

**ACTUARIAL COST STATEMENT
FOR PROPOSED CHANGES FOR THE
RETIREMENT PLAN FOR EMPLOYEES OF
FLORISSANT VALLEY FIRE PROTECTION DISTRICT**

Prepared November 6, 2024

This actuarial statement is to disclose the financial impact of the Substantial Proposed Changes to the Retirement Plan for Employees of Florissant Valley Fire Protection District which would become effective on December 27, 2024. This statement is prepared using the actuarial assumptions and methods employed in the last annual actuarial valuation in accordance with R.S.Mo. § 105.665.

Proposed Changes

The current pension benefit does not provide for increases in the benefit of participants once retired.

Under the proposal, a one-time \$3,000 payment will be made to each retiree and beneficiary who is current receiving monthly retirement payments. The total cost of this benefit is a one-time charge of \$93,000 or 0.21% of the Plan's Accrued Liability or 0.25% of Plan Assets.

Actuarial Analysis

1. Attached is a 10-year projection of the current plan and the proposed plan.
2. The below table summarizes the impact based on the latest actuarial valuation, January 1, 2024 considering the cost of the proposed benefit as a reduction in Plan assets.

	Current	Proposed
ACCRUED LIABILITY	\$44,750,634	\$44,750,634
ESTIMATED ASSETS	\$37,282,810	\$37,189,810
UNFUNDED ACCRUED LIABILITY	\$7,467,824	\$7,560,824
ACCRUED LIABILITY FUNDED RATIO	83.3%	83.1%
NORMAL COST	\$838,133	\$838,133
NORMAL COST AS A % OF PAYROLL	11.0%	11.0%
EXPENSES	\$10,250	\$10,250



20 YEAR AMORT OF UNFUNDED LIABILITY	\$782,508	\$791,795
AMORT AS A % OF PAYROLL	10.3%	10.3%
EMPLOYEE CONTRIBUTION	68,760	68,760
ANNUAL COST (beginning of year)	\$1,561,881	\$1,571,168
ANNUAL COST (end of year)	\$1,663,403	\$1,673,294
ANNUAL COST AS A % OF PAYROLL	20.6%	20.7%
EXPECTED CONTRIBUTION	\$2,561,881	\$2,561,881
ASSUMED PAYROLL	\$7,593,000	\$7,593,000
EXPECTED BENEFIT PAYMENTS	\$1,913,648	\$1,913,648

3. As shown in the projections, we do not believe that the proposed change would impair the ability of the plan to meet the obligations thereof in effect at the time the proposal is made.
4. The assumptions used for this analysis are listed in the cost projection exhibits and the 1/1/2024 actuarial report that has been attached.
5. We believe the assumptions used for the actuarial valuation produce results which, in the aggregate, are reasonable.
6. Individual Entry Age Normal method is used for the actuarial valuation. Unfunded Actuarial Liabilities are amortized over a closed 15 year period. The Unfunded Accrued Liability equals the Accrued Liability less the Actuarial Value of Assets.

Ekon Benefits

Keith Kowalczyk
President
Associate of the Society of Actuaries
Enrolled Actuary, No. 23-2812

RETIREMENT PLAN FOR EMPLOYEES OF FLORISSANT VALLEY FIRE PROTECTION DISTRICT

COST PROJECTION - CURRENT PLAN

	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034
ACCRUED LIABILITY	44,750,634	46,576,000	48,560,000	50,598,000	52,548,000	54,420,000	56,384,000	57,662,000	58,883,000	60,232,000	61,585,000
ESTIMATED ASSETS	37,282,810	40,436,000	42,687,000	45,016,000	47,281,000	49,496,000	51,833,000	53,516,000	55,178,000	57,007,000	58,885,000
UNFUNDED ACCRUED LIABILITY	7,467,824	6,140,000	5,873,000	5,582,000	5,267,000	4,924,000	4,551,000	4,146,000	3,705,000	3,225,000	2,700,000
ACCRUED LIABILITY FUNDED RATIO	83.3%	86.8%	87.9%	89.0%	90.0%	91.0%	91.9%	92.8%	93.7%	94.6%	95.6%
NORMAL COST	838,133	929,000	943,000	959,000	978,000	993,000	1,013,000	1,034,000	1,054,000	1,066,000	1,086,000
EXPENSES	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489	12,801
EMPLOYEE CONTRIBUTIONS	-68,760	-77,530	-78,850	-80,350	-81,790	-83,350	-84,930	-86,370	-87,660	-89,140	-90,230
NORMAL COST INCLUDING ADJUSTMENTS	779,373	861,720	874,656	889,419	907,248	920,964	939,667	959,517	978,524	989,349	1,008,571
AMORT OF UNFUNDED LIABILITY	782,508	675,000	681,000	687,000	695,000	702,000	711,000	721,000	732,000	745,000	762,000
ANNUAL COST (beginning of year)	1,561,881	1,536,720	1,555,656	1,576,419	1,602,248	1,622,964	1,650,667	1,680,517	1,710,524	1,734,349	1,770,571
COST AS A % OF PAYROLL	20.6%	19.8%	19.7%	19.6%	19.6%	19.5%	19.4%	19.5%	19.5%	19.5%	19.6%
EXPECTED EMPLOYER CONTRIBUTION	2,561,881	1,536,720	1,555,656	1,576,419	1,602,248	1,622,964	1,650,667	1,680,517	1,710,524	1,734,349	1,770,571
ASSUMED PAYROLL	7,593,000	7,753,000	7,885,000	8,035,000	8,179,000	8,335,000	8,493,000	8,637,000	8,766,000	8,914,000	9,023,000
EXPECTED BENEFIT PAYMENTS	1,913,648	1,969,000	2,056,000	2,286,000	2,504,000	2,548,000	3,357,000	3,514,000	3,488,000	3,581,000	3,548,000

COST PROJECTION - PLAN DESIGN - \$3,000 ONE-TIME PAYMENT TO RETIREES

	1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034
ACCRUED LIABILITY	44,750,634	46,576,000	48,560,000	50,598,000	52,548,000	54,420,000	56,384,000	57,662,000	58,883,000	60,232,000	61,585,000
ESTIMATED ASSETS	37,282,810	40,343,000	42,598,000	44,930,000	47,200,000	49,419,000	51,760,000	53,448,000	55,115,000	56,949,000	58,833,000
UNFUNDED ACCRUED LIABILITY	7,467,824	6,233,000	5,962,000	5,668,000	5,348,000	5,001,000	4,624,000	4,214,000	3,768,000	3,283,000	2,752,000
ACCRUED LIABILITY FUNDED RATIO	83.3%	86.6%	87.7%	88.8%	89.8%	90.8%	91.8%	92.7%	93.6%	94.5%	95.5%
NORMAL COST	838,133	929,000	943,000	959,000	978,000	993,000	1,013,000	1,034,000	1,054,000	1,066,000	1,086,000
EXPENSES	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489	12,801
EMPLOYEE CONTRIBUTIONS	-68,760	-77,530	-78,850	-80,350	-81,790	-83,350	-84,930	-86,370	-87,660	-89,140	-90,230
NORMAL COST INCLUDING ADJUSTMENTS	779,373	861,720	874,656	889,419	907,248	920,964	939,667	959,517	978,524	989,349	1,008,571
AMORTIZATION	1,034,171	1,043,458	1,043,458	1,043,458	1,043,458	1,043,458	1,043,458	1,043,458	1,043,458	1,043,458	1,043,458
BASES	9,869,550	9,508,724	9,015,509	8,490,234	7,930,817	7,335,038	6,700,533	6,024,785	5,305,114	4,538,663	3,722,394
AMORT OF UNFUNDED LIABILITY	782,508	684,000	690,000	697,000	704,000	711,000	720,000	730,000	741,000	755,000	771,000
ANNUAL COST (beginning of year)	1,561,881	1,545,720	1,564,656	1,586,419	1,611,248	1,631,964	1,659,667	1,689,517	1,719,524	1,744,349	1,779,571
COST AS A % OF PAYROLL	20.6%	19.9%	19.8%	19.7%	19.7%	19.6%	19.5%	19.6%	19.6%	19.6%	19.7%
EXPECTED EMPLOYER CONTRIBUTION	2,561,881	1,545,720	1,564,656	1,586,419	1,611,248	1,631,964	1,659,667	1,689,517	1,719,524	1,744,349	1,779,571
ASSUMED PAYROLL	7,593,000	7,753,000	7,885,000	8,035,000	8,179,000	8,335,000	8,493,000	8,637,000	8,766,000	8,914,000	9,023,000
EXPECTED BENEFIT PAYMENTS	1,913,648	1,969,000	2,056,000	2,286,000	2,504,000	2,548,000	3,357,000	3,514,000	3,488,000	3,581,000	3,548,000
\$3,000 ONE TIME PAYMENT TO RETIREES	93,000										

Assumptions

Discount Rate	6.50%
Rate of Return	6.50%
Aggregate Payroll Growth	1.90% (Represents \$1,500 annual salary increase plus 0.5% for career promotions)
Inflation	2.50%
Assumes Level Population (New Hires Replace Retirements)	
2023 Pension Property Tax Assessment	876,278

RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
FLORISSANT VALLEY FIRE PROTECTION DISTRICT

A RESOLUTION APPROVING THE AMENDMENT OF "THE RETIREMENT PLAN FOR EMPLOYEES OF FLORISSANT VALLEY FIRE PROTECTION DISTRICT (AS AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2014)"

WHEREAS, pursuant to the laws of the State of Missouri, the Fire District Board of Directors (the "Board") of the Florissant Valley Fire District (the "District") has the power to manage, control and supervise all of the District's business and affairs including the authority to establish and maintain a pension fund as well as the authority to authorize a board of trustees to administer such a fund, and

WHEREAS, the District, an entity organized and existing pursuant to the provisions of Chapter 321 of the Revised Statutes of the State of Missouri, has previously established and agreed to maintain the Retirement Plan for Employees of the Florissant Valley Fire Protection District (the "Plan") effective as of February 1, 1970 and

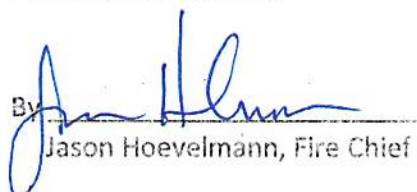
WHEREAS, the Board has reviewed the attached amended Plan in the form of the Fourth Amendment.

NOW THEREFORE, BE IT RESOVLED BY THE BOARD OF DIRECTORS OF THE FLORISSANT VALLEY FIRE PROTECTION DISTRICT THAT THE FOLLOWING RESOLUTION BE HEREBY ADOPTED:

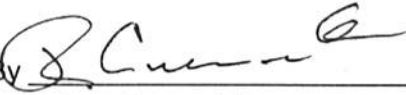
1. The Retirement Plan for Employees of Florissant Valley Fire Protection District (As Amended and Restated Effective January 1, 2014) attached here to in the form of the Fourth Amendment is hereby adopted and approved.
2. The Plan, as amended, is hereby reaffirmed and ratified.

IN WITNESS WHEREOF, the District has caused this FOURTH AMENDMENT to be executed by its duly appointed official on this 6th day of NOVEMBER, 2024, effective as of December 27, 2024.


FLORISSANT VALLEY FIRE
PROTECTION DISTRICT

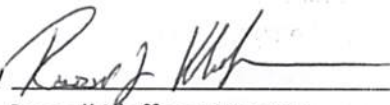
By 
Jason Hoevelmann, Fire Chief

By 
Daniel Lubiewski, Trustee

By 
Robert Carmack, Trustee

By 
Michael Mahaffy, Trustee

By 
Mark Waller, Trustee

By 
Russell Kleffner, Trustee

FOURTH AMENDMENT TO THE
RETIREMENT PLAN FOR EMPLOYEES OF
FLORISSANT VALLEY FIRE PROTECTION DISTRICT
(AS AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2014)

WHEREAS, the Florissant Valley Fire Protection District (the "District"), organized and existing under Chapter 321 of the Revised Statutes of the State of Missouri, has previously established and agreed to maintain the Retirement Plan for Employees of the Florissant Valley Fire Protection district (the "Plan") effective as of February 1, 1970, and

WHEREAS, the District finds it necessary to further amend the Plan, and

WHEREAS, pursuant to the provisions of Section 11.2, the District reserved the right to amend the Plan, in whole or in part, at any time and from time to time, subject to certain limitations,

NOW THEREFORE, in exercise of the power so reserved, the Plan is hereby amended as follows:

1. A new subsection is added to Article IV as follows:

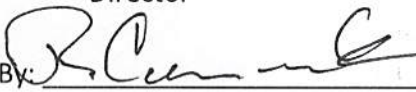
¶ 4.6 All retirees and beneficiaries receiving benefits on December 27, 2024 will receive an additional one-time payment of \$3,000 on such date.

2. The Plan, as amended, is hereby reaffirmed and ratified.

RESOVLED this 6th day of November, 2024.


BOARD OF DIRECTORS OF THE
FLORISSANT VALLEY FIRE PROTECTION
DISTRICT

By: 
Director

By: 
Director

By: 
Director

By: 
Director

By: 
Director