



Expert Guidance and Customized Solutions since 1964

October 4, 2019

Ms. Nancy Skilton
Treasurer
Town of Morris
3 East Street
P.O. Box 66
Morris, CT 06763

RE: Town of Morris Volunteer Fire Department Pension Plan

Dear Nancy:

Enclosed is the actuarial valuation report for the Pension Plan as of July 1, 2019. The actuarially determined contribution is \$3,648, which is applicable to the fiscal year ending June 30, 2021.

Please review and let me know if you have any questions.

Sincerely,

Matthew F.W. Sicilia, E.A., M.A.A.A.
Vice President & Consulting Actuary

Enclosures

TPS Group

Tel: (203) 234-2229 ■ www.tpsgroup.com ■ Fax: (203) 234-8369

The Pension Service, Inc.

127 Washington Ave., W. Wing, North Haven, CT 06473

The Pension Service LLC

468 Great Road
Acton, MA 01720
Tel: (978) 369-2318
Fax: (978) 379-8481

TPSI

270 Northpointe Pkwy., Suite 10
Amherst, NY 14228
Tel: (716) 839-9405
Fax: (716) 839-9713

The Pension Service of NNE

869 Main St., Suite 400
Westbrook, ME 04092
Tel: (207) 854-1304
Fax: (207) 854-1305



Expert Guidance and Customized Solutions since 1964

ACTUARIAL REPORT
FOR
TOWN OF MORRIS
VOLUNTEER FIRE DEPARTMENT
PENSION PLAN

AS OF
JULY 1, 2019

APPLICABLE TO THE
FISCAL YEAR ENDING
JUNE 30, 2021

TPS Group

Tel: (203) 234-2229 ■ www.tpsgroup.com ■ Fax: (203) 234-8369

The Pension Service, Inc.

127 Washington Ave., W. Wing, North Haven, CT 06473

The Pension Service LLC

468 Great Road
Acton, MA 01720
Tel: (978) 369-2318
Fax: (978) 379-8481

TPSI

270 Northpointe Pkwy., Suite 10
Amherst, NY 14228
Tel: (716) 839-9405
Fax: (716) 839-9713

The Pension Service of NNE

869 Main St., Suite 400
Westbrook, ME 04092
Tel: (207) 854-1304
Fax: (207) 854-1305

TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTION	1
CERTIFICATION	2
ACTUARIALLY DETERMINED CONTRIBUTION	3
UNFUNDED ACCRUED LIABILITY	4
DATA RECONCILIATION	5
ASSET RECONCILIATION	6
ACTUARIAL ASSUMPTIONS	7
SUMMARY OF PLAN PROVISIONS	8

INTRODUCTION

This section of the report presents a summary of the valuation results. It also highlights any changes in actuarial assumptions or plan provisions from last year.

<u>Summary of Valuation Results:</u>	Actuarial Valuation as of July 1,	
	<u>2019</u>	<u>2018</u>
Applicable Fiscal Year Ending	June 30, 2021	June 30, 2020
Actuarially Determined Contribution	\$ 3,648	\$ 5,075
Market Value of Assets	\$ 121,490	\$ 110,681
Total Number of Participants	34	35

Changes Since Last Year:

The mortality improvements table was updated to a newer table.

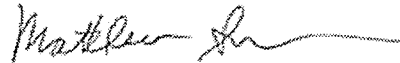
CERTIFICATION

The figures in this actuarial valuation report for the Town of Morris Volunteer Fire Department Pension Plan are determined as of July 1, 2019 and are applicable for the fiscal year ending June 30, 2021.

The results have been based on the employee census data and the financial information provided by the Town of Morris. Census and trust data have been reviewed for consistency and reasonableness in a manner consistent with applicable standards of practice. Assumptions have been selected in accordance with applicable standards of practice, unless prescribed by law or regulation.

This report was completed in accordance with generally accepted actuarial standards and procedures, and conforms to the Code of Professional Conduct of the American Academy of Actuaries. I am an Enrolled Actuary, enrolled by the Joint Board for the Enrollment of Actuaries to perform actuarial services required under the Employee Retirement Income Security Act of 1974 (ERISA). I am also a member of the American Academy of Actuaries and have met its Qualification Standards to render the actuarial opinion contained herein.

THE PENSION SERVICE, INC.



Matthew F.W. Sicilia, E.A., M.A.A.A.
Enrolled Actuary No. 17-07224

ACTUARIALLY DETERMINED CONTRIBUTION

A) Normal Cost	\$	0
B) Unfunded Accrued Liability	\$	44,779
C) Amortization of Unfunded Accrued Liability*	\$	3,648
D) Actuarially Determined Contribution: [(A) + (C)]	\$	3,648

* 30 years from July 1, 2016.

UNFUNDED ACCRUED LIABILITY

A) Assets:

Market Value of Assets as of June 30, 2019	\$ 121,490
--	------------

B) Liabilities:

Accrued Liability as of July 1, 2019:

1) Active Participants	\$ 0
2) Terminated Vested Participants	\$ 78,730
3) Retired Participants and Beneficiaries	<u>\$ 87,539</u>
4) Total	\$ 166,269

C) Unfunded Accrued Liability:

Unfunded Accrued Liability: [(B)(4) – (A)], not less than zero	\$ 44,779
--	-----------

DATA RECONCILIATION

	<u>Active Participants</u>	<u>Terminated Participants</u>	<u>Retirees and Beneficiaries</u>	<u>All Participants</u>
1) As of July 1, 2018	0	29	6	35
2) Terminated				
a) With Vested Benefits	0	--	--	0
b) Without Vested Benefits	0	--	--	0
3) Died				
a) With Eligible Beneficiary	0	0	0	0
b) Without Eligible Beneficiary	0	0	0	0
4) Disabled	0	--	--	0
5) Retired	0	(4)	--	(4)
6) Received Lump Sum Payment	0	(1)	0	(1)
7) New Entrants to Valuation Group	0	0	4	4
8) Data Adjustments	0	0	0	0
9) As of July 1, 2019	0	24	10	34

ASSET RECONCILIATION

1) Market Value of Assets as of July 1, 2018	\$ 110,681
2) Contributions	\$ 24,815
3) Benefit Payments and Administrative Expenses	\$ 18,792
4) Market Value of Assets as of June 30, 2019	\$ 121,490
5) Net Increase in Assets: $[(4) - (1) - (2) + (3)]$	\$ 4,786
6) Approximate Asset Return: $[(2) \times (5)] / [(1) + (4) - (5)]$	4.21%

SUMMARY OF ACTUARIAL ASSUMPTIONS

<u>Actuarial Cost Method:</u>	Unit credit
<u>Market-Related Assets:</u>	Market value of assets
<u>Data:</u>	As of July 1, 2019
<u>Interest Rate:</u>	6.75%
<u>Long Term Rate of Return:</u>	6.75%
<u>Salary Increases:</u>	Not applicable
<u>Pre- and Post-Retirement Mortality:</u>	RP-2014 (adjusted) with MP-2018 mortality improvements (previously, MP-2017)
<u>Retirement Rates:</u>	Age 65, or attained age if greater
<u>Withdrawal Rates:</u>	Not applicable (no actives)
<u>Disability Rates:</u>	Not applicable (no actives)
<u>Form of Payment:</u>	Life annuity

SUMMARY OF PLAN PROVISIONS

<u>Effective Date:</u>	July 1, 1994.						
<u>Eligibility:</u>	The July 1 st next following attainment of age 18 and 12 consecutive months of service during which at least 100 points are credited.						
<u>Credited Service:</u>	A Plan Year in which a member is credited with at least 100 points.						
<u>Normal Retirement:</u>							
<u>Eligibility:</u>	Attainment of age 65 and completion of five (5) years of active service.						
<u>Benefit:</u>	Monthly retirement benefit shall be the sum of the following: <ul style="list-style-type: none">(i) Past Service: \$5.00 per month for each year of Credited Service from July 1, 1984 to July 1, 1994.(ii) Future Service: \$5.00 per month for each year of Credited Service subsequent to July 1, 1994.(iii) No participant shall accrue more than \$150 per month from combined past and future credited service.						
<u>Disability Date and Benefits:</u>	The date upon which the participant incurs a disability provided he/she has attained age 55, and has completed 5 years of Credited Service (non-consecutive). The benefit shall be reduced by 1/15 for the first 5 years and 1/30 for the next 5 years that disability retirement precedes Normal Retirement.						
<u>Vested Termination:</u>	Accrued benefit based on the following schedule: <table><tr><td><u>Full Years of Credited Service</u></td><td><u>Percentage</u></td></tr><tr><td>Less than 5 years</td><td>0%</td></tr><tr><td>5 years or more</td><td>100%</td></tr></table>	<u>Full Years of Credited Service</u>	<u>Percentage</u>	Less than 5 years	0%	5 years or more	100%
<u>Full Years of Credited Service</u>	<u>Percentage</u>						
Less than 5 years	0%						
5 years or more	100%						
<u>Normal Form of Annuity:</u>	Life Annuity.						
<u>Optional Forms of Annuity:</u>	<ul style="list-style-type: none">1) Life annuity with 10 years guaranteed2) 50% joint & survivor annuity3) 100% joint & survivor annuity						