Dave Ehlinger

From: Jack Chmielewski <jack.chmielewski@milliman.com>
Sent: Thursday, December 1, 2022 4:49 PM
To: Dave Ehlinger
Subject: RE: Milliman - Creation of irrevocable fiduciary trust fund for Firefighters Pension Fund

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Hi Dave,

Sorry for the delay in getting back to you. I have read through the draft resolution and from an actuarial point of view (non-legal!!), I think everything looks good. A couple of thoughts:

- The liability calculated in the report was calculated based on a 2.06% discount rate. Rates are currently around 3.72%. Our report has some sensitivity where you could see the impact that change would have on your liability.
- You will want to create an investment policy statement.
- Based on the current asset value and liabilities, the discount rate going forward would be based on the expected return on assets of the Trust. This may or may not impact your asset allocation.
- You will want to discuss if benefit payments are paid out of the trust.
- We will most likely need to move to annual reporting since we would use actual asset value (vs. one report every two years including results for two fiscal years).

That's all that comes to mind right now. Let me know if you would like to discuss.

Jack Chmielewski, FSA, EA, MAAA
Principal and Consulting Actuary

Milliman
17335 Golf Parkway, Suite 100
Brookfield, WI 53045 USA

+1 262 796 3379 Office
+1 414 305 4226 Cell

milliman.com | email

From: Dave Ehlinger <DEhlinger@ci.stoughton.wi.us>
Sent: Wednesday, November 23, 2022 8:57 AM
To: Jack Chmielewski <jack.chmielewski@milliman.com>
Subject: Milliman - Creation of irrevocable fiduciary trust fund for Firefighters Pension Fund

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Jack,

Attached is my draft resolution for the City of Stoughton to consider creating a fiduciary trust for our GASB 73 pension plan.

I anticipate the process, once approved, should be completed before year end 2023.

From an actuarial point of view, is there anything that should be changed on the draft resolution? Also, is there anything that we should consider during this process?

Thanks,

Dave

David P. Ehlinger, CPA
Director of Finance/Comptroller
City of Stoughton
207 S. Forrest St.
Stoughton, WI 53589
Desk (608) 873-6691
Cell (608) 719-2161
City Hall (608) 873-6677
Fax (608) 873-5519
DEhlinger@ci.stoughton.wi.us
www.ci.stoughton.wi.us

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