefit Payments		(1,532,513)
Administrative Expenses		(50,725)
Expected Investment Earnings	\$	2,248,228
Actual Net Investment Earnings		(3,096,907)
2025 Actuarial Investment (Gain)/Loss	\$	(848,679)

## DEFERRED INVESTMENT (GAIN)/LOSS

Year Ended	(Gain)/Loss	Percentage Deferred	Deferred (Gain)/Loss
9/30/2025	(848,679)	80%	(678,943)
9/30/2024	(3,486,212)	60%	(2,091,728)
9/30/2023	(603,065)	40%	(241,226)
9/30/2022	6,563,962	20%	1,312,794
9/30/2021	(3,023,478)	0%	0
Total Deferred Investment (Gains)/Losses			(1,699,103)

## APPROXIMATE RATES OF RETURN

Basis	Rate of Return
Actuarial Valuation of Assets (approx.)	8.76%
Market Value of Assets	10.31%

## CHANGES IN ASSETS AVAILABLE FOR BENEFITS – ACTUARIAL ASSET BASIS

	Year Ended 9/30/2025
<b>ADDITIONS</b>	
Contributions:	
Member	\$ 161,195.21
Employer	1,505,782.00
State	121,609.40
Total Contributions	<u>\$ 1,788,586.61</u>
Earnings from Investments:	
Interest & Dividends	\$ 1,873,277.41
Miscellaneous Income	0.00
Net Realized Gain (Loss)	1,241,701.26
Unrealized Gain (Loss)	57,601.67
Change in Actuarial Value	(569,185.79)
Total Earnings and Investment Gains	<u>\$ 2,603,394.55</u>
<b>DEDUCTIONS</b>	
Distributions To Members:	
Benefit Payments	\$ 1,532,513.36
Total Distributions	<u>\$ 1,532,513.36</u>
Expenses:	
Investment Related <sup>1</sup>	\$ 75,673.52
Administrative	50,725.10
Total Expenses	<u>\$ 126,398.62</u>
<b>CHANGE IN NET ASSETS FOR THE YEAR</b>	<b>\$ 2,733,069.18</b>
<b>NET ASSETS</b>	
Beginning of the Year	\$ 28,745,641.82
End of the Year	<u>\$ 31,478,711.00</u>

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

## SUPPLEMENTAL ASSET INFORMATION

Year Beginning	10/1/2024
Year Ending	9/30/2025

### DEFERRED RETIREMENT OPTION PLAN ACTIVITY

Beginning of Year Balance	\$	1,094,833.15
Plus Additions		365,936.40
Investment Return Earned		51,674.45
Less Distributions		0.00
End of the Year Balance	\$	<u>1,512,444.00</u>

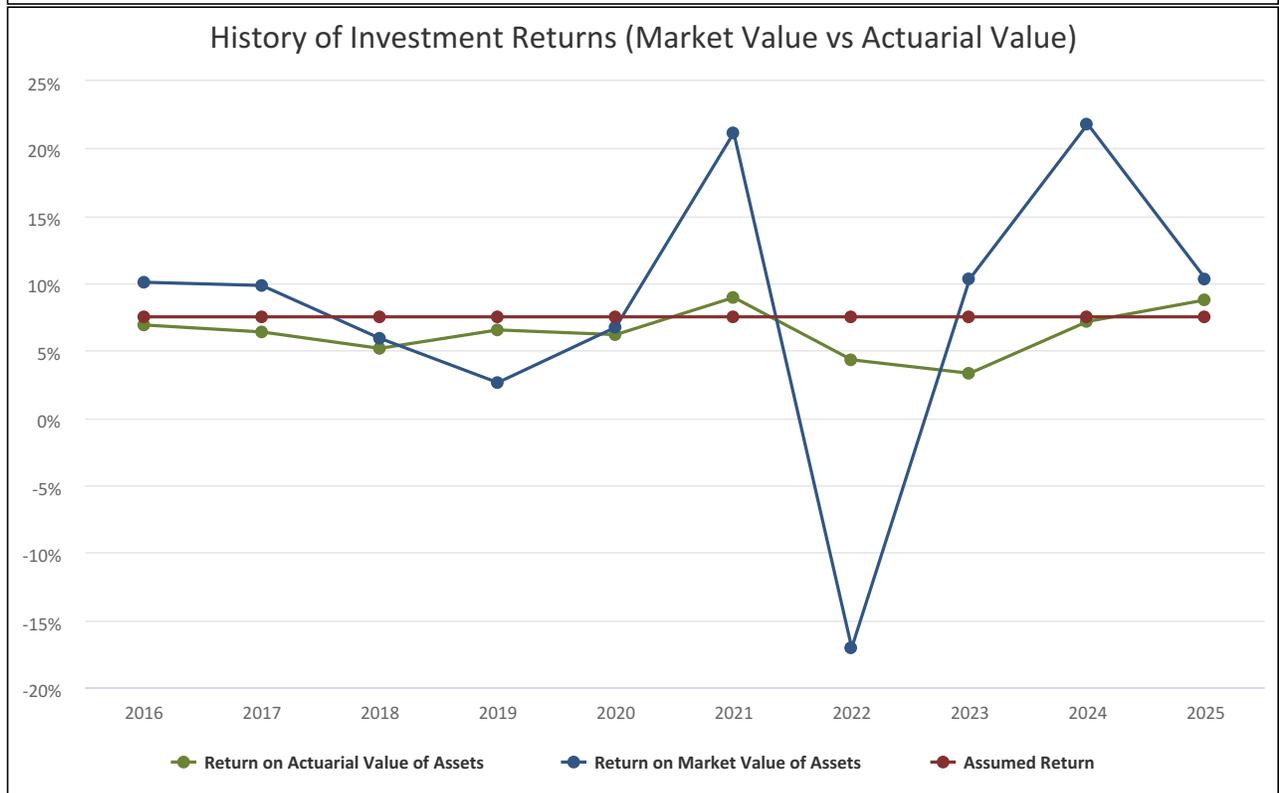
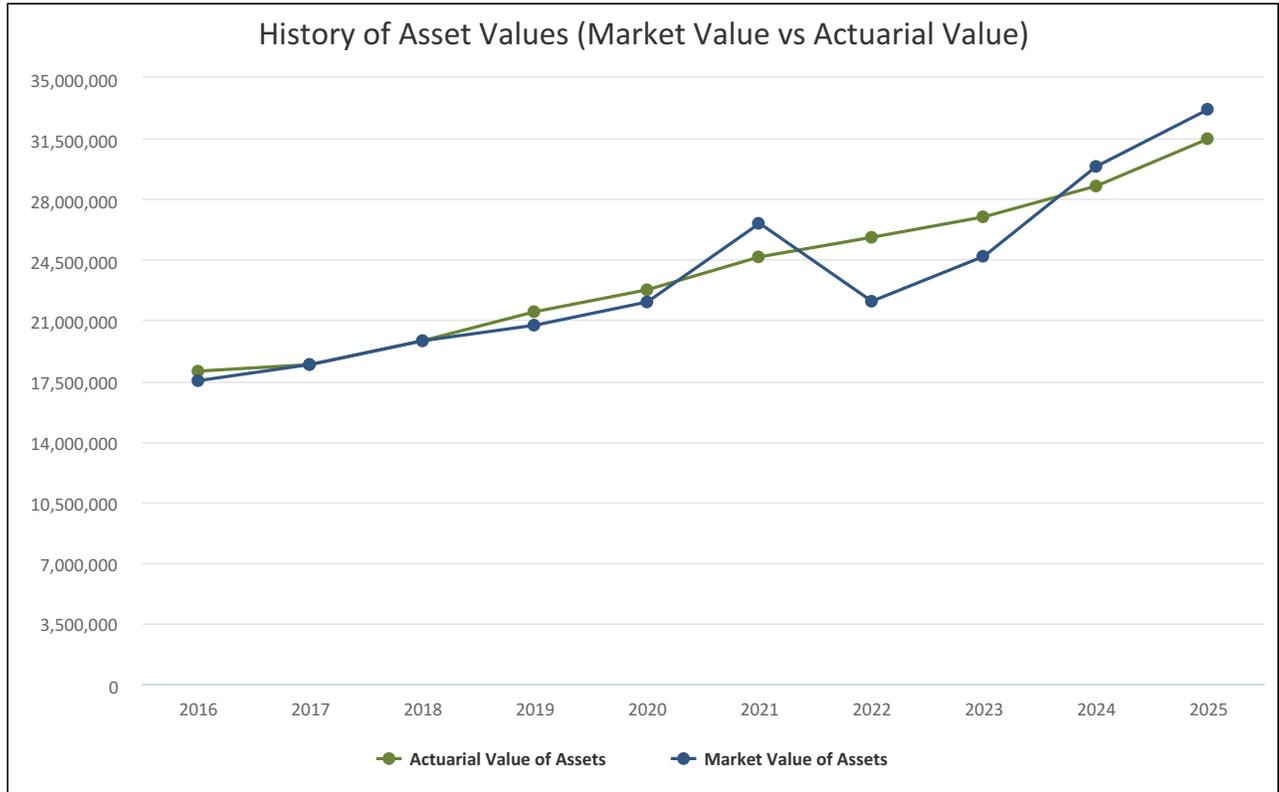
### CITY CONTRIBUTIONS IN EXCESS OF MINIMUM REQUIREMENT

Total Required Contribution Rate	\$	84.01%
Pensionable Payroll Derived from Member Contributions		2,014,940.13
Total Required Contribution	\$	1,692,751.20
Less Actual Member Contributions		(161,195.21)
Less Allowable State Contribution		(121,609.40)
Equals Required City Contribution for Fiscal 2025	\$	<u>1,409,946.59</u>
Less 2024 Prepaid Contribution		0.00
Less Actual City Contributions		<u>(1,505,782.00)</u>
City Contributions in Excess of Minimum Requirement Applied to Reduce Unfunded Actuarial Accrued Liability as of September 30, 2025	\$	(95,835.41)

## PARTIAL HISTORY OF PREMIUM TAX REFUNDS

Received During Fiscal Year	Amount	Increase From Previous Year
2000	36,011.30	N/A
2001	35,448.08	-1.6%
2002	38,571.02	8.8%
2003	43,515.50	12.8%
2004	46,642.40	7.2%
2005	-	-100.0%
2006	98,026.48	N/A
2007	50,725.64	-48.3%
2008	53,654.13	5.8%
2009	57,459.31	7.1%
2010	58,716.36	2.2%
2011	57,486.63	-2.1%
2012	63,573.88	10.6%
2013	62,541.87	-1.6%
2014	65,861.56	5.3%
2015	77,753.70	18.1%
2016	85,154.04	9.5%
2017	82,262.97	-3.4%
2018	90,240.37	9.7%
2019	93,284.02	3.4%
2020	99,767.43	7.0%
2021	124,416.95	24.7%
2022	95,004.78	-23.6%
2023	98,721.79	3.9%
2024	100,938.38	2.2%
2025	121,609.40	20.5%

## HISTORY OF ASSET VALUES AND INVESTMENT RETURNS



## PARTICIPANT STATISTICS

### STATISTICAL DATA

	10/1/2025	10/1/2024	10/1/2023	10/1/2022
<b>ACTIVES</b>				
Number	19	16	18	22
Average Current Age	39.8	39.8	39.8	39.8
Average Age at Employment	32.1	31.0	31.2	31.6
Average Past Service	7.7	8.8	8.6	8.2
Average Annual Salary	\$114,360	\$110,688	\$114,989	\$96,559
<b>SERVICE RETIREES</b>				
Number	26	25	23	22
Average Current Age	69.1	68.7	68.6	68.0
Average Annual Benefit	\$57,543	\$56,826	\$58,816	\$58,844
<b>DROP RETIREES</b>				
Number	5	5	5	4
Average Current Age	58.8	57.8	56.8	56.2
Average Annual Benefit	\$75,383	\$73,192	\$71,056	\$67,830
<b>BENEFICIARIES</b>				
Number	1	1	1	1
Average Current Age	78.9	77.9	76.9	75.9
Average Annual Benefit	\$33,632	\$32,652	\$31,701	\$30,778
<b>DISABILITY RETIREES</b>				
Number	3	3	3	3
Average Current Age	73.7	72.7	71.7	70.7
Average Annual Benefit	\$18,996	\$18,996	\$18,996	\$18,996
<b>TERMINATED VESTEDS</b>				
Number	9	8	9	7
Average Current Age <sup>1</sup>	49.6	48.6	53.4	52.4
Average Annual Benefit <sup>1</sup>	\$28,436	\$28,436	\$20,345	\$20,345

<sup>1</sup> The Average Current Age and Average Annual Benefit exclude participants awaiting a refund of contributions.

## AGE AND SERVICE DISTRIBUTION

Age	Past Service											Total
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	
15 - 19												0
20 - 24	1											1
25 - 29	1			1		2						4
30 - 34					1	1	1					3
35 - 39			1				2					3
40 - 44								1				1
45 - 49			1					1				2
50 - 54	1							1	1			3
55 - 59	1					1						2
60 - 64												0
65+												0
<b>Total</b>	<b>4</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>19</b>

## PARTICIPANT RECONCILIATION

	Actives	Members Receiving Benefits	DROP Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
Number, prior valuation	16	25	5	1	3	2	6	58
New Entrants / Rehires	4							4
Vested (Deferred Annuity)								0
Non-Vested / Vested (Due Refund)								0
Refund of Contributions or Terminated Non-Vested								0
Hired/Termed Same Year							1	1
Retired	(1)	1						0
DROP								0
Disabled								0
Death, With Survivor								0
Death, No Survivor								0
Expired Annuities								0
Data Corrections								0
Other								0
Number, current valuation	19	26	5	1	3	2	7	63

## ACTUARIAL ASSUMPTIONS AND METHODS

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### Mortality Rate

#### Healthy Active Lives:

*Female:* PubS-2010 for Employees

*Male:* PubS-2010 for Employees, set forward 1 year

#### Healthy Retiree Lives:

*Female:* PubS-2010 for Healthy Retirees

*Male:* PubS-2010 for Healthy Retirees, set forward 1 year

#### Beneficiary Lives:

*Female:* PubG.H-2010 for Healthy Retirees

*Male:* PubG.H-2010 for Healthy Retirees, set back 1 year

#### Disabled Lives:

*Female:* PubG.H-2010 for Disabled Retirees, set forward 1 years

*Male:* PubG.H-2010 for Disabled Retirees

All rates are projected generationally with Mortality Improvement Scale MP-2021. 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, 2024 FRS valuation report for special-risk employees.

Previously, the following rates were used:

#### Healthy Active Lives:

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

*Male:* PubS.H-2010 Employees, set forward one year.

#### Healthy Retiree Lives:

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

*Male:* PubS.H-2010 Healthy Retirees, set forward one year.

**Beneficiary Lives:**

*Female:* PubG.H-2010 Healthy Retirees.

*Male:* PubG.H-2010 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 were projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

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Interest Rate

7.50% 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.

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Salary Increases

Salary Scale	
Service	Rate
<1	20.00%
1	7.50%
2	7.25%
3	7.25%
4	7.25%
5-9	7.25%
10-14	6.00%
15+	4.50%

The assumed rates of salary increase were approved by the Board in conjunction with an actuarial experience study dated August 4, 2023.

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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.

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Administrative Expenses

Based on the average of actual expenses incurred in the prior two fiscal years.

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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.

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Funding Method

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

Interest - A half year.

Salary - A full year.

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.

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.

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.

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.

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.

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Retirement Age

See tables below. The assumed rates were approved by the Board in conjunction with an actuarial experience study dated August 4, 2023.

% Retiring During the Year (10-24 Years of Service)	
Age	Rate
55-61	100.0%
62+	100.0%

% Retiring During the Year (>= 25 Years of Service)	
Age	Rate
25	25.0%
26	50.0%
27+	100.0%

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Early Retirement

Commencing at eligibility for Early Retirement (age 50), members are assumed to retire with an immediate benefit at the rate of 2% per year. We feel this is reasonable based upon plan provisions.

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Termination Rate

% Terminating During the Year	
Service	Rate
0-1	12.5%
2	7.5%
3	0.0%
4	0.0%
5+	0.0%

The assumed rates of termination were approved by the Board in conjunction with an actuarial experience study dated August 4, 2023.

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Disability Rate

See sample rates below. It is assumed that 75% of disablements are service related. The assumed rates of disablement were developed from those used by other plans containing Florida municipal Police Officers.

% Becoming Disabled During the Year	
Age	Rate
20	0.051%
30	0.058%
40	0.121%
50	0.429%

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Actuarial Asset 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.

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## PLAN PROVISIONS

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Most Recent Plan Amendment	Ordinance 20-004
Credited Service	Years and completed months of continuous employment as a Police Officer.
Average Final Compensation	Average compensation (excluding OT in excess of 300 hours per year, but including lump sum accruals determined as of 9/30/2011) paid during the five (5) highest years of service.
Normal Retirement	
Eligibility	Earlier of 1) age 60 with 5 vesting credits, or 2) age 55 with 10 vesting credits, or 3) 25 vesting credits regardless of age.
Benefit Amount	3% of Average Final Compensation times Credited Service.
Form of Benefit	10 years certain and life thereafter. Options available
Maximum Benefit	90% of Average Final Compensation.
Early Retirement	
Eligibility	Age 50 and attainment of 5 vesting credits.
Benefit Amount	Accrued benefit, reduced 2.5% for each year prior to Normal Retirement Date.
Vesting (Termination)	
Less than 5 years of Credited Service	Refund of Member Contributions
5 years or more	Accrued benefit payable at Early Retirement Date (reduced) or Normal Retirement Date (unreduced).
Cost-Of-Living Adjustment	To all Normal and Early Retirees after October 17, 2006, 3% automatic COLA, beginning on the first October 1 following one year of retirement.

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## Disability

Eligibility	10 years of contributing service for non-service related; coverage from date of hire for service-incurred.
Benefit Amount	3% of Average Final Compensation times Credited Service, but not less than 42% of Average Final Compensation for service related disabilities

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## Death

Vested Member	Accrued pension paid to beneficiary at otherwise Early Retirement Date (reduced basis) or Normal Retirement Date. Benefit paid for 10 years only.
Non-Vested Member	Beneficiary receives refund of Member's Contributions.

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Supplemental Benefit	\$36.00 times Credited Service paid monthly to Age 67. Minimum payment period is 5 years.
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## Contributions

Employee	8% of total pay until Normal Retirement Age, 4% thereafter.
Premium Tax	0.85% tax on premiums for casualty insurance.
City	Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over 30 years.

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Board of Trustees	a) Two City Council appointees, b) Two Members of the System elected by a majority of the other covered Police Officers, and c) A fifth Member elected by the other 4 and appointed by Council.
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### Deferred Retirement Option Plan

Eligibility	Satisfaction of Normal Retirement Requirements.
Participation	Not to exceed 60 months.
Rate of Return	4% annual rate, credited quarterly
Distribution	Lump sum at termination of employment.

## SUPPLEMENTARY INFORMATION

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### GLOSSARY

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Accrued Benefit	The benefit earned as of a specific date based on the provisions of the plan and the member's age, service, and salary as of that date.
Actuarial Accrued Liability	The portion of the anticipated future benefits allocated to years prior to the valuation date determined according to the plan's Actuarial Cost Method.
Actuarial Value of Assets	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.
Actuarial Assumptions	Assumptions regarding the occurrence of future events affecting plan costs. These assumptions include rates of investment earnings, changes in compensation, rates of mortality, withdrawal, disablement, and retirement as well as statistics related to marriage and family composition.
Actuarial Cost Method	A method of determining the portion of the cost of a plan to be allocated to each year; sometimes referred to as the "actuarial funding method." Each cost method allocates a certain portion of the actuarial present value of benefits between the Actuarial Accrued Liability and future normal costs to ensure the plan is adequately and systematically funded.
Actuarial Gain or Loss	The change in Unfunded Actuarial Accrued Liability resulting from experience different from Actuarial Assumptions. Gains decrease the Unfunded Actuarial Accrued Liability and losses increase the Unfunded Actuarial Accrued Liability.
Actuarial Present Value	The estimated amount of funds required as of a specified date to provide a payment or series of payments in the future. It is

determined by discounting future payments at predetermined rates of interest, and by probabilities of payments between the specified date and the expected date of payment.

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Amortization Payment

The portion of the plan contribution designated to pay interest and reduce the outstanding principal balance of Unfunded Actuarial Accrued Liability. If the amortization payment is less than the accrued interest on the Unfunded Actuarial Accrued Liability the outstanding principal balance will increase.

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Decrements

Events which result in the termination of membership in the system such as retirement, disability, withdrawal, or death.

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Funded Ratio

A measure of the ratio of the plan assets to liabilities of the system. Typically, the assets used in the measure are the Actuarial Value of Assets as determined by the asset valuation method. The Funded Ratio depends not only on the financial strength of the plan but also on the asset valuation method used to determine the assets and on the Actuarial Cost Method used to determine the liabilities.

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Interest Rate

The assumed long-term rate of return on plan assets.

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Market Value of Assets

The fair market value of plan assets as of the valuation date.

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Normal Cost

The portion of the Actuarial Present Value of Benefits allocated to the current year determined according to the plan's Actuarial Cost Method.

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Present Value of Benefits

The single sum value on the valuation date of all future benefits to be paid to current plan participants.

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Projected Annual Payroll

The salary expected for the year after the valuation date, excluding members over the 100% assumed retirement age.

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Projected Benefits

The benefits expected to be paid in the future based on the provisions of the plan and the Actuarial Assumptions. The projected values are based on anticipated future advancement in age and accrual of service as well as increases in salary paid to the participant.

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Total Annual Payroll	The salary expected for the year after the valuation date.
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Ultimate Cost	The total cost to the plan once the last benefit has been paid. The Ultimate Cost equals
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Benefit Payments  
Plus: Expenses  
Less: Investment Income

The Ultimate Cost is independent of the Actuarial Cost Method selected.

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Unfunded Actuarial Accrued Liability	The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets.
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Vested Benefit	Benefits members are entitled to regardless of employment status.
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## 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 66.7% on October 1, 2015 to 51.4% on October 1, 2025, 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 77.8%. 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 77.5% on October 1, 2015 to 88.9% on October 1, 2025.
- 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 2.8% on October 1, 2015 to 0.6% on October 1, 2025. The current Net Cash Flow Ratio of 0.6% indicates contributions are generally covering the plan's benefit payments and administrative expenses.

It is important to note that the actuary has identified the risks in this section 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.

## **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 in the principal valuation results 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 4.50%, resulting in an LDROM of \$51,852,620. 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.

## PLAN MATURITY MEASURES AND OTHER RISK METRICS

	10/1/2025	10/1/2024	10/1/2020	10/1/2015
<b>SUPPORT RATIO</b>				
Total Actives	19	16	22	20
Total Inactives <sup>1</sup>	37	36	30	30
Actives / Inactives <sup>1</sup>	51.4%	44.4%	73.3%	66.7%
<b>ASSET VOLATILITY RATIO</b>				
Market Value of Assets (MVA)	33,177,814	29,875,559	22,049,365	15,555,489
Total Annual Payroll	2,172,831	1,771,013	1,937,960	1,420,439
MVA / Total Annual Payroll	1,526.9%	1,686.9%	1,137.8%	1,095.1%
<b>ACCRUED LIABILITY (AL) RATIO</b>				
Inactive Accrued Liability	27,568,686	26,228,302	18,540,264	15,103,978
Total Accrued Liability (EAN)	35,413,940	33,057,305	27,480,190	21,367,923
Inactive AL / Total AL	77.8%	79.3%	67.5%	70.7%
<b>FUNDED RATIO</b>				
Actuarial Value of Assets (AVA)	31,478,711	28,745,642	22,754,251	16,559,054
Total Accrued Liability (EAN)	35,413,940	33,057,305	27,480,190	21,367,923
AVA / Total Accrued Liability (EAN)	88.9%	87.0%	82.8%	77.5%
<b>NET CASH FLOW RATIO</b>				
Net Cash Flow <sup>2</sup>	205,348	(146,729)	(61,218)	429,042
Market Value of Assets (MVA)	33,177,814	29,875,559	22,049,365	15,555,489
Ratio	0.6%	(0.5)%	(0.3)%	2.8%

<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.