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October 8, 2026 E-Mail

Ms. Mya Bernskoetter
Employer Reporting Analyst
Missouri Local Government
Employees Retirement System
P.O. Box 1665
Jefferson City, Missouri 65102

Re: City of Poplar Bluff (#2631)

Dear Mya:

As you requested, we have performed actuarial valuations as of February 28, 2026 for the active and deferred members reported as Public Safety members and the remaining active and deferred members of the General department of the City of Poplar Bluff.

Section A – Summary of Employer Contribution Rates as a Percent of Payroll

	Present Plan	Alternate Plan	
	Current General	Remaining General Subdepartments	New Public Safety Subdepartment
Normal Cost Rate	11.80%	11.80%	13.80%
Casualty Rate	0.50	0.50	0.50
Prior Service Cost Rate [1]	8.80	9.00	6.30
Total Employer Contribution Rate [2]	21.10%	21.30%	20.60%
Change in Employer Contribution Rate as a percent of payroll		**0.20%**	**(0.50)%**
Increase in Actuarial Accrued Liability [1]		**$0**	**$97,447**

1 *The increase in the actuarial accrued liability due to adoption of the alternate plan was amortized over a 20 year period to compute the increase in the Prior Service Cost Rate.*

2 *As of February 28, 2026, the uncapped employer contribution rate for the current General group was computed to be 21.20% of payroll.*

The Current General and Remaining General Subdepartments results shown above are based upon General benefit provisions (age 60 and 5 years unreduced retirement eligibility; age 55 and 5 years reduced retirement eligibility; deferred age equal to 60). The New Public Safety Subdepartment results shown above are based upon Public Safety benefit provisions (age 55 and 5 years unreduced retirement eligibility; age 50 and 5 years reduced retirement eligibility; deferred age equal to 55).

Section B – Additional Details

	Present Plan	Alternate Plan		Alternate Plan
	General Benefit Provisions	General Benefit Provisions		Public Safety Benefit Provisions
	Current General	Remaining General Subdepartments	New Public Safety Subdepartment	New Public Safety Subdepartment
Member Statistics				
Number Active	144	135	9	9
Payroll	$10,070,930	$9,639,495	$431,435	$431,435
Average Pay	69,937	71,404	47,937	47,937
Accumulated Contributions (Actives)	-	-	-	-
Number Deferred	52	52	0	0
Actuarial Accrued Liabilities (AAL)				
Active AAL	$26,047,206	$25,373,977	$673,230	$770,677
Deferred AAL	4,376,313	4,376,313	0	0
Total AAL	$30,423,519	$29,750,290	$673,230	$770,677
Increase AAL - Public Safety Provisions and Assumptions				$97,447
Actuarial Value of Assets				
Members Deposit Fund (MDF)	$0	$0	$0	$0
Employer Accumulation Fund (EAF) [1]	20,837,168	20,376,071	461,097	461,097
Total Assets	$20,837,168	$20,376,071	$461,097	$461,097
Funded Ratio	68.5%	68.5%	68.5%	59.8%
Unfunded Actuarial Accrued Liability (UAAL)	$9,586,351	$9,374,219	$212,133	$309,580
Computed Employer Contribution Rate				
Normal Cost Rate	11.80%	11.80%	11.50%	13.80%
Casualty Rate	0.50	0.50	0.50	0.50
Prior Service Cost Rate	8.80	9.00	4.60	6.30
Total Employer Contribution Rate	21.10%	21.30%	16.60%	20.60%
Total Uncapped Employer Contribution Rate [2]	21.20%	21.40%	16.60%	20.60%
Estimated First Year Employer Contribution Dollars	$2,124,966	$2,053,212	$71,618	$88,876

1 *Assets allocated to each division are estimated.*
2 *An uncapped employer contribution rate greater than the total employer contribution rate indicates upward pressure on the contribution rate in future valuations (up to 1% increase each year).*

The Present Plan results (Current General) shown above are based upon General benefit provisions (age 60 and 5 years unreduced retirement eligibility; age 55 and 5 years reduced retirement eligibility; deferred age equal to 60) and General assumptions.

Please note that the results for the current General department are the same as those reported for the General department in the February 28, 2026 annual actuarial valuation report for the City of Poplar Bluff. The Alternate Plan results shown in the middle two columns are based upon General benefit provisions and assumptions but with the General department separated into the requested subdepartments. Adding the results for the requested subdepartments using General benefit provisions and assumptions may not match the current General results due to rounding.

The Alternate Plan results shown in the right most column for the New Public Safety Subdepartment are based upon Public Safety benefit provisions (age 55 and 5 years unreduced retirement eligibility; age 50 and 5 years reduced retirement eligibility; deferred age equal to 55) and Public Safety assumptions.

For members proposed to be covered in the New Public Safety subdepartment, the actuarial accrued liability increased by $97,447 and is amortized over 20 years based on the funding policy for benefit changes.

Per LAGERS staff, employer assets were split between the remaining General and new Public Safety subdepartments so that each subdepartment's funded percent would be the same as the current General department based upon the General benefit provisions and assumptions as of February 28, 2026. This would require an accounting transfer based on market value, as of February 28, 2026, of $429,967 of employer assets being transferred to the Public Safety department with the remainder staying in the General department. Depending upon actual experience after the valuation date as of February 28, 2026 (e.g., members changing status after the valuation date), an additional asset transfer may be necessary as of the first annual valuation date after the election is made to add the new subdepartment.

Section C – Projections

Below are projections needed to comply with Missouri state disclosure requirements (Section 105.665 of the RSMo) regarding the adoption of LAGERS benefits by a political subdivision.

Remaining General Subdepartments

Under the Present and Alternate Plans, members are valued using General benefit provisions and assumptions.

		Present Plan			Alternate Plan			Change due to Proposed Provisions		
		Estimated Employer Contribution		Estimated Difference	Estimated Employer Contribution		Estimated Difference	Estimated Employer Contribution		Estimated Difference
Valuation Date	Estimated Projected Payroll	As a % of Payroll	Annual Dollars	Between AAL and AVA	As a % of Payroll	Annual Dollars	Between AAL and AVA	As a % of Payroll	Annual Dollars	Between AAL and AVA
2026	$ 9,639,495	21.10%	$ 2,033,933	$ 9,374,219	21.30%	$ 2,053,212	$ 9,374,219	0.20%	$ 19,279	$ 0
2027	9,928,680	21.20%	2,104,880	9,130,409	21.40%	2,124,738	9,130,409	0.20%	19,858	-
2028	10,226,540	21.20%	2,168,026	8,831,485	21.40%	2,188,480	8,831,485	0.20%	20,454	-
2029	10,533,336	21.20%	2,233,067	8,483,493	21.40%	2,254,134	8,483,493	0.20%	21,067	-
2030	10,849,336	21.20%	2,300,059	8,082,156	21.40%	2,321,758	8,082,156	0.20%	21,699	-
2031	11,174,816	21.20%	2,369,061	7,622,870	21.40%	2,391,411	7,622,870	0.20%	22,350	-
2032	11,510,060	21.20%	2,440,133	7,100,683	21.40%	2,463,153	7,100,683	0.20%	23,020	-
2033	11,855,362	21.20%	2,513,337	6,510,269	21.40%	2,537,047	6,510,269	0.20%	23,710	-
2034	12,211,023	20.80%	2,539,893	5,845,902	21.00%	2,564,315	5,845,902	0.20%	24,422	-
2035	12,577,354	19.40%	2,440,007	5,157,396	19.60%	2,465,161	5,157,396	0.20%	25,154	-

New Public Safety Subdepartment

Under the Present Plan, members eligible to be considered Public Safety members are valued using General plan provisions and assumptions. Under the Alternate Plan, these members are valued using Public Safety plan provisions and assumptions. The projections below only include members eligible for the Public Safety subdepartment.

		Present Plan			Alternate Plan			Change due to Proposed Provisions		
		Estimated Employer Contribution		Estimated Difference	Estimated Employer Contribution		Estimated Difference	Estimated Employer Contribution		Estimated Difference
Valuation Date	Estimated Projected Payroll	As a % of Payroll	Annual Dollars	Between AAL and AVA	As a % of Payroll	Annual Dollars	Between AAL and AVA	As a % of Payroll	Annual Dollars	Between AAL and AVA
2026	$ 431,435	21.10%	$ 91,033	$ 212,132	20.60%	$ 88,876	$ 309,579	-0.50%	($ 2,157)	$ 97,447
2027	444,378	21.20%	94,208	206,615	20.60%	91,542	303,574	-0.60%	(2,666)	96,959
2028	457,709	21.20%	97,034	199,850	20.60%	94,288	296,067	-0.60%	(2,746)	96,217
2029	471,440	21.20%	99,945	191,976	20.60%	97,117	287,174	-0.60%	(2,828)	95,198
2030	485,583	21.20%	102,944	182,894	20.60%	100,030	276,769	-0.60%	(2,914)	93,875
2031	500,150	21.20%	106,032	172,500	20.60%	103,031	264,719	-0.60%	(3,001)	92,219
2032	515,155	21.20%	109,213	160,683	20.60%	106,122	250,884	-0.60%	(3,091)	90,201
2033	530,610	21.20%	112,489	147,323	20.60%	109,306	235,110	-0.60%	(3,183)	87,787
2034	546,528	20.80%	113,678	132,289	20.20%	110,399	217,231	-0.60%	(3,279)	84,942
2035	562,924	19.40%	109,207	116,708	18.80%	105,830	198,337	-0.60%	(3,377)	81,629

Section D – Assumptions and Benefit Provisions

The results shown for each subdepartment only include members reported to LAGERS as of the valuation date, February 28, 2026. For the Public Safety department split calculations included in this letter, please note the following:

1) A general active member as of the annual valuation date and identified as an active participant of the Public Safety subdepartment in the data submission is considered to be an active member in the Public Safety subdepartment.

2) A general deferred member as of the annual valuation date and identified as a participant of the Public Safety subdepartment in the data submission is considered to be a deferred member in the Public Safety subdepartment only if the member is also an active Police or Fire member with this employer as of the annual valuation date.

The methods and assumptions used in the actuarial valuations were the same as those used in the annual actuarial valuations as of February 28, 2026. In particular, the assumed rate of investment return was 7.00% and the assumed rate of payroll growth was 3.00%.

The actuarial valuation results presented on the previous pages are based upon the employer's benefit provisions as of February 28, 2026. A summary follows:

Provisions	ER #2631
Benefit Program	L-6
Final Average Salary	5 Years
Member Contribution Rate	0%
Retirement Eligibility	Regular

The long-term cost (C) of providing retirement benefits depends only on the benefits (B) that are paid to participants, the expenses (E) of administering the plan, and the investment return (I) generated on invested assets: $C = B + E - I$. For a given level of benefits, the cost of providing those benefits is lowered if administrative expenses are lowered or investment income is increased.

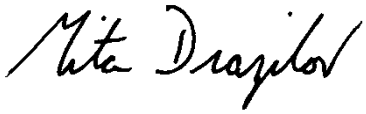
The long-term costs are financed by a series of employer and member contributions. The series of contributions is flexible. If more is contributed in early years, less has to be contributed in later years, and vice-versa. Over time the series of contributions has to have the same value as benefits and expenses. The actuary determines each year's contribution based on a funding method and a set of actuarial assumptions. The chosen funding method and assumptions do not affect the long term cost of providing retirement benefits, but have a strong impact on the series of contributions made to fund the benefits.

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.

Mita Drazilov is a Member of the American Academy of Actuaries, and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Please call if you have any questions.

Sincerely,
Gabriel, Roeder, Smith & Company



Mita D. Drazilov, ASA, FCA, MAAA

MDD:dj

cc: Judith Kermans (GRS)
Michael Gano (GRS)