City of Taylor Police and Fire Retirement System
Summary Annual Report
June 30, 2024

Dear Member:

The following is a summary of your Retirement System. Each year, an actuarial valuation is prepared to compare assets to liabilities. Assets are held and invested in a trust separate from other City assets. The only disbursements from this trust are to members who are retired or disabled, beneficiaries of members, members who receive contribution refunds, and for Retirement System expenses.

As Retirement Board Members, our tasks include making sure trust assets are invested prudently, required City and member contributions are received and that benefits are paid in accordance with the Retirement System's provisions.

Various professionals are hired to help in the administration of the System. They are listed in the column to the right.

The City is funding Retirement System benefits as they accrue in accordance with a sound funding objective.

Respectfully submitted,

Board of Trustees
City of Taylor Police and Fire Retirement System

Actuarial Information Used for this Report:

1. 79 active members
2. 310 retirees/beneficiaries
3. System is open to new hires
4. $55,645 average annual pension benefit
5. $17,250,059 annual pension benefits paid
6. $5,840,994 valuation payroll used
7. Employer's normal cost of benefits: 19.43% of payroll - entry age normal cost method
8. Employer's total contribution: $7,225,119
9. Weighted average member contribution rate: 8.58%
10. The required employer contribution for the fiscal year was received
11. 7.25% assumed rate of investment return
12. 3.00% assumed rate of long-term wage inflation
13. 5-year asset smoothing method used
14. 15-year open amortization period used
15. Entry Age Normal cost method used
16. Funded ratio 66.6% under the entry age normal cost method

Professional Advisors

Investment Fiduciaries

Fidelity Investments
Brandywine Global
PNC Capital Advisors
Federated Hermes
Champlain Investment Partners
NewSouth Capital Mgmt.
WCM Investment Mgmt.
Bloomfield Capital
TA Realty
American Realty
TerraCap
BGO Strategic Capital Partners
Abbott Capital Mgmt.
Portfolio Advisors
Sturbridge Capital

Service Providers

PNC Bank, Trust Custodian
Mariner, Investment Consultant
Plante Moran, Auditor
Foster & Foster, Inc., *Actuary*
VanOverbeke, Michaud & Timmony, Attorneys

Investment Performance*

	1 Year	3 Year	5 Year	7 Year	10 Year
Combined Account	11.34%	3.38%	8.47%	8.60%	8.09%

**Plan year ending June 30, 2024 (net of fees)*

2025 Projected Expenditures

Pension Payments: $17.5 million
Refund of Member Contributions: $0
Investment Fees: $625,000
Memberships/Training/Education/Travel: $3,000
Administrative Expenses: $28,000

City of Taylor Police and Fire Retirement System
Summary Annual Report (cont.)

Actuarial Valuation Summary

Foster & Foster, Inc. was hired to prepare the June 30, 2024 Actuarial Valuation. The funding objective of the System is to finance the unfunded present value of future benefits over an open 15-year period. The actual level of contribution is dependent on past and assumed future experience, including investment performance, and benefit provisions. Below is a summary of the results:

Contribution Requirements

Actuarial Present Value of All Future Benefits	$219,697,420
Smoothed Valuation Assets	138,393,668
Present Value of Future Member Contributions	3,086,660
Unfunded Actuarial Accrued Liability	69,456,374
Present Value of Future Pay	69,410,460
Total Normal Cost	1,080,350
Administrative Expenses	86,873
Computed Employer Contribution Dollar Amount	$7,225,119

Assets & Liabilities

Funded Status

Market Value of Assets	$140,778,947
Smoothed Valuation Assets	138,393,668
Actuarial Accrued Liability – Entry Age Normal cost method	207,850,042
Funded Ratio – Entry Age Normal cost method	66.6%

Actuary's Statement – The System is being funded based on sound actuarial assumptions and methods. For a complete analysis, please review the June 30, 2024 actuarial valuation.

Revenues & Expenditures

Beginning Balance (Market Value) – June 30, 2023	$135,577,185
Revenues	
Employees' contributions	576,009
Employer contribution	6,636,384
Investment income	15,108,266
Other income	281,044
Total	22,601,703
Expenditures	
Pension payments	17,300,338
Refunds and annuity withdrawal	0
Other	10,608
Non-Investment Expenses	88,995
Total	17,399,941
Ending Balance (Market Value) – June 30, 2024	$140,778,947
Recognized Return on Funding Value of Assets	8.68%