CITY OF FORT MEADE
POLICE OFFICERS' RETIREMENT PLAN

ACTUARIAL VALUATION
AS OF OCTOBER 1, 2024

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING SEPTEMBER 30, 2025

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

March 24, 2025

Board of Trustees
City of Fort Meade
Police Officers' Pension Board

Re: City of Fort Meade Police Officers' Retirement Plan

Dear Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the City of Fort Meade Police Officers' Retirement Plan. The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year. Use of the results for other purposes may not be applicable and may produce significantly different results.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapters 112 and 185, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in the valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

The funding percentages and unfunded accrued liability as measured based on the actuarial value of assets will differ from similar measures based on the market value of assets. These measures, as provided, are appropriate for determining the adequacy of future contributions, but may not be appropriate for the purpose of settling a portion or all of its liabilities. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

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

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

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

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

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Fort Meade, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Police Officers' Retirement Plan. 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: Doug Lozen
Douglas H. Lozen, EA, MAAA
Enrolled Actuary #23-7778

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

DHL/lke

Enclosures

TABLE OF CONTENTS

SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Fort Meade Police Officers' Retirement Plan, 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, 2025.

The contribution requirements, compared with those set forth in the October 1, 2023 actuarial valuation report, are as follows:

Valuation Date	10/1/2024	10/1/2023
Applicable to Fiscal Year Ending	9/30/2025	9/30/2024
Minimum Required Contribution [1]	$17,513	$17,540

[1] Please note that the City has access to a prepaid contribution of $4,038.00 that is available to offset a portion of the above stated requirements for the fiscal year ending September 30, 2025. The Minimum Required Contribution is based on the statutory Normal Cost Minimum plus expected Administrative Expenses. Please refer to the Funding Method description in the Actuarial Assumptions and Methods section for additional information.

As you can see, the Minimum Required Contribution shows a slight decrease when compared to the results set forth in the October 1, 2023 actuarial valuation report. The decrease is attributable to a reduction in the level of administrative expense.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. The primary source of actuarial loss was inactive mortality experience. There were no material sources of actuarial gain.

CHANGES SINCE PRIOR VALUATION

Plan Changes

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

Actuarial Assumption/Method Changes

There have been no assumption or method changes since the prior valuation.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	10/1/2024	10/1/2023
A. Participant Data		
Actives	0	0
Service Retirees	6	5
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	3	4
Total	9	9
Projected Annual Payroll	0	0
Annual Rate of Payments to:		
Service Retirees	68,719	60,788
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	30,682	38,613
B. Assets		
Actuarial Value (AVA)	1,235,382	1,218,500
Market Value (MVA)	1,286,303	1,132,929
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	0	0
Disability Benefits	0	0
Death Benefits	0	0
Vested Benefits	0	0
Refund of Contributions	0	0
Service Retirees	628,532	548,664
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	333,606	406,390
Total	962,138	955,054

C. Liabilities - (Continued)	10/1/2024	10/1/2023
Present Value of Future Salaries	0	0
Present Value of Future Member Contributions	0	0
Normal Cost (Retirement)	0	0
Normal Cost (Disability)	0	0
Normal Cost (Death)	0	0
Normal Cost (Vesting)	0	0
Normal Cost (Refunds)	0	0
Total Normal Cost	0	0
Present Value of Future Normal Costs	0	0
Accrued Liability (Retirement)	0	0
Accrued Liability (Disability)	0	0
Accrued Liability (Death)	0	0
Accrued Liability (Vesting)	0	0
Accrued Liability (Refunds)	0	0
Accrued Liability (Inactives)	962,138	955,054
Total Actuarial Accrued Liability (EAN AL)	962,138	955,054
Unfunded Actuarial Accrued Liability (UAAL)	(273,244)	(263,446)
Funded Ratio (AVA / EAN AL)	128.4%	127.6%

D. Actuarial Present Value of Accrued Benefits

	10/1/2024	10/1/2023
Vested Accrued Benefits		
Inactives	962,138	955,054
Actives	0	0
Member Contributions	0	0
Total	962,138	955,054
Non-vested Accrued Benefits	0	0
Total Present Value Accrued Benefits (PVAB)	962,138	955,054
Funded Ratio (MVA / PVAB)	133.7%	118.6%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
Plan Experience	9,557	
Benefits Paid	(64,754)	
Interest	62,281	
Other	0	
Total	7,084	

Valuation Date Applicable to Fiscal Year Ending	10/1/2024 9/30/2025	10/1/2023 9/30/2024
E. Pension Cost		
Normal Cost [1]	$0	$0
Administrative Expenses [1]	17,513	17,540
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 15 years (as of 10/1/2024) [1]	(29,479)	(27,277)
Minimum Required Contribution [2]	17,513	17,540
Expected Member Contributions [1]	0	0
Expected City and State Contribution	17,513	17,540
F. Past Contributions		
Plan Years Ending:	9/30/2024	
City and State Requirement	17,540	
Actual Contributions Made:		
City	17,540	
G. Net Actuarial (Gain)/Loss	8,765	

[1] Contributions developed as of 10/1/2024 displayed above includes an interest adjustement to account for the timing of sponsor contributions.

[2] Reflects normal cost minimum funding requirements of Chapter 112, Florida Statutes.

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

Year	Projected Unfunded Actuarial Accrued Liability
2024	(273,244) [1]

I. 5 Year Comparison of Investment Return on Market Value and Actuarial Value

		Market Value	Actuarial Value	Assumed
Year Ended	9/30/2024	19.63%	6.87%	6.75%
Year Ended	9/30/2023	8.59%	3.83%	6.75%
Year Ended	9/30/2022	-13.27%	4.81%	6.75%
Year Ended	9/30/2021	19.40%	10.06%	7.00%
Year Ended	9/30/2020	6.20%	7.87%	7.00%

[1] Based on current State law and the existing UAAL bases, the UAAL is projected to never be positive.

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.

Doug Lozen

Douglas H. Lozen, EA, MAAA
Enrolled Actuary #23-7778

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

RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITIES

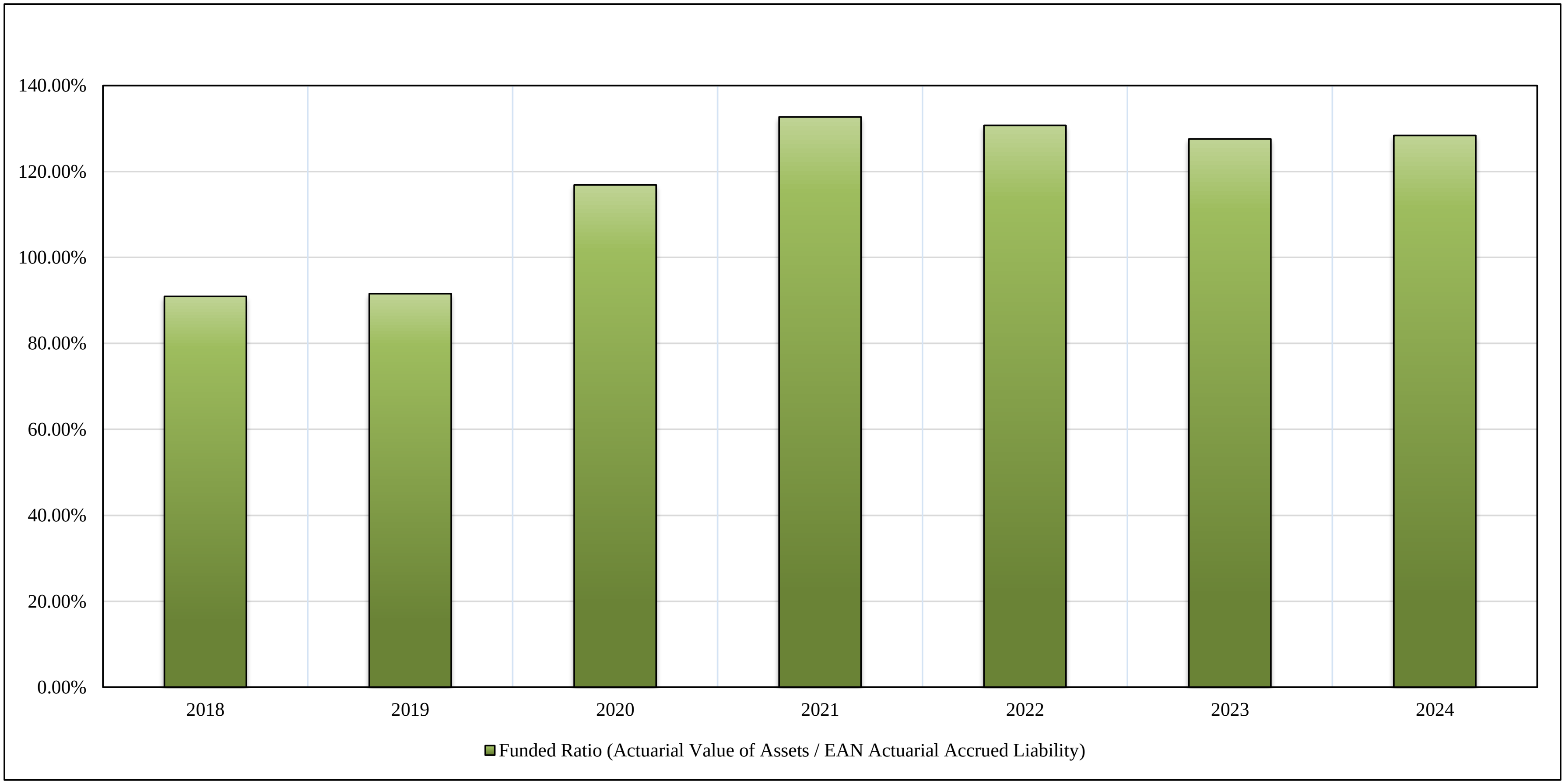
(1)	Unfunded Actuarial Accrued Liability as of October 1, 2023	($263,446)
(2)	Sponsor Normal Cost developed as of October 1, 2023	0
(3)	Expected administrative expenses for the year ended September 30, 2024	16,967
(4)	Expected interest on (1), (2) and (3)	(17,210)
(5)	Sponsor contributions to the System during the year ended September 30, 2024	17,540
(6)	Expected interest on (5)	780
(7)	Expected Unfunded Actuarial Accrued Liability as of September 30, 2024 (1)+(2)+(3)+(4)-(5)-(6)	(282,009)
(8)	Change to UAAL due to Assumption Change	0
(9)	Change to UAAL due to Actuarial (Gain)/Loss	8,765
(10)	Unfunded Actuarial Accrued Liability as of October 1, 2024	(273,244)

Type of Base	Date Established	Years Remaining	10/1/2024 Amount	Amortization Amount
Initial	10/1/2016	7	104,811	18,060
Amendment	10/1/2017	8	508	79
Assumption	10/1/2018	9	60,189	8,562
Actuarial Gain	10/1/2019	10	(55,349)	(7,297)
Actuarial Gain	10/1/2020	11	(295,974)	(36,515)
Assumption	10/1/2020	11	(45,537)	(5,618)
Actuarial Gain	10/1/2021	12	(165,732)	(19,287)
Assumption	10/1/2021	12	24,369	2,836
Actuarial Loss	10/1/2022	13	41,082	4,540
Actuarial Loss	10/1/2023	14	49,624	5,236
Actuarial Loss	10/1/2024	15	8,765	887
			(273,244)	(28,517)

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1)	Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2023	($263,446)
(2)	Expected UAAL as of October 1, 2024	(282,009)
(3)	Summary of Actuarial (Gain)/Loss, by component:	
	Investment Return (Actuarial Asset Basis)	(1,453)
	Inactive Mortality	13,661
	Other	(3,443)
	Increase in UAAL due to (Gain)/Loss	8,765
	Assumption Changes	0
(4)	Actual UAAL as of October 1, 2024	($273,244)

HISTORY OF FUNDING PROGRESS



ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate	*Healthy Active Lives:* **Female:** PubS.H-2010 for Employees, set forward one year. **Male:** PubS.H-2010 (Below Median) for Employees, set forward one year. *Healthy Retiree Lives:* **Female:** PubS.H-2010 for Healthy Retirees, set forward one year. **Male:** PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year. *Beneficiary Lives:* **Female:** PubG.H-2010 (Below Median) for Healthy Retirees. **Male:** PubG.H-2010 (Below Median) for Healthy Retirees, set back one year. *Disabled Lives:* 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees. All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements. The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2023 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.
Interest Rate	6.75% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.
Administrative Expenses	$16,941 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Actuarial Asset Method

The Actuarial Value of Assets reflects a five-year smoothing methodology. The annual difference between expected and actual investment earnings (Market Value, net of investment-related expenses), is phased-in over a five-year period.

Amortization Method

New UAAL amortization bases are amortized over 15 years.

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.

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 6.75% assumption.

Salary - None.

In the event the Minimum Required Contribution is based on the statutory Normal Cost Minimum funding requirement, explicit reimbursement of the plan's Administrative Expense is included in determination of the Minimum Required Contribution.

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.

Individual Entry Age Normal Actuarial Cost Method (Level Dollar Amortization) is the method used to determine required contributions under the Plan. The actuarial accrued liability for inactive participants is the present value of future benefits.

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 Not applicable.

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 Not applicable.

Minimum Required Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over no more than 15 years. The required amount is adjusted for interest according to the timing of contributions during the year. This funding requirement is no less than reimbursement of administrative expenses.

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.

- <u>Investment Return</u>: 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.

- <u>Demographic Assumptions:</u> 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, is 0%, indicating the plan is comprised entirely of inactive participants.

- 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 100.0%. 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 decreased from 132.7% on October 1, 2021 to 128.4% 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 -5.9% on October 1, 2021 to -5.0% on October 1, 2024. The current Net Cash Flow Ratio of -5.0% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

Low Default-Risk Obligation Measure

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a "low-default-risk obligation measure" (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on page 9 in terms of member data, plan provisions, and assumptions/methods, under the Entry Age Normal Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.06%, resulting in an LDROM of $1,211,067. 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

	10/1/2024	10/1/2023	10/1/2022	10/1/2021
Support Ratio				
Total Actives	0	0	0	0
Total Inactives [1]	9	9	9	9
Actives / Inactives [1]	0.0%	0.0%	0.0%	0.0%
Accrued Liability (AL) Ratio				
Inactive Accrued Liability	962,138	955,054	941,779	930,464
Total Accrued Liability (EAN)	962,138	955,054	941,779	930,464
Inactive AL / Total AL	100.0%	100.0%	100.0%	100.0%
Funded Ratio				
Actuarial Value of Assets (AVA)	1,235,382	1,218,500	1,231,302	1,234,934
Total Accrued Liability (EAN)	962,138	955,054	941,779	930,464
AVA / Total Accrued Liability (EAN)	128.4%	127.6%	130.7%	132.7%
Net Cash Flow Ratio				
Net Cash Flow [2]	(64,953)	(59,054)	(61,769)	(79,371)
Market Value of Assets (MVA)	1,286,303	1,132,929	1,099,335	1,334,600
Ratio	-5.0%	-5.2%	-5.6%	-5.9%

[1] Excludes terminated participants awaiting a refund of member contributions.

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

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

	MARKET VALUE
<u>ASSETS</u>	
Cash and Cash Equivalents:	
Cash	18,064.76
Total Cash and Equivalents	18,064.76
Total Receivable	0.00
Investments:	
Pooled/Common/Commingled Funds:	
Fixed Income	378,069.86
Equity	772,914.15
Real Estate	121,292.04
Total Investments	1,272,276.05
Total Assets	1,290,340.81
<u>LIABILITIES</u>	
Prepaid City Contribution	4,038.00
Total Liabilities	4,038.00
NET POSITION RESTRICTED FOR PENSIONS	1,286,302.81

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

<u>ADDITIONS</u>		
Contributions:		
City	17,540.00	
Total Contributions		17,540.00
Investment Income:		
Net Increase in Fair Value of Investments	220,752.71	
Less Investment Expense[1]	(2,426.87)	
Net Investment Income		218,325.84
Total Additions		235,865.84
<u>DEDUCTIONS</u>		
Distributions to Members:		
Benefit Payments	64,753.50	
Total Distributions		64,753.50
Administrative Expense		17,739.00
Total Deductions		82,492.50
Net Increase in Net Position		153,373.34
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of the Year		1,132,929.47
End of the Year		1,286,302.81

[1]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.

Gains/Losses Not Yet Recognized

Plan Year Ending	Gain/(Loss)	Amounts Not Yet Recognized by Valuation Year 2024	2025	2026	2027	2028
09/30/2020	(9,440)	0	0	0	0	0
09/30/2021	143,596	28,720	0	0	0	0
09/30/2022	(261,906)	(104,763)	(52,382)	0	0	0
09/30/2023	20,027	12,017	8,012	4,007	0	0
09/30/2024	143,684	114,947	86,210	57,473	28,736	0
Total		50,921	41,840	61,480	28,736	0

Development of Investment Gain/Loss

Market Value of Assets, including Prepaid Contributions, 09/30/2023	1,138,507
Contributions Less Benefit Payments & Admin Expenses	(66,493)
Expected Investment Earnings*	74,642
Actual Net Investment Earnings	218,326
2024 Actuarial Investment Gain/(Loss)	143,684

*Expected Investment Earnings = 0.0675 * 1,138,507 - 66,493 * [(1 + 0.0675) ^ 0.5 - 1]

Development of Actuarial Value of Assets

(1) Market Value of Assets, 09/30/2024	1,286,303
(2) Gains/(Losses) Not Yet Recognized	50,921
(3) Actuarial Value of Assets, 09/30/2024, (1) - (2)	1,235,382
(4) Limited Actuarial Value of Assets, 09/30/2024	1,235,382
(A) 09/30/2023 Actuarial Assets, including Prepaid Contributions:	1,224,078
(I) Net Investment Income:	
1. Net Increase in Fair Value of Investments	220,753
2. Change in Actuarial Value	(136,492)
3. Investment Expenses	(2,427)
Total	81,834
(B) 09/30/2024 Actuarial Assets, including Prepaid Contributions:	1,239,420
Actuarial Assets Rate of Return = 2I/(A+B-I):	6.87%
Market Value of Assets Rate of Return:	19.63%
Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis)	1,453

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

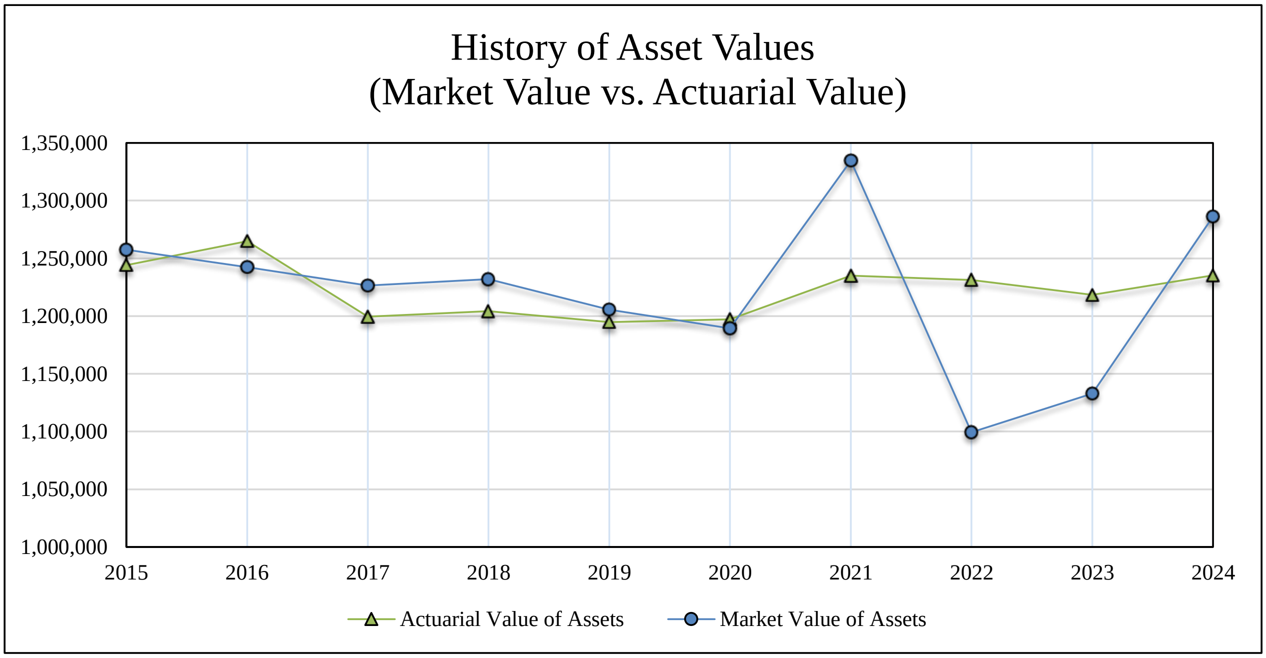
REVENUES		
Contributions:		
City	17,540.00	
Total Contributions		17,540.00
Earnings from Investments:		
Net Increase in Fair Value of Investments	220,752.71	
Change in Actuarial Value	(136,492.00)	
Total Earnings and Investment Gains		84,260.71
EXPENDITURES		
Distributions to Members:		
Benefit Payments	64,753.50	
Total Distributions		64,753.50
Expenses:		
Investment related[1]	2,426.87	
Administrative	17,739.00	
Total Expenses		20,165.87
Change in Net Assets for the Year		16,881.34
Net Assets Beginning of the Year		1,218,500.47
Net Assets End of the Year[2]		1,235,381.81

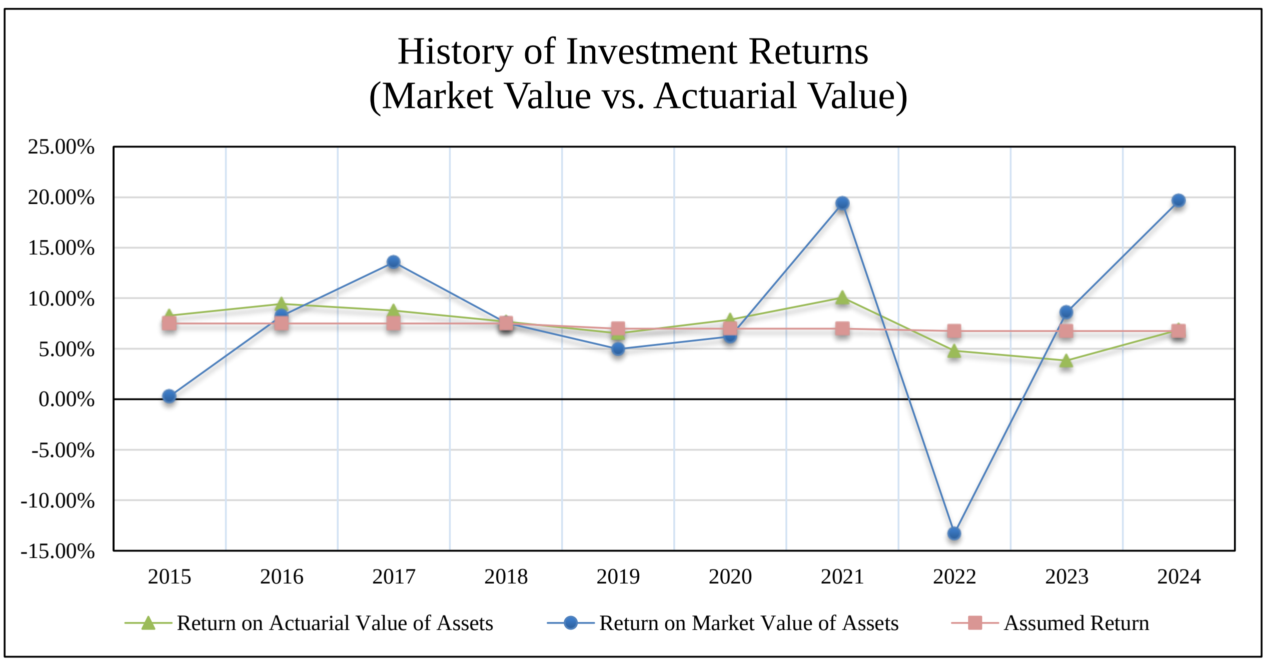
[1]Investment related expenses include investment advisory, custodial and performance monitoring fees.
[2]Net Assets may be limited for actuarial consideration.

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

(1)	Required City and State Contributions	$17,540.00
(2)	Less Allowable State Contribution	0.00
(3)	Required City Contribution for Fiscal 2024	17,540.00
(4)	Less 2023 Prepaid Contribution	(5,578.00)
(5)	Less Actual City Contributions	(16,000.00)
(6)	Equals City's Shortfall/(Prepaid) Contribution as of September 30, 2024	($4,038.00)

HISTORY OF ASSET VALUES AND INVESTMENT RETURNS





STATISTICAL DATA

	10/1/2024	10/1/2023	10/1/2022	10/1/2021
Service Retirees				
Number	6	5	5	5
Average Current Age	72.9	74.4	73.4	72.4
Average Annual Benefit	$11,453	$12,158	$12,158	$12,158
Beneficiaries				
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
Disability Retirees				
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
Terminated Vested				
Number	3	4	4	4
Average Current Age	59.3	58.6	57.6	56.6
Average Annual Benefit	$10,227	$9,653	$9,653	$9,653

VALUATION PARTICIPANT RECONCILIATION

1. Active lives

a. Number in prior valuation 10/1/2023	0
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	0
c. Deaths	
i. Beneficiary receiving benefits	0
ii. No future benefits payable	0
d. Disabled	0
e. Retired	0
f. Continuing participants	0
g. New entrants / Rehires	0
h. Total active life participants in valuation	0

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

	Service Retirees, Vested Receiving Benefits	Receiving Death Benefits	Receiving Disability Benefits	Vested (Deferred Annuity)	Vested (Due Refund)	Total
a. Number prior valuation	5	0	0	4	0	9
Retired	1			(1)		0
Vested (Deferred Annuity)						0
Vested (Due Refund)						0
Hired/Terminated in Same Year						0
Death, With Survivor						0
Death, No Survivor						0
Disabled						0
Refund of Contributions						0
Rehires						0
Expired Annuities						0
Data Corrections						0
b. Number current valuation	6	0	0	3	0	9

SUMMARY OF CURRENT PLAN
(Historical reference only – There are no current participating members)

<u>CREDITED SERVICE</u>	Years and fractional parts of years of service (to the nearest month) with the City as a Police Officer.
<u>COMPENSATION</u>	Total compensation actually paid to a member including overtime, payment for accrued vacation and longevity but excluding bonuses (other than longevity bonuses).
<u>AVERAGE MONTHLY EARNINGS</u>	Average monthly compensation during the last 5 years of Credited Service prior to termination or retirement.
<u>NORMAL RETIREMENT</u>	
Eligibility	Earlier of: a) Age 55 and 30 years of Credited Service, b) Age 60 and 10 years of Credited Service, or c) the completion of 40 years of Credited Service, regardless of age. Additionally, members hired between the ages of 55 and 60 may retire at age 65.
Benefit Amount	1.75 % of Average Monthly Earnings for each year of Credited Service.
Form of Benefit	10 year certain and life thereafter (options available).
<u>EARLY RETIREMENT</u>	
Eligibility	Age 50 and 10 years of Credited Service.
Benefit Amount	Accrued benefit, reduced 5% per year for commencement prior to age 60.
<u>DISABILITY</u>	
Eligibility	a. Non-Service Incurred: 10 years of Credited Service. b. Service Incurred: Covered from Date of Employment c. Total and permanent disability as determined by the Board of Trustees.
Benefit Amount	
Service-Incurred	Accrued Benefit, but not less than 30% of the pay in effect as of the date of disability.
Non Service-Incurred	Accrued Benefit.
Form of Benefit	Single life annuity.

PRE-RETIREMENT DEATH

Benefit Amount

Surviving Spouse	Actuarial equivalent of 75% of the member's vested accrued benefit, payable as a lump sum as soon as possible following the member's death. If the member dies while employed after attaining Normal Retirement eligibility, the survivor benefit is determined as if the member had retired under the 66 2/3% annuity option immediately prior to death.

VESTING (TERMINATION)

10 years or more	Accrued benefit payable at age 50 or later, on a reduced basis if to commence prior to Normal Retirement Date.

CONTRIBUTIONS

Premium Tax	None.
Member	None.
City	Annual amount necessary for payment of Normal (current year's) Cost, amortization of the Unfunded Actuarial Accrued Liability, and reimbursement of the plan's administrative expenses.