



June 7, 2024

Ms. Patti McLauchlin
Administrator, City of Key West
Employees' Retirement Plan
16073 Thornwood Dr.
Fort Myers, Florida 33908

Re: Actuarial Impact Statement

Dear Patti:

As requested, we have performed an actuarial review of the attached proposed ordinance under the City of Key West Employees' Retirement Plan (*Plan*).

Based upon our review, the proposed Ordinance amends the Plan document to:

- Allow current and future DROP members to extend the maximum DROP participation period from 5 years to 8 years.
- Allow members to exercise DROP participation within the first 33 years of employment.
- Provides for severability.
- Provides for repeal of inconsistent provisions.
- Provides for an effective date.

In our opinion, based upon the actuarial assumptions and methods employed in the October 1, 2022 Actuarial Valuation, the proposed ordinance is *cost neutral* under State funding requirements.

Please provide a signed copy of the Ordinance upon passage at second reading for our records.

If you should have any question concerning the above, please do not hesitate to contact us.

Sincerest regards,
Gabriel, Roeder, Smith & Company

A handwritten signature in cursive script that reads "Jennifer Borregard".

Jennifer M. Borregard, E.A.
Consultant and Actuary

Enclosure