



City of South Pasadena

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A G E N D A

REGULAR COMMISSION MEETING
SOUTH PASADENA, FLORIDA

TUESDAY, DECEMBER 9, 2025
COMMISSION CHAMBERS 7:00 P.M.

CALL TO ORDER
INVOCATION
PLEDGE OF ALLEGIANCE
ROLL CALL
REPORTS
PEOPLE'S FORUM
AGENDA COMMENT

DISCUSSION ITEMS

PUBLIC HEARING

1. ORDINANCE NO. 2025-06 - AN ORDINANCE OF THE CITY OF SOUTH PASADENA, FLORIDA, AMENDING ORDINANCE NO. 2024-05, THE CITY'S 2024/2025 FISCAL BUDGET, BY INCREASING APPROPRIATIONS FOR HURRICANE HELENE AND MILTON STORM DAMAGE COSTS ESTIMATED AT \$1,705,355 FOR ALL FUNDS; BY INCREASING REVENUES RECEIVED FROM FLOOD INSURANCE POLICIES TOTALING \$764,200, BY REMOVING \$9,500 IN BUDGETED REVENUE FOR HIBISCUS HALL RENTAL INCOME DUE TO CLOSING OF HALL FROM STORM DAMAGE; BY INCREASING CERTAIN GENERAL FUND AND CAPITAL IMPROVEMENT FUND APPROPRIATIONS TOTALING \$138,090 FOR EXPENDITURES APPROVED IN COMMISSION WORKSHOPS; BY ADJUSTING SEWER FUND FEES AND PROCESSING COSTS TO REFLECT REDUCED ACTIVITY DUE TO HURRICANES; AND BY DECREASING APPROPRIATIONS CAPITAL IMPROVEMENTS - PAVING BY \$190,000 TO REFLECT UNUSED FUNDS; PROVIDING FOR AN EFFECTIVE DATE - SECOND AND FINAL READING.
2. ORDINANCE NO. 2025-07 - AN ORDINANCE OF THE CITY OF SOUTH PASADENA, FLORIDA, AMENDING ARTICLE III, CHAPTER 180, FIRE FIGHTERS' PENSION FUND ASSESSMENT, SECTION 9 - FIRE FIGHTERS' RETIREMENT SYSTEM, SUBSECTION (F) (1), (F) (3) AND

AGENDA MEETING

TUESDAY, DECEMBER 9, 2025 - 7:00 P.M.

SUBSECTION (I) (1); PROVIDING FOR SEVERABILITY, AND
PROVIDING FOR AN EFFECTIVE DATE - SECOND AND FINAL READING.

UNFINISHED BUSINESS

NONE

CONSENT AGENDA

Resolutions and Motions of a non-controversial nature may be placed on the Consent Agenda. One motion for approval is required to pass the entire Consent Agenda; however, any item(s) may be removed prior to motion for approval.

3. APPROVAL OF COMMISSION MEETING MINUTES FOR THE MONTH OF
NOVEMBER 2025 ON FILE IN CITY CLERK'S OFFICE
AGENDA MEETING, NOVEMBER 4, 2025; ADMINISTRATIVE WORKSHOP,
NOVEMBER 4, 2025; AND REGULAR COMMISSION MEETING, NOVEMBER
10, 2025.

NEW BUSINESS

NONE

ADJOURN

This meeting is open to the public. Ordinances may be inspected by the public in the office of the City Clerk at City Hall from 8:00 a.m. to 4:00 p.m. Monday through Friday with the exception of holidays. Any person who decides to appeal any decision of the City Commission with respect to any matter considered at this meeting will need a record of the proceedings, and for such purpose may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

The City of South Pasadena is committed to providing reasonable accommodation for access for the disabled. In accordance with the Americans with Disabilities Act and F.S. 286.26, anyone needing assistance with regard to this meeting should contact the City Clerk's Office in writing at least 48 hours prior to the meeting. For more information or assistance please contact the City Clerk's office at 727-347-4171.

CITY OF SOUTH PASADENA



AGENDA SUBMITTAL FORM

Ordinance: NO. 2025-06 Date Submitted: 11/26/2025

Resolution: Agenda Meeting Date: 12/02/2025

Motion: Regular Meeting Date: 12/09/2025

Information Only Submitted By: COMM. NEIDINGER

No Action Needed: Written By: *[Signature]*

Discussion:

Subject Title: (If Ordinance or Resolution, state number and title in full.)

ORDINANCE NO. 2025-06 - AN ORDINANCE OF THE CITY OF SOUTH PASADENA, FLORIDA, AMENDING ORDINANCE NO. 2024-05, THE CITY'S 2024/2025 FISCAL BUDGET, BY INCREASING APPROPRIATIONS FOR HURRICANE HELENE AND MILTON STORM DAMAGE COSTS ESTIMATED AT \$1,705,355 FOR ALL FUNDS; BY INCREASING REVENUES RECEIVED FROM FLOOD INSURANCE POLICIES TOTALING \$764,200, BY REMOVING \$9,500 IN BUDGETED REVENUE FOR HIBISCUS HALL RENTAL INCOME DUE TO CLOSING OF HALL FROM STORM DAMAGE; BY INCREASING CERTAIN GENERAL FUND AND CAPITAL IMPROVEMENT FUND APPROPRIATIONS TOTALING \$138,090 FOR EXPENDITURES APPROVED IN COMMISSION WORKSHOPS; BY ADJUSTING SEWER FUND FEES AND PROCESSING COSTS TO REFLECT REDUCED ACTIVITY DUE TO HURRICANES; AND BY DECREASING APPROPRIATIONS CAPITAL IMPROVEMENTS - PAVING BY \$190,000 TO REFLECT UNUSED FUNDS; PROVIDING FOR AN EFFECTIVE DATE.

Motion Proposed:

TO PASS ORDINANCE NO. 2025-06 ON FIRST READING OCTOBER 14, 2025

TO PASS AND ADOPT ORDINANCE NO. 2025-06 ON SECOND AND FINAL READING

SUBMIT ORIGINAL TO CITY CLERK FOR INCLUSION ON AGENDA BY WEDNESDAY.

ORDINANCE NO. 2025-06

AN ORDINANCE OF THE CITY OF SOUTH PASADENA, FLORIDA, AMENDING ORDINANCE NO. 2024-05, THE CITY'S 2024/2025 FISCAL BUDGET, BY INCREASING APPROPRIATIONS FOR HURRICANE HELENE AND MILTON STORM DAMAGE COSTS ESTIMATED AT \$1,705,355 FOR ALL FUNDS; BY INCREASING REVENUES RECEIVED FROM FLOOD INSURANCE POLICIES TOTALING \$764,200, BY REMOVING \$9,500 IN BUDGETED REVENUE FOR HIBISCUS HALL RENTAL INCOME DUE TO CLOSING OF HALL FROM STORM DAMAGE; BY INCREASING CERTAIN GENERAL FUND AND CAPITAL IMPROVEMENT FUND APPROPRIATIONS TOTALING \$138,090 FOR EXPENDITURES APPROVED IN COMMISSION WORKSHOPS; BY ADJUSTING SEWER FUND FEES AND PROCESSING COSTS TO REFLECT REDUCED ACTIVITY DUE TO HURRICANES; AND BY DECREASING APPROPRIATIONS CAPITAL IMPROVEMENTS - PAVING BY \$190,000 TO REFLECT UNUSED FUNDS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Hibiscus Hall has been closed for use due to flood damage caused by Hurricanes Helene and Milton since October 2024 and no event rental income has been collected for most of the year, and

WHEREAS, only \$500 in rents has been collected in fiscal 2025 against a \$10,000 budget, and

WHEREAS, Finance has recommended the reduction of the General Fund Rental Income budget by \$9,500, and

WHEREAS, the City's General Fund has incurred approximately \$163,005 in overtime wages and benefits related to hurricane related labor for manning the Emergency Operations Center, performing storm-related inspections and assessments, and managing FEMA/insurance reimbursement requests, and

WHEREAS, the City's General Fund has incurred \$1,006,050 of storm-related costs including approximately \$725,076 for debris hauling and monitoring, \$203,790 for Comfort Hygiene Stations for public use, and various other repair costs, and

WHEREAS, the City has incurred approximately \$450,000 in its Capital Improvements Fund for damaged equipment and infrastructure and approximately \$86,300 in its Sewer Enterprise Fund for lift station repairs caused by hurricane damage, and

WHEREAS, in April 2025 the City collected flood insurance reimbursements totaling approximately \$704,500 in its Capital Improvements Fund for City Hall (Hibiscus Hall), Public Works shop buildings and the retired Fire Station and approximately \$59,700 in its Sewer Enterprise Fund for Flood damage to Lift Station #1, and

WHEREAS, the Finance Department recommends adding a revenue category to the Budget Ordinance for Other Revenue Sources - Insurance Reimbursements, and

WHEREAS, the Finance Department has recommended increasing appropriations by \$1,705,355 for these hurricane-related costs in the General, Capital Improvements and Sewer Funds and increasing the revenue budget for insurance proceeds collected to date in the Capital Improvements and Sewer Enterprise Funds, and

WHEREAS, the Finance Director requested, and the Commission approved, additional overtime funding in the amount of \$3,800 (plus taxes) to complete the City's 2024 Audit and 2026 Budget at the June 3, 2025 administrative workshop, and

WHEREAS, at the May 20, 2025 administrative workshop, the City Commission approved Public Works Director, Shawn Shimko's request to move the purchase of a new aerial bucket truck from the fiscal 2027 capital budget to the current fiscal year, and

WHEREAS, the purchase price for the new 2024 Ford F-350 aerial bucket truck came in at \$131,043, but Finance has determined that only a \$117,000 increase in the budget is necessary due to unused funding in the vehicle purchase budget, and

WHEREAS, the 2025 capital budget included \$112,750 for Bunker Gear in the Fire Department budget, but did not include bunker gear for the firefighters assigned to the EMS Departmental budget, and

WHEREAS, expenditures for bunker gear totals \$71,795 and \$33,988 for the Fire and EMS Departments respectively, and

WHEREAS, the EMS Department has incurred additional capital costs of \$2,549, and

WHEREAS, the Finance Department recommends transferring \$20,000 from the Fire Capital Outlay - Equipment (bunker gear) budget to the EMS Capital Outlay - Equipment budget and increasing the EMS Capital Outlay - Equipment appropriation by an additional \$17,000, and

WHEREAS, Hurricanes Helene and Milton damage to residences and commercial businesses in the city has diminished the customer use of water and sewer services, and

WHEREAS, Sewer processing volumes for fiscal 2025 are 67.4% of the fiscal 2024 volumes or 136.4 million gallons for 2025 compared to 202.4 million gallons for 2024, and

WHEREAS, the Finance Department recommends decreasing the Sewer Fee Revenue budget by \$320,000 and decreasing Sewer Processing Fee Expenditures by \$350,000, and

WHEREAS, the Finance Department recommends transferring \$108,000 from the Sewer Slip Lining budget to the Sewer Additions budget to properly categorize TLC Diversified projects for Lift Station #1 rehabilitation costing \$93,107 and Manhole #52 rehabilitation costing \$17,282, and

WHEREAS, approximately \$86,300 in unbudgeted Hurricane Helene damage costs were incurred in the Sewer Fund, including \$59,673 for pumps, \$9,999 to pump Lift Station #1 and the balance on repairs to Lift Stations 1, 2, and 5, and

WHEREAS, the fiscal 2025 fiscal budget includes \$280,000 for paving projects which includes projects that will be moved forward in the five-year plan, and

WHEREAS, the Public Works Department has determined that it will need only \$90,000 for the Sunset Drive Paving Project and a small emergency reserve and, therefore, recommends removing \$190,000 from the fiscal 2025 capital budget for use in future years.

NOW, THEREFORE, BE IT ORDAINED by the City Commission of the City of South Pasadena, Florida:

SECTION 1. Section 1 of Ordinance No. 2024-05 is hereby amended as follows:

1. General Fund Appropriations - General Government is hereby increased by \$24,060 from \$1,550,240 to \$1,574,300, and
2. General Fund Appropriations - Public Safety is hereby increased by \$89,495 from \$5,826,030 to \$5,915,525, and
3. General Fund Appropriations - Physical Environment is hereby increased by \$1,006,050 from \$12,000 to \$1,018,050, and

4. General Fund Appropriations - Transportation is hereby increased by \$53,540 from \$1,201,335 to \$1,254,875, and
5. General Fund - Total Appropriations and Transfers is hereby increased by \$1,173,145 from \$9,361,780 to \$10,534,925, and
6. General Fund - Reserves is hereby decreased by \$140,645 from \$140,645 to \$0, and
7. General Fund - Total Appropriations, Transfers and Reserves is hereby increased by \$1,032,500 from \$9,502,425 to \$10,534,925, and
8. General Fund - Miscellaneous Revenues is decreased by \$9,500 from \$259,100 to \$249,600, and
9. General Fund - Appropriated Fund Balance is hereby increased \$1,042,000 from \$0 to \$1,042,000, and
10. General Fund - Total Estimated Revenues, Transfers and Fund Balance is hereby increased by \$1,032,500 from \$9,502,425 to \$10,534,925, and
11. Capital Improvements Fund Appropriations - Public Safety is hereby increased by \$17,000 from \$1,239,240 to \$1,256,240, and
12. Capital Improvements Fund Appropriations - Public works/ Transportation is hereby increased \$377,000 from \$531,950 to \$908,950, and
13. Capital Improvements Fund - Total Appropriations and Transfers is hereby increased \$394,000 from \$3,822,425 to \$4,216,425, and
14. Capital Improvements Fund - Total Appropriations, Transfers and Reserves are hereby increased by \$394,000 from \$3,822,425 to \$4,216,425, and
15. Capital Improvements Fund - Other Revenue Sources is hereby increased by \$704,500 from \$0 to \$704,500, and
16. Capital Improvements Fund - Fund Balance is hereby decreased by \$310,500 from \$1,438,625 to \$1,128,125, and
17. Capital Improvements Fund - Total Estimated Revenue, Transfers and Fund Balance is hereby increased by \$394,000 from \$3,822,425 to \$4,216,425, and
18. Enterprise Funds Appropriations - Physical Environment is hereby decreased by \$263,700 from \$2,174,725 to \$1,911,025, and
19. Total Enterprise Funds - Appropriations and Transfers are hereby decreased by \$263,700 from \$2,174,725 to \$1,911,025, and
20. Enterprise Funds - Reserves are hereby increased by \$3,400 from \$170,105 to \$173,505, and
21. Total Enterprise Funds - Appropriations, Transfers and Reserves are hereby decreased by \$260,300 from \$2,344,830 to \$2,084,530, and

22. Enterprise Funds - User Fees is hereby decreased by \$320,000 from \$2,189,230 to \$1,869,230, and
23. Enterprise Funds - Other Revenue Sources are hereby increased by \$59,700 from \$0 to \$59,700, and
24. Enterprise Funds Total Estimated Revenues, Transfers and Fund Balances are hereby decreased by \$260,300 from \$2,344,830 to \$2,084,530.

SECTION 2. Effective Date. This ordinance shall become effective immediately upon final passage.

Arthur Penny, Mayor

ATTEST:

Carley Lewis, City Clerk

PASSED ON FIRST READING _____ OCTOBER 14TH _____, 2025.

PASSED ON SECOND AND FINAL READING _____, 2025.

THIS IS TO CERTIFY THAT I, the undersigned City Clerk did cause the noticing of the above ordinance in accordance with Chapter 166.041 of the Florida Statutes.

Carley Lewis, City Clerk

THIS ORDINANCE HAS BEEN APPROVED AS TO FORM AND CONTENT BY THE
CITY ATTORNEY.

City Attorney

CITY OF SOUTH PASADENA



AGENDA SUBMITTAL FORM

Ordinance: NO. 2025-07 Date Submitted: 11/26/2025

Resolution: Agenda Meeting Date: 12/02/2025

Motion: Regular Meeting Date: 12/09/2025

Information Only Submitted By: COMM. THOMPSON

No Action Needed: Written By: *L. J.*

Discussion:

Subject Title: (If Ordinance or Resolution, state number and title in full.)

ORDINANCE NO. 2025-07 - AN ORDINANCE OF THE CITY OF SOUTH PASADENA, FLORIDA, AMENDING ARTICLE III, CHAPTER 180, FIRE FIGHTERS' PENSION FUND ASSESSMENT, SECTION 9 - FIRE FIGHTERS' RETIREMENT SYSTEM, SUBSECTION (F)(1), (F)(3) AND SUBSECTION (I)(1); PROVIDING FOR SEVERABILITY, AND PROVIDING FOR AN EFFECTIVE DATE.

Motion Proposed:

TO PASS ORDINANCE NO. 2025-07 ON FIRST READING NOVEMBER 10, 2025

TO PASS AND ADOPT ORDINANCE NO. 2025-07 ON SECOND AND FINAL READING

SUBMIT ORIGINAL TO CITY CLERK FOR INCLUSION ON AGENDA BY WEDNESDAY.

ORDINANCE NO. 2025-07

AN ORDINANCE OF THE CITY OF SOUTH PASADENA, FLORIDA, AMENDING ARTICLE III, CHAPTER 180, FIRE FIGHTERS' PENSION FUND ASSESSMENT, SECTION 9 – FIRE FIGHTERS' RETIREMENT SYSTEM, SUBSECTION (F)(1), (F)(3) AND SUBSECTION (I)(1); PROVIDING FOR SEVERABILITY, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of South Pasadena (the “City”) and The St. Petersburg Association of Firefighters Local 747, IAFF have entered into a labor agreement as approved by the City on September 8, 2025; and

WHEREAS, the Agreement includes modifications to the Firefighters' Pension Plan as codified in Article III, Chapter 180 of the City Code of Ordinances; and

WHEREAS, the Firefighters' Pension Board of Trustees has reviewed and recommended adoption of the changes in this Ordinance on October 15, 2025; and

WHEREAS, it is necessary to amend the City Code to bring it into conformity with the terms of the Agreement; and

WHEREAS, nothing contained herein is intended to nor shall have the effect of reducing vested accrued benefits of members or members beneficiaries;

NOW THEREFORE BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SOUTH PASADENA, FLORIDA:

SECTION 1: ADOPTION OF FINDINGS. The above recitals represent the legislative findings of the City of South Pasadena, Florida, relative to the provisions of this Ordinance and are fully incorporated herein by reference.

SECTION 2. AMENDMENT OF FIREFIGHTERS' PENSION PLAN. Sec. 180-9. **Fire fighters' retirement system.**

F. Benefit amounts and eligibility.

- (1) Normal retirement age and date. Prior to October 1, 2025, a member's normal retirement age is the earlier of the attainment of age 52 and the completion of 25 years of credited service or attainment of age 55 and the completion of 10 years of credited service. Effective on or after October 1, 2025, a member's normal retirement age is determined as of the earlier of the completion of 25 years of credited service regardless of age, the attainment of age 50 and the completion of 10 years of credited

service, or the attainment of age 55. Each member shall become 100% vested in his accrued benefit at normal retirement age. A member's normal retirement date shall be the first day of the month coincident with or next following the date the member retires from the City after attaining normal retirement age.

- (3) Early retirement date. Prior to October 1, 2025, a member may retire on his early retirement date which shall be the first of any month coincident with or next following the attainment of age 50 and the completion of 10 years of credited service. Early retirement under the system is retirement from employment with the City on or after the early retirement date and prior to the normal retirement date. Effective on or after October 1, 2025, a member may no longer retire under the early retirement provisions of the system.

- I. Vesting. If a member terminates his employment as a firefighter, either voluntarily or by discharge, and is not eligible for any other benefits under this system, the member shall be entitled to the following:

- (1) If a member has less than 10 years credited service upon termination, the member shall be entitled to a refund of his accumulated contributions or the member may leave it deposited with the Fund. Effective on or after October 1, 2025, if a member has less than 10 years of credited service upon termination and has attained the age of 55, the member shall be entitled to a monthly retirement benefit, determined in the same manner as for normal retirement and based upon the member's credited service, average final compensation and the benefit accrual rate as of the date of termination, payable to him commencing at the member's otherwise normal retirement date, provided he does not elect to withdraw his accumulated contributions and provided the member survives to his otherwise normal retirement date.

SECTION 3. NO OTHER AMENDMENTS. Except as specifically set forth herein, the remainder of Article III, Chapter 180 of the City Code of Ordinances governing the Firefighters' Pension Plan shall remain as is.

SECTION 4. SEVERANCE. If any section, subsection, sentence, clause, phrase or portion of this ordinance, or application hereof, is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion or application shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portion or application hereof.

SECTION 5. EFFECTIVE DATE. This Ordinance shall be effective immediately upon final passage and enactment.

Arthur Penny, Mayor

ATTEST:

Carley Lewis, City Clerk

PASSED ON FIRST READING _____ NOVEMBER 10TH _____, 2025.

PASSED AND ADOPTED ON SECOND AND FINAL READING _____, 2025.

THIS IS TO CERTIFY THAT I, the undersigned City Clerk did cause the noticing of the above ordinance in accordance with Chapter 166.041 of the Florida Statutes.

Carley Lewis, City Clerk

THIS ORDINANCE HAS BEEN APPROVED AS TO FORM AND CONTENT BY THE CITY ATTORNEY.

City Attorney

December 3, 2025

Via Email

Board of Trustees
City of South Pasadena
Firefighters' Pension Board

Re: City of South Pasadena Firefighters' Retirement Sytem

Dear Board:

Enclosed is the following material, which has been prepared in support of the changes to the Fund:

1. The required Actuarial Impact Statement, which outlines the costs associated with implementing the changes.
2. Draft of transmittal letters to the Bureau of Local Retirement Systems and the Bureau of Police Officers' and Firefighters' Retirement Trust Funds.

It will be necessary for the Chairman to sign the Actuarial Impact Statement as the Plan Administrator and forward the Impact Statement, along with a copy of the proposed ordinance, to the two Bureaus prior to final reading.

If you have any questions concerning the enclosed material, please let us know.

Sincerely,



Patrick T. Donlan, ASA, EA, MAAA
PTD/mw

Enclosures

Mr. Steve Bardin
Police Officers' and Firefighters' Retirement Trust Funds
Department of Management Services, Division of Retirement
3189 S. Blair Stone Rd.
Tallahassee, FL 32301

Re: Actuarial Impact Statement

Dear Mr. Bardin:

The City of South Pasadena is considering the implementation of amended retirement benefits for its Firefighters. The changes are described in the enclosed material.

Pursuant to the provisions of Chapter 175, we are enclosing the required Actuarial Impact Statement along with a copy of the proposed ordinance for your review.

If you have any questions or if additional information is needed, please contact us.

Sincerely,

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
3189 S. Blair Stone Rd.
Tallahassee, FL 32301

Re: Actuarial Impact Statement

Dear Mr. Brinkman:

The City of South Pasadena is considering the implementation of amended retirement benefits for its Firefighters. The changes are described in the enclosed material.

Pursuant to Section 22d-1.04 of the Agency Rules, we are enclosing the required Actuarial Impact Statement (AIS) and a copy of the proposed ordinance for your review.

If you have any questions or if additional information is needed, please contact us.

Sincerely,

CITY OF SOUTH PASADENA
FIREFIGHTERS' RETIREMENT SYTEM

ACTUARIAL IMPACT STATEMENT

December 3, 2025
(Page 1)

Attached hereto is a comparison of the impact on the Minimum Required Contribution (per Chapter 112, Florida Statutes) and the Required City Contribution, resulting from the implementation of the following change:

- Change the Normal Retirement Date to be the earlier of:
 - 1.) Age 55, or
 - 2.) Age 50 and the completion of 10 years of Credited Service, or
 - 3.) Completion of 25 years of Credited Service, regardless of age.

As a result of this change, there is no longer an Early Retirement Date

In order to value the impact of this change, the assumption for Retirement Rates was changed to be:

<u>Eligibility Year</u>	<u>Retirement Rate</u>
First Year Eligible for 25 & Out or 50 & 10	50.0%
All Other Years Prior to Age 55	10.0%
Age 55+	100.0%

Please note that if a Member separates from service prior to their Normal Retirement Date, then they will be able to draw their retirement benefit when they otherwise would have been able to draw their benefit had they continued employment.

The cost impact, determined as of October 1, 2024, applicable to the fiscal year ending September 30, 2026, is as follows:

	<u>Proposed</u>	<u>Current</u>
Minimum Required Contribution	\$872,531	\$841,745
Member Contributions (Est.)	106,663	106,663
City And State Required Contribution	765,868	735,082
State Contribution (Est.) ¹	58,345	58,345
City Required Contribution	707,523	676,737

CITY OF SOUTH PASADENA
FIREFIGHTERS' RETIREMENT SYTEM

ACTUARIAL IMPACT STATEMENT

December 3, 2025
(Page 2)

¹ Represents the amount received in calendar 2025. According to the default provision of Chapter 2015-39, Laws of Florida, the maximum amount of premium tax distributions that the City can consider each year to offset its requirement is \$47,102.09. Any premium tax distributions above that amount will be split 50/50 with the Members. Please note that this default arrangement can be superseded by a Mutual Consent Agreement.

Unless otherwise noted, all data, assumptions, methods and plan provisions are the same as in the October 1, 2024 actuarial valuation report. It should be noted that changes to retirement benefits could potentially affect participants' retirement or termination behavior. We will monitor and advise of any recommended changes with future experience studies.

Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the analysis, we did not perform an analysis of the potential range of such future measurements.

Please note that contents of this analysis and the October 1, 2024 actuarial valuation report are considered an integral part of the actuarial opinions. In reviewing the results presented in this study, it should be noted that there are risks that may not be inherently apparent to the reader that should be carefully considered. For key risks, please see the Discussion of Risk section of the October 1, 2024 actuarial valuation report.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

The changes presented herein are in compliance with Part VII, Chapter 112, Florida Statutes and Section 14, Article X of the State Constitution. 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 opinions contained herein.



Patrick T. Donlan, ASA, EA, MAAA
Enrolled Actuary #23-6595

CITY OF SOUTH PASADENA
FIREFIGHTERS' RETIREMENT SYTEM

ACTUARIAL IMPACT STATEMENT

December 3, 2025
(Page 3)

STATEMENT OF PLAN ADMINISTRATOR

The prepared information presented herein reflects the estimated impact of the proposed ordinance

Chairman, Board of Trustees

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Benefits <u>10/1/2024</u>	Old Benefits <u>10/1/2024</u>
A. Participant Data		
Actives	20	20
Service Retirees	12	12
DROP Retirees	0	0
Beneficiaries	4	4
Disability Retirees	1	1
Terminated Vested	<u>2</u>	<u>2</u>
Total	39	39
Projected Annual Payroll	1,633,318	1,633,318
Annual Rate of Payments to:		
Service Retirees	601,265	601,265
DROP Retirees	0	0
Beneficiaries	72,144	72,144
Disability Retirees	15,064	15,064
Terminated Vested	0	0
B. Assets		
Actuarial Value (AVA) ¹	8,730,750	8,730,750
Market Value (MVA) ¹	9,177,883	9,177,883
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	7,450,904	7,408,270
Disability Benefits	165,190	190,056
Death Benefits	37,043	35,173
Vested Benefits	645,122	507,907
Refund of Contributions	48,079	50,991
Service Retirees	6,164,066	6,164,066
DROP Retirees ¹	0	0
Beneficiaries	595,428	595,428
Disability Retirees	117,296	117,296
Terminated Vested	37,912	37,912
Share Plan Balances ¹	<u>35,436</u>	<u>35,436</u>
Total	15,296,476	15,142,535

C. Liabilities - (Continued)	New Benefits <u>10/1/2024</u>	Old Benefits <u>10/1/2024</u>
Present Value of Future Salaries	13,604,195	14,418,776
Present Value of Future Member Contributions	816,252	865,127
Normal Cost (Retirement)	242,242	236,180
Normal Cost (Disability)	12,029	12,863
Normal Cost (Death)	1,919	1,721
Normal Cost (Vesting)	39,249	29,987
Normal Cost (Refunds)	<u>9,737</u>	<u>9,791</u>
Total Normal Cost	305,176	290,542
Present Value of Future Normal Costs	2,463,269	2,464,079
Accrued Liability (Retirement)	5,458,705	5,356,737
Accrued Liability (Disability)	68,304	81,782
Accrued Liability (Death)	20,583	20,195
Accrued Liability (Vesting)	326,617	260,023
Accrued Liability (Refunds)	8,860	9,581
Accrued Liability (Inactives) ¹	6,914,702	6,914,702
Share Plan Balances ¹	<u>35,436</u>	<u>35,436</u>
Total Actuarial Accrued Liability (EAN AL)	12,833,207	12,678,456
Unfunded Actuarial Accrued Liability (UAAL)	4,102,457	3,947,706
Funded Ratio (AVA / EAN AL)	68.0%	68.9%

D. Actuarial Present Value of Accrued Benefits	New Benefits <u>10/1/2024</u>	Old Benefits <u>10/1/2024</u>
Vested Accrued Benefits		
Inactives + Share Plan Balances ¹	6,950,138	6,950,138
Actives	2,980,995	2,772,038
Member Contributions	<u>779,178</u>	<u>779,178</u>
Total	10,710,311	10,501,354
Non-vested Accrued Benefits	<u>616,169</u>	<u>528,807</u>
Total Present Value		
Accrued Benefits (PVAB)	11,326,480	11,030,161
Funded Ratio (MVA / PVAB)	81.0%	83.2%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	296,319	
Benefit Changes	0	
Plan Experience	0	
Benefits Paid	0	
Interest	0	
Other	<u>0</u>	
Total	296,319	

	New Benefits	Old Benefits
Valuation Date	10/1/2024	10/1/2024
Applicable to Fiscal Year Ending	<u>9/30/2026</u>	<u>9/30/2026</u>
E. Pension Cost		
Normal Cost ²	\$332,155	\$316,228
Administrative Expenses ²	65,943	65,943
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 24 years (as of 10/1/2024) ²	474,433	459,574
Minimum Required Contribution	872,531	841,745
Expected Member Contributions ²	106,663	106,663
Expected City and State Contribution	765,868	735,082

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2024 and 9/30/2023.

² Contributions developed as of 10/1/2024 displayed above have been adjusted to account for assumed salary increase and interest components.

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

Male: PubS.H-2010 (Below Median) for Employees, set forward one year.

Healthy Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

75% of active deaths are assumed to be service-incurred.

Interest Rate

7.00% (prior year 7.25%) per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Payroll Growth

0.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

Administrative Expenses

\$60,587 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Amortization Method

New UAAL amortization bases are amortized over 20 years.

The amortization payment is subject to a minimum based on a 30-year amortization of the UAAL, if the UAAL is positive, in order to comply with Actuarial Standard of Practice No. 4.

Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Funding Method

Entry Age Normal Actuarial Cost Method. The following loads are applied for determining the minimum required contribution:

Interest - A half year, based on current 7.00% assumption.

Salary - A full year, based on current 5.16% assumption.

Actuarial Asset Method

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

Salary Increases

The below rates were approved in conjunction with an actuarial experience study dated October 2024.

Salary Scale	
Service	Current Rate
0-4	6.00%
5-9	5.50%
10+	4.00%

Normal Retirement

<u>Eligibility Year</u>	<u>Retirement Rate</u>
First Year Eligible for 52/25 NR	50.00%
All Other Years Prior to Age 55	10.00%
Age 55 and 10 Years	100.00%

The assumed rates were reviewed and confirmed in conjunction with an actuarial experience study dated October 2024.

Early Retirement

Commencing with eligibility for Early Retirement Age (Age 50 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year. This assumption was reviewed and confirmed in conjunction with an actuarial experience study dated October 2024.

Termination Rate

The below rates were approved in conjunction with an actuarial experience study dated October 2024.

<u>% Terminating During the Year</u>	
<u>Service</u>	<u>Current Rate</u>
0	20.0%
1-4	10.0%
5+	2.5%

Disability Rate

The below rates were approved in conjunction with an actuarial experience study dated October 2024.

<u>% Becoming Disabled During the Year</u>	
<u>Age</u>	<u>Current Rate</u>
25	0.06%
35	0.10%
45	0.20%
55	0.72%

Low-Default-Risk Obligation Measure

Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.06% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2024. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

SUMMARY OF CURRENT PLAN

<u>Eligibility</u>	Employees who are classified as full-time Firefighters shall participate in the Fund as a condition of employment.
<u>Credited Service</u>	Total years and fractional parts of years of employment with the City as a Firefighter.
<u>Salary</u>	Fixed monthly remuneration, plus any amount paid under the supplemental compensation program for non-shift work.
<u>Average Final Compensation</u>	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination.
<u>Member Contributions</u>	6.0% of Salary.
<u>City and State Contributions</u>	Remaining amount necessary to pay current costs and amortize past service cost, if any, as provided in Part VII of Chapter 112, Florida Statutes.
<u>Normal Retirement</u>	
Date	Earlier of age 55 and 10 years of Credited Service, or age 52 and 25 years of Credited Service.
Benefit	3.00% of Average Final Compensation for all years of Credited Service.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Age 50 and 10 Years of Credited Service.
Benefit	Accrued benefit, reduced 3.0% per year.
<u>Vesting</u>	
Schedule	100% after 10 years of Credited Service.
Benefit Amount	Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability

Eligibility

Service Incurred

Covered from Date of Employment.

Non-Service Incurred

10 years of Credited Service.

Exclusions

Disability resulting from use of drugs, illegal participation in riots, service in military, etc.

Benefit

Benefit accrued to date of disability but not less than 42% of Average Final Compensation (Service Incurred).

Duration

Payable for life (with a 10-year guarantee) or until recovery (as determined by the Board). Options available.

Death Benefits

Pre-Retirement

Vested

Monthly accrued benefit payable to designated beneficiary for 10 years.

Non-Vested

Refund of accumulated contributions without interest.

Post-Retirement

Benefits payable to beneficiary in accordance with option selected at retirement.

Board of Trustees

a. Two Commission appointees,

b. Two Members of the Fund elected by the membership, and

c. Fifth Member elected by other 4 and appointed by Commission.

Deferred Retirement Option Plan

Eligibility

Satisfaction of Normal Retirement requirements.

Participation

Not to exceed 60 months.

Rate of Return

Member can elect 1) Actual net rate of investment return (total return net of brokerage commissions, management fees, and transaction costs), or 2) Fixed interest of 3.0% per annum compounded monthly.

Form of Distribution

Cash lump sum (options available) at termination of employment.

3. APPROVAL OF COMMISSION MEETING MINUTES FOR THE MONTH OF
NOVEMBER 2025 ON FILE IN CITY CLERK'S OFFICE

AGENDA MEETING, NOVEMBER 4, 2025; ADMINISTRATIVE WORKSHOP,
NOVEMBER 4, 2025; AND REGULAR COMMISSION MEETING, NOVEMBER
10, 2025.