Village of Palm Springs Police Officers Pension Plan

PROJECTION ACTUARIAL VALUATION AS OF OCTOBER 1, 2024

This Valuation Determines the Annual Contribution for the Plan Year October 1, 2025 through September 30, 2026 to be paid in the Fiscal Year October 1, 2025 to September 30, 2026

January 10, 2025

Village of Palm Springs Police Officers Pension Plan

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January 10, 2025

The Board of Trustees
Village of Palm Springs Police
Officers Pension Plan
c/o Margaret M. Adcock, Esq.
Plan Administrator
Pension Resource Center, L.L.C.
4360 Northlake Boulevard
Suite 206
Palm Beach Gardens, Florida 33410

Re: October 1, 2024 Actuarial Valuation

Dear Board Members:

We are pleased to present our October 1, 2024 Projection Actuarial Valuation Report for the Village of Palm Springs Police Officers Pension Plan (Plan). The purpose of this report is to indicate appropriate contribution levels, monitor minimum funding requirements, comment on the actuarial stability of the Plan and to satisfy State and accounting requirements. The Board has retained Gabriel, Roeder, Smith & Company (GRS) to prepare an annual Actuarial Valuation.

This report consists of this cover letter, executive summary, risk assessment and Low-Default-Risk Obligation Measure followed by detailed Tables I through XVI, the State Required Exhibit on Table XVII and definitions of technical terms on Table XVIII. The Tables contain basic Plan cost figures plus significant details on the benefits, liabilities and experience of the Plan. We suggest you thoroughly review the report at your convenience and contact us with any questions that may arise.

The findings in this report are based on the data or other information through September 30, 2024. The valuation was based upon information furnished by the Plan Administrator and Village concerning Pension Plan benefits, plan provisions and active members, terminated members, retirees and beneficiaries. We received information on Plan assets as of September 30, 2024 from the Plan Administrator and the Village.

We do not audit the Member census data and asset information that is provided to us; however, we perform certain reasonableness checks. The Plan and Village are responsible for the accuracy of the data.

In our opinion the benefits provided for under the current Plan will be sufficiently funded through the payment of the amount as indicated in this and future Actuarial Valuation reports. 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. We will continue to update you on the future payment requirements for the Plan through our actuarial reports. These reports will also continue to monitor the future experience of the Plan.

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.

The actuarial assumptions used in this Actuarial Valuation are as adopted by the Board of Trustees. The economic and demographic actuarial assumptions are based on the results of an actuarial experience study for the period October 1, 2014 – September 30, 2019. The mortality assumptions are prescribed by statute. Each assumption represents an estimate of future Plan experience. All actuarial assumptions used in this report are reasonable for the purposes of this valuation. The combined effect of the assumptions is expected to have no significant bias (i.e. not significantly optimistic or pessimistic). All actuarial assumptions and methods used in the valuation follow the guidance in the applicable Actuarial Standards of Practice.

If all actuarial assumptions are met and if all future minimum required contributions are paid Plan assets will be sufficient to pay all Plan benefits, future contributions are expected to remain relatively stable as a percent of payroll and the funded status is expected to improve. Plan minimum required contributions are determined in compliance with the requirements of the Florida Protection of Public Employee Retirement Benefits Act and Police Officers Retirement Chapter 185 with normal cost determined as a level percent of covered payroll and a level dollar amortization payment using a maximum amortization period of 15 years.

The Unfunded Actuarial Accrued Liability (UAAL) may not be appropriate for assessing the sufficiency of Plan assets to meet the estimated cost of settling benefit obligations but may be appropriate for assessing the need for or the amount of future contributions. The UAAL would be different if it reflected the market value of assets rather than the actuarial value of assets.

The Unfunded Actuarial Present Value of Vested Accrued Benefits and the corresponding Vested Benefit Security Ratio may be appropriate for assessing the sufficiency of Plan assets to meet the estimated cost of settling benefit obligations but may not be appropriate for assessing the need for or the amount of future contributions.

The GASB Net Pension Liability and Plan Fiduciary Net Position as a Percentage of Total Pension Liability may not be appropriate for assessing the sufficiency of Plan assets to meet the estimated cost of settling benefit obligations but may be appropriate for assessing the need for or the amount of future contributions.

This report should not be relied on for any purpose other than the purpose described in the primary communication. Determinations of the financial results associated with the benefits described in this report in a manner other than the intended purpose may produce significantly different results.

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 Plan 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.

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

The signing actuaries are independent of the Plan sponsor.

The undersigned are Members of the American Academy of Actuaries and meet the qualification standards of the American Academy of Actuaries to render the actuarial opinions contained in this report. We are available to respond to any questions with regards to matters covered in this report.

Sincerest regards,
Gabriel, Roeder, Smith & Company

Michelle Jones

Shelly L. Jones, A.S.A., E.A.
Consultant and Actuary

Jennifer Borregard

Jennifer M. Borregard, E.A.
Consultant and Actuary

EXECUTIVE SUMMARY

Retirement Plan Costs

Our Actuarial Valuation develops the required minimum Pension Plan payment under the Florida Protection of Public Employee Retirement Benefits Act and Police Officers Retirement Chapter 185. The minimum payment consists of payment of annual normal costs including expenses and amortization of the components of the unfunded actuarial accrued liability over various periods as prescribed by law. The minimum required payment for plan year ending September 30, 2026 is as follows.

Police Officers	$ 275,626
Firefighters	5,397
	$ 281,023

This total cost is to be met by Member, State and Village contributions. We anticipate the following Member contributions which result in the following Village / State contribution requirement.

	Police Officers	Firefighters	Total
Members	$ 52,624	N/A	$ 52,624
Village	78,159	5,397	83,556
State	144,843	N/A	144,843
	$ 275,626	$ 5,397	$ 281,023

The split between the Village / State required contribution on behalf of Police Officers was determined reflecting Ordinance 2017-27 which states the first $28,913.23 of Chapter 185 revenue received each year shall reduce the Village's annual contribution, after which, any additional Chapter 185 revenue received will be divided 50% / 50% between the Village and the Bargaining Unit Members. If the total State payments under F.S., Chapter 185 are less than $260,773, the Village contribution on behalf of Police Officers must be increased.

The Village is required to contribute $5,397 during fiscal year ending September 30, 2026 on behalf of former Firefighters.

Changes in Actuarial Assumptions, Methods and Plan Benefits

The actuarial assumptions and methods remain unchanged from the previous actuarial valuation and are outlined on Table XIII.

Plan provisions remain unchanged from the previous actuarial valuation. Plan provisions are summarized on Table XI.

Comparison of October 1, 2023 and October 1, 2024 Valuation Results

Table II of our report provides information of a comparative nature. The left columns of the Table indicate the costs as calculated as of October 1, 2023. The right columns indicate the costs as calculated for October 1, 2024.

Comparing the left and right columns of Table II shows the effect of Plan experience during the year. The number of active participants decreased while covered payroll decreased by approximately 34%. Total Plan membership decreased. Total normal cost decreased by approximately 33%. The unfunded actuarial accrued liability decreased by approximately 242%. The Village / State minimum funding requirement decreased by approximately 48%.

The ratio of Plan assets (market value) to the value of vested accrued benefits (Vested Benefit Security Ratio - VBSR) is 112.0%. The VBSR was 99.5% as of October 1, 2023.

Plan Experience

Table VII indicates Plan experience resulted in a net actuarial gain of $1,066,606.

Table XIII provides figures on recent Plan experience. Salary experience indicates actual salary increases during fiscal 2024 for Police Officers averaged 2.1%. Compared to the average assumed salary increase of 4.9%, Police Officer salary experience was generally a source of actuarial gain. Three and five-year average annual salary increases are 6.7% and 5.0%, respectively.

There was no Police Officer turnover this year. All Police Officers are eligible for retirement benefits as of the valuation date and Police Officer turnover was neither a source of actuarial gain or actuarial loss.

Smoothed investment value return was 9.24% for fiscal 2024 - more than the Plan's investment return assumption of 6.75%. Smoothed investment value return was an additional source of actuarial gain during the previous year. Five year average annual smoothed investment value return is 8.09%. Market value return for fiscal 2024 was 22.43%.

Conclusion and Recommendation

The Market Value of Assets is more than the Actuarial Value of Assets by $2,892,445 as of the valuation date. This difference will be gradually recognized in the absence of future gain/loss. In turn, the actuarially determined contribution rate will decrease.

Additionally, the Firefighter contribution continues to include a negative amortization base which is scheduled to be fully amortized next year. This may cause an increase in the Fire contribution at that time in the absence of future actuarial gains.

The Government Finance Officers Association (GFOA) recommends an experience study every five years. The last experience study performed was five years ago. We recommend the Board authorize an Experience Study to assure actuarial assumptions and methods are aligned with Plan experience and future expectations.

The remainder of this Report includes detailed actuarial valuation results, information relating to the pension fund, financial accounting information, miscellaneous employee data and a summary of plan provisions and actuarial assumptions and methods.

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. Asset / Liability mismatch – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. 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;
4. Salary and Payroll risk – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. Longevity risk – members may live longer or shorter than expected and receive pensions for a period of time other than assumed;
6. 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 actuarially determined contributions of the Plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in actuarially determined contributions can be anticipated.

The actuarially determined contribution rate shown on page four 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:

	2023	2024
Ratio of the market value of assets to total payroll	30.97	56.31
Ratio of actuarial accrued liability to payroll	32.90	51.77
Ratio of actives to retirees and beneficiaries	0.20	0.13
Ratio of net cash flow to market value of assets	- 4.4%	- 2.6%
Duration of the actuarial accrued liability	13.47	13.16

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 n the actuarially determined 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 the actuarially determined 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.

Duration of Actuarial Accrued Liability

The duration of the actuarial accrued liability may be used to approximate the sensitivity to a 1% change in the assumed rate of return. For example, duration of 10 indicates that the liability would increase approximately 10% if the assumed rate of return were lowered 1%.

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). It includes a new calculation called a low-default-risk obligation measure (LDROM) 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 new 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: $60,515,130

B. Discount rate used to calculate the LDROM: 3.81% based on Bond Buyer "20-Bond GO Index" as of September 26, 2024 *

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

D. Actuarial cost method used to calculate the LDROM: Entry Age Normal

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 default risk securities. 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.

* The "20-Bond GO Index" is based on 20 general obligation municipal bonds maturing in 20 years with mixed quality. In describing this index, the Bond Buyer website notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Table I

Summary of Retirement Plan Costs as of October 1, 2024

Police Officers

			Cost Data
A.	Participant Data Summary		
	1. Active employees		6
	2. Terminated vested		6
	3. Receiving benefits		39
	4. Annual payroll of active employees	$	797,331
B.	Total Normal Costs		
	1. Age retirement benefits	$	202,134
	2. Termination benefits		294
	3. Death benefits		3,068
	4. Disability benefits		0
	5. Estimated expenses		59,126
	6. Total annual normal costs	$	264,622
C.	Total Actuarial Accrued Liability		
	1. Age retirement benefits active employees	$	6,942,099
	2. Termination benefits active employees		0
	3. Death benefits active employees		62,784
	4. Disability benefits active employees		0
	5. Retired or terminated vested participants receiving benefits including DROPs		29,729,639
	6. Terminated vested participants entitled to future benefits		469,675
	7. Deceased participants whose beneficiaries are receiving benefits		98,259
	8. Disabled participants receiving benefits		318,386
	9. Miscellaneous liability		50,950
	10. Share Plan liability		738,182
	11. Total actuarial accrued liability	$	38,409,974
D.	Market Value of Assets (Table VI)	$	41,304,195
E.	Smoothed Value of Assets (Table VI)	$	38,646,781
F.	Unfunded Actuarial Accrued Liability (C. - E.)	$	(236,807)

Summary of Retirement Plan Costs as of October 1, 2024

Police Officers

		Cost Data
G.	Preliminary Minimum Funding Requirement	
1.	Total normal cost	$ 264,622
2.	Amortization of unfunded liability	(3,270)
3.	Interest adjustment	11,004
4.	Total preliminary payment	$ 272,356
H.	Minimum Required Contribution (F.S., 112.66(13)) (Greater of G.1 + G.3. and G.4)	$ 275,626
I.	Expected Payroll of Active Employees for 2025 - 2026 Plan Year ($797,331 x 1.000)	$ 797,331
J.	Expected Contribution Sources (fiscal year 2025 - 2026)	
1.	Village	$ 78,159
2.	Member	$ 52,624
3.	State	$ 144,843
K.	Actuarial Present Value of Vested Accrued Benefits	
1.	Retired, terminated vested, beneficiaries and disabled receiving benefits including DROPs	$ 30,146,284
2.	Terminated vested participants entitled to future benefits and miscellaneous (including Share Plan)	1,258,807
3.	Active participants entitled to future benefits	5,808,494
4.	Total actuarial present value of vested accrued benefits	$ 37,213,585
L.	Unfunded Actuarial Present Value of Vested Accrued Benefits (K. - D., not less than zero)	$ 0
M.	Vested Benefit Security Ratio (D. ÷ K.)	111.0%

Summary of Retirement Plan Costs as of October 1, 2024

Firefighters

		Cost Data
A.	Participant Data Summary	
1.	Active employees	0
2.	Terminated vested	2
3.	Receiving benefits	7
4.	Annual payroll of active employees	N/A
B.	Total Normal Costs	
1.	Age retirement benefits	$ 0
2.	Termination benefits	0
3.	Death benefits	0
4.	Disability benefits	0
5.	Estimated expenses	5,226
6.	Total annual normal costs	$ 5,226
C.	Total Actuarial Accrued Liability	
1.	Age retirement benefits active employees	$ 0
2.	Termination benefits active employees	0
3.	Death benefits active employees	0
4.	Disability benefits active employees	0
5.	Retired or terminated vested participants receiving benefits including DROPs	1,953,470
6.	Terminated vested participants entitled to future benefits	202,864
7.	Deceased participants whose beneficiaries are receiving benefits	390,376
8.	Disabled participants receiving benefits	266,326
9.	Miscellaneous liability	0
10.	Share Plan liability	52,945
11.	Total actuarial accrued liability	$ 2,865,981
D.	Market Value of Assets (Table VI)	$ 3,593,029
E.	Smoothed Value of Assets (Table VI)	$ 3,357,998
F.	Unfunded Actuarial Accrued Liability (C-E)	$ (492,017)

Summary of Retirement Plan Costs as of October 1, 2024

Firefighters

		Cost Data
G.	Preliminary Minimum Funding Requirement	
1.	Total normal cost	$ 5,226
2.	Amortization of unfunded liability	(353,813)
3.	Interest adjustment	171
4.	Total preliminary payment	$ (348,416)
H.	Minimum Required Contribution (F.S., 112.66(13)) (Greater of G.1 + G.3. and G.4)	$ 5,397
I.	Expected Contribution Sources (fiscal year 2025 - 2026) (October 1, 2024 Total Cost x 1.000)	
1.	Village	$ 5,397
2.	Member	$ 0
J.	Actuarial Present Value of Vested Accrued Benefits	
1.	Retired, terminated vested, beneficiaries and disabled receiving benefits including DROPs	$ 2,610,172
2.	Terminated vested participants entitled to future benefits and miscellaneous (including Share Plan)	255,809
3.	Active participants entitled to future benefits	0
4.	Total actuarial present value of vested accrued benefits	$ 2,865,981
K.	Unfunded Actuarial Present Value of Vested Accrued Benefits (J. - D., not less than zero)	$ 0
L.	Vested Benefit Security Ratio (D. ÷ J.)	125.4%

Summary of Retirement Plan Costs as of October 1, 2024

All Participants

		Cost Data	
A.	Participant Data Summary		
	1. Active employees	6	
	2. Terminated vested	8	
	3. Receiving benefits	45	*
	4. Annual payroll of active employees	$ 797,331	
B.	Total Normal Costs		
	1. Age retirement benefits	$ 202,134	
	2. Termination benefits	294	
	3. Death benefits	3,068	
	4. Disability benefits	0	
	5. Estimated expenses	64,352	
	6. Total annual normal costs	$ 269,848	
C.	Total Actuarial Accrued Liability		
	1. Age retirement benefits active employees	$ 6,942,099	
	2. Termination benefits active employees	0	
	3. Death benefits active employees	62,784	
	4. Disability benefits active employees	0	
	5. Retired or terminated vested participants receiving benefits including DROPs	31,683,109	
	6. Terminated vested participants entitled to future benefits	672,539	
	7. Deceased participants whose beneficiaries are receiving benefits	488,635	
	8. Disabled participants receiving benefits	584,712	
	9. Miscellaneous liability	50,950	
	10. Share Plan liability	791,127	
	11. Total actuarial accrued liability	$ 41,275,955	
D.	Market Value of Assets (Table VI)	$ 44,897,224	
E.	Smoothed Value of Assets (Table VI)	$ 42,004,779	
F.	Unfunded Actuarial Accrued Liability (C-E)	$ (728,824)	

* Includes one Firefighter / Police Officer dual service member.

Table I
(Cont'd)

Summary of Retirement Plan Costs as of October 1, 2024

All Participants

		Cost Data
G.	Total Minimum Funding Requirement	
1.	Total normal cost	$ 269,848
2.	Amortization of unfunded liability	(357,083)
3.	Interest adjustment	11,175
4.	Total preliminary payment	$ (76,060)
H.	Minimum Required Contribution (F.S., 112.66(13)) (Greater of G.1 + G.3. and G.4)	$ 281,023
I.	Expected Payroll of Active Employees for 2025 - 2026 Plan Year ($797,331 x 1.000)	$ 797,331
J.	Expected Contribution Sources (for fiscal year 2025 - 2026)	
1.	Village	$ 83,556
2.	Member	$ 52,624
3.	State	$ 144,843
K.	Actuarial Present Value of Vested Accrued Benefits	
1.	Retired, terminated vested, beneficiaries and disabled receiving benefits including DROPs	$ 32,756,456
2.	Terminated vested participants entitled to future benefits and miscellaneous (including Share Plan)	1,514,616
3.	Active participants entitled to future benefits	5,808,494
4.	Total actuarial present value of vested accrued benefits	$ 40,079,566
L.	Unfunded Actuarial Present Value of Vested Accrued Benefits (K. - D., not less than zero)	$ 0
M.	Vested Benefit Security Ratio (D. ÷ K.)	112.0%

Table II

Comparison of Cost Data of October 1, 2023 and October 1, 2024 Valuations

Police Officers

		October 1, 2023 Cost Data	October 1, 2024 Cost Data
A.	Participants		
	1. Active employees	9	6
	2. Terminated vested	6	6
	3. Receiving benefits	36	39
	4. Annual payroll of active employees	$ 1,212,767	$ 797,331
B.	Total Normal Costs	$ 394,694	$ 264,622
C.	Total Actuarial Accrued Liability	$ 36,907,459	$ 38,409,974
D.	Smoothed Value of Assets	$ 36,137,876	$ 38,646,781
E.	Unfunded Actuarial Accrued Liability	$ 769,583	$ (236,807)
F.	Member Cost	$ 80,043	$ 52,624
G.	Village / State Cost	$ 430,893	$ 223,002
H.	Actuarial Present Value of Vested Accumulated Benefits	$ 34,756,195	$ 37,213,585
I.	Vested Benefit Security Ratio	99.1%	111.0%

Table II
(Cont'd)

Comparison of Cost Data of October 1, 2023 and October 1, 2024 Valuations

Firefighters

		October 1, 2023 Cost Data	October 1, 2024 Cost Data
A.	Participants		
	1. Active employees	0	0
	2. Terminated vested	2	2
	3. Receiving benefits	9	7
	4. Annual payroll of active employees	N/A	N/A
B.	Total Normal Costs	$ 5,526	$ 5,226
C.	Total Actuarial Accrued Liability	$ 2,994,797	$ 2,865,981
D.	Smoothed Value of Assets	$ 3,251,612	$ 3,357,998
E.	Unfunded Actuarial Accrued Liability	$ (256,815)	$ (492,017)
F.	Member Cost	$ 0	$ 0
G.	Village Cost	$ 5,706	$ 5,397
H.	Actuarial Present Value of Vested Accumulated Benefits	$ 2,994,797	$ 2,865,981
I.	Vested Benefit Security Ratio	103.6%	125.4%

Comparison of Cost Data of October 1, 2023 and October 1, 2024 Valuations

All Participants

		October 1, 2023 Cost Data		October 1, 2024 Cost Data	
A.	Participants				
	1. Active employees	9		6	
	2. Terminated vested	8		8	
	3. Receiving benefits	44	*	45	*
	4. Annual payroll of active employees	$ 1,212,767		$ 797,331	
B.	Total Normal Costs	$ 400,220		$ 269,848	
C.	Total Actuarial Accrued Liability	$ 39,902,256		$ 41,275,955	
D.	Smoothed Value of Assets	$ 39,389,488		$ 42,004,779	
E.	Unfunded Actuarial Accrued Liability	$ 512,768		$ (728,824)	
F.	Member Cost	$ 80,043		$ 52,624	
G.	Village / State Cost	$ 436,599		$ 228,399	
H.	Actuarial Present Value of Vested Accumulated Benefits	$ 37,750,992		$ 40,079,566	
I.	Vested Benefit Security Ratio	99.5%		112.0%	

* Includes one Firefighter / Police Officer dual service member.

Characteristics of Participants in Actuarial Valuation as of October 1, 2024

	Police	Fire	Total
A. Active Plan Participants Summary			
1. Active participants fully vested	6	0	6
2. Active participants partially vested	0	0	0
3. Active participants non-vested	0	0	0
4. Total active participants	6	0	6
5. Annual rate of pay of active participants	$ 797,331	$ 0	$ 797,331
B. Retired and Terminated Vested Participant Summary			
1. Retired or terminated vested participants receiving benefits	37	5	41 *
2. Terminated vested participants entitled to future benefits	6	2	8
3. Deceased participants whose beneficiaries are receiving benefits	1	1	2
4. Disabled participants receiving benefits	1	1	2
C. Projected Annual Retirement Benefits			
1. Retired or terminated vested receiving benefits	$ 1,817,571	$ 121,280	$ 1,938,851
2. Terminated vested entitled to future benefits	$ 45,576	$ 15,203	$ 60,779
3. Beneficiaries of deceased participants	$ 9,349	$ 15,847	$ 25,196
4. Disabled participants	$ 32,842	$ 21,469	$ 54,311
D. DROP Account Balances	$ 517,126	$ 0	$ 517,126

* Includes one Firefighter / Police Officer dual service member.

Public Contribution Requirement: Historical Comparison

Valuation Date	Fiscal Year	Percent of Payroll Contribution: Normal Cost	Expenses	UAAL	Adjust./ Interest	Total	Dollar Contribution: Amount		Actual: Village	175 / 185	Total	
10-01-03 (a)	04-05	14.01 %	1.92 %	10.36 %	0.00 %	26.29 %	$ 481,508		$ 481,508	$ 94,019	$ 575,527	**
10-01-03 *	04-05	12.67	1.92	15.38	0.00	29.97	548,908		481,508	94,019	575,527	**
10-01-04	05-06	11.44		18.96	0.00	32.53	626,200		549,634	76,777	626,411	**
10-01-05	06-07	12.33	1.88	19.34	0.00	33.55	853,902		818,164	177,423	995,587	**
10-01-06	07-08	11.02	1.02	19.67	0.00	31.71	875,369		888,488	158,588	1,047,076	**
10-01-07	08-09	11.95	1.22	16.11	0.00	29.28	1,009,299		931,069	184,769	1,115,838	**
10-01-08 (a)	09-10	13.18	1.04	18.49	0.00	32.71	897,303	***	907,896	87,404	995,300	**
10-01-08 (b)	09-10	14.58	1.04	19.39	0.00	35.01	952,994	***	907,896	87,404	995,300	**
10-01-09 (a)	10-11	15.59	2.87	27.55	5.67	51.68	959,229	***	1,008,995	0	1,008,995	
10-01-09 *	10-11	11.71	2.99	34.45	6.04	55.19	1,008,995	***	1,008,995	0	1,008,995	
10-01-10	11-12	13.36	4.15	47.98	3.39	68.88	1,194,290		1,194,290	0	1,194,290	
10-01-11	12-13	13.53	3.14	52.40	3.53	72.60	1,343,382		1,343,382	0	1,343,382	
10-01-12 (a)	13-14	13.22	3.02	58.10	3.11	77.45	1,290,927		1,422,000	2,890	1,424,890	
10-01-12 (b)	13-14	14.79	3.02	64.29	3.21	85.31	1,421,664		1,422,000	2,890	1,424,890	
10-01-13	14-15	14.29	2.27	57.24	2.91	76.71	1,378,026		1,422,000	77,908	1,499,908	**
10-01-14	15-16	N/A	N/A	N/A	N/A	N/A	1,341,587		1,422,000	118,740	1,540,740	**
10-01-15 (a)	16-17	N/A	N/A	N/A	N/A	N/A	1,180,783		1,422,000	121,986	1,543,986	**
10-01-15 (b)	16-17	N/A	N/A	N/A	N/A	N/A	1,237,666		1,422,000	121,986	1,543,986	**
10-01-16 (a)	17-18	N/A	N/A	N/A	N/A	N/A	1,171,137		1,422,000	130,848	1,552,848	**
10-01-16 (b)	17-18	N/A	N/A	N/A	N/A	N/A	1,184,868		1,422,000	130,848	1,552,848	**
10-01-17 (a)	18-19	N/A	N/A	N/A	N/A	N/A	952,834		1,422,000	154,472	1,576,472	**
10-01-17 (b)	18-19	N/A	N/A	N/A	N/A	N/A	966,940		1,422,000	154,472	1,576,472	**
10-01-18 (a)	19-20	N/A	N/A	N/A	N/A	N/A	676,314		791,883	153,120	945,003	**
10-01-18 (b)	19-20	N/A	N/A	N/A	N/A	N/A	696,652		791,883	153,120	945,003	**
10-01-19 (a)	20-21	N/A	N/A	N/A	N/A	N/A	460,708		501,903	163,222	665,125	**
10-01-19 (b)	20-21	N/A	N/A	N/A	N/A	N/A	391,737		501,903	163,222	665,125	**
10-01-20 (a)	21-22	N/A	N/A	N/A	N/A	N/A	320,284		584,547	192,875	777,422	**
10-01-20 (b)	21-22	N/A	N/A	N/A	N/A	N/A	584,547		584,547	192,875	777,422	**
10-01-21	22-23	N/A	N/A	N/A	N/A	N/A	380,156		380,156	223,107	603,263	**
10-01-22	23-24	N/A	N/A	N/A	N/A	N/A	396,296		390,907	260,773	651,680	**
10-01-23	24-25	N/A	N/A	N/A	N/A	N/A	436,599					
10-01-24	25-26	N/A	N/A	N/A	N/A	N/A	228,399					

UAAL represents unfunded actuarial accrued liability.

(a) Before changes in actuarial experience estimates, actuarial cost method and / or benefit provisions.

(b) After changes in actuarial experience estimates and / or actuarial cost method.

(*) After changes in benefit provisions.

(**) All Chapters 175 Chapter 185 excess payments held in reserve for future "extra benefits" / Share Plan.

(***) Based upon percentage of payroll

Summary of Assets (Market Value)

		September 30, 2024	September 30, 2023
A.	Cash and Short Term Investments	$ 789,916	$ 564,732
B.	Government Bonds	0	2,458,654
C.	Corporate Bonds	0	380,784
D.	Mortgages	0	3,905,791
E.	Common Stock	0	0
F.	International Equities	0	0
G.	Mutual Funds - Fixed Income	10,463,946	1,450,237
H.	Mutual Funds - Equities	29,501,516	24,412,165
I.	Real Estate	4,147,895	4,388,139
J.	Net Receivable / (Payable)	(15,426)	(32,607)
K.	Accrued Income	9,377	35,038
L.	Contribution Receivable	0	0
M.	**Total Plan Assets**	**$ 44,897,224**	**$ 37,562,933**

Share Plan Accounts

		Year Ended September 30, 2024	Year Ended September 30, 2023
Firefighters			
A.	Beginning balance	$ 49,334	$ 44,549
B.	Investment return	9,700	4,785
C.	Distributions	(6,089)	0
D.	Ending balance	$ 52,945	$ 49,334
Police Officers			
A.	Beginning balance	$ 513,372	$ 465,331
B.	Increase from State funds received	115,930	97,097
C.	Investment return	124,620	45,080
D.	Distributions	(15,740)	(94,136)
E.	Ending balance	$ 738,182	$ 513,372

Table VI

Revenues and Expenditures

	Year Ended September 30, 2024	Year Ended September 30, 2023
A. Revenues		
1. Village contributions	$ 390,907	$ 380,156
2. Member contributions	64,362	73,129
3. 185 contributions	260,773	223,107
4. Interest, dividends and other	825,984	1,174,346
5. Realized gains / (losses)	1,101,758	476,818
6. Unrealized gains / (losses)	6,416,804	2,106,504
7. Total revenue	$ 9,060,588	$ 4,434,060
B. Expenditures		
1. Benefits paid	$ 1,609,622	$ 1,514,976
2. DROP distributions	0	558,217
3. Refunds	0	0
4. Share Plan distributions	21,829	94,136
5. Administrative expenses	64,352	66,491
6. Investment expenses	30,494	39,407
7. Total expenditures	$ 1,726,297	$ 2,273,227
C. Net Income		
Total revenue minus total expenditures (A7. - B7.)	$ 7,334,291	$ 2,160,833

Reconciliation of DROP Accounts Balance

	Year Ended September 30, 2024	Year Ended September 30, 2023
A. Beginning balance	$ 282,072	$ 631,346
B. Benefit credits	219,517	191,147
C. Investment return	15,537	17,796
D. Distributions	0	(558,217)
E. Ending balance	$ 517,126	$ 282,072

Table VI
(Cont'd)

Allocation of Assets (Market Value)

	Police	Fire	Total
A. Market Value of Assets as of October 1, 2023	$ 34,459,524	$ 3,103,409	$ 37,562,933
B. Revenues			
1. Village contributions	$ 385,518	$ 5,389	$ 390,907
2. Member contributions	64,362	0	64,362
3. 175 / 185 contributions	260,773	0	260,773
4. Interest, dividends and other	758,907	67,077	825,984
5. Realized gains / (losses)	1,012,286	89,472	1,101,758
6. Unrealized gains / (losses)	5,895,707	521,097	6,416,804
7. Total revenue	$ 8,377,553	$ 683,035	$ 9,060,588
C. Expenditures			
1. Benefits paid	$ 1,429,998	$ 179,624	$ 1,609,622
2. DROP distributions	0	0	0
3. Refunds	0	0	0
4. Share Plan distributions	15,740	6,089	21,829
5. Administrative expenses	59,126	5,226	64,352
6. Investment expenses	28,018	2,476	30,494
7. Total expenditures	$ 1,532,882	$ 193,415	$ 1,726,297
D. Net Income			
Total revenue minus total expenditures (B7. - C7.)	$ 6,844,671	$ 489,620	$ 7,334,291
E. Market Value of Assets as of September 30, 2024	$ 41,304,195	$ 3,593,029	$ 44,897,224
(Rate of investment return)			22.43%

Table VI
(Cont'd)

Allocation of Assets (Smoothed Value)

	Police	Fire	Total
A. Actuarial Value of Assets as of October 1, 2023	$ 36,137,876	$ 3,251,612	$ 39,389,488
B. Revenues			
1. Village contributions	$ 385,518	$ 5,389	$ 390,907
2. Member contributions	64,362	0	64,362
3. 175 / 185 contributions	260,773	0	260,773
4. Investment income	3,331,134	294,412	3,625,546
5. Total revenue	$ 4,041,787	$ 299,801	$ 4,341,588
C. Expenditures			
1. Benefits paid	$ 1,429,998	$ 179,624	$ 1,609,622
2. DROP distributions	0	0	0
3. Refunds	0	0	0
4. Share Plan distributions	15,740	6,089	21,829
5. Administrative expenses	59,126	5,226	64,352
6. Investment expenses	28,018	2,476	30,494
7. Total expenditures	$ 1,532,882	$ 193,415	$ 1,726,297
D. Net Income			
Total revenue less total expenditures (B5. - C7.)	$ 2,508,905	$ 106,386	$ 2,615,291
E. Actuarial Value of Assets as of September 30, 2024	$ 38,646,781	$ 3,357,998	$ 42,004,779

Table VI
(Cont'd)

Development of Smoothed Value of Pension Plan Assets

Year Ended September 30:		2023	2024
A.	Smoothed Value Beginning of Year	38,611,878	39,389,488
B.	Market Value End of Year	37,562,933	44,897,224
C.	Market Value Beginning of Year	35,407,837	37,562,933
D.	Non-Investment Net Cash Flow	(1,563,165)	(979,761)
E.	Investment Income:		
	1. Market Total: B. – C. – D.	3,718,261	8,314,052
	2. Amount for Immediate Recognition (6.75%)	2,553,545	2,625,724
	3. Amount for Phased-In Recognition: E1. – E2.	1,164,716	5,688,328
F.	Phased-In Recognition of Investment Income:		
	1. Current Year: 0.25 x E3.	291,179	1,422,082
	2. First Prior Year	(2,022,488)	291,179
	3. Second Prior Year	1,278,557	(2,022,488)
	4. Third Prior Year	239,982	1,278,555
	5. Total Recognized Investment Gain	(212,770)	969,328
G.	Preliminary Actuarial Value End of Year: A. + D. + E2. + F5.	39,389,488	42,004,779
H.	Corridor		
	1. 80% of Market Value End of Year	30,050,346	35,917,779
	2. 120% of Market Value End of Year	45,075,520	53,876,669
I.	Smoothed Value End of Year G., not less than H1. not greater than H2.	39,389,488	42,004,779
J.	Difference Between Market and Actuarial Value	(1,826,555)	2,892,445
K.	Recognized Rate of Return	6.19%	9.24%

Table VII

Actuarial Gains (Losses) for
Plan Year Ended September 30, 2024 *

(All Participants)

A. Derivation of Actuarial Gain / (Loss)

1. Village and State normal cost previous valuation			$ 320,177
2. Unfunded actuarial accrued liability previous valuation			512,768
3. Village and State contributions previous year			535,750
4. Interest on:			
(a) Normal cost	$ 21,612		
(b) Unfunded actuarial accrued liability	34,612		
(c) Contributions	15,637		
(d) Net total: (a) + (b) - (c)			$ 40,587
5. Expected unfunded actuarial accrued liability current year (1. + 2. - 3. + 4.)			$ 337,782
6. Actual unfunded actuarial accrued liability current year			(728,824)
7. Actuarial gain / (loss): (5. - 6.)			$ 1,066,606

B. Approximate Portion of Gain / (Loss) due to Investments

1. Net smoothed value of assets previous year		$ 38,826,782
2. Contributions during year		600,112
3. Benefits and administrative expenses during year		1,673,974
4. Expected appreciation for period		2,582,120
5. Expected net actuarial value of assets current year (1. + 2. - 3. + 4.)		$ 40,335,040
6. Actual net smoothed value of assets current year		41,213,652
7. Approximate gain / (loss) due to investments: (6. - 5.)		$ 878,612

C. Approximate Portion of Gain / (Loss) due to Liabilities: A. - B. $ 187,994

* Net of Share Plan

Amortization of Unfunded Actuarial Accrued Liability

Unfunded Actuarial Accrued Liability

Date	Police Officers		Firefighters	
	Unfunded Liability	Amortization Payment	Unfunded Liability	Amortization Payment
October 1, 2024	$ (236,807)	$ (3,270)	$ (492,017)	$ (353,813)
October 1, 2025	$ (249,301)	$ (3,270)	$ (147,533)	$ (14,702)
October 1, 2026	$ (262,638)	$ (3,270)	$ (141,797)	$ (14,702)
October 1, 2027	$ (276,875)	$ (3,270)	$ (135,674)	$ (14,702)
October 1, 2028	$ (292,073)	$ (3,270)	$ (129,138)	$ (14,702)
…				
…				
October 1, 2039	$ 0	$ 0	$ 0	$ 0

Table IX

Actuarial Balance Sheet - October 1, 2024

Present Resources and Expected Future Resources

		Police	Fire	Total
A.	Net assets available for benefits			
	1. Smoothed value	$ 38,646,781	$ 3,357,998	$ 42,004,779
B.	Actuarial present value of expected future Village and State contributions			
	1. For normal cost	640,530	0	640,530
	2. For unfunded actuarial accrued liability	(236,807)	(492,017)	(728,824)
	3. Total	403,723	(492,017)	(88,294)
C.	Total value of future member contributions	173,691	0	173,691
D.	Total present and expected future resources	$ 39,224,195	$ 2,865,981	$ 42,090,176

Actuarial Present Value of Expected Future Benefit Payments and Reserves

		Police	Fire	Total
A.	To retired participants and beneficiaries including DROPs	$ 30,146,284	$ 2,610,172	$ 32,756,456
B.	To vested terminated participants	520,625	202,864	723,489
C.	Share plan	738,182	52,945	791,127
D.	To present active participants			
	1. Allocated to service rendered prior to valuation date	7,004,883	0	7,004,883
	2. Allocated to service expected to be rendered after valuation date	814,221	0	814,221
	3. Total	7,819,104	0	7,819,104
E.	Total actuarial present value of expected future benefit payments	$ 39,224,195	$ 2,865,981	$ 42,090,176

Table X

Accounting Disclosure Exhibit

	10/01/2023	10/01/2024
I. Number of Plan Members		
a. Retirees and beneficiaries receiving benefits	44 *	45 *
b. Terminated plan members entitled to deferred benefits	8	8
c. Active plan members	9	6
d. Total	61	59
II. Financial Accounting Standards Board Allocation as of October 1, 2024		
A. Statement of Accumulated Plan Benefits		
1. Actuarial present value of accumulated vested plan benefits		
a. Participants currently receiving benefits including DROPs and Share Plan	$ 28,417,800	$ 32,756,456
b. Other participants	9,333,192	7,323,110
c. Total	$ 37,750,992	$ 40,079,566
2. Actuarial present value of accumulated non-vested plan benefits	0	0
3. Total actuarial present value of accumulated plan benefits	$ 37,750,992	$ 40,079,566

B. Statement of Change in Accumulated Plan Benefits	
1. Actuarial present value of accumulated plan benefits as of October 1, 2023	$ 37,750,992
2. Increase (decrease) during year attributable to:	
a. Plan amendments	$ 0
b. Change in actuarial assumptions	0
c. Benefits paid including refunds and DROP and Share Plan distributions	(1,631,451)
d. Other, including benefits accumulated, increase for interest due to decrease in the discount period	3,960,025
e. Net increase	$ 2,328,574
3. Actuarial present value of accumulated plan benefits as of October 1, 2024	$ 40,079,566
C. Significant Matters Affecting Calculations	
1. Assumed rate of return used in determining actuarial present value	6.75%
2. Change in plan provisions	None.
3. Change in actuarial assumptions	None.

* Includes one Firefighter / Police Officer dual service member.

Accounting Disclosure Exhibit

III. Net Pension Liability and Related Ratios (GASB Statements No. 67 & No. 68)

Measurement date	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	9/30/2022	9/30/2023	9/30/2024	Projected 9/30/2025 *
A. Total Pension Liability (TPL)											
Service Cost	$ 360,751	$ 410,669	$ 427,032	$ 403,228	$ 339,484	$ 332,692	$ 500,477	$ 411,452	$ 334,782	$ 333,729	$ 205,496
Interest	1,850,070	1,944,254	2,068,372	2,143,645	2,205,109	2,313,118	2,409,210	2,330,268	2,561,142	2,747,030	2,741,753
Benefit Changes	0	0	0	0	0	0	0	0	0	0	0
Difference Between Actual and Expected Experience	81,981	(181,834)	216,592	(279,697)	(264,614)	852,542	(603,931)	123,716	714,944	592,527	(191,539)
Assumption Changes	0	76,322	80,318	124,812	197,669	(709,083)	1,891,247	0	0	0	0
Benefit Payments, including Refunds of Member Contributions	(878,850)	(888,548)	(938,667)	(965,600)	(1,020,976)	(1,009,708)	(1,062,865)	(2,118,739)	(2,167,329)	(1,631,451)	(1,725,776)
Net Change in Total Pension Liability	$ 1,413,952	$ 1,360,863	$ 1,853,647	$ 1,426,388	$ 1,456,672	$ 1,779,561	$ 3,134,138	$ 746,697	$ 1,443,539	$ 2,041,835	$ 1,029,934
Total Pension Liability (TPL) - (beginning of year)	24,810,202	26,224,154	27,585,017	29,438,664	30,865,052	32,321,724	34,101,285	37,235,423	37,982,120	39,425,659	41,467,494
Total Pension Liability (TPL) - (end of year)	$ 26,224,154	$ 27,585,017	$ 29,438,664	$ 30,865,052	$ 32,321,724	$ 34,101,285	$ 37,235,423	$ 37,982,120	$ 39,425,659	$ 41,467,494	$ 42,497,428
B. Plan Fiduciary Net Position											
Contributions - Village and State	$ 1,499,908	$ 1,540,740	$ 1,543,986	$ 1,552,848	$ 1,576,472	$ 945,003	$ 665,125	$ 777,422	$ 603,263	$ 651,680	$ 436,599
Contributions - Member	117,695	123,992	116,150	103,813	106,132	109,215	103,033	79,142	73,129	64,362	52,624
Net Investment Income	(41,414)	1,940,467	2,938,837	2,581,251	1,488,942	3,261,422	7,436,354	(5,564,799)	3,718,261	8,314,052	2,986,657
Benefit Payments, including Refunds of Member Contributions	(878,850)	(888,548)	(938,667)	(965,600)	(1,020,976)	(1,009,708)	(1,062,865)	(2,118,739)	(2,167,329)	(1,631,451)	(1,725,776)
Administrative Expenses	(51,394)	(64,671)	(55,453)	(64,481)	(52,501)	(67,813)	(60,122)	(63,736)	(66,491)	(64,352)	(64,352)
Other	0	0	0	0	0	0	0	0	(5,737)	0	0
Net Change in Plan Fiduciary Net Position	$ 645,945	$ 2,651,980	$ 3,604,853	$ 3,207,831	$ 2,098,069	$ 3,238,119	$ 7,081,525	$ (6,890,710)	$ 2,155,096	$ 7,334,291	$ 1,685,752
Plan Fiduciary Net Position - (beginning of year)	19,770,225	20,416,170	23,068,150	26,673,003	29,880,834	31,978,903	35,217,022	42,298,547	35,407,837	37,562,933	44,897,224
Plan Fiduciary Net Position - (end of year)	$ 20,416,170	$ 23,068,150	$ 26,673,003	$ 29,880,834	$ 31,978,903	$ 35,217,022	$ 42,298,547	$ 35,407,837	$ 37,562,933	$ 44,897,224	$ 46,582,976
C. Net Pension Liability (NPL) - (end of year): (A) - (B)	$ 5,807,984	$ 4,516,867	$ 2,765,661	$ 984,218	$ 342,821	$ (1,115,737)	$ (5,063,124)	$ 2,574,283	$ 1,862,726	$ (3,429,730)	$ (4,085,548)
D. Plan Fiduciary Net Position as a Percentage of TPL: (B) / (A)	77.85 %	83.63 %	90.61 %	96.81 %	98.94 %	103.27 %	113.60 %	93.22 %	95.28 %	108.27 %	109.61 %
E. Covered Employee Payroll **	$ 1,783,252	$ 1,878,665	$ 1,759,837	$ 1,572,925	$ 1,608,072	$ 1,654,766	$ 1,561,115	$ 1,199,124	$ 1,108,024	$ 979,149	$ 797,331
F. NPL as a Percentage of Covered Employee Payroll: (C) / (E)	325.70 %	240.43 %	157.15 %	62.57 %	21.32 %	(67.43)%	(324.33)%	214.68 %	168.11 %	(350.28)%	(512.40)%
G. Notes to Schedule:											
Valuation Date	10/1/2014	10/1/2015	10/1/2016	10/1/2017	10/1/2018	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023	10/1/2024
Reporting Date (GASB Statement No. 68)	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	9/30/2022	9/30/2023	9/30/2024	9/30/2025

Update procedures used to roll forward TPL excluding DROP account balances, Share Plan and reserves for additional benefits, if any, to the measurement dates - actual DROP account balances, Share Plan and reserves for additional benefits as of measurement dates, if any, were included in the TPL.

See Notes to Schedule of Contributions for a history of assumption changes and benefit changes.

* Projected - actual amounts will be available after Plan Year End

** Reported payroll used to determine contribution as provided under GASB Statement No. 82.

Accounting Disclosure Exhibit

IV. Schedule of Employer Contributions (GASB Statement No. 67 & No. 68)

Fiscal Year Ended 9/30	Actuarially Determined Contribution [1]	Actual Contribution [2]	Contribution Deficiency (Excess)	Covered Payroll [3]	Actual Contribution as a % of Covered Payroll
2015	$ 1,455,934	$ 1,499,908	$ (43,974)	$ 1,783,252	84.11%
2016	1,341,587	1,540,740	(199,153)	1,878,665	82.01%
2017	1,284,202	1,543,986	(259,784)	1,759,837	87.73%
2018	1,235,835	1,552,848	(317,013)	1,572,925	98.72%
2019	1,029,719	1,576,472	(546,753)	1,608,072	98.03%
2020	758,756	945,003	(186,247)	1,654,766	57.11%
2021	458,891	665,125	(206,234)	1,561,115	42.61%
2022	666,528	777,422	(110,894)	1,199,124	64.83%
2023	477,253	603,263	(126,010)	1,108,024	54.44%
2024	512,226	651,680	(139,454)	979,149	66.56%
2025 [4]	436,599	436,599	0	797,331	54.76%

[1] Includes Share Plan effective September 30, 2017

[2] Includes Share Plan / Reserve effective September 30, 2015

[3] Reported payroll used to determine contribution as provided under GASB Statement No. 82.

[4] Projected - actual amounts will be available after fiscal year end

Accounting Disclosure Exhibit

V. Notes to Schedule of Contributions (GASB No. 67 & No. 68)

Valuation Date: Actuarially determined contributions calculated as of October 1st - two years prior the fiscal year end in which contributions are paid.

Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year Ended September 30, 2024:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	15 years
Asset Valuation Method	4-year smoothed
Inflation	2.50%
Salary Increases	4.5% to 5.5% depending on age, including inflation
Investment Rate of Return	6.75%
Payroll Growth Assumption	None
Retirement Age	Experience-based rates that are specific to eligibility
Mortality	For healthy Police Officer participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy Police Officer participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without mortality improvements projection.
Cost-of-Living Increases	3.0%

Other Information:

Benefit Changes
None.

Accounting Disclosure Exhibit

V. Notes to Schedule of Contributions (GASB No. 67 & No. 68) (cont'd)

Assumption Changes
In 2020, rate of investment return, inflation rate, salary increase rates and mortality assumption for disabled participants were updated. In 2019, rate of investment return and mortality assumption were updated. In 2018, rate of investment return was updated. In 2017, rate of investment return was updated. In 2016, rate of investment return and mortality were updated. In 2015, inflation updated to 2.75%, salary increases were updated to 4.00% - 5.25% depending on age (including inflation), retirement rates, mortality rates and withdrawal rates were updated, rate of investment return updated to 7.45%, compounded annually net of investment expense.

VI. Discount Rate (GASB Statement No. 67 & No. 68)

A discount rate of 6.75% was used to measure the September 30, 2024 and September 30, 2025 TPL. This discount rate was based on the expected rate of return on Plan investments of 6.75%. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current contribution rate and employer contributions will be made at rate equal to the difference between actuarially determined contribution rates and member contribution rate. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future expected benefit payments to current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the TPL.

VII. Sensitivity of the NPL to the Discount Rate Assumption (GASB Statement No. 67 & No. 68)

Measurement date: September 30, 2024

	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	5.75%	6.75%	7.75%
NPL	$ 1,844,404	$ (3,429,730)	$ (7,768,700)

Measurement date: September 30, 2025 *

	1% Decrease	Current Discount Rate	1% Increase
Discount Rate	5.75%	6.75%	7.75%
NPL	$ 1,122,905	$ (4,085,548)	$ (8,375,474)

* Projected - actual amounts will be available after Plan Year End

Accounting Disclosure Exhibit

VIII. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (GASB Statement No. 68)

Pension Expense for Fiscal Year Ended September 30, 2024	$ 204,329

Summary of Outstanding Deferred Inflows and Outflows of Resources as of September 30, 2024

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience on liabilities	$ 0	$ 0
Changes of assumptions or other inputs	0	0
Net difference between projected and actual earnings on pension plan investments	0	3,142,162
Total	$ 0	$ 3,142,162

Summary of Deferred Outflows and Inflows of Resources that will be Recognized in Pension Expense in Future Years.

Year Ending 30-Sep	Amount
2025	$ (777,756)
2026	236,481
2027	(1,438,562)
2028	(1,162,325)
2029	0
Thereafter	0

Accounting Disclosure Exhibit

The following information is not required to be disclosed but is provided for informational purposes.

IX. Components of Pension Expense (GASB Statement No. 68)

Measurement Date	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	9/30/2022	9/30/2023	9/30/2024	Projected 9/30/2025 *
Service Cost	$ 360,751	$ 410,669	$ 427,032	$ 403,228	$ 339,484	$ 332,692	$ 500,477	$ 411,452	$ 334,782	$ 333,729	$ 205,496
Interest on Total Pension Liability	1,850,070	1,944,254	2,068,372	2,143,645	2,205,109	2,313,118	2,409,210	2,330,268	2,561,142	2,747,030	2,741,753
Current-Period Benefit Changes	0	0	0	0	0	0	0	0	0	0	0
Contributions - Member	(117,695)	(123,992)	(116,150)	(103,813)	(106,132)	(109,215)	(103,033)	(79,142)	(73,129)	(64,362)	(52,624)
Projected Earnings on Plan Investments	(1,508,543)	(1,547,509)	(1,731,686)	(1,983,493)	(2,203,534)	(2,317,626)	(2,365,174)	(2,810,402)	(2,337,079)	(2,502,431)	(2,986,657)
Administrative Expenses	51,394	64,671	55,453	64,481	52,501	67,813	60,122	63,736	66,491	64,352	64,352
Other Changes in Plan Fiduciary Net Position	0	0	0	0	0	0	0	0	5,737	0	0
Recognition of Beginning Deferred Outflows / (Inflows) due to Liabilities	54,654	(25,429)	112,194	35,157	(113,870)	119,260	1,183,329	240,745	714,944	592,527	(191,539)
Recognition of Beginning Deferred Outflows / (Inflows) due to Assets	309,991	231,399	(10,031)	(129,583)	13,337	(485,413)	(1,421,060)	495,413	338,729	(966,516)	(777,756)
Total Pension Expense	$ 1,000,622	$ 954,063	$ 805,184	$ 429,622	$ 186,895	$ (79,371)	$ 263,871	$ 652,070	$ 1,611,617	$ 204,329	$ (996,975)

* Projected - actual amounts will be available after measurement date

Accounting Disclosure Exhibit

The following information is not required to be disclosed but is provided for informational purposes.

X. Recognition of Deferred Outflows and (Inflows) due to Liabilities (GASB Statement No. 68)

Recognition of Deferred Outflows due to Differences Between Actual and Expected Experience on Liabilities

Established	Initial Balance	Initial Recognition Period	Remaining Recognition Period as of 9/30/2024	Recognition Amount for 2023 / 2024	Balance as of 9/30/2024
2023 / 2024	$ 592,527	0.5	0.0	$ 592,527	$ 0
			TOTAL	$ 592,527	$ 0

Recognition of Deferred (Inflows) due to Differences Between Actual and Expected Experience on Liabilities

Established	Initial Balance	Initial Recognition Period	Remaining Recognition Period as of 9/30/2024	Recognition Amount for 2023 / 2024	Balance as of 9/30/2024
2023 / 2024	$ 0	0.5	0.0	$ 0	$ 0
			TOTAL	$ 0	$ 0

Recognition of Deferred Outflows due to Changes of Assumptions or Other Inputs

Established	Initial Balance	Initial Recognition Period	Remaining Recognition Period as of 9/30/2024	Recognition Amount for 2023 / 2024	Balance as of 9/30/2024
2023 / 2024	$ 0	0.5	0.0	$ 0	$ 0
			TOTAL	$ 0	$ 0

Accounting Disclosure Exhibit

The following information is not required to be disclosed but is provided for informational purposes.

X. Recognition of Deferred Outflows and (Inflows) due to Liabilities (GASB No. 68) (cont'd)

Recognition of Deferred (Inflows) due to Changes of Assumptions or Other Inputs

Established	Initial Balance	Initial Recognition Period	Remaining Recognition Period as of 9/30/2024	Recognition Amount for 2023 / 2024	Balance as of 9/30/2024
2023 / 2024	$ 0	0.5	0.0	$ 0	$ 0
			TOTAL	$ 0	$ 0

XI. Recognition of Deferred Outflows and (Inflows) due to Assets (GASB No. 68)

Recognition of Deferred Outflows / (Inflows) due to Difference Between Projected and Actual Earnings on Pension Plan Investments

Established	Initial Balance	Initial Recognition Period	Remaining Recognition Period as of 9/30/2024	Recognition Amount for 2023 / 2024	Balance as of 9/30/2024
2019 / 2020	$ (943,796)	5	0	$ (188,760)	$ 0
2020 / 2021	$ (5,071,180)	5	1	$ (1,014,236)	$ (1,014,236)
2021 / 2022	$ 8,375,201	5	2	$ 1,675,040	$ 3,350,081
2022 / 2023	$ (1,381,182)	5	3	$ (276,236)	$ (828,710)
2023 / 2024	$ (5,811,621)	5	4	$ (1,162,324)	$ (4,649,297)
			TOTAL	$ (966,516)	$ (3,142,162)

Summary of Provisions Considered for Actuarial Valuation (as of October 1, 2024)

A. Participation

Police Officers employed by the Village of Palm Springs, who were hired before June 30, 2010 and elected to remain in the Plan.

B. Average Compensation

One twelfth (1/12) of average salary for the best 5 years of credited service during the last 10 years of credited service. Salary means gross earnings, subject to withholding for federal income tax purposes.

C. Standard Form of Payment

The standard form of payment of a pension to a retired participant is a series of monthly payments for life with a guaranteed benefit for 120 months following retirement. Optional forms of payment may be elected based on actuarial equivalence.

D. Normal Retirement

Eligibility . Earliest of (a) age 50 with 15 years of service, (b) age 55 with 10 years of service or (c) completion of 20 years of service, regardless of age.

Pension Amount . Three percent (3.0%) of average compensation multiplied by credited service, but subject to the provisions of section 415 of the Internal Revenue Code. The normal form of benefit is amonthly benefit payable for life with 120 months guaranteed.

E. Early Retirement

Eligibility . Members may retire upon attainment of age 50 with 10 years of service or age 45 with 15 years of service.

Pension Amount . Amount calculated for normal retirement reduced 3% for each year early retirement age precedes normal retirement date, with a maximum reduction of 15%.

F. Vested Termination Prior to Normal Retirement Eligibility

Eligibility . The vesting percentage is 50% after 5 years of credited service, increased 10% per year until reaching 100% at 10 years of credited service.

Pension Amount . The participant's accrued normal or early retirement pension. Pension is payable when the member attains age 55 and would have completed 10 years of service.

Summary of Provisions Considered for Actuarial Valuation
(as of October 1, 2024)

G. Disability Benefits

Eligibility . Line of Duty: no service requirement.
Non-Line of Duty: ten years of credited service.

Disability Amount . Line of duty - greater of accrued benefit or 42% of average compensation.

Non-line of duty - greater of accrued benefit or 30% of average compensation.

H. Pre-Retirement Survivor Benefits

Eligibility . Ten years of credited service.

Survivor Pension Amount . 100% of the accrued pension, reduced by a 100% Joint and Survivor factor, payable immediately. If member was not eligible for normal retirement at date of death the early retirement reduction shall apply, however the reduction for early retirement shall not exceed 15%.

I. Non-Vested Termination

A participant who terminated employment and is not eligible to retire or elect a vested deferred pension is entitled to a refund of member contributions.

J. Participant Contributions

6.6% of earnings.

K. Village Contributions

Amounts determined actuarially in accordance with Chapter 112, Florida Statutes.

L. Post-Retirement Pension Adjustments

Pensions are adjusted each October 1 by the percentage change in the Consumer Price Index during the preceding June to June year, not to exceed 3 percent. A pension will not be reduced. An adjustment will be pro-rated if the participant was not retired prior to the beginning of the preceding plan year.

Summary of Provisions Considered for Actuarial Valuation
(as of October 1, 2024)

M. Deferred Retirement Option Plan (DROP)

Eligibility to participate in the DROP upon attainment of normal retirement date.

N. Changes Since Most Recent Actuarial Valuation

None.

The Actuarial Valuation Process

An actuarial valuation is the process by which a balance between revenues (participant contributions, employer contributions and investment income) and obligations (benefits and expenses) is determined and its actuarial condition is measured.

The flow of activity constituting the valuation may be summarized as follows:

A. ***Covered person information about*** :
- each person receiving pension payments
- each former participant with a vested pension not yet payable
- each former participant who is not vested and has not claimed a member contribution refund
- each active participant

B. + ***Financial Information*** (assets, revenues and expenditures)

C. + ***Benefit Provisions*** (Retirement Ordinance)

D. + ***Experience Estimates*** about the volume and incidence of future activities

E. + ***Actuarial Cost Method*** for allocating costs to time periods

F. + ***Mathematically combining the person information, financial information, benefit provisions, experience estimates and actuarial cost method***

G. = Determination of:

- contribution rate for the plan year

- current funded condition

Items A, B and C are furnished by the pension office and constitute the current knowns about the Fund. Since the majority of activities will occur in the future, estimates must be made about these future activities (Item D).

The Actuarial Valuation Process

Demographic assumptions are generally selected on the basis of the Plan's historical activity, modified for expected future differences. Past activity of funds which are similar in nature to the fund being valued may be utilized if fund data or activities are insufficient to be reliable.

Fiscal assumptions, on the other hand, do not lend themselves to prediction on the basis of historical activity -- the reason being that both salary increases and investment return are impacted by inflation. Inflation defies reliable prediction. Fiscal assumptions are generally selected on the basis of what would be expected to occur in an inflation-free environment and then both are increased by some provision for long-term inflation.

This is a case where two wrongs may make a right. If inflation is higher than expected it will probably result in actual rates of salary increase and investment return which exceed the assumed rates. Salaries increasing faster than expected result in unexpected costs. Investment return exceeding the assumed rate result in unanticipated assets. To a large degree the additional assets will offset the additional cost over the long-term.

Once items A, B, C and D are available, the actuarial valuation process begins. The first step is to determine the plan's ***total actuarial present value*** for individuals in each of the 3 covered person categories.

Retired members now receiving monthly payments;
Vested terminated members not yet at retirement age;
Active members .

The actuarial present value is the value today after taking into account the probabilities of payment and the effect of time, of plan promises to pay benefits in the future on the basis of both service already completed and projected future service.

The Actuarial Valuation Process

The total actuarial present value is allocated between projected future service and completed service by the actuarial cost method (Item E) -- the ***individual entry age*** method is being utilized in this valuation. The portion of the total actuarial present value allocated to projected future service is the ***actuarial present value of future normal cost*** -- normal cost being the series of annual costs, from entry age to retirement age, which will accumulate to the actuarial present value of the individual's benefit at the time of retirement or death. The remainder of the total actuarial present value is the ***actuarial accrued liability*** .

At this stage determination has been made of:

1. The total actuarial present value;
2. Normal cost; and
3. The actuarial accrued liability.

In the typical plan, the actuarial accrued liability may not be covered by the plan's accrued assets -- leaving an ***unfunded actuarial accrued liability*** .

The next step in the valuation process is a determination of the contribution rate (Item G) required to support Plan benefits in accordance with the funding objective.

The contribution rate is determined in two basic components:

1. The normal cost component; and
2. The component which will finance (pay off) the unfunded actuarial accrued liability over the periods.

Actuarial Assumptions and Methods Used for the Valuation

Funding objective contribution requirements and actuarial present values are calculated by applying estimates of future Plan activities (actuarial assumptions) to the benefit provisions and census information of the plan, using the actuarial cost method.

The principal areas of activity which require estimates are:

(i) rates of inflation impacting assets of the Plan
(ii) long-term rates of investment return to be generated by the assets of the plan
(iii) rates of salary increases to members
(iv) rates of mortality among members, retirees and beneficiaries
(v) rates of withdrawal of active members
(vi) rates of retirement due to age and service.

In making a valuation, the monetary effect of each activity is calculated for as long as a present covered person survives - - - a period of time which can be as long as a century.

Actual activities of the Pension Plan will not coincide exactly with estimated activities due to the nature of the activities. Each valuation provides a complete recalculation of estimated future activities and takes into account the effect of differences between estimated and actual activities to date. The result is a continual series of adjustments (usually small) to the computed contribution rate.

From time to time one or more of the estimates are modified to reflect experience trends (but not random or temporary year to year fluctuations).

Actuarial Assumptions and Methods Used for the Valuation

The actuarial experience estimates regarding the NET INVESTMENT RETURN, INFLATION, REAL INVESTMENT RETURN, and SALARY INCREASE rates are used, in combination with the other estimates, to (i) determine the present value of amounts expected to be paid in the future and (ii) establish rates of contribution which are expected to remain relatively level as a percent of active participant payroll.

A. Net Rate of Return. 6.75%, compounded annually net of investment expense.

B. Inflation Rates. 2.50%, compounded annually effective with the October 1, 2020 valuation. This is the rate at which growth in the supply of money and credit is estimated to exceed growth in the supply of goods and services. It may be thought of as the rate of depreciation of the purchasing power of the dollar. There are a number of indices for measuring the inflation rate. Recent inflation rates as measured by the Consumer Price Index, together with the assumed rate used in prior valuations, have been:

	Year Ended September 30					Average
	2024	2023	2022	2021	2020	for Period
Actual	2.25 %	3.56 %	8.46 %	5.94 %	1.50 %	4.31 %
Assumed	2.50	2.50	2.50	2.50	2.75	2.55

C. Real Investment Return Rate. 4.25%, compounded annually effective with the October 1, 2020 valuation based on the funding value of assets. This is the rate of return estimated to be produced by investing a pool of assets in an inflation-free environment. Recent real rates of investment return on the funding value of assets have been:

	Year Ended September 30					Average
	2024	2023	2022	2021	2020	5 Year
Total Rate	9.24 %	6.19 %	4.99 %	11.19 %	8.97 %	8.09 %
less Inflation	2.25	3.56	8.46	5.94	1.50	4.31
Actual Real Rate	6.99	2.63	(3.47)	5.25	7.47	3.78
Projected Real Rate	4.25	4.25	4.25	4.25	4.50	4.30
Projected Total Rate	6.75	6.75	6.75	6.75	7.25	6.85

The total investment return rate was computed on the funding value of assets using the approximate formula i = I divided by 1/2 (A + B - I), where I is investment income, A is the beginning of year asset funding value, and B is the end of year asset funding value.

The preceding investment return rates reflect the particular characteristics of this pension plan and the method of determining the funding value of assets. They should not be used to measure an investment advisor's performance or for comparison with other pension plans. Such use will usually mislead.

Actuarial Assumptions and Methods Used for the Valuation

D. Lump Sum Redemption of Unused Annual Leave at Time of Retirement. Loading factor for lump sum redemption of unused annual leave is 1%.

E. Payroll Growth Assumption. 0% per annum.

F. Salary Increase Rates. Participant salaries are estimated to increase between the date of hire and date of retirement. Salary increases occur in recognition of (i) individual merit and seniority, (ii) inflation-related depreciation of the purchasing power of salaries, and (iii) competition from other employers for personnel. A schedule of rates of increases in individual salaries for sample ages follows:

	Annual Rates of Salary Increase for Sample Ages				
Attributable to:	**20**	**30**	**40**	**50**	**60**
Merit & Seniority	N/A	N/A	1.5 %	2.0 %	2.5 %
General Increase in Wage Level due to:					
Inflation	N/A	N/A	3.0	3.0	3.0
Total	N/A	N/A	4.5 %	5.0 %	5.5 %

A schedule of recent salary change experience, as measured by average reported pay, follows:

	Year Ended September 30					Average	
	2024	**2023**	**2022**	**2021**	**2020**	**3 Year**	**5 Year**
% Change: Actual (1)	2.1 %	11.4 %	6.9 %	1.8 %	3.1 %	6.7 %	5.0 %
Assumed	4.9	5.0	4.8	4.8	4.0	4.9	4.7
% Change in Total Payroll	(34.3)	11.1	(21.2)	(16.3)	2.9	(16.8)	(13.1)

(1) Excluding terminations and new participants.

Actuarial Assumptions and Methods Used for the Valuation

The following schedule illustrates the recent history of the relationship between total investment return and average pay changes.

	Year Ended September 30					Average
	2024	2023	2022	2021	2020	5 Year
Total Investment Return Rate	9.2 %	6.2 %	5.0 %	11.2 %	9.0 %	8.1 %
Rate of Change in Average Pay	2.1	11.4	6.9	1.8	3.1	5.0
Difference: Actual	7.1	(5.2)	(1.9)	9.4	5.9	3.1
Target	4.25	4.25	4.25	4.25	4.50	4.30

G. Rates of Mortality. For healthy Police Officer participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy Police Officer participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

Sample Ages (2024)	Value of $1 Monthly for Life		Pre-retirement Future Life Expectancy (Years)		Post-retirement Future Life Expectancy (Years)	
	Men	Women	Men	Women	Men	Women
50	$ 153.96	$ 160.34	35.86	39.76	32.74	36.57
55	145.26	152.51	30.78	34.62	27.96	31.53
60	134.34	142.96	25.82	29.54	23.36	26.73
65	121.50	131.47	21.03	24.51	19.06	22.18
70	106.04	117.68	16.48	19.60	15.02	17.91
75	88.82	101.66	12.23	14.89	11.40	13.97
80	70.82	84.11	8.30	10.48	8.30	10.48

For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without mortality improvements projection.

This estimate was used to measure the probabilities of members dying before retirement and the probabilities of each benefit payment being made after retirement.

Actuarial Assumptions and Methods Used for the Valuation

H. Rates of Withdrawal from active membership. The rates do not apply to participants eligible to retire and do not include separation on account of death or disability. Separation rates are used to measure the probabilities of participants remaining in employment. The rates of separation used are higher than those for most public safety employees. However, recent experience provided by the Village supports this deviation. These rates were first used for the October 1, 2020 valuation.

Sample Ages	Percent Separating Within Next Year
<40	N/A %
40	2.0
45	1.0
50	1.0
55	1.0

I. Rates of Disability. These assumptions represent the probabilities of active members becoming disabled.

Sample Ages	Percent Becoming Disabled Within Next Year
20	0.03 %
25	0.05
30	0.07
35	0.13
40	0.19
45	0.28
50	0.45
55	0.76

Seventy-five percent of disabilities were assumed to be duty related. These rates were first used for the October 1, 1992 valuation.

J. Rates of Retirement. These rates are used to measure the probabilities of eligible members retiring during the next year.

< 20 Years of Service		20 + Years of Service	
Retirement Age	**Percent Retiring**	**Years of Service**	**Percent Retiring**
< 51	2.5%	20 - 24	20%
51 - 64	7.5%	25 & After	40%
65 & After	100%		

Notwithstanding the above, 20% of members are assumed to enter the DROP or retire upon reaching normal retirement date and 100% of members are assumed to retire upon attaining age 65.

Actuarial Assumptions and Methods Used for the Valuation

K. Cost-of-Living Increases. Pension cost-of-living increases after retirement were assumed to be 3.0% per annum.

L. Expenses. Administrative expenses are included as an additional employer contribution to provide for reimbursement of these expenses. Expenses are based on the actual expenses incurred in the fiscal year ending on the valuation date. This is unchanged from previous valuations.

M. Marital Status. Eighty-five percent of active participants who meet the age and service requirements for pre-retirement survivor benefits are estimated to be married. Female spouses are assumed to be 3 years younger than the male participant. Male spouses are assumed to be 3 years older than the female participant.

N. Valuation Date

October 1, 2024

O. Asset Valuation Method

The method used for determining the actuarial value of assets phases in the deviation between the expected return on actuarial value and actual return on market value of assets at the rate of 25% 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 fair market value of plan assets and whose upper limit is 120% of the fair market value of plan assets.

P. Cost Method

Normal Retirement, Termination, Disability, and Death Benefits: Entry-Age-Normal Cost Method

Under this method the normal cost for each active employee is the amount which is calculated to be a level percentage of pay that would be required annually from his entry age to his assumed retirement age to fund his estimated benefits, assuming the Plan had always been in effect. The normal cost for the Plan is the sum of such amounts for all employees. The actuarial accrued liability as of any valuation date for each active employee or inactive employee who is eligible to receive benefits under the Plan is the excess of the actuarial present value of estimated future benefits over the actuarial present value of current and future normal costs. The unfunded actuarial accrued liability as of any valuation date is the excess of the actuarial accrued liability over the assets of the Plan.

The DROP accounts balance and Share Plan are included in the assets and liabilities as of the valuation date.

Actuarial Assumptions and Methods Used for the Valuation

P. Cost Method (continued)

Vested Normal Retirement, Termination, Disability, and Death Benefits: Unit Credit Cost

Under this method, the actuarial present value of vested accrued benefits is an amount calculated to be the sum of the present values of each individual's vested accrued or earned benefit under the Fund as of the valuation date. Each individual's calculation is based on pay and service as of the valuation date.

Q. Disclosure of Assumptions. The investment return, salary increases, withdrawal and retirement rates were updated based on the most recent experience study performed for the five years ending September 30, 2019. The mortality rates are based upon the July 1, 2023 FRS Actuarial Valuation, as required under F.S., Chapter 2015-157.

R. Changes Since Most Recent Actuarial Valuation.

None.

Active Participants as of October 1, 2024
by Attained Age and Years of Service

Attained Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Valuation Payroll
20-24	-	-	-	-	-	-	-	0	$ 0
25-29	-	-	-	-	-	-	-	0	0
30-34	-	-	-	-	-	-	-	0	0
35-39	-	-	-	-	-	-	-	0	0
40-44	-	-	-	-	-	-	-	0	0
45-49	-	-	-	-	1	-	-	1	155,045
50-54	-	-	-	2	1	-	-	3	399,850
55-59	-	-	-	1	1	-	-	2	242,436
60-64	-	-	-	-	-	-	-	0	0
65 & Over	-	-	-	-	-	-	-	0	0
Totals	**0**	**0**	**0**	**3**	**3**	**0**	**0**	**6**	**$ 797,331**

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

	10/01/2023	10/01/2024
Average Attained Age	53.39 years	52.47 years
Average Hire Age	34.13 years	32.85 years
Average Pay	$ 134,752	$ 132,889
Percent Female	11.1%	0.0%

Active and Vested Terminated Participants Included in Valuation

Valuation Date	Active Participants	Vested Terminated Participants	Active Participant Payroll	Average Age	Average Service	Average Pay
10-01-15	20	14	$ 1,783,251	45.8 yrs.	14.1 yrs.	$ 89,163
10-01-16	19	14	1,819,927	46.5	14.9	95,786
10-01-17	17	14	1,639,976	46.8	14.9	96,469
10-01-18	15	15	1,423,289	48.1	15.5	94,886
10-01-19	15	13	1,608,072	49.1	16.5	107,205
10-01-20	15	13	1,654,766	50.1	17.5	110,318
10-01-21	12	12	1,385,117	51.2	18.2	115,426
10-01-22	9	10	1,091,789	52.4	18.3	121,310
10-01-23	9	8	1,212,767	53.4	19.3	134,752
10-01-24	6	8	797,331	52.5	19.6	132,889

Number Added to and Removed from Active Participation

Year Ended	Number Added During Year		Terminations During Year										Active Partic. End of Year
			Norm/Early Retirement		Disability Retirement		Died-in Service		Terminations Vested	Terminations Other	Terminations Total		
	A	E	A	E	A	E	A	E	A	A	A	E	
10-01-15	0	0	0	3.3	0	0.0	0	0.0	0	0	0	0.6	20
10-01-16	0	0	1	1.7	0	0.0	0	0.1	0	0	0	0.4	19
10-01-17	0	0	2	1.6	0	0.0	0	0.0	0	0	0	0.3	17
10-01-18	0	0	1	0.9	0	0.0	0	0.0	1	0	1	0.3	15
10-01-19	0	0	0	1.1	0	0.0	0	0.0	0	0	0	0.1	15
10-01-20	0	0	0	2.6	0	0.0	0	0.0	0	0	0	0.1	15
10-01-21	0	0	3	1.5	0	0.0	0	0.0	0	0	0	0.0	12
10-01-22	0	0	3	1.3	0	0.0	0	0.0	0	0	0	0.0	9
10-01-23	0	0	0	0.8	0	0.0	0	0.0	0	0	0	0.0	9
10-01-24	0	0	3	1.1	0	0.0	0	0.0	0	0	0	0.0	6
Expected 10/1/2025				1.0		0.0		0.0				0.0	

A represents actual number.
E represents expected number.

Retired Participants October 1, 2024
Tabulated by Attained Ages

Attained Ages	Police Officers No.	Police Officers Annual Pensions	Firefighters No.	Firefighters Annual Pensions
21			1	$ 15,847
46	1	66,346		
50	1	71,227		
52	2	133,422		
54	2	176,909		
55	1	10,341		
56	3	179,367		
57	2	141,425		
58	1	5,137	1	21,469
59	3	137,984	1	2,082
60	3	167,444	1	16,052
61	1	28,155	1	29,120
62	4	149,380		
63	1	71,273		
64	3	162,978	2	74,026
65	1	93,717		
68	2	81,561		
72	1	23,344		
74	2	38,724		
75	1	3,908		
77	1	48,581		
78	1	1,946		
79	2	66,593		
Totals	**39**	**$ 1,859,762**	**7**	**$ 158,596**
Average Age at Retirement:		51.8 years		41.5 years
Average Age Now:		62.9 years		55.9 years

Post-Retirement Pension Adjustments

	Year Beginning October 1				
	2024	**2023**	**2022**	**2021**	**2020**
% Increase	2.9%	2.3%	3.0%	3.0%	0.5%

Vested Terminated Participants as of October 1, 2024
Tabulated by Attained Ages

Attained Ages	Police Officers No.	Police Officers Annual Pensions	Firefighters No.	Firefighters Annual Pensions
41			1	4,035
45	1	35,875		
53			1	11,168
55	2	4,857		
64	1	2,086		
68	1	2,583		
89	1	175		
Totals	**6**	**$ 45,576**	**2**	**$ 15,203**
Average Age at Retirement:		57.5 years		55.1 years
Average Age Now:		63.4 years		47.7 years

Table XVI

Reconciliation of Participants for the Plan Year Ended September 30, 2024

	Active Participants	Vested Terminated Participants	Pension Recipients			
			Service Retired	DROPs	Disability Retirement	Beneficiaries
Beginning of Year	9	8	37	2	2	3
Increase (Decrease) From						
Service Retirement	0	0	0	0	0	0
DROP	(3)	0	0	3	0	0
Deaths	0	0	(1)	0	0	1
Other Pension Terminations	0	0	0	0	0	(2)
Vested Terminations	0	0	0	0	0	0
Non-Vested Terminations	0	0	0	0	0	0
New Entrants/Rehires	0	0	0	0	0	0
Transferred to FRS	0	0	0	0	0	0
End of Year	6	8	36	5	2	2

Table XVII

Actuarial Valuation as of October 1, 2024

State Required Exhibit

(Police Officers)

	10/01/2023	10/01/2024
A. Participant Data		
1. Active participants	9	6
2. Retired participants and beneficiaries receiving benefits	35	38
3. Disabled participants receiving benefits	1	1
4. Terminated vested participants	6	6
5. Annual payroll of active participants	$ 1,212,767	$ 797,331
6. Expected payroll of active participants for the following year	$ 1,212,767	$ 797,331
7. Annual benefits payable to those currently receiving benefits	$ 1,560,611	$ 1,859,762
B. Assets		
1. Market Value of Assets	$ 34,459,524	$ 41,304,195
2. Smoothed Value of Assets	$ 36,137,876	$ 38,646,781
C. Liabilities		
1. Actuarial present value of future expected benefit payments for active members		
a. Retirement benefits	$ 11,452,754	$ 7,742,857
b. Vesting benefits	0	0
c. Death benefits	111,248	75,066
d. Disability benefits	0	0
e. Refunds	1,761	1,181
f. Total	$ 11,565,763	$ 7,819,104
2. Actuarial present value of future expected benefit payments for terminated vested members	$ 439,437	$ 469,675
3. Actuarial present value of future expected benefit payments for members currently receiving benefits		
a. Service retired	$ 25,238,980	$ 29,729,639
b. Disability retired	318,790	318,386
c. Beneficiaries	98,999	98,259
d. Miscellaneous	14,698	50,950
e. Total	$ 25,671,467	$ 30,197,234
4. Share Plan liability	$ 513,372	$ 738,182

Actuarial Valuation as of October 1, 2024

State Required Exhibit

(Police Officers)

	10/01/2023	10/01/2024
5. Total actuarial present value of future expected benefit payments	$ 38,190,039	$ 39,224,195
6. Actuarial accrued liabilities	$ 36,907,459	$ 38,409,974
7. Unfunded actuarial accrued liabilities	$ 769,583	$ (236,807)
D. Statement of Accumulated Plan Benefits		
1. Actuarial present value of accumulated vested benefits		
a. Participants currently receiving benefits	$ 25,656,769	$ 30,146,284
b. Other participants (including Share Plan)	9,099,426	7,067,301
c. Total	$ 34,756,195	$ 37,213,585
2. Actuarial present value of accumulated non-vested plan benefits	0	0
3. Total actuarial present value of accumulated plan benefits	$ 34,756,195	$ 37,213,585
E. Pension Cost		
1. Total normal cost (including expenses)	$ 394,694	$ 264,622
2. Payment required to amortize unfunded liability	98,097	(3,270)
3. Interest adjustment	18,145	11,004
4. Total preliminary required contribution	$ 510,936	$ 272,356
5. Total required contribution (Greater of E.1 + E.3 and E.4)	$ 510,936	$ 275,626
6. Estimated member contributions	$ 80,043	$ 52,624
7. Net amount payable by Village / State	$ 430,893	$ 223,002

Actuarial Valuation as of October 1, 2024

State Required Exhibit

(Police Officers)

	10/01/2023	10/01/2024
F. Past Contributions		
1. Total Employer contribution required (prior actuarial valuation)	$ 390,907	$ 430,893
2. Actual Employer contributions made	$ 530,361	N/A
G. Net Actuarial Gain / (Loss)	$ (664,748)	$ 848,411
H. Disclosure of Following Items:		
1. Actuarial present value of future salaries - attained age	$ 4,010,368	$ 2,631,681
2. Actuarial present value of future employee contributions - attained age	$ 264,684	$ 173,691
3. Actuarial present value of future contributions from other sources	N/A	N/A
4. Amount of active members' accumulated contributions	$ 942,458	$ 662,163
5. Actuarial present value of future salaries and future benefits at entry age	N/A	N/A
6. Actuarial present value of future employee contributions at entry age	N/A	N/A

Actuarial Valuation as of October 1, 2024

State Required Exhibit

(Firefighters)

		10/01/2023	10/01/2024
A.	Participant Data		
	1. Active participants	0	0
	2. Retired participants and beneficiaries receiving benefits	8	6
	3. Disabled participants receiving benefits	1	1
	4. Terminated vested participants	2	2
	5. Annual payroll of active participants	N/A	N/A
	6. Expected payroll of active participants for the following year	N/A	N/A
	7. Annual benefits payable to those currently receiving benefits	$ 171,268	$ 158,596
B.	Assets		
	1. Market Value of Assets	$ 3,103,409	$ 3,593,029
	2. Smoothed Value of Assets	$ 3,251,612	$ 3,357,998
C.	Liabilities		
	1. Actuarial present value of future expected benefit payments for active members		
	a. Retirement benefits	$ 0	$ 0
	b. Vesting benefits	0	0
	c. Death benefits	0	0
	d. Disability benefits	0	0
	e. Refunds	0	0
	f. Total	$ 0	$ 0
	2. Actuarial present value of future expected benefit payments for terminated vested members	$ 184,432	$ 202,864
	3. Actuarial present value of future expected benefit payments for members currently receiving benefits		
	a. Service retired	$ 2,475,397	$ 1,953,470
	b. Disability retired	264,320	266,326
	c. Beneficiaries	21,314	390,376
	d. Miscellaneous	0	0
	e. Total	$ 2,761,031	$ 2,610,172
	4. Share Plan liability	$ 49,334	$ 52,945

Actuarial Valuation as of October 1, 2024

State Required Exhibit

(Firefighters)

	10/01/2023	10/01/2024
5. Total actuarial present value of future expected benefit payments	$ 2,994,797	$ 2,865,981
6. Actuarial accrued liabilities	$ 2,994,797	$ 2,865,981
7. Unfunded actuarial accrued liabilities	$ (256,815)	$ (492,017)
D. Statement of Accumulated Plan Benefits		
1. Actuarial present value of accumulated vested benefits		
a. Participants currently receiving benefits	$ 2,761,031	$ 2,610,172
b. Other participants (including Share Plan)	233,766	255,809
c. Total	$ 2,994,797	$ 2,865,981
2. Actuarial present value of accumulated non-vested plan benefits	0	0
3. Total actuarial present value of accumulated plan benefits	$ 2,994,797	$ 2,865,981
E. Pension Cost		
1. Total normal cost (including expenses)	$ 5,526	$ 5,226
2. Payment required to amortize unfunded liability	(157,601)	(353,813)
3. Interest adjustment	180	171
4. Total preliminary required contribution	$ (151,895)	$ (348,416)
5. Total required contribution (Greater of E.1 + E.3 and E.4)	$ 5,706	$ 5,397
6. Estimated member contributions	$ 0	$ 0
7. Net amount payable by Village	$ 5,706	$ 5,397
F. Past Contributions		
1. Total Employer contribution required (prior actuarial valuation)	$ 5,389	$ 5,706
2. Actual Employer contributions made	$ 5,389	N/A
G. Net Actuarial Gain (Loss)	$ (33,362)	$ 218,195

Actuarial Valuation as of October 1, 2024

State Required Exhibit

(All Participants)

	10/01/2023	10/01/2024
A. Participant Data		
1. Active participants	9	6
2. Retired participants and beneficiaries receiving benefits	42 *	43 *
3. Disabled participants receiving benefits	2	2
4. Terminated vested participants	8	8
5. Annual payroll of active participants	$ 1,212,767	$ 797,331
6. Expected payroll of active participants for the following year	$ 1,212,767	$ 797,331
7. Annual benefits payable to those currently receiving benefits	$ 1,731,879	$ 2,018,358
B. Assets		
1. Market Value of Assets	$ 37,562,933	$ 44,897,224
2. Smoothed Value of Assets	$ 39,389,488	$ 42,004,779
C. Liabilities		
1. Actuarial present value of future expected benefit payments for active members		
a. Retirement benefits	$ 11,452,754	$ 7,742,857
b. Vesting benefits	0	0
c. Death benefits	111,248	75,066
d. Disability benefits	0	0
e. Refunds	1,761	1,181
f. Total	$ 11,565,763	$ 7,819,104
2. Actuarial present value of future expected benefit payments for terminated vested members	$ 623,869	$ 672,539
3. Actuarial present value of future expected benefit payments for members currently receiving benefits		
a. Service retired	$ 27,714,377	$ 31,683,109
b. Disability retired	583,110	584,712
c. Beneficiaries	120,313	488,635
d. Miscellaneous	14,698	50,950
e. Total	$ 28,432,498	$ 32,807,406
4. Share Plan liability	$ 562,706	$ 791,127

* Includes one Firefighter / Police Officer dual service member.

Actuarial Valuation as of October 1, 2024

State Required Exhibit

(All Participants)

	10/01/2023	10/01/2024
5. Total actuarial present value of future expected benefit payments	$ 41,184,836	$ 42,090,176
6. Actuarial accrued liabilities	$ 39,902,256	$ 41,275,955
7. Unfunded actuarial accrued liabilities	$ 512,768	$ (728,824)
D. Statement of Accumulated Plan Benefits		
1. Actuarial present value of accumulated vested benefits		
a. Participants currently receiving benefits	$ 28,417,800	$ 32,756,456
b. Other participants (including Share Plan)	9,333,192	7,323,110
c. Total	$ 37,750,992	$ 40,079,566
2. Actuarial present value of accumulated non-vested plan benefits	0	0
3. Total actuarial present value of accumulated plan benefits	$ 37,750,992	$ 40,079,566

E. Statement of Change in Accumulated Plan Benefits	
1. Actuarial present value of accumulated plan benefits as of October 1, 2023	$ 37,750,992
2. Increase (decrease) during period attributable to:	
a. Plan amendment	$ 0
b. Change in actuarial assumptions	0
c. Benefits paid including refunds and DROP and Share Plan distributions	(1,631,451)
d. Other, including benefits accumulated and increase for interest due to decrease in the discount period	3,960,025
e. Net increase	$ 2,328,574
3. Actuarial present value of accumulated plan benefits as of October 1, 2024	$ 40,079,566

Actuarial Valuation as of October 1, 2024

State Required Exhibit

(All Participants)

		10/01/2023	10/01/2024
F.	Pension Cost		
	1. Total normal cost (including expenses)	$ 400,220	$ 269,848
	2. Payment required to amortize unfunded liability	98,097	(357,083)
	3. Interest adjustment	18,325	11,175
	4. Total preliminary required contribution	$ 516,642	$ (76,060)
	5. Total required contribution (Greater of F.1 and F.3 and F.4)	$ 516,642	$ 281,023
	6. Estimated member contributions	$ 80,043	$ 52,624
	7. Net amount payable by Village / State	$ 436,599	$ 228,399
G.	Past Contributions		
	1. Total Employer contribution required (prior actuarial valuation)	$ 396,296	$ 436,599
	2. Actual Employer contributions made	$ 535,750	N/A
H.	Net Actuarial / Gain (Loss)	$ (698,110)	$ 1,066,606
I.	Disclosure of Following Items:		
	1. Actuarial present value of future salaries - attained age	$ 4,010,368	$ 2,631,681
	2. Actuarial present value of future employee contributions - attained age	$ 264,684	$ 173,691
	3. Actuarial present value of future contributions from other sources	N/A	N/A
	4. Amount of active members' accumulated contributions	$ 942,458	$ 662,163
	5. Actuarial present value of future salaries and future benefits at entry age	N/A	N/A
	6. Actuarial present value of future employee contributions at entry age	N/A	N/A

State Required Exhibit

Police Officers

	Unfunded Actuarial Accrued Liabilities	Current Unfunded Liabilities	Amortization Payment	Remaining Funding Period
10/01/2020	Combined Bases *	$ 305,279	$ 52,602	7 years
10/01/2020	Actuarial Loss / (Gain)	(1,219,181)	(150,415)	11 years
10/01/2020	Method / Assumption Change	1,857,029	229,108	11 years
10/01/2021	Actuarial Loss / (Gain)	(1,570,509)	(182,767)	12 years
10/01/2022	Actuarial Loss / (Gain)	673,378	74,410	13 years
10/01/2023	Actuarial Loss / (Gain)	565,608	59,680	14 years
10/01/2024	Actuarial Loss / (Gain)	(848,411)	(85,888)	15 years
	TOTAL	$ (236,807)	$ (3,270)	

Firefighters

	Unfunded Actuarial Accrued Liabilities	Current Unfunded Liabilities	Amortization Payment	Remaining Funding Period
10/01/2020	Combined Bases *	$ (339,111)	$ (339,111)	1 year
10/01/2020	Actuarial Loss / (Gain)	(122,098)	(15,064)	11 years
10/01/2020	Method / Assumption Change	211,423	26,084	11 years
10/01/2021	Actuarial Loss / (Gain)	(136,086)	(15,837)	12 years
10/01/2022	Actuarial Loss / (Gain)	76,443	8,447	13 years
10/01/2023	Actuarial Loss / (Gain)	35,607	3,757	14 years
10/01/2024	Actuarial Loss / (Gain)	(218,195)	(22,089)	15 years
	TOTAL	$ (492,017)	$ (353,813)	

* Combined per Internal Revenue Code Regulation 1.412(b)-1

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, and in our opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. Based upon our understanding of the plan, 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 other wise provided for in the valuation. All known events or trends which may require material increase in plan costs or required contribution rates have been taken into account in the valuation.

Shelly L. Jones, A.S.A., E.A., M.A.A.A.
Enrollment Number: 23-08646

Jennifer M. Borregard, E.A., M.A.A.A.
Enrollment Number: 23-07624

Date: January 10, 2024

Glossary

Actuarial Accrued Liability. The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.

Actuarial Assumptions. 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.

Actuarial Cost Method. 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.

Actuarial Equivalent. Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.

Actuarial Present Value of Future Benefits. 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, non-retired 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.

Actuarial Valuation. 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.

Actuarial Value of Assets. 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 required contribution.

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.

Glossary

Amortization Payment. That portion of the plan contribution 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.

Annual Required Contribution. The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation. The annual required contribution consists of the Employer Normal Cost and Amortization Payment plus interest adjustment.

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 15 years, it is 14 years at the end of one year, 13 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. Losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.

Funded Ratio. The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.

GASB. Governmental Accounting Standards Board.

Glossary

GASB No. 67 and GASB No. 68. These are the governmental accounting standards that set the accounting rules for public retirement plans and the employers that sponsor or contribute to them. Statement No. 67 sets the accounting rules for the plans themselves, while Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement plans.

Normal Cost. The annual cost assigned, under the Actuarial Cost Method, to the current plan year.

Open Amortization Period. 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 15 years, the same 15-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.

Unfunded Actuarial Accrued Liability. The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.

Valuation Date. 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.

Vested Benefit Security Ratio. The ratio of the Market Value of Assets to the Actuarial Present Value of Vested Accrued Benefits.