



May 5, 2025

Ms. Johnna Morris  
Director of Finance  
City of Fort Pierce Retirement  
and Benefit System  
100 North U.S. Highway One  
Fort Pierce, Florida 34950

**Re: City of Fort Pierce Retirement and Benefit System  
Actuarial Supplemental Valuation as of September 30, 2024  
Impact of a 1% Increase in Member Contributions on the Unfunded Actuarial Accrued Liability**

Dear Johnna:

Enclosed is a supplemental actuarial valuation for the City of Fort Pierce Retirement and Benefit System which dedicates a 1% increase in member contribution rates to accelerate the paydown of the current Unfunded Actuarial Accrued Liability.

Please call if you have any questions regarding the calculations enclosed.

Respectfully submitted,  
Gabriel, Roeder, Smith & Company

A handwritten signature in black ink that reads 'Brad Lee Armstrong'. The signature is stylized and includes a large, sweeping flourish at the end.

Brad Lee Armstrong, ASA, EA, FCA, MAAA

BLA:ah  
Enclosure

# City of Fort Pierce Retirement and Benefit System

## Supplemental Actuarial Report

### as of September 30, 2024

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**Requested By:** Ms. Johnna Morris, Director of Finance  
**Date:** May 5, 2025  
**Submitted By:** Brad Lee Armstrong, ASA, EA, FCA, MAAA  
Casey T. Ahlbrandt-Rains Henning, ASA, FCA, MAAA  
Gabriel, Roeder, Smith & Company

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#### **Risks Associated with Measuring the Accrued Liability and Actuarially Determined Contribution**

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. The assumptions used to determine the contribution requirement and accrued liability are summarized on page 3.

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 due to changing conditions; 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, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law.

Please refer to the September 30, 2024 Actuarial Valuation Report dated March 5, 2025 for additional discussions regarding the risks associated with measuring the accrued liability and the actuarially determined contribution.

The scope of this Supplemental Actuarial Report does not include an analysis of the potential range of such future measurements or a quantitative measurement of the future risks of not achieving the assumptions. In certain circumstances, detailed or quantitative assessments of one or more of these risks as well as various plan maturity measures and historical actuarial measurements may be requested from the actuary. Additional risk assessments are generally outside the scope of a Supplemental Actuarial Report. Additional assessments may include stress tests, scenario tests, sensitivity tests, stochastic modeling, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.

#### **Actuarial Disclosures**

This report was prepared at the request of the City and is intended for use by the City and those designated or approved by the City. This report may be provided to parties other than the City only in its entirety and only with the permission of the City.

It is our understanding that benefits for current inactive members would not be affected by the proposed benefit changes. They were excluded from this study.



# City of Fort Pierce Retirement and Benefit System

## Supplemental Actuarial Report

### as of September 30, 2024

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This report is intended to describe the financial effect of the proposed plan changes on the Retirement System. Except as otherwise noted, potential effects on other benefit plans were not considered. No statement in this report is intended to be interpreted as a recommendation in favor of the changes, or in opposition to them. This report should not be relied on for any purpose other than the purpose described above. GRS is not responsible for unauthorized use of this report.

The actuarial assumptions and methods, financial data, and participant census data utilized in these calculations are the same actuarial assumptions and methods, financial data, and participant census data used in the Actuarial Valuation as of September 30, 2024 as presented in our Report dated March 7, 2025, except for the changes noted above.

**The date of the valuation was September 30, 2024.** This means that the results of the supplemental valuation indicates what the September 30, 2024 valuation would have shown if the proposed benefit changes had been in effect on that date. Supplemental valuations do **not** predict the result of future actuarial valuations. Rather, supplemental valuations give an indication of the cost of the **benefit change only** without comment on the complete end result of future valuations.

If you have reason to believe that the assumptions that were used are unreasonable, that the plan provisions are incorrectly described, that important plan provisions relevant to this proposal are not described, or that conditions have changed since the calculations were made, you should contact the authors of the report prior to relying on information in the report.

Brad Lee Armstrong, Jeffrey T. Tebeau, and Derek Henning are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The undersigned actuaries are independent of the plan sponsor.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of the Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

If there are any questions or if we can be of further assistance, please contact us.

# City of Fort Pierce Retirement and Benefit System

## Supplemental Actuarial Report

### as of September 30, 2024

Actuarial assumptions and methods were consistent with those used in the regular actuarial valuation of the Retirement System on the valuation date, unless otherwise noted. Actuarial assumptions are adopted by the Board of Trustees. In particular:

- The assumed rate of interest was 7.25%; and
- Payroll was assumed to increase 4.0% per year

A brief summary of the data, as of September 30, 2024, used in this valuation is presented below:

Group	Active Members				Retired Members	
	Number	Covered Payroll	Average in Years		Number	Annual Benefits
			Age	Service		
General	234	\$ 13,893,828	48.1	7.6	218	\$ 5,362,266
Utilities	241	16,816,858	47.3	9.4	256	7,723,996
Police	116	8,923,742	38.3	7.2	102	4,669,182
<b>Total</b>	<b>591</b>	<b>\$ 39,634,428</b>	<b>45.9</b>	<b>8.3</b>	<b>576</b>	<b>\$ 17,755,444</b>

Contribution for FY Ending 9/30/2026	General Members	Utilities Authority	Police Members
Normal Cost	17.26%	16.19%	17.66%
Unfunded Actuarial Accrued Liability	6.91%	10.25%	7.11%
Administrative Expenses	0.73%	0.73%	0.73%
FS 112.64(5) Compliance	0.00%	0.79%	0.04%
<b>Total Adjusted Contribution Requirement</b>	<b>24.90%</b>	<b>27.96%</b>	<b>25.54%</b>
Participant Portion	5.16%	6.16%	5.16%
Employer Portion	19.74%	21.80%	20.38%

# City of Fort Pierce Retirement and Benefit System

## Supplemental Actuarial Report

### as of September 30, 2024

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#### Current Benefit Provisions

Member contribution rates:

	Group		
	General	Utilities	Police
Member Contribution Rate	5.16%	6.16%	5.16%

#### Proposed Benefit Provisions

**Member contribution rates:** An additional 1.0% contribution will be made for accelerating the paydown of the Unfunded Actuarial Accrued Liability (UAAL). These additional contributions will not be used to determine the Actuarially Determined Employer Contribution (ADEC) or be used to reduce local employer contribution requirements.

	Group		
	General	Utilities	Police
Member Contribution Rate	6.16%	7.16%	6.16%

#### Summary of Results

**Additional 1% Member contribution rates:** Additional dedicated 1.0% member contribution rates will accelerate the paydown of the existing UAAL over the next 12 years by the amounts shown below for each Group. Future assumption changes along with gains and losses will shorten or lengthen the elimination of each Group's UAAL.

	Group		
	General	Utilities	Police
Decrease in the Time to Paydown UAAL	1yr 4mo	1yr 1mo	1yr 4mo

**City of Fort Pierce Retirement and Benefit System  
Supplemental Actuarial Report  
as of September 30, 2024**

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**Actuarial Statement  
Proposed Benefit Provision Changes  
(1.0% Increase in Member Contributions)**

<b>Contribution for FY Ending 9/30/2024</b>	<b>General Members</b>	<b>Utilities Authority</b>	<b>Police Members</b>
Normal Cost	17.26%	16.19%	17.66%
<b>With 1% Increase</b>	<b>General</b>	<b>Utilities</b>	<b>Police</b>
<b>Contribution for FY Ending 9/30/2024</b>	<b>Members</b>	<b>Authority</b>	<b>Members</b>
Normal Cost	17.38%	16.32%	17.75%
<b>Change in Normal Cost of Contribution</b>	0.12%	0.13%	0.09%
<b>Additional 1% Contribution</b>	<b>General</b>	<b>Utilities</b>	<b>Police</b>
<b>Additional 1% Contribution</b>	<b>Members</b>	<b>Authority</b>	<b>Members</b>
Portion to Fund Additional Refunds	0.12%	0.13%	0.09%
Portion to Reduce UAAL	0.88%	0.87%	0.91%
<b>Total</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>

Since the additional 1% contribution from members is eligible to be refunded, this increases the Normal Cost and decreases the amount available for paying down the Unfunded Actuarial Accrued Liability.

# City of Fort Pierce Retirement and Benefit System Supplemental Actuarial Report as of September 30, 2024

## Actuarial Statement Proposed Benefit Provision Changes Amortization of UAAL (General)

October 1,	<i>Before Proposed Change</i>				October 1,	<i>After Proposed Change</i>					
	Payroll	UAAL BOY (in thousands)	Contribution	UAAL EOY		Payroll	UAAL BOY	Contribution	1% Additional Contribution (in thousands)	Total Contribution	UAAL EOY
2025	\$ 15,028	\$ 17,515	\$ 1,570	\$ 17,159	2025	\$ 15,028	\$ 17,515	\$ 1,570	\$ 135	\$ 1,706	\$ 17,018
2026	15,629	17,159	1,633	16,711	2026	15,629	17,018	1,633	141	1,774	16,415
2027	16,254	16,711	1,699	16,164	2027	16,254	16,415	1,699	146	1,845	15,695
2028	16,904	16,164	1,766	15,506	2028	16,904	15,695	1,766	152	1,919	14,846
2029	17,580	15,506	1,837	14,728	2029	17,580	14,846	1,837	158	1,995	13,856
2030	18,283	14,728	1,911	13,817	2030	18,283	13,856	1,911	165	2,075	12,711
2031	19,015	13,817	1,987	12,761	2031	19,015	12,711	1,987	171	2,158	11,398
2032	19,775	12,761	2,067	11,546	2032	19,775	11,398	2,067	178	2,245	9,899
2033	20,566	11,546	2,149	10,157	2033	20,566	9,899	2,149	185	2,334	8,200
2034	21,389	10,157	2,235	8,579	2034	21,389	8,200	2,235	193	2,428	6,280
2035	22,244	8,579	2,325	6,793	2035	22,244	6,280	2,325	200	2,525	4,121
2036	23,134	6,793	2,418	4,782	2036	23,134	4,121	2,418	208	2,626	1,700
2037	24,060	4,782	2,514	2,525	2037	24,060	1,700	2,514	217	2,731	0
2038	25,022	2,525	2,615	0	2038	25,022	0	2,615	225	2,840	-
2039	26,023	0	2,719	-	2039	26,023	-	2,719	234	2,954	-

The UAAL is paid off approximately 1 year and 4 months sooner as a result of the proposed increase in contributions.

The schedules shown above are based on the effective amortization periods of the existing bases.

# City of Fort Pierce Retirement and Benefit System Supplemental Actuarial Report as of September 30, 2024

## Actuarial Statement Proposed Benefit Provision Changes Amortization of UAAL (Utilities)

October 1,	<i>Before Proposed Change</i>				October 1,	<i>After Proposed Change</i>					
	Payroll	UAAL BOY (in thousands)	Contribution	UAAL EOY		Payroll	UAAL BOY	Contribution	1% Additional Contribution (in thousands)	Total Contribution	UAAL EOY
2025	\$ 18,189	\$ 24,611	\$ 2,207	\$ 24,110	2025	\$ 18,189	\$ 24,611	\$ 2,207	\$ 164	\$ 2,370	\$ 23,941
2026	18,917	24,110	2,295	23,482	2026	18,917	23,941	2,295	170	2,465	23,124
2027	19,673	23,482	2,387	22,712	2027	19,673	23,124	2,387	177	2,564	22,145
2028	20,460	22,712	2,482	21,788	2028	20,460	22,145	2,482	184	2,666	20,989
2029	21,279	21,788	2,581	20,695	2029	21,279	20,989	2,581	192	2,773	19,639
2030	22,130	20,695	2,685	19,415	2030	22,130	19,639	2,685	199	2,884	18,076
2031	23,015	19,415	2,792	17,931	2031	23,015	18,076	2,792	207	2,999	16,281
2032	23,936	17,931	2,904	16,223	2032	23,936	16,281	2,904	215	3,119	14,231
2033	24,893	16,223	3,020	14,272	2033	24,893	14,231	3,020	224	3,244	11,903
2034	25,889	14,272	3,141	12,054	2034	25,889	11,903	3,141	233	3,374	9,272
2035	26,924	12,054	3,266	9,545	2035	26,924	9,272	3,266	242	3,509	6,311
2036	28,001	9,545	3,397	6,719	2036	28,001	6,311	3,397	252	3,649	2,989
2037	29,121	6,719	3,533	3,548	2037	29,121	2,989	3,533	262	3,795	0
2038	30,286	3,548	3,674	0	2038	30,286	0	3,674	273	3,947	-
2039	31,498	0	3,821	-	2039	31,498	-	3,821	283	4,105	-

The UAAL is paid off approximately 1 year and 1 month sooner as a result of the proposed increase in contributions.

The schedules shown above are based on the effective amortization periods of the existing bases.

# City of Fort Pierce Retirement and Benefit System Supplemental Actuarial Report as of September 30, 2024

## Actuarial Statement Proposed Benefit Provision Changes Amortization of UAAL (Police)

October 1,	<i>Before Proposed Change</i>				October 1,	<i>After Proposed Change</i>					
	Payroll	UAAL BOY	Contribution	UAAL EOY		Payroll	UAAL BOY	Contribution	1% Additional Contribution	Total Contribution	UAAL EOY
	(in thousands)					(in thousands)					
2025	\$ 9,652	\$ 9,713	\$ 925	\$ 9,460	2025	\$ 9,652	\$ 9,713	\$ 925	\$ 87	\$ 1,011	\$ 9,370
2026	10,038	9,460	961	9,150	2026	10,038	9,370	962	90	1,052	8,960
2027	10,440	9,150	1,000	8,778	2027	10,440	8,960	1,000	94	1,094	8,477
2028	10,857	8,778	1,040	8,337	2028	10,857	8,477	1,040	98	1,138	7,913
2029	11,291	8,337	1,082	7,821	2029	11,291	7,913	1,082	102	1,183	7,261
2030	11,743	7,821	1,125	7,224	2030	11,743	7,261	1,125	106	1,230	6,513
2031	12,213	7,224	1,170	6,536	2031	12,213	6,513	1,170	110	1,280	5,660
2032	12,701	6,536	1,217	5,750	2032	12,701	5,660	1,217	114	1,331	4,692
2033	13,209	5,750	1,265	4,856	2033	13,209	4,692	1,266	119	1,384	3,599
2034	13,738	4,856	1,316	3,846	2034	13,738	3,599	1,317	124	1,439	2,369
2035	14,287	3,846	1,368	2,707	2035	14,287	2,369	1,369	129	1,497	991
2036	14,859	2,707	1,423	1,430	2036	14,859	991	1,424	134	1,557	0
2037	15,453	1,430	1,480	0	2037	15,453	0	1,481	139	1,619	-
2038	16,071	0	1,539	-	2038	16,071	-	1,540	145	1,684	-
2039	16,714	-	1,601	-	2039	16,714	-	1,602	150	1,751	-

The UAAL is paid off approximately 1 year and 4 months sooner as a result of the proposed increase in contributions.

The schedules shown above are based on the effective amortization periods of the existing bases.

# City of Fort Pierce Retirement and Benefit System

## Supplemental Actuarial Report

### as of September 30, 2024

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#### Comments

**Comment 1** — The calculations are based upon assumptions regarding future events, which may or may not materialize. If you have reason to believe that the assumptions that were used are unreasonable, or that conditions have changed since the calculations were made, you should contact the authors of this report prior to relying on information in the report.

**Comment 2** — If you have reason to believe that the information provided in this report is inaccurate, or is in any way incomplete, or if you need further information in order to make an informed decision on the subject matter of this report, please contact the authors of the report prior to making such decision.

**Comment 3** — This report is intended to describe the financial effect of the proposed benefit changes. This report is not intended to make a formal recommendation. This would be a separate process and involve the Board and other professionals. Nothing written in this report should be construed as being a recommendation for or against the plan changes being evaluated in the report.

**Comment 4** — In the event that more than one change is being considered, it is very important to remember that the results of separate actuarial valuations cannot generally be added together to produce a correct estimate of the combined effect of all of the changes.

**Comment 5** — This report is intended to describe the financial effect of the proposed benefit changes on the System. Except as otherwise noted, potential effects on other benefit plans were not considered.

**Comment 6** — The reader of this report should keep in mind that actuarial calculations are mathematical estimates based on current data and assumptions about future events (which may or may not materialize). Please note that actuarial calculations can and do vary from one valuation year to the next, sometimes significantly. As a result, the cost impact of a benefit change may fluctuate over time, as the demographics of the group changes.

**Comment 7** — 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.