



October 25, 2021

PERA ID 4492-00

Governing Body and Fire Chief
 Princeton FD

mmcpherson@princetonmn.org;adcook06@yahoo.com;Ron Lawrence <prfdchief1@princetonfiremn.com>

We received your request for a cost analysis to estimate the cost of increasing the benefit level in the Statewide Volunteer Firefighter Plan administered by PERA. Based on current information, we have developed this spreadsheet and a cost analysis for the benefit levels you requested. The results are shown below.

A. Benefit Level (per year of service):	\$ 4,900	\$ 5,100	\$ 5,300	\$ 5,500
B. Projected Present Assets 12/31/2021 [Attached]	2,360,087	2,360,087	2,360,087	2,360,087
C. Accrued Liability 12/31/2021 [Attached]	2,019,698	2,097,982	2,176,397	2,254,933
D. Surplus/ (Deficit) [B-C]	340,390	262,105	183,691	105,155
E. Funding Ratio at 12/31/2021 [B/C]	117%	112%	108%	105%
F. Accrued Liability 12/31/2022[Attached]	2,197,683	2,283,093	2,368,657	2,454,353
G. Financial Requirement: Increase in Liability [F -C]	177,986	185,111	192,261	199,421
H. Financial Requirement: PERA Fees [\$30/member]	1,170	1,170	1,170	1,170
I. Financial Requirement: 1/10th of Deficit/(Surplus, if 3rd yr) [D/10]	(34,039)	(26,211)	(18,369)	(10,515)
J. Financial Requirement: Total [G+H+I]	145,117	160,070	175,062	190,075
K. Reductions to Financial Requirement:				
Projected Fire State Aid [2021 Amount @1.035]	80,802	80,802	80,802	80,802
Investment Earnings [6% on Projected Present Assets]	141,605	141,605	141,605	141,605
L. Estimated Required Contribution [J-K]	None	None	None	None

Please note that these are estimates only. The figures shown above on Line L are estimates of required contributions that would be due on December 31, 2022 and beyond at the given benefit levels.

The estimate calculations were based on member information that was available at the time of preparing the analysis. Please review the membership data and make any corrections to that data. If you return that to me, I will prepare an updated cost estimate for you to review.

If you have any questions, please do not hesitate to contact me by phone (651-201-2666) or by email at sharyn.north@mnpera.org.

Sincerely,

Sharyn North

Sharyn North
 Principal Accounting Officer, PERA



November 1, 2021

PERA ID 4492-00

Governing Body and Fire Chief
 Princeton FD

mncpherson@princetonmn.org;adcook06@yahoo.com;Ron Lawrence <prfdchief1@princetonfiremn.com>

We received your request for a cost analysis to estimate the cost of increasing the benefit level in the Statewide Volunteer Firefighter Plan administered by PERA. Based on current information, we have developed this spreadsheet and a cost analysis for the benefit levels you requested. The results are shown below.

	\$ 5,300	\$ 5,500	\$ 5,700	\$ 5,900
A. Benefit Level (per year of service):				
B. Projected Present Assets 12/31/2021 [Attached]	2,360,087	2,360,087	2,360,087	2,360,087
C. Accrued Liability 12/31/2021 [Attached]	2,176,397	2,254,933	2,333,469	2,411,883
D. Surplus/ (Deficit) [B-C]	183,691	105,155	26,619	(51,796)
E. Funding Ratio at 12/31/2021 [B/C]	108%	105%	101%	98%
F. Accrued Liability 12/31/2022[Attached]	2,368,657	2,454,353	2,540,050	2,625,614
G. Financial Requirement: Increase in Liability [F -C]	192,261	199,421	206,581	213,731
H. Financial Requirement: PERA Fees [\$30/member]	1,170	1,170	1,170	1,170
I. Financial Requirement: 1/10th of Deficit/(Surplus, if 3rd yr) [D/10]	(18,369)	(10,515)	(2,662)	5,180
J. Financial Requirement: Total [G+H+I]	175,062	190,075	205,089	220,081
K. Reductions to Financial Requirement:				
Projected Fire State Aid [2021 Amount @1.035]	80,802	80,802	80,802	80,802
Investment Earnings [6% on Projected Present Assets]	141,605	141,605	141,605	141,605
L. Estimated Required Contribution [J-K]	None	None	None	None

Please note that these are estimates only. The figures shown above on Line L are estimates of required contributions that would be due on December 31, 2022 and beyond at the given benefit levels.

The estimate calculations were based on member information that was available at the time of preparing the analysis. Please review the membership data and make any corrections to that data. If you return that to me, I will prepare an updated cost estimate for you to review.

If you have any questions, please do not hesitate to contact me by phone (651-201-2666) or by email at sharyn.north@mnpera.org.

Sincerely,

Sharyn North
 Principal Accounting Officer, PERA