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Wentzville Fire Protection District Defined Benefit Plan

Cost Statement of Proposed Plan Changes Effective January 1, 2027

October 23, 2026

Statement Outline

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Certification

This cost statement was prepared for the Wentzville Fire Protection District to document impacts of implementing proposed pension plan changes under current consideration. The information contained in this document was prepared in order to meet the requirements of Missouri Statute 105.665 and 105.684.

Except where indicated otherwise, the results included in this cost statement are based on the same data, assumptions, methods, and provisions as the 1/1/2026 valuation. This cost statement has been prepared in accordance with generally accepted actuarial principles and practice using methods and assumptions we believe to be reasonable.

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;
- 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); and
- Changes in plan provisions or applicable law.

We did not perform an analysis of the potential range of future measurements due to the limited scope of our engagement.

Neither Nyhart nor any of its employees have any relationship with the plan or its sponsor which could impair or appear to impair the objectivity of this report.

The consultants indicated below are compliant with the continuing education requirements of the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States.

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Rebecca Brown, FSA, EA

October 23, 2026

Proposed Change

Current Structure

- Benefit Formula: 2.0% x Average Compensation x Service up to 20 years

Proposed Structure

The only change to the current plan is to provide a 10% of pay supplemental benefit payable for 5 years after retirement, for participants terminating on or after January 1, 2027:

- Benefit Formula: 2.0% x Average Compensation x Service up to 20 years
- Supplemental Benefit: 10% x Average Compensation, payable for 5 years provided that the participant is living

All other plan provisions are the same as those used for the 1/1/2026 valuation and are summarized in the appendix to this study.

Reasons and Requirements

Reasons for the Statement

- Required by law (Missouri statute 105.665)
- Document various impacts of making changes to plan benefits
- Uniform information for every legislative body/committee before approving and implementing plan changes

Requirements of the Statement

- Immediate impacts to liabilities, normal costs, contributions and funded levels
- Must use the methods from the most recent valuation
- 10-year projections of similar information
- Assumptions and methods used to calculate the impacts
- Specific statements about the plan's ability to make necessary contributions before and after the proposed changes
- The cost statement must be available as public information for 45 days prior to implementing the changes
- The cost statement must be kept on file by the legislative body/ committee and filed with the joint committee on public employee retirement

Summary of Projection Assumptions

Assumption/Method	Description
Discount Rate	5.25%
Asset Performance	5.25% per year
Asset Method	5-year Phase-in Actuarial Value
District Contributions	$1.2M per year, or recommended contribution if greater
Population	Active population remains level
New Entrants	Based on recent new hires - $97.7K starting salary
Mortality Table	Update to Pub-2016 at 1/1/2027
All other assumptions	Same as January 1, 2026 valuation summarized later in this report

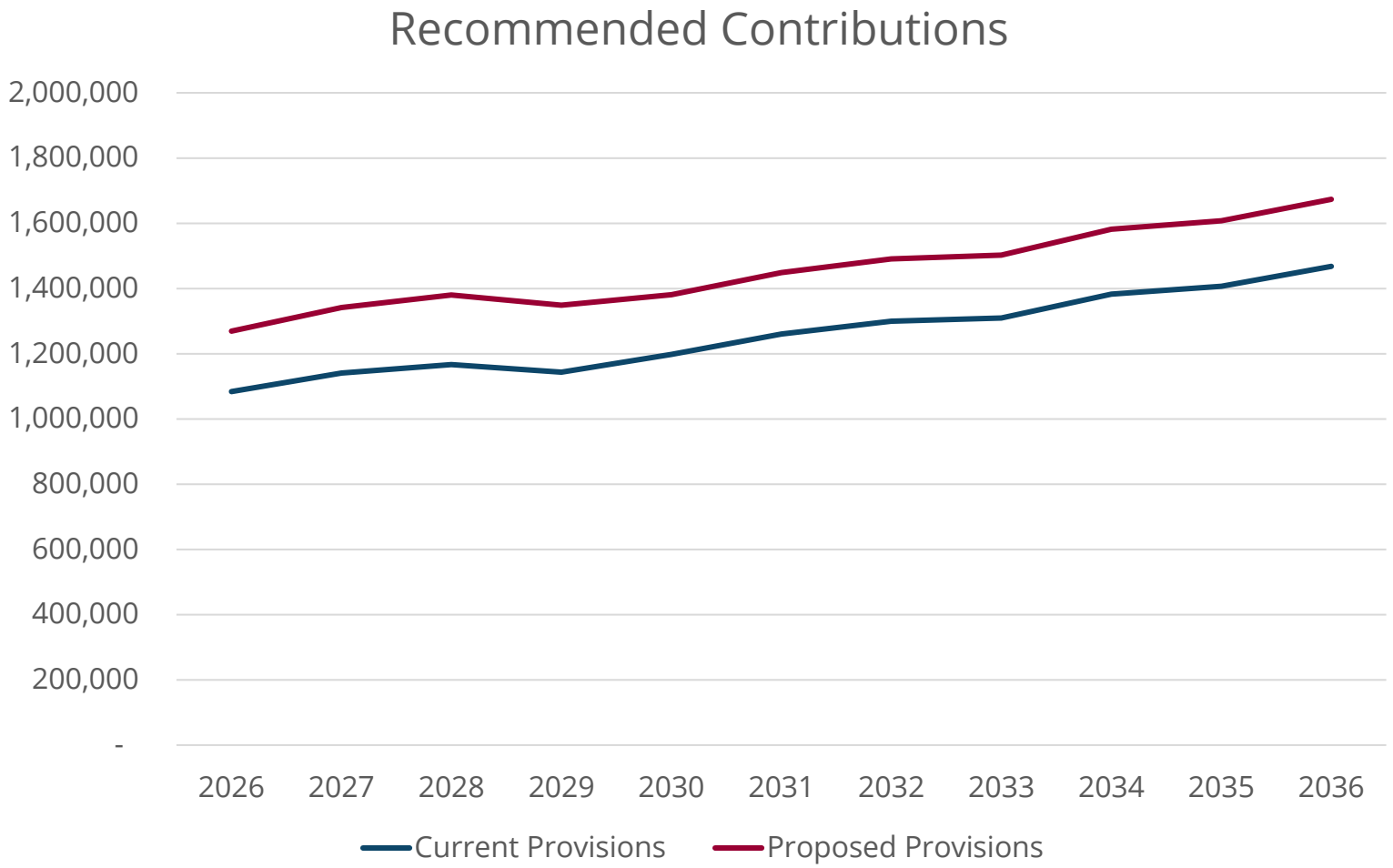
The cost projections contained in this report are based on the January 1, 2026 valuation results. Census data and asset information were provided by the plan sponsor and asset advisor and are summarized in the January 1, 2026 actuarial valuation report. Reasonable actuarial techniques and assumptions were used to produce the cost projections.

The following page shows 10-year projected valuation results under the current plan provisions compared to projected valuation results with the updated benefit formula in all years.

Financial Impacts: 5.25% return all years

Current Provisions	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Liability	23,922,241	25,960,331	27,820,877	29,808,505	31,705,176	33,668,892	35,757,833	37,872,919	39,898,057	41,981,528	44,008,216
Actuarial Value of Assets	22,752,017	24,978,058	27,612,649	30,142,685	32,466,066	34,474,044	36,607,439	38,769,589	40,844,735	42,981,115	45,063,918
Unfunded Accrued Liability	1,170,224	982,273	208,228	(334,180)	(760,890)	(805,152)	(849,606)	(896,670)	(946,678)	(999,587)	(1,055,702)
Funded Percentage	95.1%	96.2%	99.3%	101.1%	102.4%	102.4%	102.4%	102.4%	102.4%	102.4%	102.4%
Market Value of Assets	24,266,497	26,356,209	28,390,773	30,474,169	32,466,066	34,474,044	36,607,439	38,769,589	40,844,735	42,981,115	45,063,918
Market Funded Percentage	101.4%	101.5%	102.0%	102.2%	102.4%	102.4%	102.4%	102.4%	102.4%	102.4%	102.4%
Normal Cost	958,893	1,025,343	1,108,492	1,114,214	1,167,573	1,228,874	1,266,485	1,276,240	1,347,480	1,371,292	1,430,756
% of Payroll	11.7%	12.6%	13.3%	12.9%	13.1%	13.3%	13.2%	12.9%	13.3%	13.1%	13.3%
Payment on Unfunded	97,684	86,271	29,055	-	-	-	-	-	-	-	-
% of Payroll	1.2%	1.1%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Contribution BOY	1,056,577	1,111,614	1,137,547	1,114,214	1,167,573	1,228,874	1,266,485	1,276,240	1,347,480	1,371,292	1,430,756
Contribution MOY	1,083,957	1,140,421	1,167,026	1,143,088	1,197,830	1,260,719	1,299,305	1,309,313	1,382,399	1,406,828	1,467,833
% of Payroll	13.2%	14.0%	14.0%	13.2%	13.5%	13.7%	13.5%	13.2%	13.6%	13.4%	13.6%
Payroll	8,201,199	8,137,101	8,322,283	8,630,921	8,886,066	9,219,153	9,606,473	9,906,541	10,139,987	10,479,102	10,767,550
Proposed Provisions											
Liability	25,295,267	27,484,052	29,464,615	31,567,640	33,546,387	35,578,560	37,731,684	39,934,643	42,020,024	44,184,874	46,277,980
Assets	22,752,017	25,049,120	27,788,812	30,450,890	32,839,905	34,926,488	37,136,811	39,399,998	41,549,102	43,780,992	45,944,849
Unfunded Accrued Liability	2,543,250	2,434,932	1,675,803	1,116,750	706,482	652,072	594,873	534,645	470,922	403,882	333,131
Funded Percentage	89.9%	91.1%	94.3%	96.5%	97.9%	98.2%	98.4%	98.7%	98.9%	99.1%	99.3%
Market Value of Assets	24,266,497	26,427,271	28,566,936	30,782,374	32,839,905	34,926,488	37,136,811	39,399,998	41,549,102	43,780,992	45,944,849
Market Funded Percentage	95.9%	96.2%	97.0%	97.5%	97.9%	98.2%	98.4%	98.7%	98.9%	99.1%	99.3%
Normal Cost	1,032,612	1,105,420	1,195,403	1,202,931	1,261,110	1,327,667	1,368,681	1,380,119	1,457,691	1,483,412	1,547,991
% of Payroll	12.6%	13.6%	14.4%	13.9%	14.2%	14.4%	14.2%	13.9%	14.4%	14.2%	14.4%
Payment on Unfunded	204,594	202,530	150,066	111,982	84,649	84,463	84,265	84,050	83,790	83,513	83,198
% of Payroll	2.5%	2.5%	1.8%	1.3%	1.0%	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%
Contribution BOY	1,237,206	1,307,950	1,345,469	1,314,913	1,345,759	1,412,130	1,452,946	1,464,169	1,541,481	1,566,925	1,631,189
Contribution MOY	1,269,267	1,341,845	1,380,336	1,348,988	1,380,633	1,448,724	1,490,598	1,502,112	1,581,427	1,607,531	1,673,460
% of Payroll	15.5%	16.5%	16.6%	15.6%	15.5%	15.7%	15.5%	15.2%	15.6%	15.3%	15.5%
Payroll	8,201,199	8,137,101	8,322,283	8,630,921	8,886,066	9,219,153	9,606,473	9,906,541	10,139,987	10,479,102	10,767,550
Change in Contribution											
Contribution MOY	185,310	201,424	213,310	205,900	182,803	188,005	191,293	192,799	199,028	200,703	205,627
% of Payroll	2.3%	2.5%	2.6%	2.4%	2.1%	2.0%	2.0%	1.9%	2.0%	1.9%	1.9%

Comparisons of Contributions: 5.25% return all years



Additional Comments on Projections

- Missouri Statute 105.684 requirements for a local public retirement system to increase benefits are met:
  - The Plan is at least 80% funded prior to adopting the change; and
  - The Plan is at least 75% funded after adopting the change.

- 10-year projections assume the change occurs at January 1, 2026 even though the change is expected to be effective January 1, 2027. This shows the sensitivity of the results on the current population. Additional information on the demographics of the population can be found in the January 1, 2026 Valuation Report.

- These projections reflect numerous assumptions, and one should focus on the general trend of the results rather than the absolute dollar amounts.

- The cost projections assume current demographic and economic assumptions are met. Actual results will vary from projections shown in this report, perhaps significantly, due to changes in the assumptions, plan provisions, participant demographics, interest rate movement, actual asset performance, and other actual experience of the plan. Depending on the use of this information, additional cost projections may be necessary to quantify the sensitivity of results.

Valuation Assumptions

The following assumptions all match the January 1, 2026 valuation report as required:

- Investment Return: 5.25%

  This assumption has set by the plan sponsor in conjunction with their asset advisor. We believe this assumption is reasonable based on an application of the JP Morgan capital market assumptions by class to the plan's asset allocation.

- Salary Scale: 8.00% for 0-5 years of service, 4.00% thereafter

- Mortality: PubS-2010 with generational improvements from 2010 based on MP-21

- Retirement: Varies by age and service.

Age		Service		
First Responder	All Others	<30 years	=30	>30
55	57	0%	50%	50%
56-59	58-61	0%	50%	10%
60+	62+	100%	100%	100%

Valuation Assumptions (continued)

- Disability: Varies by age.
  - Sample Rates:

Age	Rate
25	0.06%
30	0.10%
35	0.23%
40	0.35%
45	0.56%
50	0.85%

- Withdrawal: Varies by age.
  - Sample rates:

Age	Rate
25	5.0%
30	4.0%
35	2.8%
40	2.2%
45	1.8%
50	1.0%

All assumptions and methods were reviewed and updated where appropriate based on a 2025 review of actuarial plan experience and future experience.

As the plan is not large enough to have credible experience, mortality and disability rates are determined based on the results of board population studies.

Required Statements

- Current Contributions
  - The plan sponsor has made and plans to continue to make contributions exceeding the contributions as calculated and recommended under current plan provisions.

- Proposed Contributions
  - To our knowledge, the additional contributions described as part of the proposed benefit changes will be met based on recent contributions levels. These funds will be provided by designated tax revenue and general funds. The projected improvement of the funding ratio of the plan under the proposed changes over the next 10 years demonstrates this outcome.

- Assumptions
  - The actuarial assumptions and methods used for the valuation were chosen by the employer. In our opinion, all actuarial assumptions and methods used in both the valuation and projections are individually reasonable, and in aggregate produce results which are reasonable.

Actuarial Funding Method

- The actuarial cost method used in the valuation was the Entry Age Normal cost method.

- Under this method, the normal cost is the sum of the individual normal costs for all participants. For an active participant, the individual normal cost is determined by spreading the present value at the current age of the projected benefit at the assumed retirement age in such a way that produces a level annual cost over expected earnings for the individual between entry age and assumed retirement age. For a non-active participant, the normal cost is zero.

- The actuarial accrued liability is the sum of the individual accrued liabilities for all plan participants. For an active participant, the individual accrued liability is the accumulation of past normal costs up to the valuation date. For non-active participants, the individual accrued liability is the present value at the current age of future benefits. The unfunded actuarial accrued liability equals the actuarial accrued liability less the actuarial value of assets.

- The total annual contribution of the plan is calculated as the normal cost plus an amount to amortize the unfunded actuarial accrued liability. The unfunded liability is recognized using a 20-year closed level amortization schedule. If the plan is fully funded, all outstanding bases are deemed satisfied. The resulting recommended contribution is increased with interest to reflect anticipate mid-year contributions.

Appendix: Current Plan Provisions

Provision	Description
Normal Retirement	Age 60 for First Responders; Age 62 for all other participants 2.0% of Average Compensation times service, up to 20 years
Early Retirement	Age 55 and 30 years of service for First Responders, Age 57 with 30 years of service for all other participants Unreduced normal retirement benefits
Vesting	100% after 10 years of service
Average Annual Earnings	Average of highest 5 consecutive years out of last 10 years
Employee Contributions	None
Payment Form	Life annuity with 10 years certain as normal form Single Life Annuity, 50% or 100% Joint and Survivor Annuity for married participants only
Actuarial Equivalence	5.5% and the PubS-2010 Mortality blended 50% male/female