

**TOWN OF GOLDEN BEACH, FLORIDA**

**ORDINANCE NO. 604.23**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF GOLDEN BEACH, FLORIDA, AMENDING CHAPTER 24, "PERSONNEL," ARTICLE II, "RETIREMENT," DIVISION 1 "GENERAL EMPLOYEES" BY AMENDING THE TOWN OF GOLDEN BEACH EMPLOYEES PENSION PLAN AT SECTION 24-31 "DEFINITIONS"; SECTION 24-33 "BENEFIT AMOUNTS AND ELIGIBILITY"; 24-36 "ADMINISTRATION"; SECTION 24-37 "FINANCES AND FUND MANAGEMENT"; CREATING SECTION 24-41 "DEFERRED RETIREMENT OPTION PLAN"; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Town Council of the Town of Golden Beach, Florida ("Town Council") has established the Town of Golden Beach Employees Pension Plan (the "Plan") for members of the Plan as defined in Section 24-31 of the Town's Code of Ordinances ("Members"); and

**WHEREAS**, the Town Council desires to change retirement eligibility for its General Employees, permitting normal retirement after completing twenty-five years of service and reaching age fifty-five, reaching age 65 irrespective of years of service, or completing thirty years of service, irrespective of age; and

**WHEREAS**, the Town Council also desires to establish a Deferred Retirement Option Plan ("DROP") for its General Employees and Police Officer Members, with participation periods of three and five years, respectively; and

**WHEREAS**, the Town Council additionally desires to establish a sixth board member of the Plan, who shall be a retiree and appointed by the Town Manager; and

**WHEREAS**, in order to comply with recent changes in the Internal Revenue Code, including the Secure Act 2.0, legally sufficient language has been incorporated into the Code; and

**WHEREAS**, to accomplish the goal of making these changes, it is necessary to adopt an ordinance amending the Plan as set forth in Chapter 24, Article II of the Code of Ordinances for the Town of Golden Beach, Florida (the "Town"); and

**WHEREAS**, an actuarial impact study was completed for some of the changes, but an updated impact study will be completed prior to second reading of this Ordinance; and

**WHEREAS**, the Town Council finds that adopting this Ordinance is in the best interest of the Town.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF GOLDEN BEACH, FLORIDA, HEREBY ORDAINS AS FOLLOWS:<sup>1</sup>**

**Section 1. Recitals Adopted.** Each of the above recitals is hereby adopted and incorporated as if fully set forth in this Section.

**Section 2. Code Amended.** That Section 24-31 "Definitions" of Division 1 "General Employees" of Article II "Retirement" of the Town Code is hereby amended to read as follows:

**Sec. 24-31. - Definitions.**

As used herein, unless otherwise defined or required by the context, the following words and phrases shall have the meaning indicated:

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*Credited Service* means for each Member uninterrupted service (expressed as years and completed months) from the date the Member last entered employment as an Employee, until the date the Member's employment shall be terminated by death, disability, retirement, resignation or discharge; provided however, that only the Credited Service acquired by a Town Manager after becoming a Member shall be counted when calculating the monthly retirement benefit. Further, the Credited Service of any Member shall not be deemed to be interrupted by:

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A Police Officer Member may purchase Credited Service for all purposes, including vesting, for the years or fractional parts of years that the Police Officer Member was engaged as a Police Officer for another employer or for military service in the Armed Forces of the United States, voluntarily or involuntarily, prior to employment with the Town, provided that:

- (1) The Police Officer Member is not receiving or is entitled to receive a benefit from another governmental pension plan for such service.
- (2) The Police Officer Member pays into the Plan the full actuarial cost of such prior service. In the event that the Police Officer Member's employment is terminated for any reason and he is not entitled to any benefit other than the return of the amounts he has had deducted from his paycheck as his normal contribution, the amount which the Member has paid to purchase prior service shall be returned

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<sup>1</sup>Additions to existing code text are shown by underline; deletions from existing code text are shown by ~~strikethrough~~. Changes between first and second reading are indicated with **highlight**.

to him including all interest paid; however, no interest shall accrue on amounts paid to purchase service.

- (3) The maximum credit for prior Police Officer service and/or prior military service pursuant to this section shall be five years.

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*Normal Retirement Date* means for each Member the first day of the month coincident with or next following the:

- (1) attainment of his 65th birthday if a General Employee. ~~Provided that effective October 1, 2023 a General Employee shall also be eligible for normal retirement upon attainment of age 55 and completion of 25 years of Credited Service; or if a Police Officer age 55 with ten years of Credited Service or age 52 with 25 years of Credited Service.~~
- (2) attainment of age 55 with ten years of Credited Service if a Police Officer, or age 52 with 25 years of Credited Service. Provided that effective October 1, 2006 ~~Town Manager Member or~~ Police Officer Members shall be eligible for normal retirement upon attainment of age 52 and completion of 20 years of Credited Service.;
- (3) ~~Effective January 17, 2023, the Town Manager Member shall be eligible for normal retirement upon~~ attainment of age 52 and completion of 20 years of Credited Service for the Town Manager Member, effective October 1, 2006. Provided that effective January 17, 2023, the Town Manager Member shall be eligible for normal retirement upon the completion of 20 years of Credited Service, or
- (4) attainment of thirty years of Credited Service if a General Employee.

A Member may retire on his Normal Retirement Date or on the first day of any month thereafter.

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**Section 3. Code Amended.** That Section 24-33 "Benefit amounts and eligibility" of Division 1 "General Employees" of Article II "Retirement" of the Town Code is hereby amended to read as follows:

Sec. 24-33. Benefit amounts and eligibility.

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- (f) *Limitation on Benefits.* In no event may a Member's annual benefit exceed:
  - (1) the dollar amount allowable for any calendar year pursuant to Internal Revenue Code (IRC) Section 415(b), as adjusted in such calendar year for increases in the cost of living in accordance with Regulations issued by the Treasury Department under IRC Section 415(d). ~~\$160,000 (adjusted for cost-of-living in accordance with Internal Revenue Code (IRC) Section 415(d), but only for the year in which such adjustment is effective).~~

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- (2) The term "Earnings" shall include any elective deferral (as defined in Code Section 402(g)(3)), and any amount which is contributed or deferred by the employer at the election of the Member and which is not includible in the gross income of the Member by reason of Section 125 or 457. For limitation years beginning on and after January 1, 2001, earnings paid or made available during such limitation years shall include elective amounts that are not includible in the gross income of the Member by reason of Section 132(f)(4) of the Code.

In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, the annual earnings of each Member taken into account under the Plan shall not exceed the maximum allowable under Section 401(a)(17), as adjusted by the Commissioner for increases in the cost of living in accordance with Section 401(a)(17)(B) of the Code. Earnings mean compensation during the fiscal year, and the fiscal year is considered the determination period.

The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months, over which earnings are determined (determination period) beginning in such calendar year. If a determination period consists of fewer than 12 months for all members, the OBRA '93 annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12 ,as provided for in Section 1.401(a)(17)-1(b)(3)(iii)(B) of .

(g) *Distributions in Plan Years after December 31, 1986.*

- (1) Benefit payments to a Member must commence no later than the April 1 of the calendar year immediately following the calendar year in which the Member attains the applicable age age 70 ½, or with respect to Plan Years beginning on or after January 1, 1997, the later of (i) the calendar year in which the Member attains age 70 ½, or (ii) the calendar year in which the Member retires and terminates employment.

(2) Applicable age.

- a. the applicable age is 70½ for a Member who reached age 70½ before December 31, 2019;  
b. the applicable age is 72 for a Member who reached age 72 before January 1, 2023;  
c. the applicable age is as defined in Code Section 401(a)(9)(C)(v) for a Member who reaches age 72 after December 31, 2022.

~~For Members whose benefits commence after April 1 of the calendar year following the calendar year in which the Member attains age 70 ½, such Member's benefit amount (including any additional benefit which is accrued after such date) shall be actuarially increased for the period between (i) April 1 of the calendar year following the calendar year in which the Member attains age 70 ½ (or the end of the Plan Year in which any additional benefit is accrued) and (ii) the Member's benefit~~

~~commencement date~~. Such actuarial increase shall be determined using the interest and mortality assumptions used for the purposes of Actuarial Equivalence, and may be offset to the extent an actuarial increase is otherwise provided due to delayed retirement.

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**Section 4. Code Amended.** That Section 24-36 "Administration" of Division 1 "General Employees" of Article II "Retirement" of the Town Code is hereby amended to read as follows:

**Sec. 24-36. Administration.**

- (a) The general administration and responsibility for the proper operation of the Plan and for making effective the provisions of this Division are hereby vested in a Board of Trustees consisting of ~~five~~ six Persons as follows:
- (1) Two residents of the Town appointed by the Town Council;
  - (2) One Police Officer elected by Police Officers who are Members of the Plan;
  - (3) One General Employee elected by General Employees who are Members of the Plan; ~~and~~
  - (4) One resident of the Town to be appointed by the Mayor and approved by the Town Council; ~~and~~
  - (5) One retiree of the Plan appointed by the Town Manager.
- (b) The term of office of each elected Trustee shall be two years, unless he or she sooner leaves the employment of the Town. Each appointed Employee shall serve as Trustee for a period of two years, unless sooner replaced by the Town Council at whose pleasure the member shall serve, or unless he or she sooner leaves the employment of the Town. Each appointed resident shall serve as Trustee for a period of two years, unless sooner replaced by the Town Council at whose pleasure the member shall serve. The appointed retiree shall serve as Trustee for a period of two years, unless sooner replaced by the Town Manager at whose pleasure the member shall serve.

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**Section 5. Code Amended.** That Section 24-37 "Finances and Fund management" of Division 1 "General Employees" of Article II "Retirement" of the Town Code is hereby amended to read as follows:

**Sec. 24-37. Finances and Fund management**

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- k. Any overpayments or underpayments from the Fund to a Member or Beneficiary caused by errors of computation shall be adjusted with interest at a rate per annum approved by the Board. Overpayment shall be charged against payments next succeeding the correction. Underpayments shall be made up from the Trust Fund. Notwithstanding the foregoing, the Board shall have the discretion to not seek recovery of inadvertent overpayments

from benefit recipients, or other parties, based on the circumstances of the overpayment, on a case-by-case basis, provided that any such actions are consistent with the provisions of the Secure Act 2.0 applicable to governmental plans with regard to inadvertent benefit overpayments and any applicable guidance subsequently issued by the Treasury and the Internal Revenue Service. Underpayments shall be made up from the Fund in a prudent manner.

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- n. The board shall develop and adopt a written investment policy statement setting forth permissible types of investments, goals and objectives of investments and setting quality and quantity limitations on investments in accordance with the recommendations of its investment consultants. The investment policy statement shall be reviewed by the board at least annually.
  
- o. The board may, upon recommendation by the board's investment consultant, make investments in group trusts meeting the requirements of IRS Revenue Rulings and Notices, including successor rulings or guidance, and operated or maintained exclusively for the commingling and collective investment of monies, provided that the funds in the group trust consist exclusively of trust assets held under plans qualified under Section 401(a) of the Code, individual retirement accounts that are exempt under Section 408(e) of the Code, eligible governmental plans that meet the requirements of Section 457(b) of the Code, and governmental plans under 401(a)(24) of the Code. While any portion of the assets of the fund are invested in such a group trust, such group trust is itself adopted as a part of the system or plan. Any collective or common group trust to which assets of the fund are transferred shall be adopted by the board as part of the plan by executing appropriate participation, adoption agreements, and/or trust agreements with the group trust's trustee. The separate account maintained by the group trust for the plan shall not be used for, or diverted to, any purpose other than for the exclusive benefit of the members and beneficiaries of the plan. For purposes of valuation, the value of the separate account maintained by the group trust for the plan shall be the fair market value of the portion of the group trust held for the plan, determined in accordance with generally recognized valuation procedures.

**Section 6. Code Created.** That Section 24-41 "Deferred Retirement Option Plan (DROP)" of Division 1 "General Employees" of Article II "Retirement" of the Town Code is hereby created to read as follows:

**Sec. 24-41. Deferred retirement option plan.**

A deferred retirement option plan ("DROP") is established for eligible members on October 1, 2023, as follows.

(a) Eligibility and participation.

- (1) Effective October 1, 2023, a member who reaches Normal Retirement while actively employed by the town shall be eligible to participate in the DROP, and

such member's retirement benefit shall be calculated in accordance with section 24-33(a)(1) (normal retirement benefit).

- (2) Effective October 1, 2023, a member who reaches his Early Retirement Date while actively employed by the town shall be eligible to participate in the DROP, and such member's retirement benefit shall be calculated in accordance with section 24-33(b)(1) (early retirement benefit).
- (3) A member's election to participate in the DROP shall be in writing on a form approved by the Town and provided by the board, and shall be irrevocable. As a condition of participating in the DROP, the member must agree to terminate town employment at the end of the DROP participation period (or such earlier date the member elects to terminate participation in the DROP) and to submit an irrevocable, unconditional letter of resignation stating this prior to entering the DROP. The DROP election form and letter of resignation must be submitted to the board and the town at least 45 days prior to the date the member begins participating in the DROP.
- (4) The maximum DROP participation period is 36 months for general employee members and 60 months for police officer members. A member may terminate DROP participation prior to the end of the maximum DROP period by providing notice to the town in accordance with the town's personnel rules and regulations, but in such event town employment will terminate on the same day DROP participation ends.

(b) DROP Requirements.

- (1) An eligible member who elects to participate in the DROP will be considered to have retired and terminated town employment for purposes of the pension plan upon entering the DROP, notwithstanding the member's status as an employee for purposes of other town policies during the period of DROP participation. The member's monthly retirement benefit, determined in accordance with the plan based on years of continuous service and average monthly earnings at the time the member enters the DROP, will be paid into his or her DROP account every month during the DROP period. A member who enters the DROP shall receive a retirement benefit calculated in accordance with section 24-33(a)(1) or section 24-33(b)(1), whichever is applicable, provided that the requirement set forth therein regarding termination of town employment shall be deemed satisfied upon eligibility for, and commencement of participation in, the DROP. No member or town contributions shall be required after a member enters the DROP, and the member will not accrue any additional continuous service or any additional benefits under the pension plan after entering the DROP.
- (2) A member who elects to participate in the DROP shall not be eligible for disability or actively employed death benefits, but shall be eligible for post-retirement death benefits under section 24-33(d).

- (3) Earnings on DROP accounts shall be calculated based upon the DROP account's gain or loss value, which will be the same return as the overall net return on pension fund investments. The overall net return on pension fund investments may go up or down during a member's participation in the DROP, which will result in a change in the value of the member's DROP account.
- (4) Within 60 days (or as soon thereafter as practicable) following the expiration of the DROP period, the DROP participant's earlier termination of town employment and DROP participation, or death, the member's entire DROP account balance shall be distributed to the member (or in the event of the member's death, to the member's designated beneficiary or estate) in a cash lump sum, unless the member elects to have all or any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the member in a direct rollover. Any such direct rollover will be accomplished in accordance with section 24-33(h).
- (5) If a DROP participant dies before his or her DROP account is distributed, the participant's designated beneficiary shall have the same rights as the participant with respect to the distribution of the DROP account. If the member has not designated a beneficiary, the DROP account balance shall be paid to the member's estate.
- (6) The DROP shall be administered in accordance with applicable provisions of the Internal Revenue Code and rulings thereunder. The pension board shall adopt any necessary rules for administering the DROP.
- (8) A self-directed DROP shall be prohibited.

(c) Board eligibility.

- (1) A DROP participant shall be prohibited from serving, or continuing to serve, as a pension board trustee (except as provided in section 24-36(a)).

**Section 7. Repealer.** All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**Section 8. Severability.** The provisions of this Ordinance are declared to be severable and if any section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Ordinance but they shall remain in effect, it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

**Section 9. Codification.** That it is the intention of the Town Council, and hereby ordained, that the provisions of the Ordinance shall become and be made a part of the



Code of the Town of Golden Beach; that the sections of this Ordinance may be re-numbered and/or re-lettered to accomplish such intentions; and that the word, "Ordinance," shall be changed to "Section" or such other appropriate word.

**Section 10. Effective Date.** This Ordinance shall be effective immediately upon adoption on second reading.

The Motion to adopt the foregoing Ordinance was offered by Vice Mayor Bernstein, seconded by Councilmember Luskin and on roll call the following vote ensued:

Mayor Glenn Singer	<u>Aye</u>
Vice Mayor Kenneth Bernstein	<u>Aye</u>
Councilmember Bernard Einstein	<u>Aye</u>
Councilmember Judy Luskin	<u>Aye</u>
Councilmember Jaime Mendal	<u>Aye</u>

**PASSED AND ADOPTED** on first reading this 22<sup>nd</sup> day of August, 2023.

The Motion to adopt the foregoing Ordinance was offered by Councilmember Luskin, seconded by Councilmember Mendal, and on roll call the following vote ensued:

Mayor Glenn Singer	<u>Aye</u>
Vice Mayor Kenneth Bernstein	<u>Aye</u>
Councilmember Bernard Einstein	<u>Aye</u>
Councilmember Judy Luskin	<u>Aye</u>
Councilmember Jaime Mendal	<u>Aye</u>

**PASSED AND ADOPTED** on second reading this 26<sup>th</sup> day of September, 2023.

  
\_\_\_\_\_  
MAYOR GLENN SINGER

ATTEST:

  
\_\_\_\_\_  
LISSETTE PEREZ  
TOWN CLERK

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

  
\_\_\_\_\_  
STEPHEN J. HELFMAN  
TOWN ATTORNEY



# TOWN OF GOLDEN BEACH

One Golden Beach Drive  
Golden Beach, FL 33160

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## MEMORANDUM

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**Date:** September 26, 2023

**To:** Honorable Mayor Glenn Singer &  
Town Council Members

**From:** Alexander Diaz, *Alex B*  
Town Manager

Item Number:

3

**Subject:** Ordinance No. 604.23- Amending Code, Chapter 24, Section 24- Amending Chapter 24, "Personnel," Article I, "Retirement," Division 1 "General Employees" By Amending the Town Of Golden Beach Employees' Pension Plan at Section 24-31 "Definitions"; Section 24-33 "Benefit Amounts and Eligibility"; 24-36 "Administration"; Section 24-37 "Finances and Fund Management"; Creating Section 24-41 "Deferred Retirement Option Plan"; Providing for Conflicts; Providing for Severability; Providing for Codification; and Providing an Effective Date.

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**Recommendation:**

It is recommended that the Town Council adopt the attached Ordinance No. 604.23 as presented.

**Background:**

**As recommended and approved in First Reading this ordinance provides an opportunity for committed, hardworking and long-term employees to obtain a future they can rely on in retirement that is in pace with other, similar, local cities.**

To reiterate what was presented as first reading, the Town maintains a retirement benefit plan for its employees, which is known as the Town of Golden Beach Employees' Pension Plan (the "Plan"), and which is codified in Chapter 24 of the Town's Code of Ordinances. The Town Council and its employees desire to modify the Plan by changing the retirement eligibility for its general employees to allow for normal retirement by meeting one of the following criteria: (1) completing twenty-five (25) years of service, provided the member reaches the minimum age of 55, (2) completing thirty (30) years of service, irrespective of age ("30 and out"), or (3) reaching the minimum age of sixty-five. Presently, general employees are only eligible for normal retirement upon reaching age 65. Additionally, the Town Council desires to establish a deferred retirement option plan (DROP) for its general employees and police officer members, and has

done so with participation periods of three (3) years and five (5) years, respectively. The DROP allows members to “retire,” but continue to work for a limited period. Under the DROP, members will stop earning service credit toward a future benefit and their retirement benefit will be calculated at the time they elect to enter the DROP. During the DROP period, their monthly retirement benefits accumulate in an account. Upon termination, the DROP account is paid to them as a lump sum and monthly benefits thereafter are paid in the amount calculated at DROP entry. Members must terminate employment at the cessation of the DROP period.

The Plan has also been modified to establish an additional member of the Plan’s board of trustees (the “Board”). This sixth member must be a retiree of the Plan and appointed by the Town Manager. The duration of service will be consistent with the other trustees (i.e., two year term).

Finally, the Plan was reviewed for legal sufficiency and certain changes were made to comply with state and federal regulations. This includes how the Board addresses overpayments, minimum distribution requirements, maximum benefit amounts and investment authority.

This Ordinance amends the Code to effectuate these proposed changes to the Plan.

As a community we must ensure that we are offering benefits to our staff that are competitive with neighboring cities, and we must also show our team of dedicated staff that we are committed to them!

It is important to share some indicative numbers:

- Our General Employees earn a rate of 2.25 for the first 10 years of service and 2.5 for each year after.
- After 25 years they are eligible for 60% of their wages
- Our Pension DOES NOT currently provide for a COLA

Examples of earnings-

- Public Works Employee estimated earnings after 25 years  
 $\$55,000 \times 60\% = \$33,000$  per year
- Division Director estimated earnings after 25 years  
 $\$90,000 \times 60\% = \$54,000$  per year
- Department Director estimated earnings after 25 years  
 $\$120,000 \times 60\% = \$74,000$  per year

**Fiscal Impact:**

An actuarial impact statement has been produced by the Plan’s Actuary, Southern Actuarial Services is attached hereto.



Post Office Box 888343  
Atlanta, Georgia 30356-0343  
Telephone 770.392.0980  
Facsimile 770.392.2193

September 13, 2023

Ms. Lissette Perez  
Town of Golden Beach  
One Golden Beach Drive  
Golden Beach, FL 33160

Re: Town of Golden Beach Employees Pension Plan

Dear Ms. Perez:

In response to your request, I have estimated the cost of reducing the unreduced retirement age under the plan or adding a Deferred Retirement Option Plan (DROP) as follows.

- (1) If a provision is added to the plan for general employees to receive an unreduced pension benefit if they retire at age 55 or later with at least 25 years of service, then the Town's contribution is estimated to increase by 6.03% of pensionable earnings for general employees, which would equate to an estimated additional \$87,832 of required contribution from the Town for the 2023/24 fiscal year if the change had become effective as of October 1, 2022.
- (2) The plan currently offers normal retirement at age 65 without regard to service, so there is no impact for this requested cost study.
- (3) If a "30 and out retirement" provision is added to the plan for general employees, then the Town's contribution is estimated to increase by 4.50% of pensionable earnings for general employees, which would equate to an estimated additional \$65,547 of required contribution from the Town for the 2023/24 fiscal year if the change had become effective as of October 1, 2022.
- (4) If a DROP is added to the plan for general employees and the DROP participants are allowed to remain in the DROP for a period of up to either three or five years, the Town's contribution is estimated to increase by 4.36% of pensionable earnings for general employees *on a worst-case basis*. The worst-case basis assumes that *all* eligible employees choose to enter the DROP at their earliest retirement age (early retirement for most employees). The actual cost should be less than this amount if fewer than all eligible employees choose to enter the DROP or if some eligible employees choose to enter the DROP at a later age.

Please keep in mind that the impact of a DROP on plan cost and liability comes from the fact that the *pattern of retirement* almost always changes when a DROP is made available to employees. If the DROP is restricted to those employees who have already attained their unreduced retirement age (age 65 for general employees), then generally the DROP can be added to the plan at no cost to the Town or employees unless the DROP credits interest at a rate that is higher than the rate that is earned by the pension fund as a whole.

Finally, the DROP participation period (three or five years in this case) does not typically impact the cost unless the DROP period is excessive because the participants are considered to be retired under the plan when they enter the DROP and from that point forward their monthly pension benefit will be paid either to their DROP account or directly to them once they leave the DROP.

Note that, for purposes of these cost studies, I have changed the current retirement assumption that was used to value the plan as of October 1, 2022. I have based the cost of the proposed changes on the assumption that each eligible employee will choose to retire no later than the age at which they attain the unreduced retirement age described above. In addition, I have used the aggregate cost method to determine the impact of the proposed changes.

Finally, except as described above, the cost estimate is based on the participant data, actuarial assumptions, and methods used to complete the October 1, 2022 actuarial valuation of the plan. That report contains important information concerning the risks associated with actuarial calculations and includes a summary of the current plan provisions and assumptions used for this cost study.

If you have any questions or need additional information, please do not hesitate to call me.

Sincerely,

*Charles T. Carr*

Charles T. Carr  
Consulting Actuary

