

Town of Manalapan General Employees' and Police Officers' Retirement Fund

Actuarial Valuation Report as of October 1, 2025

Annual Employer Contribution for the Fiscal Year
Ending September 30, 2027





June 17, 2026

Board of Trustees
Manalapan General Employees' and Police Officers' Retirement Fund
Manalapan, Florida

**Re: Town of Manalapan General Employees' and Police Officers' Retirement Fund
Actuarial Valuation as of October 1, 2025**

Dear Board Members:

The results of the October 1, 2025 Annual Actuarial Valuation of the Town of Manalapan General Employees' and Police Officers' Retirement Fund are presented in this report.

This report was prepared at the request of the Board and is intended for use by the Retirement Fund and those designated or approved by the Board. This report may be provided to parties other than the Fund only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The purposes of the valuation are to measure the Fund's funding progress, to determine the employer contribution for the fiscal year ending September 30, 2027, and to determine the actuarial information for GASB Statement No. 67 for the fiscal year ending September 30, 2025. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

The contribution rate in this report is determined using the actuarial assumptions and methods disclosed in Section B of this report. This report includes risk metrics in Section A but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment.

We have assessed that the contribution rate calculated under the current funding policy is a reasonable Actuarially Determined Employer Contribution (ADEC) and it is consistent with the plan accumulating adequate assets to make benefit payments when due.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The findings in this report are based on data and other information through October 1, 2025. The valuation was based upon information furnished by the Plan Administrator concerning Retirement Fund benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by the Plan Administrator.

This report was prepared using certain assumptions approved by the Board as authorized under Florida Statutes and prescribed by the Florida Statutes as described in the section of this report entitled Actuarial Assumptions and Cost Method. The investment return assumption was prescribed by the Board, and the assumed mortality rates detailed in the Actuarial Assumptions and Cost Method section were prescribed by Chapter 112.63, Florida Statutes. All actuarial assumptions used in this report are reasonable for purposes of this valuation. The combined effect of the assumptions, excluding prescribed assumptions or methods set by law, is expected to have no significant bias (i.e. not significantly optimistic or pessimistic).

This report was prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Town of Manalapan General Employees' and Police Officers' Retirement Fund as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board, and with applicable statutes.

Jeffrey Amrose and Trisha Amrose are members of the American Academy of Actuaries. These actuaries meet the Academy's Qualification Standards to render the actuarial opinions contained herein.

The signing actuaries are independent of the plan sponsor.

This actuarial valuation and/or cost determination was prepared and completed by us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate. In our opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices. 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.

Gabriel, Roeder, Smith & Company will be pleased to review this valuation and Report with the Board of Trustees and to answer any questions that the Board may have pertaining to the valuation.

Respectfully submitted,
GABRIEL, ROEDER, SMITH & COMPANY

By



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SECTION A

DISCUSSION OF VALUATION RESULTS

DISCUSSION OF VALUATION RESULTS

Comparison of Required Employer Contributions

The required employer contribution this year compared with the preceding year is as follows:

	For FYE 9/30/2027 Based on 10/1/2025 Valuation	For FYE 9/30/2026 Based on 10/1/2024 Valuation	Increase (Decrease)
Required Employer Contribution * As % of Covered Payroll	\$ 544,920 17.86 %	\$ 505,280 17.71 %	\$ 39,640 0.15 %

** This amount may be offset by the \$194,004 prepaid Town contribution as of September 30, 2025*

The Required Employer Contribution determined for fiscal year ending September 30, 2027 is assumed to be paid in four equal installments at the end of each quarter. If the employer pays the required contribution for the fiscal year ending September 30, 2027 in full on October 1, 2026, the required amount is \$524,173, or 17.18% of covered payroll.

The actual Employer Contribution during the year ending September 30, 2025 was \$339,250. The required contribution was \$339,250.

Revisions in Benefits

There were no revisions in benefits since the previous valuation.

Revisions in Actuarial Assumptions and Methods

The mortality tables and improvement scales were updated to reflect the updated mortality assumptions used in the July 1, 2024 Florida Retirement System (FRS) Actuarial Valuation. Florida Statutes Chapter 112.63 mandates that local municipal pension plans use the mortality rates in either of the last two published FRS valuation reports. Please see the Actuarial Assumptions and Cost Method subsection of this report for additional information on the revised assumptions. This change caused the Required Employer Contribution to increase by approximately 0.75% of covered payroll, or \$22,883.

Actuarial Experience

There was a net actuarial loss of \$37,060 for the year, which means that actual experience was less favorable than expected. The loss was primarily due to more retirements than expected (1 actual versus 0 expected) and more new hires than expected. However, the loss was partially offset by a recognized investment return of 9.8% on an actuarial value basis, as compared to the assumed rate of 6.5%. The return on the Market Value of Assets was 11.1%. The experience loss caused the Required Employer Contribution to increase by approximately 0.13% of covered payroll.



Funded Ratio

This year's funded ratio is 92.2% compared to 93.3% last year. The funded ratio was 93.4% before the change in the mortality assumption. The ratio is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability.

Analysis of Change in Employer Contributions

The components of change in the required contribution as a percentage of payroll are as follows:

Contribution Rate Last Year	17.71 %
Change in Plan Provisions	0.00
Change in Assumptions/Methods	0.75
Change in Normal Cost Rate	(0.35)
Amortization Payment on UAL	(0.43)
Experience Gain/Loss	0.13
Change in Administrative Expense	<u>0.05</u>
Contribution Rate This Year	17.86 %

Variability of Future Contribution Rates

The Actuarial Cost Method used to determine the required contribution is intended to produce contribution rates which are generally level as a percent of payroll. Even so, when experience differs from the assumptions, as it often does, the employer's contribution rate can vary significantly from year-to-year. Over time, if the year-to-year gains and losses offset each other, the contribution rate would be expected to return to the current level, but this does not always happen.

The Market Value of Assets exceeds the Actuarial Value of Assets by \$619,659 as of the valuation date (see Section C). This difference will be gradually recognized in the absence of offsetting gains and losses. In turn, the computed employer contribution rate will decrease by about 2.2% of covered payroll.

Relationship to Market Value

If Market Value had been the basis for the valuation, the Town contribution rate would have been 15.79% assuming quarterly payments and the funded ratio would have been 102.5%. In the absence of other gains and losses, the Town contribution rate should decrease to that level over the next several years.

Conclusion

The remainder of this Report includes detailed actuarial valuation results, pension fund information, financial accounting information, miscellaneous information and statistics, and a summary of plan provisions.



RISKS ASSOCIATED WITH MEASURING THE ACCRUED LIABILITY AND ACTUARIALLY DETERMINED CONTRIBUTION

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; 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, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. Investment risk – actual investment returns may differ from the expected returns;
2. Contribution risk – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base;
3. Salary and Payroll risk – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
4. Longevity risk – members may live longer or shorter than expected and receive pensions for a period of time other than assumed;
5. Other demographic risks – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

The computed contribution rate shown on page 1 may be considered as a minimum contribution rate that complies with the Board's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.



PLAN MATURITY MEASURES

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

	<u>10/1/2025</u>	<u>10/1/2024</u>
Ratio of the market value of assets to payroll	2.1	2.5
Ratio of actuarial accrued liability to payroll	2.0	2.4
Ratio of actives to retirees and beneficiaries	7.3	7.7
Ratio of net cash flow to market value of assets	4.4%	8.0%

RATIO OF MARKET VALUE OF ASSETS TO PAYROLL

The relationship between assets and payroll is a useful indicator of the potential volatility of contributions. For example, if the market value of assets is 2.0 times the payroll, a return on assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in plan sponsor contributions as a percentage of payroll.

RATIO OF ACTUARIAL ACCRUED LIABILITY TO PAYROLL

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of contributions for a fully funded plan. A funding policy that targets a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time.

The ratio of liability to payroll may also be used as a measure of sensitivity of the liability itself. For example, if the actuarial accrued liability is 2.5 times the payroll, a change in liability 2% other than assumed would equal 5% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in liability (and also plan sponsor contributions) as a percentage of payroll.

RATIO OF ACTIVES TO RETIREES AND BENEFICIARIES

A young plan with many active members and few retirees will have a high ratio of active to retirees. A mature open plan may have close to the same number of actives to retirees resulting in a ratio near 1.0. A super-mature or closed plan may have significantly more retirees than actives resulting in a ratio below 1.0.

RATIO OF NET CASH FLOW TO MARKET VALUE OF ASSETS

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

ADDITIONAL RISK ASSESSMENT

Additional risk assessment is outside the scope of the annual actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.



LOW-DEFAULT-RISK OBLIGATION MEASURE

Actuarial Standards of Practice No. 4 (ASOP No. 4) was revised and reissued in December 2021 by the Actuarial Standards Board (ASB). The low-default-risk obligation measure (LDROM) is to be prepared and issued annually for defined benefit pension plans. The transmittal memorandum for ASOP No. 4 includes the following explanation:

“The ASB believes that the calculation and disclosure of this measure provides appropriate, useful information for the intended user regarding the funded status of a pension plan. The calculation and disclosure of this additional measure is not intended to suggest that this is the “right” liability measure for a pension plan. However, the ASB does believe that this additional disclosure provides a more complete assessment of a plan’s funded status and provides additional information regarding the security of benefits that members have earned as of the measurement date.”

The following information has been prepared in compliance with this requirement. Unless otherwise noted, the measurement date, actuarial cost methods, and assumptions used are the same as for the funding valuation covered in this actuarial valuation report.

A. Low-default-risk Obligation Measure of benefits earned as of the measurement date: \$7,376,816

B. Discount rate used to calculate the LDROM: 4.90% based on Bond Buyer “20-Bond GO Index” as of September 25, 2025

C. Other significant assumptions that differ from those used for the funding valuation: none

D. Actuarial cost method used to calculate the LDROM: Individual Entry-Age Actuarial Cost Method

E. Valuation procedures to value any significant plan provisions that are difficult to measure using traditional valuation procedures, and that differ from the procedures used in the funding valuation: none

F. Commentary to help the intended user understand the significance of the LDROM with respect to the funded status of the plan, plan contributions, and the security of participant benefits: The LDROM is a market-based measurement of the pension obligation. It estimates the amount the plan would need to invest in low risk securities to provide the benefits with greater certainty. This measure may not be appropriate for assessing the need for or amount of future contributions. This measure may not be appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan’s benefit obligation.

The difference between the two measures (Valuation and LDROM) is one illustration of the savings the sponsor anticipates by taking on the risk in a diversified portfolio.



SECTION B

VALUATION RESULTS

PARTICIPANT DATA		
	October 1, 2025	October 1, 2024
ACTIVE MEMBERS		
Number	29	23
Covered Annual Payroll	\$ 2,962,200	\$ 2,108,756
Average Annual Payroll	\$ 102,145	\$ 91,685
Average Age	46.3	41.2
Average Past Service	3.3	4.5
Average Age at Hire	43.0	36.7
RETIREES & BENEFICIARIES		
Number	4	3
Annual Benefits	\$ 236,157	\$ 162,282
Average Annual Benefit	\$ 59,039	\$ 54,094
Average Age	65.9	66.2
DISABILITY RETIREES		
Number	0	0
Annual Benefits	\$ 0	\$ 0
Average Annual Benefit	\$ 0	\$ 0
Average Age	N/A	N/A
TERMINATED VESTED MEMBERS		
Number	1	1
Annual Benefits	\$ 23,724	\$ 23,724
Average Annual Benefit	\$ 23,724	\$ 23,724
Average Age	49.6	48.6

ACTUARIALLY DETERMINED CONTRIBUTION (ADC)			
A. Valuation Date	October 1, 2025 <i>After Changes</i>	October 1, 2025 <i>Before Changes</i>	October 1, 2024
B. ADC to Be Paid During Fiscal Year Ending	9/30/2027	9/30/2027	9/30/2026
C. Assumed Dates of Employer Contributions	Quarterly	Quarterly	Quarterly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 59,127	\$ 51,267	\$ 42,652
E. Employer Normal Cost	449,808	436,114	316,480
F. ADC if Paid on the Valuation Date: D+E	508,935	487,381	359,132
G. ADC Adjusted for Frequency of Payments	529,119	506,711	373,375
H. ADC as % of Covered Payroll	17.86 %	17.11 %	17.71 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	3.00 %	3.00 %	N/A %
J. Covered Payroll for Contribution Year	3,051,066	3,051,066	2,853,076
K. ADC in Contribution Year	544,920	522,037	505,280
L. ADC as % of Covered Payroll in Contribution Year: K ÷ J	17.86 %	17.11 %	17.71 %
M. ADC if paid on First Day of Next Fiscal Year	524,173	501,900	486,005
N. ADC as a % of Covered Payroll if Paid on First Day of Next Fiscal Year	17.18 %	16.45 %	17.03 %

ACTUARIAL VALUE OF BENEFITS AND ASSETS			
A. Valuation Date	October 1, 2025 <i>After Changes</i>	October 1, 2025 <i>Before Changes</i>	October 1, 2024
B. Actuarial Present Value of All Projected Benefits for			
1. Active Members			
a. Service Retirement Benefits	\$ 7,309,279	\$ 7,134,737	\$ 6,035,632
b. Vesting Benefits	341,239	332,548	354,925
c. Disability Benefits	415,852	402,689	291,003
d. Preretirement Death Benefits	29,231	36,172	38,585
e. Return of Member Contributions	<u>156,831</u>	<u>160,839</u>	<u>145,479</u>
f. Total	8,252,432	8,066,985	6,865,624
2. Inactive Members			
a. Service Retirees & Beneficiaries	2,881,805	2,866,315	1,858,193
b. Disability Retirees	-	-	-
c. Terminated Vested Members	<u>224,467</u>	<u>220,823</u>	<u>207,140</u>
d. Total	3,106,272	3,087,138	2,065,333
3. Total for All Members	11,358,704	11,154,123	8,930,957
C. Actuarial Accrued (Past Service) Liability under Entry Age Normal	5,968,702	5,889,991	5,111,502
D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35	5,336,845	5,282,797	4,421,548
E. Plan Assets			
1. Market Value	6,120,353	6,120,353	5,270,419
2. Actuarial Value	5,500,694	5,500,694	4,771,029
F. Unfunded Actuarial Accrued Liability	468,008	389,297	340,473
G. Actuarial Present Value of Projected Covered Payroll	24,756,864	24,691,900	17,677,286
H. Actuarial Present Value of Projected Member Contributions	1,732,981	1,728,433	1,237,410
I. Accumulated Contributions of Active Members	694,037	694,037	1,049,756



CALCULATION OF EMPLOYER NORMAL COST			
A. Valuation Date	October 1, 2025 <i>After Changes</i>	October 1, 2025 <i>Before Changes</i>	October 1, 2024
B. Normal Cost for			
1. Service Retirement Benefits	564,902	\$ 552,251	\$ 388,901
2. Vesting Benefits	24,498	23,880	25,482
3. Disability Benefits	45,287	43,964	30,275
4. Preretirement Death Benefits	1,693	2,123	2,247
5. Return of Member Contributions	19,362	19,830	17,188
6. Total for Future Benefits	655,742	642,048	464,093
7. Assumed Amount for Administrative Expenses	1,420	1,420	-
8. Total Normal Cost	657,162	643,468	464,093
C. Expected Member Contribution	207,354	207,354	147,613
D. Employer Normal Cost: B8-C	449,808	436,114	316,480
E. Employer Normal Cost as % of Covered Payroll	15.18 %	14.72 %	15.01 %

LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

A. UAAL Amortization Period and Payments							
Original UAAL				Current UAAL			
Year Established	Source	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment	
						After Changes	Before Changes
1/1/2019	Initial UAAL	15	\$ 510,976	8	\$ 268,353	\$ 41,384	\$ 41,384
10/1/2019	(Gain)/Loss	15	(1,989)	9	(1,145)	(162)	(162)
10/1/2019	Assumption Change	15	(38,013)	9	(21,866)	(3,085)	(3,085)
10/1/2020	(Gain)/Loss	15	9,957	10	6,484	847	847
10/1/2021	(Gain)/Loss	15	(258,736)	11	(174,046)	(21,254)	(21,254)
10/1/2022	(Gain)/Loss	15	120,884	12	111,680	12,853	12,853
10/1/2023	(Gain)/Loss	15	5,303	13	5,294	578	578
10/1/2024	(Gain)/Loss	15	104,998	14	109,275	11,383	11,383
10/1/2024	Assumption Change	15	46,321	14	48,208	5,022	5,022
10/1/2025	(Gain)/Loss	15	37,060	15	37,060	3,701	3,701
10/1/2025	Assumption Change	15	78,711	15	78,711	7,860	-
					\$ 468,008	\$ 59,127	\$ 51,267

B. Amortization Schedule

The UAAL is being liquidated as a level dollar amount over the number of years remaining in the amortization period. The following schedule illustrates the expected amortization of the UAAL:

Amortization Schedule	
Year	Expected UAAL
2025	\$ 468,008
2026	435,455
2027	400,790
2028	363,871
2029	324,552
2030	282,678
2035	116,318
2040	-



ACTUARIAL GAINS AND LOSSES

The assumptions used to anticipate mortality, employment turnover, investment income, expenses, salary increases, and other factors have been based on long range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the period involved. If significant long-term experience reveals consistent deviation from what has been expected and that deviation is expected to continue, the assumptions should be modified. The net actuarial gain (loss) for the past year is computed as follows:

1. Last Year's UAAL	\$ 340,473
2. Last Year's Employer Normal Cost	316,480
3. Last Year's Contributions	339,250
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	42,702
b. 3 from dates paid	8,168
c. a - b	<u>34,534</u>
5. This Year's Expected UAAL Prior to Revision: 1 + 2 - 3 + 4c	352,237
6. Change in UAAL Due to Changes in Actuarial Assumptions	78,711
7. Change in UAAL Due to Plan Amendments	0
8. This Year's Expected UAAL: 5 + 6 + 7	430,948
9. This Year's Actual UAAL	468,008
10. Net Actuarial Gain (Loss): 8 - 9	(37,060)
11. Gain (Loss) Due to Investments	159,657
12. Gain (Loss) from Other Sources	(196,717)

The fund earnings and salary increase assumptions have considerable impact on the cost of the plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings and salary increase rates compared to the assumed rates for the last few years:

Year Ending	Investment Return		Salary Increases	
	Actual	Assumed	Actual	Assumed
9/30/2019	3.9 %	6.5 %	6.3 %	4.0 %
9/30/2020	5.4	6.5	4.0	4.0
9/30/2021	8.1	6.5	4.6	4.0
9/30/2022	2.9	6.5	12.8	4.0
9/30/2023	4.4	6.5	9.2	4.0
9/30/2024	8.6	6.5	13.1	4.0
9/30/2025	9.8	6.5	12.9	12.7

The actual investment return rates shown above are based on the actuarial value of assets. The actual salary increase rates shown above are the increases received by those active members who were included in the actuarial valuations both at the beginning and end of each period.

Actual (A) Compared to Expected (E) Decrements Among Active Employees													
Year Ended	Number Added During Year		Normal Retirement		Disability Retirement		Death		Terminations				Active Members End of Year
	A	E	A	E	A	E	A	E	Vested	Other	Totals		
											A	E	
09/30/19	6	3	0	0	0	0	0	0	0	3	3	1	23
09/30/20	3	0	0	0	0	0	0	0	0	0	0	1	26
09/30/21	3	5	0	0	0	0	0	0	1	4	5	1	24
09/30/22	6	7	1	0	0	0	0	0	0	6	6	1	23
09/30/23	6	6	1	0	0	0	0	0	0	5	5	1	23
09/30/24	6	6	1	0	0	0	0	0	0	5	5	1	23
09/30/25	11	5	1	0	0	0	0	0	0	4	4	1	29
09/30/26				0		0		0				1	
7 Yr Totals *	41	32	4	0	0	0	0	0	1	27	28	7	

* Totals are through current Plan Year only.

RECENT HISTORY OF VALUATION RESULTS

Valuation Date	Number of		Covered Annual Payroll	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Employer Normal Cost	
	Active Members	Inactive Members						Amount	% of Payroll
1/1/19	20	0	\$ 1,261,171	\$ 2,142,435	\$ 1,631,459	\$ 510,976	76.1 %	\$ 220,834	17.51 %
10/1/19	23	0	1,480,794	2,436,364	1,981,022	455,342	81.3	221,602	14.97
10/1/20	26	0	1,686,350	2,920,539	2,493,283	427,256	85.4	259,193	15.37
10/1/21	24	1	1,652,945	3,271,424	3,104,380	167,044	94.9	253,481	15.34
10/1/22	23	2	1,723,706	3,790,182	3,567,662	222,520	94.1	259,370	15.05
10/1/23	23	3	1,843,278	4,247,734	4,043,065	204,669	95.2	278,916	15.13
10/1/24	23	4	2,108,756	5,111,502	4,771,029	340,473	93.3	316,480	15.01
10/1/25	29	5	2,962,200	5,968,702	5,500,694	468,008	92.2	449,808	15.18

RECENT HISTORY OF REQUIRED AND ACTUAL CONTRIBUTIONS				
Valuation Date	End of Year To Which Valuation Applies	Required Contribution		Actual Contribution
		Amount	% of Payroll	Amount
1/1/19	9/30/19	\$ 213,836	22.61 %	\$ 213,836
1/1/19	9/30/20	285,114	21.95	285,114
10/1/19	9/30/21	286,705	18.80	286,705
10/1/20	9/30/22	325,822	18.76	325,822
10/1/21	9/30/23	294,743	17.31	294,743
10/1/22	9/30/24	318,188	17.92	318,188
10/1/23	9/30/25	339,250	17.87	339,250
10/1/24	9/30/26	505,280	17.71	---
10/1/25	9/30/27	544,920	17.86	---

ACTUARIAL ASSUMPTIONS AND COST METHOD

Valuation Methods

Actuarial Cost Method - Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an **Individual Entry-Age Actuarial Cost Method** having the following characteristics:

- (i) the annual normal cost for each individual active member, payable from the date of employment to the date of retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement;
- (ii) each annual normal cost is a constant percentage of the member's year by year projected covered pay.

Actuarial gains/(losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

Financing of Unfunded Actuarial Accrued Liabilities - Unfunded Actuarial Accrued Liabilities (full funding credit if assets exceed liabilities) were amortized by level (principal & interest combined) dollar contributions over a reasonable period of future years.

Actuarial Value of Assets - The Actuarial Value of Assets phase in the difference between the expected return on actuarial value and actual return on market value of assets at the rate of 20% per year. The Actuarial Value of Assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

Valuation Assumptions

The actuarial assumptions used in the valuation are shown in this Section. The active group is too small to provide statistically significant experience on which to base certain demographic assumptions. Mortality is based on a commonly used fully generational mortality table and projection scale that is mandated by Florida Statutes.

Economic Assumptions

The investment return rate assumed in the valuation is 6.50% per year, compounded annually (net after investment expenses).

The **Inflation Rate** assumed in this valuation is 2.50% per year. The Inflation Rate is defined to be the expected long-term rate of increases in the prices of goods and services.

The assumed **real rate of return** over inflation is defined to be the portion of total investment return that is more than the assumed inflation rate. Considering other economic assumptions, the 6.50% investment return rate translates to an assumed real rate of return over inflation of 4.00%.



The rate of salary increase used for individual members is 4.0% per year. This assumption is used to project a member's current salary to the salaries upon which benefits will be based.

Demographic Assumptions

The mortality table for General Employees is the PUB-2010 Headcount Weighted General Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted General Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted General Healthy Retiree Male Table (post-retirement) and the PUB-2010 Headcount Weighted General Healthy Retiree Female Table (post-retirement). These tables use ages set back one year for males and future improvements in mortality projected generationally to all future years after 2010 using scale MP-2021. These are the same rates used for Regular (other than K-12 School Instructional Personnel) members of the Florida Retirement System (FRS) in their actuarial valuation as of July 1, 2024.

FRS Healthy Post-Retirement Mortality for Regular Class Members

Sample Attained Ages (in 2025)	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.15 %	0.35 %	35.11	37.77
55	0.57	0.39	30.36	33.00
60	0.77	0.47	25.83	28.25
65	1.03	0.64	21.46	23.58
70	1.50	1.00	17.28	19.09
75	2.43	1.72	13.40	14.88
80	4.22	3.16	9.97	11.09

For disabled retirees who were former General Employees, the mortality table used was the PUB-2010 Headcount-Weighted General Disabled Retiree Tables with ages set forward 4 years for males and females and future improvements in mortality projected generationally to all future years after 2010 using scale MP-2021.

FRS Disabled Mortality for Regular Class Members

Sample Attained Ages (in 2025)	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	2.01 %	1.52 %	22.86	26.19
55	2.46	1.90	19.60	22.60
60	3.24	2.39	16.55	19.24
65	4.09	2.80	13.84	16.04
70	4.91	3.50	11.29	12.90
75	6.53	5.07	8.84	9.94
80	9.55	8.08	6.66	7.40

The mortality table for healthy Police Officers is the PUB-2010 Benefits Weighted Safety Employee Male Table (pre-retirement), the PUB-2010 Benefits Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Benefits Weighted Safety Healthy Retiree Male Table (post-retirement) and the PUB-2010 Benefits Weighted Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year for males and future improvements in mortality projected generationally to all future years after 2010 using scale MP-2021. These are the same rates used for Special Risk Class members in the July 1, 2024 Actuarial Valuation of the Florida Retirement System (FRS).

FRS Healthy Post-Retirement Mortality for Special Risk Members

Sample Attained Ages (in 2025)	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.20 %	0.13 %	34.83	37.81
55	0.32	0.25	29.78	32.70
60	0.57	0.45	24.92	27.78
65	0.98	0.72	20.34	23.11
70	1.61	1.15	16.10	18.70
75	2.77	1.97	12.26	14.61
80	5.02	3.53	8.93	10.98

For disabled retirees who were former Police Officers, the mortality tables used were the PUB-2010 Headcount Weighted General Disabled Retiree Male Table and the PUB-2010 Headcount Weighted General Disabled Retiree Female Table, set forward one year and future improvements in mortality projected generationally to all future years after 2010 using scale MP-2021. These are the same rates used for Special Risk Class members in the July 1, 2024 Actuarial Valuation of the Florida Retirement System (FRS).

FRS Disabled Mortality for Special Risk Members

Sample Attained Ages (in 2025)	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	1.61 %	1.38 %	25.55	28.20
55	2.09	1.73	22.07	24.57
60	2.73	2.14	18.92	21.18
65	3.36	2.41	16.06	17.92
70	3.96	2.88	13.35	14.66
75	4.99	4.01	10.70	11.51
80	7.06	6.23	8.23	8.71

The rate of retirement used to measure the probability of eligible members retiring during the next year is 100% upon reaching normal retirement age. For any member who has attained such date on the valuation date, the assumed retirement date is one year later. The probability of early retirement is 5% for each year eligible.



Rates of separation from active membership were as shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members remaining in employment.

Sample Ages	Years of Service	% of Active Members Separating Within Next Year
20	All	12.4 %
25		11.7
30		10.5
35		8.3
40		5.7
45		3.5
50		1.5
55		0.6
60		0.5

Rates of disability among active members:

Sample Ages	General Employees	Police Officers
20	0.07 %	0.14 %
25	0.09	0.15
30	0.11	0.18
35	0.14	0.23
40	0.19	0.30
45	0.30	0.51
50	0.51	1.00
55	0.96	1.55
60	1.66	2.09

For General Employees, 25% of all disabilities are assumed to be in the line of duty and 75% are assumed not to be in the line of duty. For Police Officers, 75% of all disabilities are assumed to be in the line of duty and 25% are assumed not to be in the line of duty.

Changes Since Prior Valuation

The mortality tables and improvement scales were updated to reflect the updated mortality assumptions used in the July 1, 2024 Florida Retirement System (FRS) Actuarial Valuation.

Miscellaneous and Technical Assumptions

<i>Administrative & Investment Expenses</i>	The investment return assumption is intended to be the return net of investment expenses. The administrative expenses are currently being paid by general assets rather than from the pension fund. Effective with the October 1, 2019 actuarial valuation, we have removed the \$30,000 administrative expense assumption.
<i>Benefit Service</i>	Exact fractional service is used to determine the amount of benefit payable.
<i>Cost of Living Adjustments (COLA)</i>	None.
<i>Decrement Operation</i>	Disability and mortality decrements operate during retirement eligibility.
<i>Decrement Timing</i>	Decrements of all types are assumed to occur at the beginning of the year.
<i>Eligibility Testing</i>	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
<i>Forfeitures</i>	For vested separations from service, it is assumed that 0% of members separating will withdraw their contributions and forfeit an employer financed benefit. It was further assumed that the liability at termination is the greater of the vested deferred benefit (if any) or the member's accumulated contributions.
<i>Incidence of Contributions</i>	Employer contributions are assumed to be made at the end of each calendar quarter. Member contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.
<i>Marriage Assumption</i>	100% of males and 100% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.
<i>Normal Form of Benefit</i>	A life annuity with 10 years certain is the normal form of benefit.
<i>Pay Increase Timing</i>	End of fiscal year. This is equivalent to assuming that reported pays represent the annual rate of pay for the year beginning on the valuation date.
<i>Service Credit Accruals</i>	It is assumed that members accrue one year of service credit per year.

GLOSSARY OF TERMS

<i>Actuarial Accrued Liability (AAL)</i>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
<i>Actuarial Assumptions</i>	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members; and other items.
<i>Actuarial Cost Method</i>	A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.
<i>Actuarial Equivalent</i>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<i>Actuarial Present Value (APV)</i>	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made.
<i>Actuarial Present Value of Future Benefits (APVFB)</i>	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits, and inactive, nonretired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
<i>Actuarial Valuation</i>	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB No. 67.
<i>Actuarial Value of Assets</i>	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the Actuarially Determined Contribution (ADC).

Actuarially Determined Contribution (ADC)

The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation. The ADC consists of the Employer Normal Cost and Amortization Payment.

Amortization Method

A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the rate at which total covered payroll of all active members is assumed to increase.

Amortization Payment

That portion of the plan contribution or ADC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

Amortization Period

The period used in calculating the Amortization Payment.

Closed Amortization Period

A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example, if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.

Employer Normal Cost

The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.

Equivalent Single Amortization Period

For plans that do not establish separate amortization bases (separate components of the UAAL), this is the same as the Amortization Period. For plans that do establish separate amortization bases, this is the period over which the UAAL would be amortized if all amortization bases were combined upon the current UAAL payment.

Experience Gain/Loss

A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two actuarial valuations. To the extent that actual experience differs from that assumed, Unfunded Actuarial Accrued Liabilities emerge which may be larger or smaller than projected. Gains are due to favorable experience, e.g., the assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.

<i>Funded Ratio</i>	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
<i>GASB</i>	Governmental Accounting Standards Board.
<i>GASB No. 67 and GASB No. 68</i>	These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
<i>Normal Cost</i>	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
<i>Open Amortization Period</i>	An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. In other words, if the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never completely disappear, but will become smaller each year, either as a dollar amount or in relation to covered payroll.
<i>Unfunded Actuarial Accrued Liability</i>	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
<i>Valuation Date</i>	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

SECTION C

PENSION FUND INFORMATION

Statement of Plan Assets at Market Value

Item	9/30/2025	9/30/2024
A. Cash and Cash Equivalents (Operating Cash)	\$ 92,971	\$ 662,915
B. Receivables		
1. Member Contributions	\$ -	\$ 17,355
2. Employer Contributions	-	-
3. State Contributions	-	-
4. Investment Income and Other Receivables	-	-
5. Total Receivables	\$ -	\$ 17,355
C. Investments		
1. Short Term Investments	\$ -	\$ -
2. Domestic Equities	2,856,012	3,183,509
3. International Equities	1,538,338	496,429
4. Domestic Fixed Income	1,279,846	1,116,040
5. International Fixed Income	-	-
6. Real Estate	561,115	-
7. Private Equity	-	-
8. Total Investments	\$ 6,235,311	\$ 4,795,978
D. Liabilities		
1. Benefits Payable	\$ -	\$ -
2. Prepaid Town Contribution	(194,004)	(194,004)
3. Accrued Expenses and Other Payables	(13,925)	(11,825)
4. Total Liabilities	\$ (207,929)	\$ (205,829)
E. Total Market Value of Assets Available for Benefits	\$ 6,120,353	\$ 5,270,419
F. Allocation of Investments		
1. Short Term Investments	0.0%	0.0%
2. Domestic Equities	45.8%	66.3%
3. International Equities	24.7%	10.4%
4. Domestic Fixed Income	20.5%	23.3%
5. International Fixed Income	0.0%	0.0%
6. Real Estate	9.0%	0.0%
7. Private Equity	0.0%	0.0%
8. Total Investments	100.0%	100.0%

Reconciliation of Plan Assets

Item	9/30/2025	9/30/2024
A. Market Value of Assets at Beginning of Year	\$ 5,270,419	\$ 3,844,923
B. Adjustment to Match Financial Statements	\$ -	\$ -
C. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions	\$ 159,979	\$ 145,520
b. Employer Contributions	339,250	318,188
c. State Contributions	-	-
d. Purchased Service Credit	-	-
e. Total	\$ 499,229	\$ 463,708
2. Investment Income		
a. Interest, Dividends, and Other Income	\$ -	\$ -
b. Net Realized/Unrealized Gains/(Losses)	598,223	1,059,369
c. Investment Expenses	-	-
d. Net Investment Income	\$ 598,223	\$ 1,059,369
3. Benefits and Refunds		
a. Regular Monthly Benefits	\$ (211,532)	\$ (66,189)
b. Refunds	(34,566)	(31,392)
c. Lump Sum Benefits	-	-
d. Total	\$ (246,098)	\$ (97,581)
4. Administrative and Miscellaneous Expenses	\$ (1,420)	\$ -
5. Transfers	\$ -	\$ -
D. Market Value of Assets at End of Year	\$ 6,120,353	\$ 5,270,419
E. Reserves		
1. State Contribution Reserve	\$ -	\$ -
2. DROP Accounts	-	-
3. Total Reserves	\$ -	\$ -
F. Market Value Net of Reserves	\$ 6,120,353	\$ 5,270,419



Development of Actuarial Value of Assets

Valuation Date – September 30	2024	2025	2026	2027	2028	2029
A. Actuarial Value of Assets Beginning of Year	\$ 4,043,065	\$ 4,771,029				
B. Market Value End of Year	5,270,419	6,120,353				
C. Market Value Beginning of Year	3,844,923	5,270,419				
D. Non-Investment/Administrative Net Cash Flow	366,127	251,711				
E. Investment Income						
E1. Actual Market Total: B-C-D	1,059,369	598,223				
E2. Assumed Rate of Return	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
E3. Assumed Amount of Return	274,698	318,297				
E4. Amount Subject to Phase-In: E1-E3	784,671	279,926				
F. Phased-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	156,934	55,985				
F2. First Prior Year	44,325	156,934	55,985			
F3. Second Prior Year	(163,735)	44,325	156,934	55,985		
F4. Third Prior Year	66,147	(163,735)	44,325	156,934	55,985	
F5. Fourth Prior Year	<u>(16,532)</u>	<u>66,148</u>	<u>(163,733)</u>	<u>44,325</u>	<u>156,935</u>	<u>55,986</u>
F6. Total Phase-Ins	87,139	159,657	93,511	257,244	212,920	55,986
G. Actuarial Value of Assets End of Year						
G1. Preliminary Actuarial Value of Assets End of Year:						
A+D+E3+F6	\$ 4,771,029	\$ 5,500,694				
G2. Upper Corridor Limit: 120%*B	6,324,503	7,344,424				
G3. Lower Corridor Limit: 80%*B	4,216,335	4,896,282				
G4. Actuarial Value of Assets End of Year	4,771,029	5,500,694				
H. Difference between Market and Actuarial Value of Assets	499,390	619,659				
I. Actuarial Rate of Return	8.6%	9.8%				
J. Market Value Rate of Return	26.3%	11.1%				
K. Ratio of Actuarial Value of Assets to Market Value	90.52%	89.88%				

Year Ending September 30th	Investment Rate of Return	
	Market Value Basis	Actuarial Value Basis
2019*	0.2 %	3.9 %
2020	3.2	5.4
2021	20.0	8.1
2022	(17.1)	2.9
2023	14.7	4.4
2024	26.3	8.6
2025	11.1	9.8
Average Returns:		
Last 5 Years	9.9 %	6.7 %
All Years	7.8 %	6.4 %

* Return for nine months.

The above rates are based on the retirement system's financial information reported to the actuary. They may differ from figures that the investment consultant reports, in part because of differences in the handling of administrative and investment expenses, and in part because of differences in the handling of cash flows.

SECTION D

FINANCIAL ACCOUNTING INFORMATION

FASB NO. 35 INFORMATION

A. Valuation Date	October 1, 2025	October 1, 2024
B. Actuarial Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Members Currently Receiving Payments	\$ 2,881,805	\$ 1,858,193
b. Terminated Vested Members	224,467	207,140
c. Other Members	893,558	1,586,813
d. Total	3,999,830	3,652,146
2. Non-Vested Benefits	1,337,015	769,402
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	5,336,845	4,421,548
4. Accumulated Contributions of Active Members	694,037	1,049,756
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits		
1. Total Value at Beginning of Year	4,421,548	3,796,379
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendment	0	0
b. Change in Actuarial Assumptions	54,048	0
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	1,107,347	722,750
d. Benefits Paid	(246,098)	(97,581)
e. Net Increase	915,297	625,169
3. Total Value at End of Period	5,336,845	4,421,548
D. Market Value of Assets	6,120,353	5,270,419
E. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods		

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS

GASB Statement No. 67

Fiscal Year Ending September 30,	2025	2024	2023	2022	2021	2020	2019
Total Pension Liability							
Service Cost	\$ 456,371	\$ 407,945	\$ 380,029	\$ 369,187	\$ 377,238	\$ 330,436	\$ 209,337
Interest	337,406	305,080	268,714	248,895	214,978	181,717	114,649
Benefit Changes	-	-	-	-	-	-	2,142,435
Difference between actual & expected experience	221,131	(92,276)	(16,637)	(237,646)	(19,254)	8,473	-
Assumption Changes	57,555	-	-	-	-	(45,999)	-
Benefit Payments	(211,532)	(66,189)	(65,236)	(27,588)	-	-	-
Refunds	(34,566)	(31,392)	(38,296)	(41,610)	(17,014)	(2,430)	-
Other	-	-	-	-	-	-	-
Net Change in Total Pension Liability	826,365	523,168	528,574	311,238	555,948	472,197	2,466,421
Total Pension Liability - Beginning	4,857,546	4,334,378	3,805,804	3,494,566	2,938,618	2,466,421	-
Total Pension Liability - Ending (a)	\$ 5,683,911	\$ 4,857,546	\$ 4,334,378	\$ 3,805,804	\$ 3,494,566	\$ 2,938,618	\$ 2,466,421
Plan Fiduciary Net Position							
Contributions - Employer (from Town)	\$ 339,250	\$ 318,188	\$ 295,053	\$ 519,516	\$ 286,705	\$ 285,114	\$ 213,836
Contributions - Employer (from State)	-	-	-	-	-	-	-
Contributions - Member (Including Buybacks)	159,979	145,520	118,831	112,796	112,873	111,658	1,697,233
Net Investment Income	598,223	1,059,369	473,179	(594,293)	514,910	68,180	4,371
Benefit Payments	(211,532)	(66,189)	(65,236)	(27,588)	-	-	-
Refunds	(34,566)	(31,392)	(38,296)	(41,610)	(17,014)	(2,430)	-
Administrative Expense	(1,420)	-	-	-	-	-	-
Other	-	-	-	-	11,139	-	-
Net Change in Plan Fiduciary Net Position	849,934	1,425,496	783,531	(31,179)	908,613	462,522	1,915,440
Plan Fiduciary Net Position - Beginning	5,464,423	4,038,927	3,255,396	3,286,575	2,377,962	1,915,440	-
Plan Fiduciary Net Position - Ending (b)	\$ 6,314,357	\$ 5,464,423	\$ 4,038,927	\$ 3,255,396	\$ 3,286,575	\$ 2,377,962	\$ 1,915,440
Net Pension Liability - Ending (a) - (b)	(630,446)	(606,877)	295,451	550,408	207,991	560,656	550,981
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	111.09 %	112.49 %	93.18 %	85.54 %	94.05 %	80.92 %	77.66 %
Covered Payroll	\$ 2,285,414	\$ 2,078,857	\$ 1,697,586	\$ 1,611,371	\$ 1,612,471	\$ 1,595,114	\$ 939,629
Net Pension Liability as a Percentage of Covered Payroll	(27.59)%	(29.19)%	17.40 %	34.16 %	12.90 %	35.15 %	58.64 %

SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY
GASB Statement No. 67

<u>FY Ending September 30,</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>	<u>Plan Fiduciary Net Position as a % of Total Pension Liability</u>	<u>Covered Payroll</u>	<u>Net Pension Liability as a % of Covered Payroll</u>
2019	\$ 2,466,421	\$ 1,915,440	\$ 550,981	77.66%	\$ 939,629	58.64%
2020	2,938,618	2,377,962	560,656	80.92%	1,595,114	35.15%
2021	3,494,566	3,286,575	207,991	94.05%	1,612,471	12.90%
2022	3,805,804	3,255,396	550,408	85.54%	1,611,371	34.16%
2023	4,334,378	4,038,927	295,451	93.18%	1,697,586	17.40%
2024	4,857,546	5,464,423	(606,877)	112.49%	2,078,857	-29.19%
2025	5,683,911	6,314,357	(630,446)	111.09%	2,285,414	-27.59%

NOTES TO SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY

GASB Statement No. 67

Valuation Date: October 1, 2024
Measurement Date: September 30, 2025

Methods and Assumptions Used to Determine Net Pension Liability:

Roll Forward Procedures	The Total Pension Liability was developed by using standard actuarial techniques to roll forward amounts from the October 1, 2024 actuarial valuation to the measurement date.
Actuarial Cost Method	Entry Age Normal
Inflation	2.5%
Salary Increases	4.0%, including inflation
Investment Rate of Return	6.5%
Retirement Age	Experience-based table of rates
Mortality	The mortality table for General Employees is the PUB-2010 Headcount Weighted Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Below Median Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Headcount Weighted Below Median Retiree Female Table (post-retirement). These tables use ages set back one year for males and future improvements in mortality projected to all future years after 2010 using scale MP-2018. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their actuarial valuation as of July 1, 2023. The mortality table for healthy Police Officers is the PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2023 Actuarial Valuation of the Florida Retirement System (FRS).

Other Information:

Notes	See Discussion of Valuation Results in the October 1, 2024 Actuarial Valuation Report dated September 30, 2025. Effective October 1, 2024, there was a change in the salary scale assumption. The rates of salary increase were updated for the first year only to include an individualized increase rate effective on October 1, 2025 varying by member from 4% to 36.4%. Salary increases are assumed to be 4% going forward after the first year.
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SCHEDULE OF CONTRIBUTIONS
GASB Statement No. 67

<u>FY Ending September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2019	\$ 213,836	\$ 213,836	\$ -	\$ 939,629	22.76%
2020	285,114	285,114	-	1,595,114	17.87%
2021	286,705	286,705	-	1,612,471	17.78%
2022	325,822	519,516	(193,694) *	1,611,371	32.24%
2023	294,743	295,053	(310) *	1,697,586	17.38%
2024	318,188	318,188	-	2,078,857	15.31%
2025	339,250	339,250	-	2,285,414	14.84%

* Excess contributions, designated as prepaid Town contributions, which may be used to offset future required contributions

NOTES TO SCHEDULE OF CONTRIBUTIONS

GASB Statement No. 67

Valuation Date: October 1, 2023

Notes Actuarially determined contributions are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions were reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	15 years
Asset Valuation Method	5-year smoothed market
Inflation	2.5%
Salary Increases	4.0%, including inflation
Investment Rate of Return	6.5%
Retirement Age	Experience-based table of rates
Mortality	The mortality table for General Employees is the PUB-2010 Headcount Weighted Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Below Median Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Headcount Weighted Below Median Retiree Female Table (post-retirement). These tables use ages set back one year for males and future improvements in mortality projected to all future years after 2010 using scale MP-2018. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their actuarial valuation as of July 1, 2023. The mortality table for healthy Police Officers is the PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2023 Actuarial Valuation of the Florida Retirement System (FRS).

Other Information:

Notes See Discussion of Valuation Results in the October 1, 2023 Actuarial Valuation Report.



SINGLE DISCOUNT RATE

GASB Statement No. 67

A single discount rate of 6.50% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.50%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.50%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.50%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

1% Decrease	Current Single Discount	1% Increase
5.50%	Rate Assumption	7.50%
	6.50%	
\$122,759	(\$630,446)	(\$1,254,250)

SECTION E

MISCELLANEOUS INFORMATION

RECONCILIATION OF MEMBERSHIP DATA		
	10/1/2024 to 9/30/2025	10/1/2023 to 9/30/2024
A. Active Members		
1. Number Included in Last Valuation	23	23
2. New Members Included in Current Valuation	11	6
3. Non-Vested Employment Terminations	(4)	(5)
4. Vested Employment Terminations	0	0
5. Service Retirements	(1)	(1)
6. Disability Retirements	0	0
7. Deaths	<u>0</u>	<u>0</u>
8. Number Included in This Valuation	29	23
B. Terminated Vested Members		
1. Number Included in Last Valuation	1	1
2. Additions from Active Members	0	0
3. Lump Sum Payments/Refund of Contributions	0	0
4. Payments Commenced	0	0
5. Deaths	0	0
6. Other	<u>0</u>	<u>0</u>
7. Number Included in This Valuation	1	1
C. Service Retirees, Disability Retirees and Beneficiaries		
1. Number Included in Last Valuation	3	2
2. Additions from Active Members	1	1
3. Additions from Terminated Vested Members	0	0
4. Deaths Resulting in No Further Payments	0	0
5. Deaths Resulting in New Survivor Benefits	0	0
6. End of Certain Period - No Further Payments	0	0
7. Other	<u>0</u>	<u>0</u>
8. Number Included in This Valuation	4	3

ACTIVE PARTICIPANT SCATTER

Age Group	Years of Service to Valuation Date										Totals
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25+	
20-24 NO.	1	1	0	0	0	0	0	0	0	0	2
TOT PAY	58,240	59,356	0	0	0	0	0	0	0	0	117,596
AVG PAY	58,240	59,356	0	0	0	0	0	0	0	0	58,798
25-29 NO.	1	0	0	0	0	0	0	0	0	0	1
TOT PAY	78,280	0	0	0	0	0	0	0	0	0	78,280
AVG PAY	78,280	0	0	0	0	0	0	0	0	0	78,280
30-34 NO.	0	0	0	0	0	0	0	0	0	0	0
TOT PAY	0	0	0	0	0	0	0	0	0	0	0
AVG PAY	0	0	0	0	0	0	0	0	0	0	0
35-39 NO.	0	2	1	1	0	3	0	0	0	0	7
TOT PAY	0	275,237	102,313	73,512	0	378,870	0	0	0	0	829,932
AVG PAY	0	137,619	102,313	73,512	0	126,290	0	0	0	0	118,562
40-44 NO.	1	0	2	0	1	0	0	0	0	0	4
TOT PAY	85,000	0	168,497	0	123,245	0	0	0	0	0	376,742
AVG PAY	85,000	0	84,249	0	123,245	0	0	0	0	0	94,186
45-49 NO.	0	1	0	0	0	0	0	1	0	0	2
TOT PAY	0	123,544	0	0	0	0	0	104,220	0	0	227,764
AVG PAY	0	123,544	0	0	0	0	0	104,220	0	0	113,882
50-54 NO.	0	0	0	1	0	3	0	0	0	0	4
TOT PAY	0	0	0	82,381	0	256,830	0	0	0	0	339,211
AVG PAY	0	0	0	82,381	0	85,610	0	0	0	0	84,803
55-59 NO.	5	0	0	0	0	1	0	0	0	0	6
TOT PAY	548,093	0	0	0	0	112,313	0	0	0	0	660,406
AVG PAY	109,619	0	0	0	0	112,313	0	0	0	0	110,068
60-64 NO.	2	0	0	0	0	0	0	0	0	0	2
TOT PAY	276,733	0	0	0	0	0	0	0	0	0	276,733
AVG PAY	138,367	0	0	0	0	0	0	0	0	0	138,367
65-99 NO.	1	0	0	0	0	0	0	0	0	0	1
TOT PAY	55,536	0	0	0	0	0	0	0	0	0	55,536
AVG PAY	55,536	0	0	0	0	0	0	0	0	0	55,536
TOT NO.	11	4	3	2	1	7	0	1	0	0	29
TOT AMT	1,101,882	458,137	270,810	155,893	123,245	748,013	0	104,220	0	0	2,962,200
AVG AMT	100,171	114,534	90,270	77,947	123,245	106,859	0	104,220	0	0	102,145

INACTIVE PARTICIPANT DISTRIBUTION

Age Group	Terminated Vested		Disabled		Retired		Deceased with Beneficiary	
	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits	Number	Total Benefits
Under 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-
45-49	1	23,724	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-
55-59	-	-	-	-	1	18,895	-	-
60-64	-	-	-	-	-	-	-	-
65-69	-	-	-	-	1	47,294	-	-
70-74	-	-	-	-	1	96,093	-	-
75-79	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-
85-89	-	-	-	-	-	-	-	-
90-94	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-
Total	1	23,724	-	-	3	162,282	-	-
Average Age		50		N/A		66		N/A

SECTION F

SUMMARY OF PLAN PROVISIONS

Town of Manalapan

General Employees' and Police Officers' Retirement Fund

SUMMARY OF PLAN PROVISIONS

A. Ordinances

The Plan was established under the Code of Ordinances for the Town of Manalapan, Florida, Chapter 31, Section 17. The Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

B. Effective Date

January 1, 2019

C. Plan Year

October 1 through September 30

D. Type of Plan

Qualified, governmental defined benefit retirement plan; for GASB purposes it is a single employer plan.

E. Eligibility Requirements

All actively employed full-time general employees and police officers are eligible to participate in the Plan.

F. Credited Service

Service is measured as the total number of years and fractional parts of years for which a general employee or police officer made Member Contributions to the Plan. No service is credited for any periods of employment for which the member received a refund of their contributions.

G. Compensation

The member's base salary plus any educational incentive, tax exempt, tax sheltered and tax deferred items of income, but excluding overtime, extra duty or special detail work, and payments for unused annual leave.

H. Average Final Compensation (AFC)

One twelfth of the average Compensation for the highest 5 years, which do not need to be consecutive.



I. Normal Retirement

Eligibility: A member may retire on the first day of the month coincident with or next following age 55 and 10 years of Credited Service or the attainment of age 52 and 25 years of Credited Service.

Benefit: 3.0% of AFC multiplied by years of Credited Service.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: None.

J. Early Retirement

Eligibility: A member may elect early retirement on the first day of the month coincident with or next following age 50 and 10 years of Credited Service.

Benefit: 3.0% of AFC multiplied by years of Credited Service. The benefit is reduced by 5.0% for each year that the early retirement date precedes the normal retirement date.

Normal Form of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: None.

K. Delayed Retirement

Same as Normal Retirement taking into account compensation earned and service credited until the date of actual retirement.

L. Service Connected Disability

Eligibility: Any member who becomes totally and permanently disabled as a result from an act occurring in the performance of service for the Town is immediately eligible for a disability benefit.

Benefit: Accrued normal retirement benefit with a minimum equal to 42% of AFC.

Normal Form of Benefit: 10 Years Certain and Life thereafter, or until recovery; other options are also available.

COLA: None.

M. Non-Service Connected Disability

Eligibility: Any member who has 10 years of Credited Service and becomes totally and permanently disabled is immediately eligible for a disability benefit.



Benefit: Accrued normal retirement benefit with a minimum equal to 25% of AFC.

Normal Form
of Benefit: 10 Years Certain and Life thereafter, or until recovery; other options are also available.

COLA: None.

N. Pre-Retirement Death

Eligibility: All members with 10 years of Credited Service are eligible for survivor benefits.

Benefit: Beneficiary will receive the member's accrued benefit based upon Credited Service and AFC as of the date of death. The benefit is payable on the early (reduced) or normal retirement date.

Normal Form
of Benefit: 10 Years Certain and Life thereafter.

COLA: None

The beneficiary of a plan member with less than 10 years of Credited Service at the time of death will receive a refund of the member's accumulated contributions.

O. Post Retirement Death

Benefit determined by the form of benefit elected upon retirement.

P. Optional Forms

In lieu of electing the Normal Form of benefit, the optional forms of benefits available to all retirees are a Single Life Annuity or the 50%, 66 2/3%, 75% and 100% Joint and Survivor options.

Q. Vested Termination

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 10 years of Credited Service.

Benefit: The benefit is the member's accrued benefit based upon Credited Service and AFC as of the date of termination. The benefit is payable on the early (reduced) or normal retirement date.

Normal Form
of Benefit: 10 Years Certain and Life thereafter; other options are also available.

COLA: None.

Members terminating employment with less than 10 years of Credited Service will receive a refund of their own accumulated contributions.



R. Refunds

Eligibility: All members terminating employment with less than 10 years of Credited Service are eligible. Optionally, vested members (those with 10 or more years of Credited Service) may elect a refund in lieu of the vested benefits otherwise due.

Benefit: Refund of the member's contributions.

S. Member Contributions

7.0% of Compensation

T. State Contributions

None.

U. Employer Contributions

Any additional amount determined by the actuary needed to fund the Plan properly according to State laws.

V. Cost of Living Increases

None.

W. 13th Check

Not Applicable

X. Deferred Retirement Option Plan

None.

Y. Other Ancillary Benefits

There are no ancillary retirement type benefits not required by statutes but which might be deemed a Town of Manalapan General Employees' and Police Officers' Retirement Fund liability if continued beyond the availability of funding by the current funding source.

Z. Changes Since Prior Valuation

None.