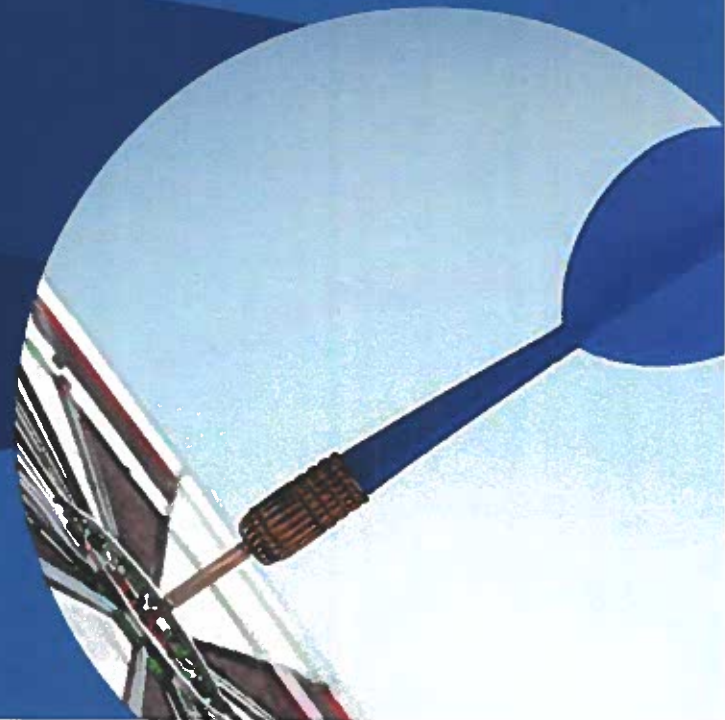




# City of Longmont “Old Hire” Firefighters’ Pension Plan and “Old Hire” Police Officers’ Pension Plan Actuarial Valuation Results as of January 1, 2024

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# “Old Hire” Actuarial Valuations

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- Prepared as of January 1, 2024
  - Using member data, financial data, benefit and contribution provisions, actuarial assumptions and methods
- Purpose
  - Measure the actuarial liabilities
  - Determine adequacy of current contributions
  - Explain changes in actuarial condition of Plans
  - Evaluate reasonableness of assumptions



# “Old Hire” Firefighters’ Pension Plan Key Results

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- Actuarially Determined Contribution remained at \$0 (since 2014)
- Actuarial Accrued Liability \$1.9 million
- Market (and Actuarial) Value of Assets \$2.5 million
- Surplus (excess of assets over present value of benefits) of \$692 thousand
- Return on Market (and Actuarial) value of assets overperformed 7.0% assumption in 2023
  - FYE 2023 13.6%
  - FYE 2022 -13.1%
  - FYE 2021 11.9%
- Funded status increased since 2023
  - January 1, 2024 137%
  - January 1, 2023 129%
  - January 1, 2022 121%
- There have been no changes to membership

# “Old Hire” Firefighters’ Pension Plan Valuation Results

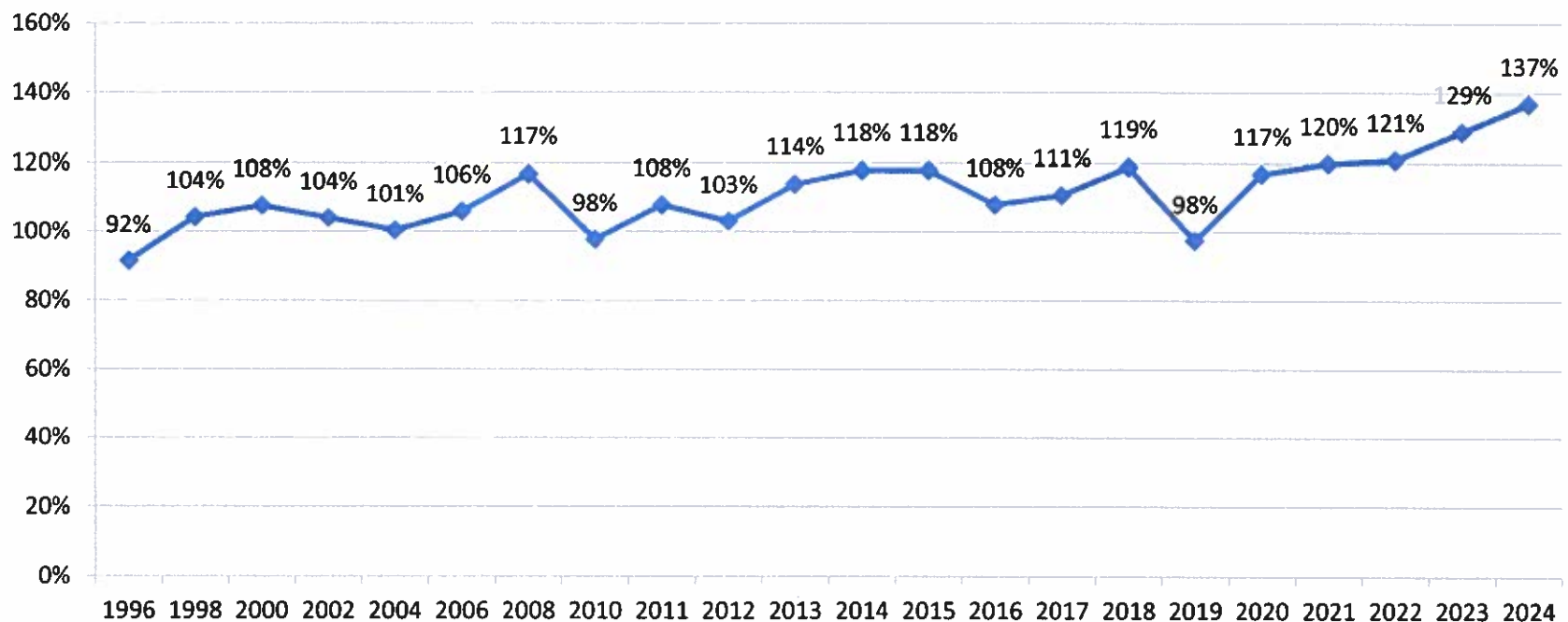
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- Actuarial gains/(losses)
  - Investment return \$ 152,009
  - Liabilities (47,000)
  - Total \$ 105,009
- Maintained surplus position since 2013  
(except for small unfunded liability in 2019)  
due to past asset gains

# “Old Hire” Firefighters’ Pension Plan Funded Status

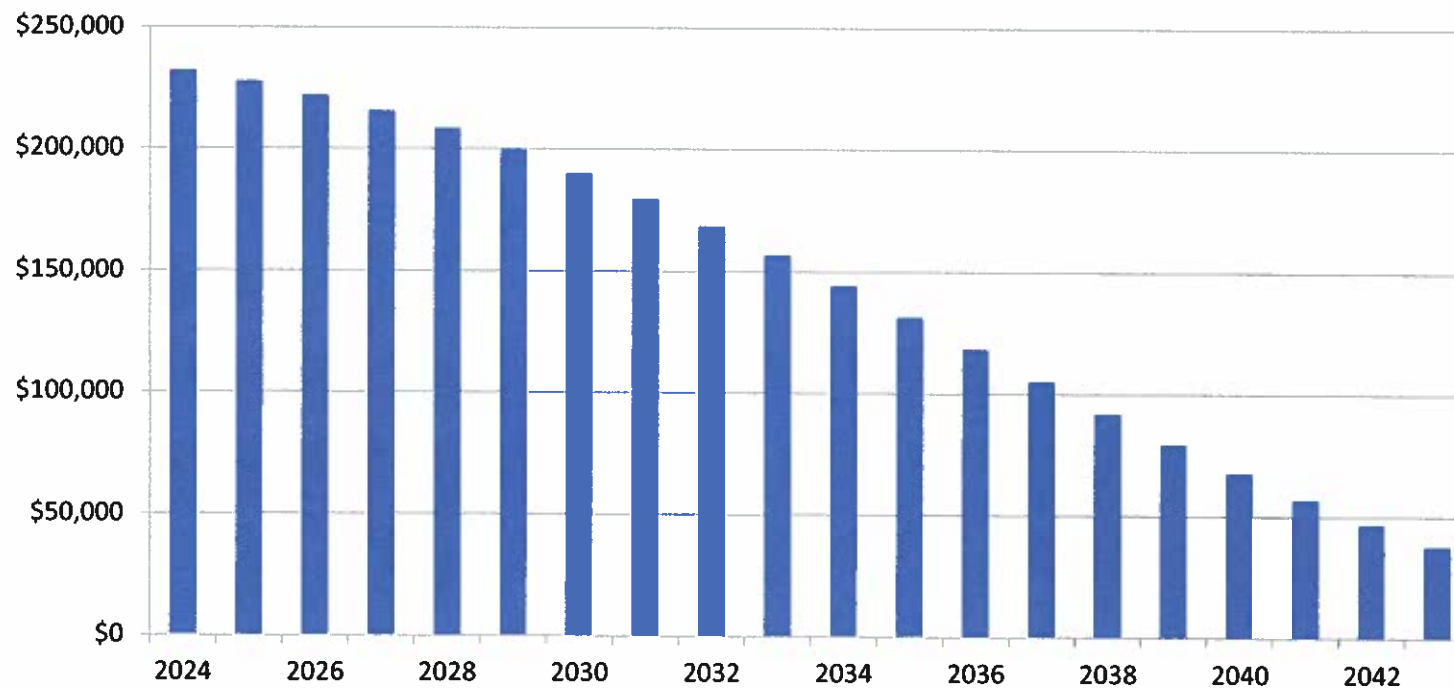
- Funded Status is the Actuarial Value of Assets as a percent of the Actuarial Accrued Liability
- Funded Status is 137.3% as of January 1, 2024

**Funded Status**



# “Old Hire” Firefighters’ Pension Plan Projected Cash Flows

- Projected Cash Flows are the estimated benefit payments to retirees and beneficiaries
- Based upon valuation assumptions
- Average age for current payees is 82



# “Old Hire” Firefighters’ Pension Summary

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- The plan is well funded due to past employer contributions above the Actuarially Determined Contribution and positive investment returns in prior years
- Assets cover 137.3% of the accrued liabilities
- The Actuarially Determined Contribution is \$0
- A conservative funding policy for a closed plan is to maintain a surplus position to withstand market volatility



# “Old Hire” Police Pension Plan

## Key Results

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- Actuarially Determined Contribution of \$0
- Actuarial Accrued Liability \$0.93 million
- Market (and Actuarial) Value of Assets \$0.95 million
- Surplus (excess of assets over present value of benefits) of \$13 thousand
- Return on Market (and Actuarial) value of assets overperformed 7.0% assumption in 2023
  - FYE 2023            13.1%
  - FYE 2022           -12.7%
  - FYE 2021           11.8%
- Funded status increased from 2023
  - January 1, 2024    101%
  - January 1, 2023    92%
  - January 1, 2022    117%
- Membership: one beneficiary died during 2023





# “Old Hire” Police Pension Plan

## Key Results

### Employer Contributions



## “Old Hire” Police Pension Plan Valuation Results

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- Actuarial gains/(losses)
  - Investment return \$ 53,683
  - Liabilities 22,751
  - Total \$ 76,434
- Retiree liabilities had experienced mortality losses between 2011 and 2016 and in 2018, 2019 and 2022 due to members living longer than expected, but in 2017, 2020, 2021 and 2023 retiree liabilities experienced a gain due to member deaths

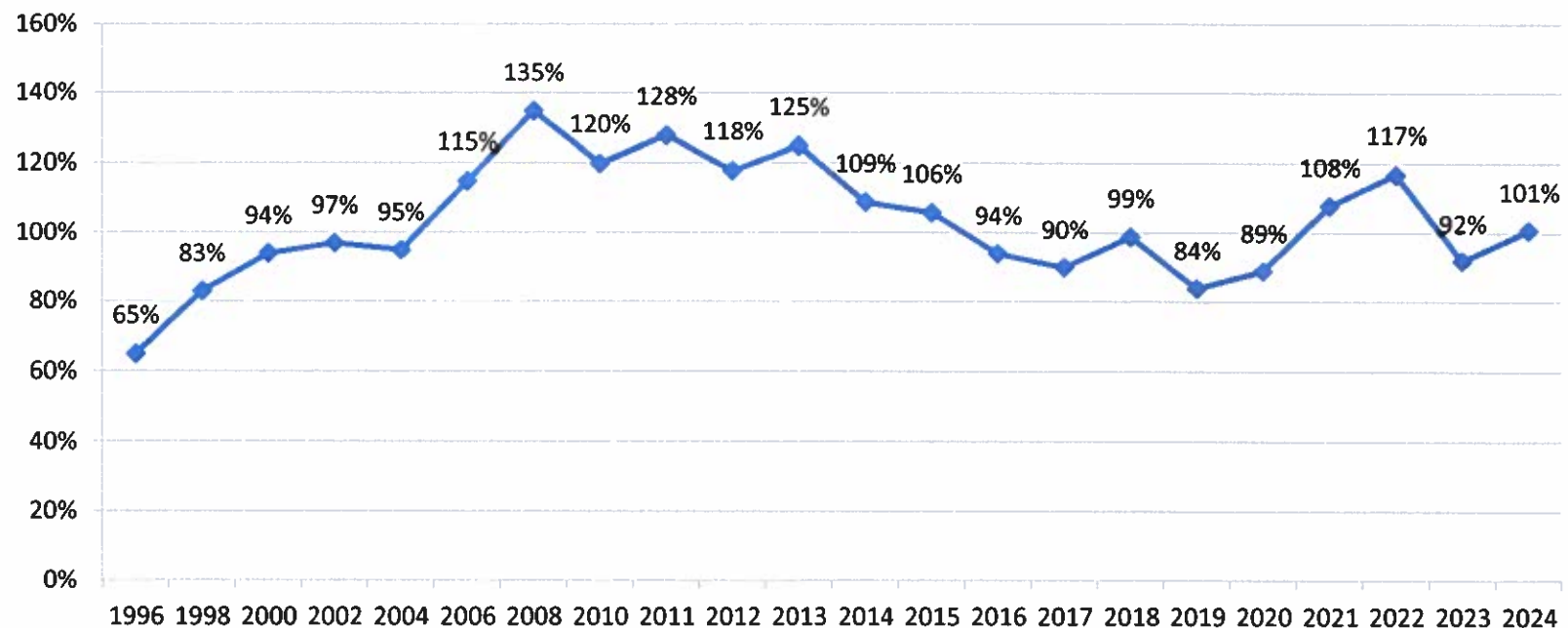
# “Old Hire” Police Pension Plan

## Funded Status

Funded Status is the Actuarial Value of Assets as a Percent of the Actuarial Accrued Liability

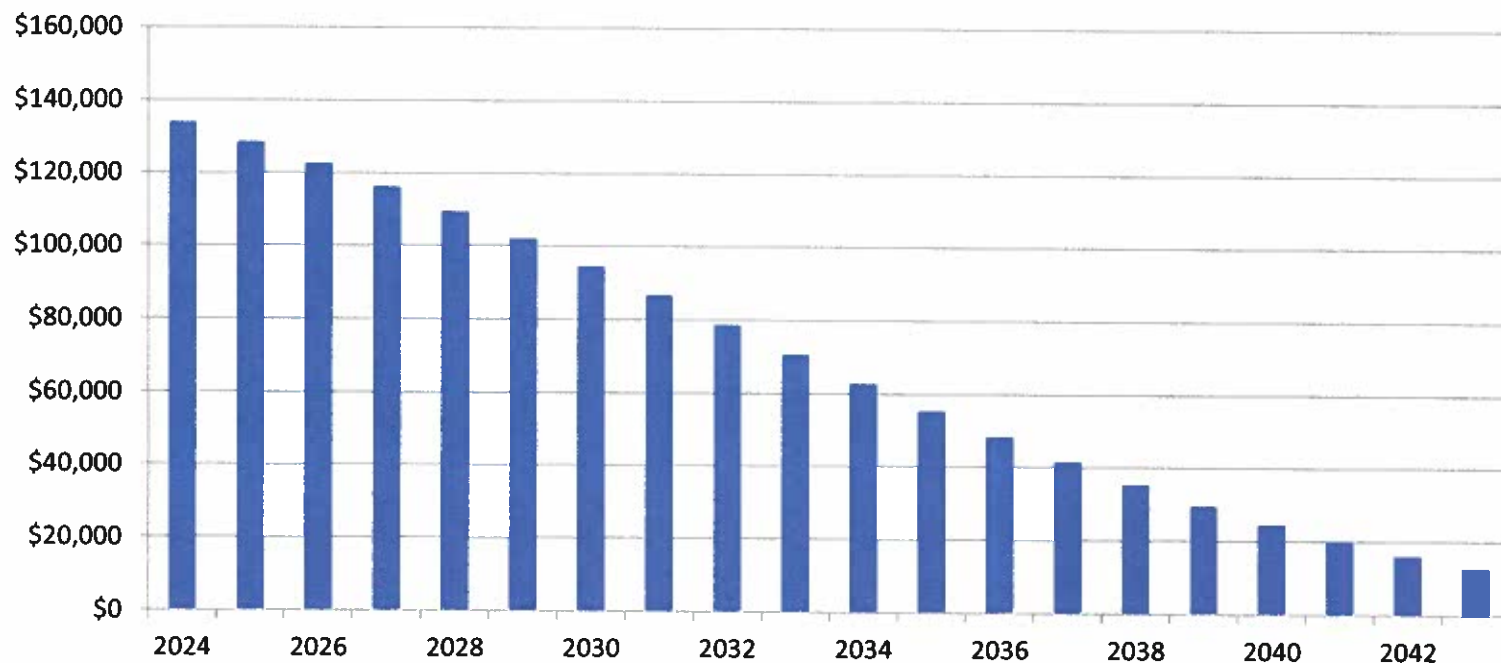
Funded Status is 101.4% as of January 1, 2024

**Funded Status**



# “Old Hire” Police Pension Plan Projected Cash Flows

- Projected Cash Flows are the estimated benefit payments to retirees and beneficiaries
- Based upon valuation assumptions
- Average age for current payees is 82



# “Old Hire” Police Pension Summary

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- The plan rose above 100% funded due to returns above the assumed 7.0% return and mortality gains in 2023
- Assets cover 101.4% of the accrued liabilities
- The Actuarially Determined Contribution is \$0
- A conservative funding policy for a closed plan is to maintain a surplus position to withstand market volatility



## “Old Hire” Combined Position

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– Potentially consider both old hire funds in whole for future funding decisions

○ Actuarial Accrued Liabilities	\$2,791,856
○ Market (Actuarial) Value of Assets	\$3,497,336
○ Funded Ratio	125%