

July 20, 2023

VIA E-MAIL

Ms. Shelly Baumann
Pension Administration Services, LLC
14 Kelly Drive
Arcadia, FL 32466

Re: City of Venice
Municipal Firefighters' Pension Trust Fund

Dear Shelly:

In response to Scott Christiansen's letter dated July 18, 2023, we have reviewed the proposed Ordinance (identified on page 8 as dm/ven/fire/06-16-23.ord) to include the following proposed changes:

1. Section 50-81, Definitions, is being amended to amend the definition of Salary to add necessary language to clarify the determination period for maximum annual compensation for members who leave the service of the City with less than 12 months of service completed during a fiscal year.
2. Section 50-84, Finances and Fund Management, is being amended to provide language regarding Board discretion on seeking recovery of inadvertent overpayments from the Fund, as permitted by the recently adopted SECURE Act 2.0.
3. Section 50-96, Minimum Distribution of Benefits, is being amended to provide for recent changes to the Internal Revenue Code in the Secure Act 2.0., changing the required distribution date from age 72 to the applicable age provided for in the IRC, as amended from time to time.
4. Section 50-104, Credit for Military Service Prior to Employment and Section 50-107, Prior Fire Service, are being amended to provide for an option for members to pay for purchased credited service at no cost to the plan over a period of time not to exceed five years, by after-tax payroll deduction, in lieu of making a one-time lump sum payment.
5. Section 50-109, Supplemental Benefit Component for Special Benefits; Florida Statutes Chapter 175 Share Accounts, is being amended to clarify and confirm that if a member receives a refund of their accumulated contributions, they shall forfeit their share account balance. Conversely, if a member receives the balance of their share account, they are no longer entitled to receive a refund of their accumulated contributions.

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We have determined that the adoption of this provision will have no impact on the assumptions used in determining the funding requirements of the program. Because the changes do not result in a change in the valuation results, it is our opinion that a formal Actuarial Impact Statement is not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to each of the following offices:

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
P. O. Box 9000
Tallahassee, FL 32315-9000

Mr. Steve Bardin
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
P.O. Box 3010
Tallahassee, FL 32315-3010

The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein.

If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas H. Lozen". The signature is fluid and cursive, with a large loop at the end of the last name.

Douglas H. Lozen, EA, MAAA

Cc: Scott Christiansen, Plan Attorney