



UPDATE ON THE VOLUNTEER FIRE FIGHTERS’ AND RESERVE OFFICERS’ RELIEF AND PENSION FUND

October 23, 2023

Highlights from the 2022 VFF Actuarial Valuation Report

- ❖ Combined funded ratio for Pension and Relief plans remained stable (104 percent in 2020; 103 percent in 2022).
 - We modeled terminated vested members (who delay commencement of their retirement benefit) receiving a lump sum for any back payments; increased liabilities by approximately 5 percent.
 - Noted decrease in Fire Insurance Premium Tax contributed to the trust fund; anticipate that will return to historical levels in future years.
- ❖ The number of active members has remained relatively steady since 2020, and the number of annuitants increased by roughly 4 percent.

Background for Contribution Rate Adoption

- ❖ Calculated Pension Rates remained steady since the last full valuation report, while Relief Rates increased.

Per Person Annual Contribution Rates					
Valuation Year	2017	2018	2019	2020	2022
Pension Rate					
Calculated	\$100	\$100	\$108	\$123	\$123
Adopted*	\$135	\$135	\$135	\$135	N/A
Relief Rate					
Calculated	(\$70)	(\$412)	(\$94)	\$22	\$66
Pay-Go	\$176	\$144	\$205	\$404	\$172
Adopted*	\$235	\$235	\$235	\$235	N/A

**Apply to Emergency Medical Technicians and Reserve Law Enforcement Officers.*

- ❖ Under an Entry Age Normal funding method, 2022 Relief Rate is \$239.

Other Items of Note

- ❖ Future valuations will independently reflect the VFF/EMT plan and the RLEO plan. See 2022 VAVR Appendix for RLEO statistics.
- ❖ We will revisit the plan’s administrative factors and economic assumptions over the next year.
- ❖ Discussed changes to the actuarial funding method with the Board in previous years; would like to finalize plan before the next valuation.

Note: We prepared this information exclusively to supplement a verbal discussion with the Board. This handout is not meant to be a standalone reference. Please see the 2022 VAVR for full details (available on our [website](#) after this meeting).