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March 26, 2024

Valley Park Fire Protection District
55 Crescent Avenue
Valley Park, MO 63088

Re: Actuarial Cost Statement for Proposed Changes for the
Valley Park Fire Protection District Defined Benefit Plan and Trust

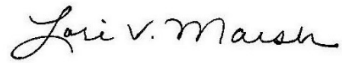
This letter is intended to document why the District's proposal to allow for active participants to purchase up to ten years of service for purposes of determining their pension benefit payable from the Plan is not considered a "Substantial Proposed Change" as defined by Section 105.660 of the Joint Committee on Public Employee Retirement Governing Statutes & Missouri Constitution Provisions.

To be considered a "Substantial Proposed Change", one of the following criteria would need to be met:

1. Proposed change increases or decreases the total contribution percent by at least one-quarter of active payroll.
 - A participant purchasing service pays the full present value actuarial cost the additional service will have on his/her accrued benefit. The cost is determined using the assumptions applied in the actuarial valuation in the year of purchase so there is no cost impact to the overall Plan.
2. Proposed change increases or decreases a plan benefit by five percent or more.
 - A participant purchasing service may experience a benefit increase that exceeds five percent but the present value of the benefit increase is paid back to the Plan by the participant. This proposed plan change does not increase/decrease plan benefits for any participant who does not purchase service.
3. Proposed change materially affects the actuarial soundness of the plan.
 - Due to the fact that Plan assets are increased by the same amount as the increase on the present value of the accrued benefit for any participant electing to purchase service, the proposed change does not materially affect the actuarial soundness of the Plan.

Please feel free to contact me with any questions. I can be reached at (703)852-5333 or by email at lori.marsh@milliman.com.

Sincerely,



Lori V. Marsh, ASA, EA, MAAA
Consulting Actuary