

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

Prepared August 27, 2026

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 45 days after submission of this cost statement on October 11, 2026. 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, the following benefits will be incorporated into the pension plan:

1. A one-time payment will be made to each retiree and beneficiary who receives a monthly retirement payment in December 2026. The payment will be the greater of their December 2026 pension payment or \$4,500.
2. Beginning with the 2027 Plan Year, retirees and beneficiaries will receive a 13th check payable in December. The payment will be the greater of the amount of their December pension payment or \$4,000.
3. Beginning January 1, 2028, retirees and beneficiaries will be eligible for an annual 1% Cost of Living Adjustment (COLA) with a lifetime maximum of 15%.



Actuarial Analysis

1. Attached is a 10-year projection of the current plan and the proposed plan.
2. The below table summarizes the impact of the proposed changes as of January 1, 2027.

	Current	Proposed
ACCRUED LIABILITY	\$51,225,965	\$60,349,724
ESTIMATED ASSETS	\$52,113,251	\$51,942,251
UNFUNDED ACCRUED LIABILITY	\$(887,286)	\$8,407,473
ACCRUED LIABILITY FUNDED RATIO	101.7%	86.1%
NORMAL COST	\$1,010,132	\$1,176,602
NORMAL COST AS A % OF PAYROLL	11.9%	13.9%
EXPENSES	\$10,250	\$10,250
AMORTIZATION OF BASES	\$0	\$919,333
AMORT AS A % OF PAYROLL	N/A	10.9%
EMPLOYEE CONTRIBUTION	\$84,565	\$84,565
ANNUAL COST (beginning of year)	\$935,817	\$2,021,620
ANNUAL COST (end of year)	\$996,646	\$2,153,026
ANNUAL COST AS A % OF PAYROLL	11.8%	25.5%
EXPECTED CONTRIBUTION	\$5,000,000	\$5,000,000
ASSUMED PAYROLL	\$8,456,460	\$8,456,460
EXPECTED BENEFIT PAYMENTS	\$2,421,460	\$2,643,248

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 1/1/2026 actuarial report that has been attached. Contributions made by the Florissant Valley Fire Protection District are increased to \$5,000,000 for the 2026, 2027, and 2028 Plan Years. Contributions in 2029+ were determined based on the Annual Cost calculation under the Proposed Design



5. We believe the assumptions used for the actuarial valuation produce results which, in the aggregate, are reasonable.
6. The Recommended Contribution is based on the Entry Age Normal Cost Method, with experience gains and losses (changes in the unfunded accrued liability which result from causes other than contributions and the accrual of interest and additional normal costs) amortized over 15 years. Liability changes due to plan amendments are also amortized over 15 years. Increases and decreases resulting from changes in assumptions or funding method are amortized over 20 years. The total amortization amount is adjusted by the proportion of current Unfunded Accrued Liability to the total current balance. In addition, the total contribution is reduced by expected employee contributions.

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RETIREMENT PLAN FOR EMPLOYEES OF FLORISSANT VALLEY FIRE PROTECTION DISTRICT COST PROJECTION - CURRENT PLAN

	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	1/1/2035	1/1/2036	1/1/2037
ACCRUED LIABILITY	49,254,472	51,225,965	53,131,000	54,958,000	56,875,000	58,285,000	59,648,000	61,148,000	62,662,000	64,330,000	65,988,000	67,630,000
ESTIMATED ASSETS	46,081,833	52,113,251	58,240,000	64,541,000	67,512,000	70,043,000	72,597,000	75,361,000	78,214,000	81,303,000	84,466,000	87,699,000
UNFUNDED ACCRUED LIABILITY	3,172,639	-887,286	-5,109,000	-9,583,000	-10,637,000	-11,758,000	-12,949,000	-14,213,000	-15,552,000	-16,973,000	-18,478,000	-20,069,000
ACCRUED LIABILITY FUNDED RATIO	93.6%	101.7%	109.6%	117.4%	118.7%	120.2%	121.7%	123.2%	124.8%	126.4%	128.0%	129.7%
NORMAL COST	914,650	1,010,132	1,031,000	1,047,000	1,067,000	1,089,000	1,110,000	1,123,000	1,144,000	1,170,000	1,196,000	1,223,000
EXPENSES	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489	12,801	13,121
EMPLOYEE CONTRIBUTIONS	-85,301	-84,565	-86,050	-87,660	-88,100	-89,540	-91,240	-93,100	-94,870	-96,550	-98,150	-99,850
NORMAL COST INCLUDING ADJUSTMENTS	839,349	935,817	955,456	970,109	989,938	1,010,774	1,030,357	1,041,787	1,061,314	1,085,939	1,110,651	1,136,271
AMORTIZATIONS	396,271	0	0	0	0	0	0	0	0	0	0	0
ANNUAL COST (beginning of year)	1,235,620	935,817	955,456	970,109	989,938	1,010,774	1,030,357	1,041,787	1,061,314	1,085,939	1,110,651	1,136,271
ANNUAL COST (end of year)	1,315,935	996,646	1,017,561	1,033,166	1,054,284	1,076,474	1,097,330	1,109,503	1,130,299	1,156,525	1,182,843	1,210,128
COST AS A % OF PAYROLL	15.9%	11.8%	11.8%	11.8%	12.0%	12.0%	12.0%	11.9%	11.9%	12.0%	12.1%	12.1%
TOTAL CONTRIBUTION	5,000,000	5,000,000	5,000,000	1,420,826	1,438,749	1,457,744	1,474,340	1,480,123	1,494,529	1,512,235	1,526,838	1,537,083
ASSUMED PAYROLL	8,302,000	8,456,460	8,605,000	8,766,000	8,810,000	8,954,000	9,124,000	9,310,000	9,487,000	9,655,000	9,815,000	9,985,000
EXPECTED BENEFIT PAYMENTS	2,134,770	2,421,460	2,639,000	2,683,000	3,315,000	3,472,000	3,447,000	3,542,000	3,509,000	3,651,000	3,798,000	3,932,000
13th CHECK BENEFIT PAYMENTS	0	0	0	0	0	0	0	0	0	0	0	0
COLA	0	0	0	0	0	0	0	0	0	0	0	0
Assumptions												
Discount Rate	6.50%											
Rate of Return	6.50%											
Aggregate Payroll Growth	1.90%											
Inflation	2.50%											
Assumes Level Population (New Hires Replace Retirements)												
2025 Pension Property Tax Assessment	904,192											



RETIREMENT PLAN FOR EMPLOYEES OF FLORISSANT VALLEY FIRE PROTECTION DISTRICT COST PROJECTION - PROPOSED DESIGN

	<u>1/1/2026</u>	<u>1/1/2027</u>	<u>1/1/2028</u>	<u>1/1/2029</u>	<u>1/1/2030</u>	<u>1/1/2031</u>	<u>1/1/2032</u>	<u>1/1/2033</u>	<u>1/1/2034</u>	<u>1/1/2035</u>	<u>1/1/2036</u>	<u>1/1/2037</u>
ACCURED LIABILITY	49,254,472	60,349,724	63,025,000	65,411,000	67,896,000	69,834,000	71,715,000	73,737,000	75,765,000	77,952,000	80,118,000	82,255,000
ESTIMATED ASSETS	46,081,833	51,942,251	57,836,000	63,847,000	66,479,000	68,569,000	70,607,000	72,789,000	74,980,000	77,332,000	79,663,000	81,961,000
UNFUNDED ACCRUED LIABILITY	3,172,639	8,407,473	5,189,000	1,564,000	1,417,000	1,265,000	1,108,000	948,000	785,000	620,000	455,000	294,000
ACCURED LIABILITY FUNDED RATIO	93.6%	86.1%	91.8%	97.6%	97.9%	98.2%	98.5%	98.7%	99.0%	99.2%	99.4%	99.6%
NORMAL COST	914,650	1,176,602	1,201,000	1,220,000	1,243,000	1,268,000	1,293,000	1,308,000	1,333,000	1,363,000	1,393,000	1,425,000
EXPENSES	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489	12,801	13,121
EMPLOYEE CONTRIBUTIONS	-85,301	-84,565	-86,050	-87,660	-88,100	-89,540	-91,240	-93,100	-94,870	-96,550	-98,150	-99,850
NORMAL COST INCLUDING ADJUSTMENTS	839,349	1,102,287	1,125,456	1,143,109	1,165,938	1,189,774	1,213,357	1,226,787	1,250,314	1,278,939	1,307,651	1,338,271
AMORTIZATIONS	396,271	919,333	598,000	191,000	185,000	179,000	171,000	163,000	153,000	141,000	126,000	105,000
ANNUAL COST (beginning of year)	1,235,620	2,021,620	1,723,456	1,334,109	1,350,938	1,368,774	1,384,357	1,389,787	1,403,314	1,419,939	1,433,651	1,443,271
ANNUAL COST (end of year)	1,315,935	2,153,026	1,835,481	1,420,826	1,438,749	1,457,744	1,474,340	1,480,123	1,494,529	1,512,235	1,526,838	1,537,083
COST AS A % OF PAYROLL	15.9%	25.5%	21.3%	16.2%	16.3%	16.3%	16.2%	15.9%	15.8%	15.7%	15.6%	15.4%
TOTAL CONTRIBUTION	5,000,000	5,000,000	5,000,000	1,420,826	1,438,749	1,457,744	1,474,340	1,480,123	1,494,529	1,512,235	1,526,838	1,537,083
ASSUMED PAYROLL	8,302,000	8,456,460	8,605,000	8,766,000	8,810,000	8,954,000	9,124,000	9,310,000	9,487,000	9,655,000	9,815,000	9,985,000
EXPECTED BENEFIT PAYMENTS	2,134,770	2,421,460	2,639,000	2,683,000	3,315,000	3,472,000	3,447,000	3,542,000	3,509,000	3,651,000	3,798,000	3,932,000
13th CHECK BENEFIT PAYMENTS	171,000	221,788	239,917	243,583	296,250	309,333	307,250	315,167	312,417	324,250	336,500	347,667
COLA	0	0	24,215	50,605	77,435	110,585	145,305	179,775	215,195	250,285	286,795	324,775
Assumptions												
Discount Rate	6.50%											
Rate of Return	6.50%											
Aggregate Payroll Growth	1.90%											
Inflation	2.50%											
Assumes Level Population (New Hires Replace Retirements)												
2025 Pension Property Tax Assessment	904,192											

Design Changes:

1. Increase contributions in 2026, 2027, and 2028 to fund \$5M total.
2. Provide 13th check in December 2026 for current retirees at a flat rate of \$4,500. Estimated 38 retirees, \$4,500 x 38 = \$171,000 one-time cost.
3. Provide permanent 13th check for any retiree (min \$4,000). Estimated cost = 13/12 = 8.33% of liabilities = \$4.8M effective 1/1/2028; +\$86,000 annual.
4. Provide 1% COLA, lifetime max 15%, starting 2028. Estimated cost = 7.52% of liabilities = \$4.4M effective 1/1/2028; +\$84,000 annual.