

City of Hannibal

OFFICIAL COUNCIL AGENDA

**Tuesday, January 21, 2026
Council Chambers
7:00 p.m.**

Meetings are open to the public, however, if you would like to view the meeting, you may do so using the following instructions:

City Council meetings will be videotaped to be shown live on the City of Hannibal YouTube page.

Although the meeting will be shown live, residents will also be able to watch the meeting on the YouTube page after the meeting.

The instructions to watch the meetings online follow:

- 1. Type in www.youtube.com in the web browser*
- 2. Type in City of Hannibal in the "Search" bar and hit Enter and hit the magnifying glass on the right side of the search bar.*
- 3. Click on "City of Hannibal" or the city of Hannibal crest.*
- 4. During the City Council meeting, there will be a red Thumbnail with the word "Live" on it.*
- 5. Click on the Thumbnail to watch the meeting.*
- 6. The meeting may be viewed on the website in its entirety after the meeting.*

ROLL CALL

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

APPROVAL OF MINUTES

**Regular Council Meeting December 16, 2025
Regular Council Meeting January 6, 2026
Closed Session Meeting December 16, 2025**

**APPROVAL OF PAYROLL AND CLAIMS
First Half – January 2026**

**PUBLIC COMMENTS
5 Minutes/ Sign Up Required**

DARRELL MCCOY – MAYOR
Re: *Recommendation of Re-Appointment*

Police & Fire Pension Board

John Dean – appointment for a term to expire December 2028

APRIL AZOTEA – 2ND WARD COUNCIL MEMBER
Re: City Parking Downtown

ANDY DORIAN – CITY MANAGER
Re: Airport Fuel Farm Replacement
Mid-State Petroleum Inc - \$1,103,801.78
(Resolution No. 2585-26 to follow, for approval)

Re: StarGuard Contract Approval
StarGuard Elite, LLC - \$4,600.00
(Resolution No. 2586-26 to follow, for approval)

Re: Surplus of Park's Department Equipment

MELISSA COGDAL – CITY CLERK
Re: 24/25 Police & Fire Funding Status & Employer Contributions

Re: Approval of Updated P&F Pension Plan
(Bill No. 26-001 to follow, for first reading)

JACOB NACKE – CHIEF OF POLICE
Re: Surplus of Police Department Vehicle

BILL NO. 26-001

**AN ORDINANCE OF THE CITY OF HANNIBAL, MISSOURI
RESTATING THE CITY'S POLICEMEN AND FIREMAN
RETIREMENT PLAN DOCUMENT TO INCORPORATE
PREVIOUSLY APPROVED AMENDMENTS, INCLUDING THE
MOST CURRENT AMENDMENT TO SECTION 4.05 *CHIEF OF THE
DEPARTMENT RETIREMENT PROVISIONS*, ALONG WITH
MANDATORY UPDATES AS NECESSARY TO MAINTAIN THE
PLAN'S COMPLIANCE WITH THE INTERNAL REVENUE
SERVICE**

First Reading

RESOLUTION NO. 2585-26

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A
\$1,103,801.78 CONSTRUCTION CONTRACT BETWEEN THE CITY
OF HANNIBAL AND MID STATE PETROLEUM FOR THE
REPLACEMENT OF THE FUEL FARM AT THE HANNIBAL
REGIONAL AIRPORT.**

RESOLUTION NO. 2586-26

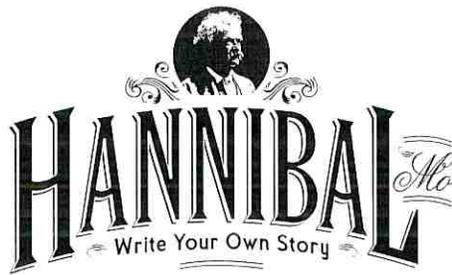
**A RESOLUTION OF THE CITY OF HANNIBAL AUTHORIZING
THE MAYOR TO EXECUTE A \$4,600 CONTRACT FOR
CONSULTING SERVICES BETWEEN THE CITY OF HANNIBAL
AND STARGUARD ELITE, LLC.**

CLOSED SESSION

In Accordance with RSMo 610.021 (1), (2), and (12)

ADJOURNMENT

Office of the Mayor



Darrell McCoy

Please place me on the agenda for the re-appointments to the Police & Fire Pension Board of John Dean for a term to expire December 2028.

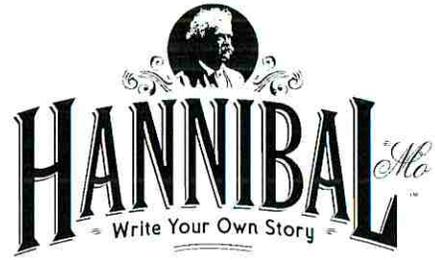
Please place me on the agenda to discuss City parking downtown.

2nd Ward Council Member

Mayor McCoy

Councilwoman Azotea

Andrew Dorian
City Manager
City of Hannibal
320 Broadway
Hannibal, MO 63401
Ph: 573-221-0154 Fax: 573 221-0707
Email: adorian@hannibal-mo.gov



TO: City Clerk, City Council, and Mayor

FROM: Andrew Dorian

DATE: 1/12/2026

RE: Airport Fuel Farm Replacement

The City of Hannibal recently went out for bids for the replacement of the fuel farm at the Hannibal Regional Airport. This is a project we have been working on for several years with our Aviation Engineering firm Woolpert and MODOT Aviation.

We received two bids, with the low bid of \$1,103,801.78 being submitted by Mid-State Petroleum.

Additional estimated costs for the project include, \$149,353 for construction engineering and \$6,000 for an Independent Fee Estimate that will be part of two other separate agreements.

Estimated Cost Breakdown:

PROJECT TOTAL	\$1,259,755
FEDERAL SHARE TOTAL	\$1,198,544
LOCAL SHARE TOTAL	\$61,211

The Department of Public Works recommends the low bid of \$1,103,801.78 from Mid State Petroleum Inc for the replacement of the Fuel Farm at the Hannibal Regional Airport and that the Mayor is authorized to sign any and all documents related to this project.

RESOLUTION NO. 2585-26

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A \$1,103,801.78
CONSTRUCTION CONTRACT BETWEEN THE CITY OF HANNIBAL AND
MID STATE PETROLEUM FOR THE REPLACEMENT OF THE FUEL FARM
AT THE HANNIBAL REGIONAL AIRPORT.**

WHEREAS, The Fuel Farm at the Airport is in need of replacing, and

WHEREAS, Mid State Petroleum submitted a low bid of \$1,103,801.78 for the project,
and

WHEREAS, the total estimate for the project is \$1,259,755, and

WHEREAS, the City share will be an estimated \$61,211, and

**NOW THEREFORE BE IT RESOLVED BY THE CITY OF HANNIBAL
MISSOURI**

SECTION ONE: That the Mayor is hereby authorized to execute the attached contract
and documents between Mid-State Petroleum and the City of Hannibal for the amount of
\$1,103,801.78 for the replacement of the Fuel Farm at the Hannibal Regional Airport.

SECTION TWO: This Resolution shall become effective immediately upon its
adoption and approval.

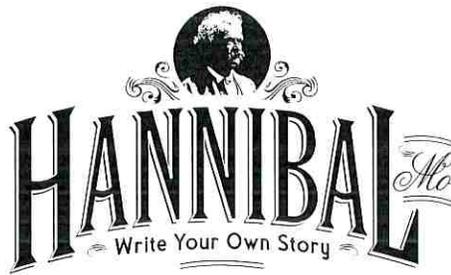
ADOPTED THIS 20th DAY OF JANUARY, 2026

APPROVED THIS 20th DAY OF JANUARY, 2026

Darrell McCoy, Mayor

ATTEST:

Melissa Cogdal, City Clerk



Notice of Award

DATE: January 20, 2026

TO: Mid-State Petroleum Equipment, Inc.
14601 Allison Industrial Drive
Hallsville, Missouri 65255

Mid-State Petroleum Equipment, Inc., having considered the Contract Proposals submitted for improvements to the Hannibal Regional Airport, Fuel System Install project, and it appearing that your Contract Proposal of: **One million, one hundred and three thousand, eight hundred and one dollars and seventy-eight cents (\$1,103,801.78)** for Fuel System Install project is fair, equitable and in the best interest of City of Hannibal and having authorized the work to be performed, the said Contract Proposal is hereby accepted at the bid prices contained therein.

In accordance with the terms of the Contract Documents, you are required to execute the formal Construction Agreement and furnish the required Performance Bond and Payment Bond within 30 consecutive calendar days from and including the date of this notice.

The Bid Bond submitted with your Contract Proposal will be returned upon execution of the Contract Agreement and the furnishing of the Performance Bond and Payment Bond. If you should fail to execute the Contract Agreement and furnish the Performance Bond and Payment Bond, within the time specified, the Bid Bond will be forfeited to the City of Hannibal.

This Award is subject to the concurrence of the Grant Authority.

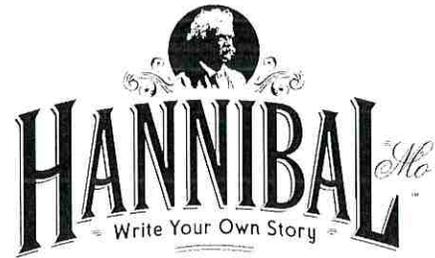
City of Hannibal
Hannibal, Missouri

By: _____
Contract Authorized Representative

Name and Title

Date

Andrew Dorian
City Manager
City of Hannibal
320 Broadway
Hannibal, MO 63401
Ph: 573-221-0154 **Fax: 573 221-0707**
Email: adorian@hannibal-mo.gov



TO: City Clerk, City Council, and Mayor

FROM: Andrew Dorian

DATE: 1/14/2026

RE: StarGuard Contract

StarGuard Elite provides a variety of aquatic services for the Hannibal Parks and Recreation Department, including lifeguard training and certification, aquatic safety audits and other general safety consulting and advisory services.

Total cost per year for these services is \$4,600 and our insurance provider MIRMA will pay for a percentage of this amount per audit.

The Hannibal Parks Department recommends the City Council authorize the Mayor to sign a \$4,600 contract for aquatic consulting services between the City of Hannibal and StarGuard Elite, LLC.

RESOLUTION NO. 2586-26

**A RESOLUTION OF THE CITY OF HANNIBAL AUTHORIZING THE MAYOR
TO EXECUTE A \$4,600 CONTRACT FOR CONSULTING SERVICES
BETWEEN THE CITY OF HANNIBAL AND STARGUARD ELITE, LLC.**

WHEREAS, the Hannibal Parks and Recreation Department utilizes StarGuard Elite for its lifeguard training and pool auditing services, and

WHEREAS, StarGuard Elite has provided the City a \$4,600 flat rate service contract for 1 year for those services, and

**NOW THEREFORE BE IT RESOLVED BY THE CITY OF HANNIBAL,
MISSOURI.**

SECTION ONE: That the Mayor is hereby authorized to execute a \$4,600 contract for aquatic consulting services between the City of Hannibal and StarGuard Elite.

SECTION TWO: This resolution shall be effective immediately upon its adoption and approval.

ADOPTED THIS 20th DAY OF JANUARY, 2026

APPROVED THIS 20th DAY OF JANUARY, 2026

Darrell McCoy, Mayor

ATTEST:

Melissa Cogdal, City Clerk

CONTRACT FOR CONSULTING SERVICES

Risk Prevention and Lifeguard Training

THIS CONTRACT FOR CONSULTING SERVICES ("Contract") by and between City of Hannibal, Missouri, on behalf of its Parks and Recreation Department ("the Client") having its principal place of business in 320 Broadway, Hannibal, MO 63401 and StarGuard Elite, LLC, a registered Florida LLC ("the Consultant" or "SGE") having its principal place of business at 13506 Summerport Village Parkway #810, Windermere, FL 34786. The Client and the Consultant are referred to collectively as the "Parties" or individually as a "Party".

WHEREAS, the Client wishes to have the Consultant perform the Services hereinafter referred to on the terms and conditions provided in this Contract; and

WHEREAS, the Consultant is qualified to assume the responsibilities and perform the Services, and is willing to perform these Services as provided.

NOW THEREFORE THE PARTIES hereby agree as follows:

1. Services

- A. Consultant offers a wide variety of services and programs, including lifeguard training and certifications, aquatic safety audits, and other general safety consulting and advisory services. Except as provided in Paragraph 1(B) below, the Consultant shall only perform for Client the services specified in Annex A, "Scope of Services," which is made an integral part of this Contract ("the Services").
- B. The Consultant can provide additional services listed in Annex B, "Flat Rate and Incremental Pricing Sheet", at the request of the Client. If any such additional services are requested by Client, they shall be included in the defined term "Services".
- C. The Consultant agrees that all Services shall be performed in a competent, professional, and satisfactory manner in accordance with the standards prevalent in the industry, and that all goods, materials, equipment, or personal property included within the Services herein shall be new, of good quality, and fit for the purpose intended.
- D. Consultant agrees to perform the Services to the satisfaction of Client within the time specified. If Client reasonably determines that the work is not satisfactory, Client shall notify Consultant in writing, including in reasonable detail the deficiencies in Consultant's work. If Consultant does not cure such deficiencies within ten (10) days of Client's notice, Client shall have the right thereafter to take appropriate action in its discretion, including but not limited to: (i) meeting with Consultant to review the quality of the Services and resolve matters of concern; (ii) requiring Consultant to repeat unsatisfactory work at no additional charge; (iii) withholding payment; and/or (iv) terminating this Contract as hereinafter set forth.
- E. In the performance of this Contract, Consultant shall report to and receive instructions from the Client's Representative: Emily Hultgren. Services other than those specifically described in Annex A shall not be performed without the prior written approval of the Client's Representative. By executing this Contract, Consultant warrants that Consultant (i) has thoroughly investigated and considered the Services and Client's facilities, (ii) has carefully considered how the Services should be performed, and (iii) fully understands the facilities, difficulties, and restrictions attending performance of the Services under the Contract. Notwithstanding the foregoing, no verbal conversation or agreement with any Client director, officer, employee, volunteer, or agent of the Client, including its Representative, shall affect or modify any provision or obligation of this Contract.
- F. All individuals performing the Services shall have the skill and experience and any

licenses and certifications required to perform the work assigned to them. If Client determines that any person employed by Consultant is not performing the Services in a proper, safe and skillful manner, then at the written request of Client specifying the relevant facts that form the basis of Client's determination, Consultant shall remove that person and that person shall not be re-employed to provide the Services without the prior written approval of Client in its sole discretion. If Consultant fails to remove such person(s) or fails to furnish skilled and experienced personnel for the proper performance of the Services then Client may, in its sole discretion, suspend the Services by delivery of written notice to Consultant. Such suspension shall in no way relieve the Consultant of any obligation contained herein, or entitle the Consultant to an amendment or change in cost. Once compliance has been achieved, Client will notify Consultant in writing and Consultant shall promptly resume performance of the Services.

2. Term

- A. The Consultant shall perform the Services as provided herein during the period commencing upon contract execution and continuing through **December 31, 2026** or any other period as may be subsequently agreed by the Parties in writing ("Termination Date"), subject to the provisions of Paragraph 15 below.

3. Payment

- A. For Services rendered pursuant to Annex A and Annex B Section 1, the Client shall pay the Consultant per the billing schedule in Paragraph 3(B) below. If applicable, costs referenced in Annex B Section 2 shall be billed on occurrence and paid Net 30. These amounts have been established based on the understanding that it includes all the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant.
- B. The Client shall pay the Consultant for Services in US Dollars rendered per the amount and payment schedule in Annex B Section 1.
- C. Late Payments
 - i. All payments are Net 30 and considered late 10 days after the due date.
 - ii. The Consultant reserves the right to charge a late fee of 5% APR on any undisputed late payment, and Client agrees to pay the same.
 - iii. Failure to pay undisputed amounts within 30 days of the payment due date will result in a suspension of the Contract and all Services hereunder, including, but not limited to, access to Consultant's portal, covered under this Contract and other agreements with subsidiaries, sister companies, or strategic alliances of the Consultant; and, any studies, reports or other material (as identified in Paragraph 8 below), which have not been paid for within 30 days of the payment due date, shall not be the property of Client, and shall be returned to Consultant, and not be used by Client. This Contract and all Services hereunder shall be reactivated and all studies, reports and other materials returned to the Client upon payment in full of all undisputed amounts due and owing.

4. Reimbursable

- A. The Client shall pay the Consultant for reimbursable expenses, not otherwise included within the scope of the Services. These expenses must be approved by the Client in writing in advance of the services and or products provided by the Consultant for which the expenses will be incurred.
- B. If Consultant is charged an admission fee to any of Client's facilities during a site visit and/or safety audit, the Client agrees to refund the admission fee on site or via direct bill from the Consultant.

5. Project Administration

- A. The Consultant shall keep accurate and systematic records and accounts in respect of the Services. The Client reserves the right to audit, or to nominate a reputable accounting firm to audit, the Consultant's records relating to amounts claimed under this Contract during its term and any Option Years, and for a period of three months thereafter; such audit will be at Client's expense.

6. Performance Standard, and Representations

- A. The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. Consultant's programs are built on the core mission of being objective driven, innovative, and client focused, and to collaboratively develop and implement aquatic safety solutions and services, which help create a culture of safety in Client's aquatic facility and/or operation.
- B. Based upon the specific nature of the Services provided by Consultant, Client represents and agrees that it will be fully responsible for training its staff, up to the requirements of Consultant, as presented to Client's "trainers". For the avoidance of doubt, Client retains full responsibility for its day-to-day operations, supervision of its employees and risk management practices. Client will maintain oversight, supervision, and management of its staff after Consultant has completed the initial training Services, to ensure that they continue to perform up to the training standards taught by Consultant. Client acknowledges that the Services provided under this Contract do not include continuous monitoring of Client's staff after the training Services have concluded, and Client is solely responsible to see that its staff performs up to Consultant's standards and other industry standards as discussed by Consultant during the training.

7. Confidentiality

- A. For the purpose of this Contract, "Confidential Information" shall include this Contract and all information or material that has or could have commercial value or other utility in the business or prospective business of the Consultant or Client. Such information may include, but is not limited to manuals, handouts, training documents, Standard Operating Procedures, aquatic safety materials, and software to access Consultant's portal.
 - i. Confidential Information does not include information that either Party can demonstrate:
 - a. is now, or hereafter becomes, through no act on the part of the said Party, generally known to the public;
 - b. is rightfully obtained by said Party from a third party, without breach of any obligation to either Party; or
 - c. independently developed by either Party without use of or reference to Confidential Information.
- B. The Consultant:
 - i. Shall not disclose any of Client's Confidential Information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client for the duration of the Contract term or thereafter. Upon termination or expiration of the Contract, Consultant shall return to Client all of Client's Confidential Information held by Consultant.
 - ii. Notwithstanding Paragraph 7(B)(i) above, may disclose the Client's Confidential Information as required by court order or other process of law. To the extent

practicable, Consultant will provide the Client reasonable opportunity to review the disclosure before it is made and to interpose its own objection to the disclosure.

C. The Client:

- i. Shall not, during the term of this Contract or thereafter disclose any of Consultant's Confidential Information relating to the Services, this Contract or the Consultant's business or operations without the prior written consent of the Consultant. Upon termination or expiration of the Contract, Client shall return all Confidential Information to Consultant that is not owned by the Client pursuant to Paragraph 8 below.
- ii. Notwithstanding Paragraph 7(C)(i) above, may disclose the Consultant's Confidential Information as required by court order or other process of law. To the extent practicable, Client will provide the Consultant reasonable opportunity to review the disclosures before it is made and to interpose its own objection to disclose.

8. Ownership of Material

- A. Any studies, reports or other documents, graphics, software or other materials (collectively, "Materials"), prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client, free and clear of all liens, claims, security interests, or encumbrances, so long as Client is not in breach of Paragraph 3(C) above. The Consultant may retain a copy of such Materials at the Consultant's expense.
- B. The textbook content, Consultant portal, training guides, instructor materials, and other aids provided by the Consultant remain the property of the Consultant.
- C. Any enhancements to the training program that lead to new curriculum, patents, or intellectual property developed by Consultant are the property of Consultant.
- D. Any operational enhancements derived by the Client from the Consultant will be owned by the Client.

9. Insurance

- A. Throughout the term of this Contract and any Option Years, the Consultant will maintain General Liability insurance and Professional Liability insurance in the amount of at least two million dollars (\$2,000,000) per incident and four million dollars (\$4,000,000) aggregate and Workers Compensation coverage in such amounts as are required by law. The Consultant shall provide Client with proof of such insurance coverage upon request by the Client. The client can request to be added as additionally insured on the Consultant's policy.
- B. For as long as the Client uses Consultant's training/aquatic program, Client agrees to carry Comprehensive General Liability insurance, with a company which is AM Best rated "A" or better.

10. Warranty

- A. The use of the Consultant's program does not warranty against aquatic or medical incidents that may occur at Client's facilities; such use, if properly implemented by Client, will only minimize the risks of the same occurring. Consultant provides training in standard of care and prevention of incidents, however, makes no warranty against said incidents.

11. Assignment

- A. Neither Party may assign or subcontract this Contract or any portion of it without the other's prior written consent.

12. Law Governing Contract

- A. This Contract shall be construed under and in accordance with the laws of the State of Texas. Exclusive jurisdiction and venue for any dispute arising from or relating to this Agreement shall be in the local courts.
- B. This Contract constitutes the sole and only agreement of the Parties hereto and supersedes any prior understandings or written or oral agreements between the Parties respecting the subject matter herein.
- C. This Contract may not be modified or amended except by a written instrument signed by the Parties and referring specifically to this Contract. Course of performance, no matter how long it may continue, shall not constitute an amendment to this Contract. Waiver of a term of this Contract shall not affect any other term or subsequent performance of the waived term.
- D. Nothing contained herein shall be deemed or construed by the Parties hereto or by any third party as creating the relationship of (i) a partnership, or (ii) a joint venture between the parties hereto; it being understood and agreed that neither any provisions contained herein nor any acts of the Parties hereto shall be deemed to create any relationship between the Parties hereto other than the relationship of consultant and client.
- E. This Agreement shall inure to the benefit of and be binding upon the Parties and their legal representatives, successors, and permitted assigns. Nothing herein contained shall be deemed to establish any rights of third parties against the Parties hereto; it being the intent that the rights and obligations set forth herein are those of the Parties hereto alone, with no third-party beneficiary rights intended.
- F. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof; and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- G. The Parties agree that both had the opportunity to fully review this Contract, with their respective counsel, and as such, to the extent that there is any ambiguity of terms, neither side will be deemed the drafter thereof, and there will be no strict construction of any term against the other.
- H. This Contract may be executed in several counterparts and by facsimile or electronic pdf, each of which shall be deemed an original and all of which shall constitute one and the same instrument.
- I. **The Parties hereby waive trial by jury** in any action, proceeding, or counterclaim brought by either Party against the other regarding any matter whatsoever arising out of or in any way connected with this Contract, the relationship of the Parties created hereby, and/or claim for injury or damage. Client acknowledges and agrees that Consultant has been materially induced to enter into this Contract by the inclusion of the provision of this paragraph in this Contract.

13. Independent Contractor.

- A. The Consultant is an independent contractor and nothing herein shall constitute or designate Consultant or any of its employees, agents, subcontractors, or suppliers as employees of Client. The Services performed by the Consultant shall be at its sole cost, risk, and expense, and no part of the cost thereof shall be charged to Client, except for the payments to be made by Client to Consultant for the Services as provided herein. Client shall not be responsible Consultant's means, methods, techniques, sequences, or procedures of work.

14. Attorneys' Fees:

- A. Should either Party hereto institute any action or proceeding in court to enforce any provision hereof or for damages by reason of any alleged breach of any provision of this Contract or for any other judicial remedy, the prevailing Party shall be entitled to receive from the losing Party all reasonable attorneys' fees, costs, and expenses in connection with said proceeding, including any attorneys' fees, costs, and expenses incurred in collecting upon any judgment, order, or award.

15. Termination

A. By Client

- i. The Client may terminate this Contract at any time with 60 days' written notice, with or without cause.

B. By Consultant

- i. The Consultant may terminate this Contract at any time with 60 days' written notice, with or without cause.

C. Termination Event

- i. In the event of termination prior to the end of the Contract term or any Option Year, the Client will pay Consultant for the pro-rated portion of the Services satisfactorily performed to the date of termination, and Consultant will deliver to the Client all goods, materials, and equipment paid for as part of the Services, whether or not in completed form.
- ii. Paragraphs 7 and 8 above shall survive termination of this Contract for any reason. Upon termination of this Contract, the Consultant will provide Client with a written list of work product belonging to Consultant pursuant to Paragraph 8 above, and Client agrees to return the work product within 30 days of receipt of notification.

16. Indemnification

- A. To the extent permitted by law, each Party (the "Indemnifying Party") agrees to fully indemnify, defend and hold the other Party (the "Indemnified Party"), and its directors, officers, employees, volunteers, crew members (if applicable), representatives, agents and parent, subsidiary and affiliated companies of all of the aforementioned entities and individuals (the "Party Agents"), harmless from and against any and all third party liabilities, damages, injuries, claims, suits, judgments, causes of action and expenses (including reasonable attorneys' fees, court costs and out-of-pocket expenses) ("Claims") suffered or incurred by the Indemnified Party as a result of: (i) any negligent or intentional act or omission of the Indemnifying Party or its Party Agents related to its performance of this Contract or the Services; (ii) breach of any representation, warranty or other obligation under this Contract by the Indemnifying Party or its Party Agents; (iii) any allegation that the Indemnified Party's use of materials in accordance with this Contract infringes or violates any patent, copyright, trademark or other third party intellectual property right; (iv) any personal injury (including death) or damage to property resulting from the Indemnifying Party's or its Party Agents' negligent or intentional acts or omissions; or (v) a violation of any law, rule or regulation by the Indemnifying Party or its Party Agents related to this Contract. The Indemnified Party has the right to select its legal counsel notwithstanding the Indemnifying Party's obligation to pay the fees, costs, and expenses incurred by such legal counsel.

17. Dispute Resolution

- A. The Parties shall engage in non-binding mediation to resolve any dispute arising from or relating to this Contract or the performance of the Services. Unless the Parties mutually agree otherwise, the mediation shall be conducted through the American Arbitration Association or its successor. Request for mediation shall be filed in writing with the American Arbitration Association or its successor, with a copy to the other Party. The Parties shall share the mediator's fee and any filing fees equally. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. If mediation is unsuccessful, either Party may commence a civil action.

18. Notice

- A. Any notice required under this Contract shall be in writing and hand delivered or sent by certified/registered mail, return receipt requested, to the address set forth below each Party's respective signature. A notice sent by certified/registered mail is deemed given when received, or 3 business days after the date sent, if not accepted by the Party to whom it was sent, whichever is earlier.

19. Authority to Act

- A. By signing below, Client and Consultant represent that he/she has read, and fully understands all terms and conditions of this Contract, and, that he/she has full legal authority to act on behalf of, and legally bind the entities that are Parties to the Contract.

IN WITNESS WHEREOF, the Parties have signed this Contract.

FOR THE CLIENT

City of Hannibal, Missouri

FOR THE CONSULTANT

StarGuard Elite, LLC., a Florida Limited Liability Company

Wess Long, President

Signature

Date

Notice Address:

320 Broadway, Hannibal, MO 63401

Signature

Date

Notice Address:

13506 Summerport Village Parkway
#810, Windermere, FL 34786

LIST OF ANNEXES

Annex A: Scope of Services

Annex B: Fixed Costs Schedule and Additional Services Price List

Annex A

Scope of Services

CONFIDENTIAL AND PROPRIETARY INFORMATION OF STARGUARD ELITE, LLC

Training

- Consultant to provide training materials for Client lifeguards (train the trainer/instructor development)
- Consultant to provide a certification and license upon completion of an approved course.
 - These courses shall be as agreed between Client and Consultant and may include, but are not limited to these courses at participant, instructor, and instructor trainer levels:
 - StarGuard Lifeguard Instructor Training & Certification
 - StarGuard Lifeguard Training & Certification
 - ELITE Dispatch Training & Certification
 - ELITE Supervisor Training & Certification
 - STAR Basic Life Support (Safety Training Aquatic Rescue)
- Consultant will provide electronic StarGuard textbook access to Lifeguard or Lifeguard Instructor candidates via the Consultant portal online.
- Consultant will provide Regional IDC annually for the Client's new and existing instructor candidates to become certified or re-certified as instructors for Consultant programs.

Portal

- Consultant will provide a software license to the proprietary SGE Portal for the Client to manage the lifeguard training program including certifications, audits, in-service training, online documentation, and more.

Audits

- Consultant will provide onsite unannounced safety audits annually
- Audits will include at a minimum: observations (lifeguard, dispatch, and supervisor), skills assessments, documentation review, and physical facility review.
- Audits are based on industry standard of care, location operating guidelines, and StarGuard training guidelines.
- Travel fees are included.

CAMP

- Client can register facility representatives for Consultant's annual Conferences for Aquatic Management Professionals ("CAMP") held annually in Florida.
- Registration will be billed at preferred rates.
- Registration includes admission, accommodations, local transportation, and food.
- Additional representatives can be registered at preferred rates.
- Travel to and from the venue is not included. *Venue may change annually.*

Annex B

Flat Rate and Incremental Pricing Sheet

CONFIDENTIAL AND PROPRIETARY INFORMATION OF STARGUARD ELITE, LLC

1. Items included in the Flat Rate of \$4,600 annually

Billed on the first day of MARCH annually.

License	Quantity
SGE Portal Software License	1 _____
StarGuard Lifeguard Certifications	25 _____
StarGuard ELITE Supervisor Certifications	2 _____
StarGuard Digital Textbooks	<u>Included</u>
StarGuard Instructor Certifications	1 _____
Custom Instructor Development Course	0 _____
Aquatic Safety Audits	2 _____
Annual Preseason Review	0 _____

2. Incremental Pricing (for services beyond those included in Section 1)

For any services beyond those included in Section 1, billed upon consumption.

Certifications and Services	Unit Price
StarGuard (New)	\$60.00 _____
StarGuard (Renewal)	\$60.00 _____
Elite Dispatch (New/Renewal)	\$30.00 _____
STAR/BLS (New/Renewal)	\$30.00 _____
StarGuard Instructor (New)	\$450.00 _____
StarGuard Instructor (Renewal)	\$250.00 _____
On Site Audits	\$2,500 plus travel _____
Annual Site Visit	\$1,000 plus travel _____
Consultant Facilitated Training Class	\$3,495 plus travel _____
Aquatic Event Investigations	<u>Mutually agreed upon sum</u> prior to any work



HANNIBAL PARKS & RECREATION

Chad Collier
Assistant Director of Central Services
Parks & Recreation
320 Broadway ■ Hannibal, MO 63401
Phone: 573-221-0111



January 9, 2026

The Hannibal Parks Department is requesting to surplus the following items for sale via Purple Wave Auction.

The following items have been identified by park employees as surplus.

- JOHN DEERE Z960M (NONWORKING)
- JOHN DEERE Z960A (NONWORKING NO DECK)
- JOHN DEERE Z960A (NONWORKING NO DECK)
- EXMARK LAZERMARK (NONWORKING)
- 110-GAL TANK, TRAILER, AND TRANSFER PUMP
- 1500-GAL FUEL TANK
- DECORATIVE BAR PICKET FENCING 50 PANELS 6'LX4'H, 50 POSTS 6'HX2"X2"
- PLUG AERATOR PULLTYPE 6'WIDE
- DEWALT 18 VOLT POWER TOOLS (CIRCULAR SAW, SAWZALL, ½' HAMMERDRILL, FLASHLIGHT, 4 CHARGERS)
- 2 HOMAK TOOLBOXES 30" TALL X 26"WIDE X 18"DEEP
- STIHL HS74 HEDGE TRIMMER (NON WORKING)
- STIHL SX75 POLE PRUNER (NON WORKING)
- 2 STIHL HS86C LEAF BLOWER (NON WORKING)
- 3.5 HP TRANSFER PUMP (NON WORKING)
- #1TRAILER 16FT TANDEM AXLE 7000LB HALL
 - SERIAL #44NUSS1628VLO20641
- #2TRAILER 16FT TANDEM AXLE 7000LB HALL
 - SERIAL #44NUSS1627WLO225
- #3TRAILER 16FT TANDEM AXLE 7000LB TRAILERMAN
 - UNK SERIAL NUMBER
- 2014 DODGE RAM 3500 71,375 miles
 - 3C7WRTAJXEG194793



MEMORANDUM

TO: MAYOR MCCOY & CITY COUNCIL MEMBERS

FROM: MELISSA COGDAL
City Clerk/P&F Treasurer-Secretary

DATE: JANUARY 12, 2026

SUBJECT: P&F 2024/25 Actuarial Funding Status & 2025/2026 Recommendation of Employer Contributions

The City of Hannibal, Police and Fire Retirement Board has received the 2024/25 actuarial valuation report, which includes the City's recommended contributions for fiscal year 2025/26.

Based upon the actuarial valuation as of July 1, 2025 the City's recommended contribution will remain at 27.8% of overall payroll.

The Fund experienced net actuarial gain of \$291,072 due to loss in measurement of liabilities and net actuarial gain. The overall experience during Plan year 2024/2025 were gains of \$1,090,566.

The funding status of the Plan, on a market value basis, increased to 73.8% from the prior year of 71.0%. Based on the criterion being met, the Board will be able to award an ad-hoc "13th Check" in accordance with the guidelines set forth in *Section 10.01* of the P&F Retirement Board Plan Document. This will cost the Plan approximately \$134,000 and will be awarded to participants in December.

*P&F Memorandum
Page 2*

City of Hannibal Policemen and Firemen Retirement Fund

Actuarial Valuation as of July 1, 2025



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October 31, 2025

Board of Trustees
Hannibal Policemen and Fireman Retirement Fund

Dear Trustees:

An actuarial valuation of the City of Hannibal Policemen and Firemen Retirement Fund (hereinafter, the Plan) was performed as of July 1, 2025. The purpose of the valuation is to:

- Compare the current value of Trust assets with accrued liabilities to assess the funded condition of the Plan,
- Compute the City's recommended contribution rate for the Fiscal Year beginning July 1, 2025, and
- Provide information which may be required by the City's auditors under Governmental Accounting Standards.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. The employee data was provided by the Plan Administrator. Plan asset data was provided by the City of Hannibal. This data has been reviewed for reasonableness, but no attempt has been made to audit such information. We found the information provided by the City staff to be reasonably consistent and comparable to information received for prior years' valuations. Valuation results are dependent upon the accuracy and integrity of the input data. If the data provided is subsequently found to be incorrect or incomplete, this valuation may need to be revised. Demographic data is snapshot data as of the valuation date.

The valuation was based on the provisions of the Plan as amended through the beginning of the Plan Year. Each actuarial assumption used in this valuation is reasonably related to the past experience of the Plan and represents reasonable expectations of future experience under the Plan. Actual future costs of the Plan will vary from those presented in this report to the extent that actual plan experience differs from that projected and assumed. The Trustees, with advice and approval of the actuary, set the assumptions and methods for the valuation.

The valuation calculations presented in this report have been made on a basis consistent with our understanding of the Plan's funding requirements and policies as well as the Governmental Accounting Standard Board Statement 67. Valuations and calculations for other purposes may differ significantly from the results contained in this report.



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MCG uses third-party software to calculate the actuarial liabilities and normal costs, as well as projection of benefit payouts and other items set forth in this report. The software is specifically designed for the purpose of performing pension valuations. We coded the plan provisions, assumptions, methods, and participant data summarized in this report, and reviewed the liability and cost outputs for reasonableness. We are not aware of any material weaknesses in the software, and our work follows Actuarial Standard of Practice 56 regarding the use of modeling software.

The consultants who worked on this assignment are pension actuaries. Advice from MCG Consulting Group is not intended to be a substitute for legal or accounting expertise. To the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained in this report. We are available to answer any questions on the information contained in this report or to provide explanations or further details as needed.

Neither the signing actuary nor the firm of MCG Consulting Group has a conflict of interest that would impair the objectivity of our work. This report is intended for use by the Plan Trustees and should not be used for any purpose other than as stated herein. This report is only valid when presented in its entirety. It must not be reproduced without permission.

Respectfully submitted,

Traci Miller Christian, EA, MAAA, FCA, MSEA

John J. Naylor IV, ASA, MAAA

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Section One:

Valuation Summary

Liabilities and Funded Condition of Pension Plan

	<u>July 1, 2024</u>	<u>July 1, 2025</u>
Actuarial Accrued Liability	\$37,817,338	\$38,764,110
Actuarial Value of Assets	\$26,864,341	\$28,599,447
Funded Status of the Plan	71.0%	73.8%

Actuarial Value of Assets

The City Contribution Rate is computed based on Market Value of Assets.

City Computed Contribution Rate

The City's recommended contribution rate was computed as a percentage of active member payroll and assumed to be payable mid-year.

	<u>July 1, 2024</u>	<u>July 1, 2025</u>
Normal Cost (Net of Employee Contr.)	.7%	.5%
Amortization of Unfunded Liability	28.3%	28.5%
Interest	1.0%	1.0%
Total Computed Contribution	30.0%	30.0%
Anticipated tax-based portion	9.2%	9.6%
City's Net Computed Contribution Rate	20.8%	20.4%

The plan document (Sec. 2.01) requires the City to contribute no less as a percent of pay than was required in the prior year until the plan reaches a funded status of at least 80%.

Therefore, the recommended City contribution percentage is equal to the prior year's contribution percentage, which in total remains 37.2% of covered pay, and subtracting the anticipated tax-based contribution becomes 28.0% of pay.

Pension Fund Experience

The Plan's annualized investment return over the year preceding the valuation was 11.2%, producing a gain of \$1,090,566 compared to our assumption that the assets will return 7.0%. A loss in the measurement of liabilities partially offset the asset gains, making the net actuarial gain \$291,072.

Benefit Provision Changes

The Plan was amended in April of 2025 to clarify the benefits awarded to Police or Fire Chiefs. No cost change was associated with this change. There were no other changes to plan provisions from the prior valuation.

Assumption and Method Changes

The Mortality tables was updated from Public Safety 2010 to Public Safety 2016 mortality. This change reduced the measurement of the actuarial liability by \$66,048. There were no other assumption or method changes from the prior valuation.

Participant Data

	<u>July 1, 2024</u>	<u>July 1, 2025</u>
Active Members	69	66
Active Member Payroll	\$3,950,114	\$3,981,726
Average Member Payroll	57,248	60,329
Retirees and Beneficiaries	69	74
Annual Pensions	\$2,091,398	\$2,276,029
Disabled Retirees	7	7
Annual Pensions	\$76,030	\$73,800
Vested Terminated	1	2
Deferred Annual Pensions	\$26,228	\$48,351

Financial Data

Market Value	\$26,864,341	\$28,599,447
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Conclusion and Comments

Since the 2011-12 fiscal year, the city has consistently contributed in excess of the recommended contribution, and the funded ratio of the plan has gradually increased. Asset gains from the prior year caused the funded ratio to increase to 73.8%. The plan document requires contributions to remain at a level percentage of covered compensation until the plan reaches a funded ratio of 80%.



Section Two:

***Actuarial Calculations –
Funding***

Actuarial Accrued Liability and Funded Status

	<u>July 1, 2024</u>	<u>July 1, 2025</u>
Active Member Contributions	\$ 4,448,726	\$ 4,078,319
Retirees and Beneficiaries	23,947,493	26,147,554
Disabled Members	709,619	682,001
Terminated Vested Members	181,872	286,580
Active Members (employer-financed portion)	<u>8,529,628</u>	<u>7,569,656</u>
Actuarial Accrued Liability	\$37,817,338	\$38,764,110
Actuarial Value of Assets	<u>(26,864,341)</u>	<u>(28,599,447)</u>
Unfunded Actuarial Accrued liability	\$10,952,997	\$10,164,663
Funded Status of the Plan	71.0%	73.8%

Computed Contribution Rates

The contribution rates shown below are expressed as percentages of active member payroll (under Normal Retirement Age.).

The normal cost can be viewed as the cost of current year benefit accruals.

The unfunded actuarial liability is amortized as a level percent of payroll in layers. Each year's assumption changes, plan changes, and actuarial gains or losses are amortized over a fixed number of years. The amortization of the layers of unfunded liability are the largest part of the recommended contribution.

Contribution Recommendation for Fiscal Year Beginning July 1, 2025:

	<u>Dollar Amount</u>	<u>As a Percent Of Current Payroll</u>
Normal Cost (Net of Employee Contributions)	\$20,639	0.5%
Amortization of Unfunded Liability	1,134,691	28.5%
Interest to Middle of Fiscal Year	40,437	1.0%
Total Computed Contribution	1,195,767	30.0%
Anticipated tax-based portion	(384,500)	(9.6)%
City's Net Computed Contribution Rate	\$811,267	20.4%

The plan document requires the City to contribute no less as a percent of pay than was required in the prior year until the plan reaches a funded status of at least 80%. Under that rule, **the total contribution is \$1,482,397 (37.2% of payroll), and the city's net contribution after anticipated tax revenues is \$1,114,883 (28.0% of payroll).**

Funded Status

	<u>July 1, 2024</u>	<u>July 1, 2025</u>
Actuarial Accrued Liability	\$37,817,338	\$38,764,110
Market Value of Assets	\$26,864,341	\$28,599,447
Unfunded Actuarial Accrued liability	\$10,952,997	\$10,164,663
Funded Status of the Plan	71.0%	73.8%

13th Check Analysis

Section 10.01 of the Plan provides that, “The Board of Trustees, in its discretion, may authorize the ad hoc payment of an additional benefit check (the "13th Check") ...”

This section sets the following conditions relative to the Board’s discretion:

Conditions: In no event shall a 13th Check be authorized by the Board of Trustees for any Plan Year unless all of the following conditions are satisfied, as determined by an actuarial study:

- (1) The funded status of the Plan as of July 1 of the Plan Year for which the 13th Check is made is at least seventy percent (70%); and
- (2) The funded status of the Plan as of July 1 of the Plan Year for which the 13th Check is made, taking into account the proposed 13th Check, is at least equal to the funded status of the Plan as of July 1 of the previous Plan Year; and
- (3) The investment gains on the assets of the Plan for the Plan Year for which the 13th Check is made are at least equal to the estimated cost of the proposed 13th Check. For this purpose, "investment gains" means increases on the investments of the Plan, such as dividends, interest, and realized and unrealized gains, for the Plan Year which are in excess of the assumed rate of investment return for the Plan Year.

The conditions above are satisfied for the current Plan Year.

20 Year Projection of Contributions, Assets, Liabilities, and Funding Status

Year	Total Normal Cost	Employer Normal Cost	Amortization	Recommended City Contribution	Expected City Contribution	Payroll	Recommended Contribution as a % of Payroll	Expected Benefit Payments	Market Value of Assets	Accrued Liability	Unfunded Liability	Funded Ratio
2025	617,898	20,639	1,134,691	1,195,767	1,482,397	3,981,726	30.0%	2,632,753	28,599,447	38,764,110	10,164,663	73.8%
2026	639,524	21,361	1,174,403	1,237,616	1,534,280	4,121,086	30.0%	2,690,449	29,410,789	39,072,858	9,662,069	75.3%
2027	661,908	22,109	1,215,507	1,280,933	1,587,980	4,265,224	30.0%	2,784,572	30,266,700	39,348,503	9,081,803	76.9%
2028	685,075	22,883	1,258,050	1,325,765	1,643,560	4,414,611	30.0%	2,866,106	31,146,897	39,563,833	8,416,936	78.7%
2029	709,052	23,684	1,302,082	1,372,167	1,702,167	4,569,122	30.0%	2,899,611	32,061,844	39,721,852	7,660,008	80.7%
2030	733,869	24,513	1,386,822	1,467,732	1,767,732	4,729,041	35.3%	2,930,333	32,725,269	39,528,251	6,802,982	82.8%
2031	759,554	25,371	1,442,361	1,726,102	1,726,102	4,894,558	35.3%	2,945,987	33,709,245	39,290,538	5,581,292	83.8%
2032	786,139	26,259	1,699,844	1,786,516	1,786,516	5,065,867	35.3%	3,023,726	34,806,312	39,020,969	4,214,656	89.2%
2033	813,654	27,178	1,759,338	1,849,044	1,849,044	5,243,173	35.3%	3,012,383	35,960,172	38,651,021	2,690,850	93.0%
2034	842,132	28,129	1,820,915	1,913,761	1,913,761	5,426,684	35.3%	3,013,710	37,273,328	38,270,045	996,717	97.4%
2035	871,606	29,113	-	30,132	30,132	5,616,618	0.5%	3,003,719	38,741,943	37,860,051	(881,892)	102.3%
2036	902,112	30,132	-	31,187	31,187	5,813,199	0.5%	3,003,076	38,376,217	37,184,438	(1,191,779)	103.2%
2037	933,686	31,187	-	32,279	32,279	6,016,661	0.5%	2,934,524	37,984,578	36,821,974	(1,162,604)	103.2%
2038	966,365	32,279	-	33,408	33,408	6,227,245	0.5%	2,892,543	37,659,674	36,489,247	(1,150,427)	103.2%
2039	1,000,188	33,408	-	34,578	34,578	6,445,198	0.5%	2,915,680	37,291,300	36,341,182	(950,118)	102.6%
2040	1,035,195	34,578	-	35,788	35,788	6,670,780	0.5%	2,915,073	36,942,662	36,116,618	(826,044)	102.3%
2041	1,071,427	35,788	-	37,040	37,040	6,904,257	0.5%	2,954,546	36,548,588	35,987,535	(561,053)	101.6%
2042	1,108,926	37,040	-	38,337	38,337	7,145,906	0.5%	2,971,964	36,087,371	35,611,739	(475,633)	101.3%
2043	1,147,739	38,337	-	39,679	39,679	7,396,013	0.5%	2,985,451	35,577,183	35,355,816	(221,367)	100.6%
2044	1,187,910	39,679	-	41,067	41,067	7,654,873	0.5%	3,014,071	35,018,712	34,972,560	(46,152)	100.1%
2045	1,229,487	41,067	-	42,505	42,505	7,922,794	0.5%	3,052,687	34,392,963	34,392,963	-	100.0%

The results presented here are ESTIMATES. They are based on the data, assumptions, methods and plan provisions outlined in this report. These projections assume the recommended contribution will be made each year. These results are for **discussion purposes only** and should not be relied upon for purposes of making cash contributions to the Plan nor for any other purposes.

Schedule of Amortization of Unfunded Liability**Amortization of Historical Components of the Unfunded Actuarial Liability**

Description	Initial Amount	Remaining Period	Outstanding Balance*	Payment This Year
7/1/15 UAL	\$ 12,313,620	10	\$ 10,134,012	\$ 1,171,648
7/1/16 Change Mortality	454,449	11	390,617	41,704
7/1/16 Change Interest Rate	1,710,990	11	1,470,658	157,014
7/1/16 Actuarial Loss	411,553	11	353,743	37,767
7/1/17 Mortality Update	(324,627)	12	(289,576)	(28,785)
7/1/17 Actuarial Loss	233,630	12	208,392	20,715
7/1/17 Change Disability Benefits	(69,318)	12	(61,831)	(6,146)
7/1/18 Actuarial Gain	(318,346)	13	(292,651)	(27,272)
7/1/18 Mortality Update	(45,868)	13	(42,168)	(3,930)
7/1/18 Change COLA Assumption	1,648,108	13	1,515,076	141,187
7/1/19 Actuarial Gain	(698,227)	14	(657,667)	(57,792)
7/1/20 Actuarial Loss	540,333	15	518,862	43,211
7/1/20 Plan Amdt. – remove COLA	(1,466,508)	5	(943,116)	(201,373)
7/1/20 New Mortality Table	145,723	15	139,932	11,653
7/1/20 New Retirement Rates	667,905	15	641,361	53,412
7/1/20 Begin Asset Smoothing	(477,905)	15	(458,912)	(38,218)
7/1/21 Actuarial Gain	(1,374,587)	16	(1,339,818)	(106,209)
7/1/21 Assumption Update	(86,505)	16	(84,317)	(6,684)
7/1/22 Change to Market Value	1,043,091	17	1,028,063	77,870
7/1/22 Actuarial Loss	(26,686)	17	26,301	1,992
7/1/22 Assumption Update	35,943	17	35,426	2,683
7/1/23 Actuarial Gain	(745,721)	18	(740,683)	(53,788)
7/1/24 Assumption Update	(188,072)	19	(187,688)	(13,107)
7/1/24 Actuarial Gain	(843,960)	19	(842,233)	(58,815)
7/1/25 Assumption Update	(66,048)	20	(66,048)	(4,447)
7/1/25 Actuarial Gain	(291,072)	20	(291,072)	(19,599)
Total			\$ 10,164,663	\$ 1,134,691

*The total of the outstanding balances equals the current Unfunded Actuarial Liability. Amounts are amortized as a level percent of pay, so will increase each year by the salary scale, currently 3.5%. If interest rate or salary scale should change, the bases will be recalibrated to be fully amortized over the remaining period.

Recommended City Contributions

Valuation Date: July 1	Computed City Dollar Contributions	Percent of Payroll
2010	1,179,620	34.0
2011	921,124	28.3
2012	1,010,251	30.2
2013	994,809	29.2
2014	984,663	29.1
2015	1,066,446	29.4
2016	1,193,766	34.8
2017	1,201,580	33.4
2018	1,321,254	37.2
2019	1,283,839	34.4
2020	1,214,588	33.6
2021	1,141,792	31.5
2022	1,242,941	35.7
2023	1,238,383	34.9
2024	1,186,331	30.0
2025	1,195,767	30.0

The plan document stipulates that the City's contribution as a percentage of pay cannot be less in any year than it was in the prior year until such time as the plan reaches a funded status of at least 80%. The contribution calculated in 2018, 37.2% of pay, is the effective minimum contribution required. Contributions displayed in 2019 and later are the calculated recommended contributions, calculated as if there were not a minimum contribution requirement.

History of Assets and Accrued Liabilities

Valuation Date June 30:	Valuation Assets	Actuarial Accrued Liabilities	Funded Ratio	Unfunded Actuarial Accrued Liabilities
2013	12,616,812	24,262,236	52.0	11,645,424
2014	15,099,174	26,309,676	57.4	11,210,502
2015	15,285,088	27,598,708	55.4	12,313,620
2016	15,628,079	30,515,641*	51.2	14,887,562
2017	16,613,574	31,277,416	53.1	14,663,842
2018	17,666,036	33,507,585	52.7	15,841,549
2019	18,566,496	33,553,926	55.3	14,987,430
2020	19,544,755**	33,732,093	57.9	14,187,338
2021	21,926,843	34,461,689	63.6	12,534,846
2022	21,982,401***	35,379,702	62.1	13,397,301
2023	23,942,187	36,291,985	66.0	12,349,798
2024	26,864,341	37,817,338	71.0	10,952,997
2025	28,599,447	38,764,110	73.8	10,164,663

* Interest rate decreased from 7.5% to 7.0%, and generational mortality was first used in 2016.

** Four-year asset smoothing was introduced in 2020.

***Four-year asset smoothing ended in 2022 and Market Value of Assets is now used.

History of Asset Returns

Year Ended June 30	Market Rate of Investment Return
2011	19.6%
2012	3.3%
2013	9.4%
2014	17.9%
2015	1.4%
2016	1.7%
2017	9.7%
2018	7.8%
2019	5.6%
2020	3.6%
2021	37.1%
2022	(12.5)%
2023	11.4%
2024	12.7%
2025	11.2%

Valuation History

2025

The Plan was amended in April of 2025 to clarify the benefits awarded to Police or Fire Chiefs. No cost change was associated with this change. The assets of the Plan returned 11.2%. The funded status of Plan increased to 73.8%. The Plan satisfied the conditions required for issuing a 13th check to retirees having been in pay status for 12 months.

2024

The assets of the Plan returned 12.7%. The funded status of Plan increased to 71.0%. The Plan satisfied the conditions required for issuing a 13th check to retirees having been in pay status for 12 months.

2022

The Board voted to change the Actuarial Value of Assets from the 4-year smoothing method back to Market Value of Assets.

2020

Four-year asset smoothing was introduced to mitigate asset volatility. As a result of a May 2020 Experience Study, the retirement assumption was updated. The plan's COLA provision was removed by plan amendment, which also added a 13th check provision to the Plan, but it is not possible for the board to grant this ad hoc benefit before the plan is 70% funded.

2019

Actuarial gains would have produced a lower city contribution than was made in the prior year, but the board resolution from 2011 (see below), mandates that city contributions not decrease as a percent of participant compensation. Therefore, the city's recommended contribution remains at 37.2% of pay.

2018

The recent history of granting cost of living adjustments (COLAs) in three of the past four years warranted changing the COLA assumption from 0.25% to 0.75% per year. This change added \$1,648,108 to the Actuarial Accrued Liability.

2017

An amendment to disability benefits was adopted, providing pre-retirement disability benefits through group disability insurance purchased by the plan.

2016

The board decreased the interest rate from 7.5% to 7.0%. Employee contributions from 7/1/2016 to 6/30/2017 are 12.5%. Employee contributions will increase 0.5% per year until they reach a total of 15%.

2015

As a result of a May 2015 experience study, the salary scale was revised from 4.0% to 3.5%.

2011

Employee contributions increased from 9.5% of pay to 12%. Also included in the 2011 board resolution was a stipulation that the City's contribution cannot be less in any year than it was in the year before until such time as the plan reaches a funded status of at least 80%.



Section Three:

***Retirement Plan
Benefit Provisions***

Benefit Provision Summary

Effective Date

July 18, 1973

Eligibility

All employees of the City of Hannibal police or fire departments who contribute to the Plan.

Compensation

Compensation includes base wages for purposes of calculating the annual retirement benefit.

Credited Service

Exact service measured from the date of employment.

Normal Retirement Age

Members hired prior to July 1, 2007 attain Normal Retirement Age upon completion of 25 years of Credited Service.

Members hired on or after July 1, 2007 attain Normal Retirement Age upon attainment of Age 55 and completion of 25 years of Credited Service.

Normal Retirement Benefit

At Normal Retirement, a Member is eligible for a monthly benefit equal to one-twelfth of 65% of highest annual compensation in the last five years of employment.

Postponed Retirement

A Member hired after July 17, 1973, with more than 25 years of Credited Service is Eligible for the Normal Retirement Benefit plus an additional 1% for each year in excess Of 25; total maximum of 70%.

Early Retirement

For those Members hired prior to July 1, 2007, any Member, who has at least 20 years of Service, but not 25, is entitled to a benefit payable immediately equal to 55% of Average Monthly Compensation. An additional 2% is added for each full year of service between 20 and 25 years of service.

For those Members hired on or after July 1, 2007, any Member who has at least 20 years of service, but not 25, is entitled to a benefit when he or she reaches age 55, equal to 55% of Average Monthly Compensation. An additional 2% is added for each full year of service between 20 and 25 years of service.

Normal Form of Benefit

The Normal Form is a Life Annuity for unmarried participants. Married participants receive a fully subsidized Joint and 100% to Survivor Annuity.

Refund of Employee Contributions

Members hired prior to July 1, 2005 who reach Early, Normal or a Postponed Retirement Receive all his or her employee contributions, without interest.

Disability Retirement

Members with 5 or more, and less than 10, years of service will receive one-twelfth of 20% of the Member's highest annual gross compensation in the last five years of employment plus 5% for each unmarried dependent child. If the disability was duty-related, the benefit is 55% of the average monthly salary for the twelve months preceding the disability retirement.

Members with 10 or more years of service will receive one-twelfth of 55% of the Member's highest annual gross compensation in the last five years of employment.

Pre-retirement disability benefits are provided through a group disability insurance policy purchased by the plan.

Pre-Retirement Death Benefit

The spouse (or dependent children) of a Member with 10 or more years of service is entitled to the retirement benefit the Member could have received if active or is receiving if retired. If a Member has 10 to 20 years of service, the benefit for the spouse is 2.5% times years of service.

Termination

Refund of Member's contributions without interest. If a Member has between 12 and 20 years of service, they can choose to forgo a refund of contributions and receive a monthly Benefit equal to 2.5% times service times salary at termination. The monthly benefit is payable at age 55.

Member Contributions

15% of compensation.

City Contributions

The actuarial recommended contribution, but not less (as a percent of payroll) than the prior year's contribution if the plan is less than 80% funded.



Section Four:

***Actuarial Assumptions
And Methods***

Actuarial Assumptions

Economic Assumptions

- (i) Interest Rate 7.0%, net of administration expenses paid by the Trust. The inflation component of this rate is 2.5%.
- (ii) Salary Increases 3.5%

Demographic Assumptions

- (i) Mortality Public Safety 2016 (formerly 2010) Bottom Quartile tables for employees and annuitants, projected with generational improvements using the most recently available projection scale (MP-2024).

For disabled annuitants, the post-retirement Mortality Tables are set forward seven years.

- (ii) Sample Rates of Termination of Employment Select and ultimate table, with 20% in the first year, 15% in the second year, 10% in the third year, then ultimate rates based on age. Sample rates are as follows:

Age	Annual Rates of Termination
25	10.0%
30	7.5
35	5.0
40	4.0
45	2.0
50	1.0

(iii) Disability

Sample disability rates are as follows:

Age	Annual Rates of Disability
25	0.18%
30	0.18
40	0.30
50	0.79
55	1.35
60	2.00

(iv) Retirement

For participants hired prior to July 1, 2007, the rate is 50% in the first year of retirement eligibility (20 years of Service). After the first year of eligibility, the rates are 15% until age 55, 30% from ages 56-59, and 100% at ages 60 and above.

For participants hired on or after July 1, 2007, the rate is 30% per year from eligibility to age 59, and 100% for ages 60 and older.

(v) Marital Status

80% of participants are assumed to be married with males 3 years older than their female spouses.

Experience Study and Assumption Review

Demographic and economic experience studies and assumption reviews are recommended about every 5 years. Periodic studies and reviews help to ensure that the assumptions used in the valuation are based on the best information we have available to us.

The last assumption review for this plan was done in May of 2020. We recommend a new experience study be conducted and reviewed prior to the next actuarial valuation.

Actuarial Methods Used for the Valuation

Normal Cost

Normal cost and the allocation of actuarial present values between service rendered before and after the valuation date were determined using an individual entry age actuarial cost method having the following characteristics:

- ❖ The annual normal costs for each individual active member, payable from date of hire to date of retirement, are sufficient to accumulate the value of the member's benefit at the time of retirement;
- ❖ Each annual normal cost is a constant percentage of the member's year-by-year projected covered pay.

Financing of Unfunded Actuarial Accrued Liability

The excess of actuarial accrued liabilities over accrued assets is amortized in layers as a level percent-of-payroll assuming 3.5% annual salary increases. In each valuation, additional unfunded UAL is recognized due to changes in actuarial assumptions, actuarial methods, changes in plan provisions, and actuarial gains and losses, each to be amortized as a level percent of pay over a closed period. The amortizations of UAL amounts are added to the normal cost to arrive at the recommended contribution.

Active member payroll is assumed to increase at the salary increase rate for the purpose of determining amortization of the UAL as a level percent-of-payroll.

Assessment and Disclosure of Risk

The Actuarial Standards of Practice require the plan's actuary to assess certain risks to the plan. Specifically, the impact of future events that may differ significantly from the assumptions used to produce the current actuarial valuation. The purpose of this information is to make the plan sponsor aware of such risks. For a more detailed analysis of any of these items, please contact our office.

Assumptions: Actuarial assumptions such as interest rates, rates of retirement and withdrawal as well as mortality tables used for calculating the actuarially recommended contribution are important factors. Each actuarial assumption used in this valuation is reasonably related to the past experience of the Plan and represents reasonable expectations of future experience under the Plan. With advice from the actuary, the trustees approve the assumptions for the valuation. When actual plan experience deviates from what is expected, the resulting gain or loss is amortized over future years and becomes part of the recommended contribution. If there is a decrease in the assumed future return on plan investments, the overall funding requirement, barring other mitigating circumstances, will increase. Updates to mortality tables often extend life expectancies, which also results in an increase to plan liabilities.

Contribution Risk: Funding less than the actuarially recommended contribution will not typically fully fund the Plan on a long-term basis. If the Plan is underfunded, additional contributions may be required.

Investment Risk: Plan assets include contributions and asset earnings. The Plan's investment portfolio should take into consideration the funded status of the Plan, anticipated future contribution levels, and the expected future years of the Plan. Investment performance may have a significant impact on future required contributions to fully fund the Plan on a long-term basis.

Demographic Risk: Demographic changes from year to year can have a significant impact on valuation results.

Low-Default-Risk Obligation Measure

Recently promulgated Actuarial Standards of Practice recommend that we inform you of the liability that would be measured using a discount rate based on the yields of low-default-risk fixed income securities, effectively immunizing the investments from default risk.

The FTSE Pension Liability Index represents the single discount rate that would produce the same present value as would investments in a standardized set of AA-rated zero-coupon bonds whose maturities range from 6 months to 30 years. As of the valuation date, the indexed yield is 5.58%, and the plan's liability measured at this low-default-risk discount rate, is \$45,728,308.



Section Five:

Valuation Data

Summary of Asset Information Submitted for the Valuation

Statement of Assets

As of July 1, 2025, the net market value of Pension Plan assets was reported to be \$28,599,447.

Market Value of Assets as of July 1, 2024	\$26,864,341
a. Revenues	
(i) Employer Contributions	\$1,211,134
(ii) Employee Contributions	641,315
(iii) Tax Receipts	414,911
(iv) Investment Income (Net of investment fees)	2,929,274
(v) Total Income	5,196,634
b. Disbursement to Members	
(i) Benefits Paid	\$2,263,792
(ii) Employee Contribution Refunds	1,135,442
(iii) Expenses (Administrative)	62,294
(iv) Total Disbursements	3,461,528
c. Change in Market Value (a.(v) – b.(iii))	1,735,106
Market Value of Assets as of July 1, 2025	\$28,599,447

Actuarial Value of Assets

The market value of assets was used for this valuation.

Participant Summary

Retirees and Beneficiaries Included in the Valuation

There were 60 retirees and 14 beneficiaries included in the valuation, with annual pensions totaling \$2,276,029. The breakdown by age division is as follows:

Beneficiaries

Age	Number	Average Annual Pensions
50-54		
55-59	1	\$63,646
60-64	1	32,899
65-69	2	29,111
70-74	1	14,316
75-79	3	17,164
Over 80	6	21,099
Total	14	\$24,798

Retirees

Age	Number	Average Annual Pensions
Under 40		
40-44	2	\$35,520
45-49	4	33,416
50-54	11	35,091
55-59	5	37,344
60-64	10	36,960
65-69	11	29,216
70-74	8	24,037
75-79	4	38,004
Over 80	5	23,229
Total	60	\$32,148

There were 7 Disabled participants included in the valuation, with annual pensions totaling \$73,800. The breakdown by age division is as follows:

Disabled Retirees

Age	Number	Average Annual Pensions
Under 40		
40-44		
45-49		
50-54		
55-59	1	\$9,762
60-64		
65-69		
70-74		
75-79	1	13,159
Over 80	5	10,176
Total	7	\$10,543

There were 2 Vested Terminated participants included in the valuation, with an annual pensions totaling \$48,351. The breakdown by age division is as follows:

Vested Terminated

Age	Number	Average Annual Pensions
Under 40	1	\$22,123
40-44		
45-49	1	26,228
50-54		
55-59		
60-64		
65-69		
70-74		
75-79		
Over 80		
Total	2	\$24,176

Active Members – Age and Service Distribution

Age	Service							Total
	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	Over 30	
0 - 19	1							1
20 - 24	8							8
25 - 29	7	2						9
30 - 34	10	1	2					13
35 - 39	5	4	4	1				14
40 - 44	1			6				7
45 - 49				4	1	3		8
50 - 54				3	1	1	1	6
55 - 59								
60+								
Total	32	7	6	14	2	4	1	66

Active Participant Information

	2023	2024	2025
Active Members	69	69	66
Valuation Payroll	3,549,769	3,950,114	3,981,726
Average Compensation	\$51,446	\$57,248	\$60,329
Average Age (yrs.)	36.9	37.0	36.0
Average Service (yrs.)	10.1	10.3	9.3

Reconciliation with Prior Year

	Actives	Retirees & Beneficiaries	Disabled Retirees	Vested Terminations
July 1, 2024 Participants	69	69	7	1
Corrections				
New Participants	12			
Returned to Active				
Retirements	(5)	5		
Deaths		(1)		
New Beneficiaries		1		
Benefits Expire				
Terminations				
- Vested	(1)			1
- Non-Vested				
- Lump-Sums	(9)			
July 1, 2025 Participants	66	74	7	2



Section Six:

Accounting Disclosures

Long-term Expected Rates of Return

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Equities	75%	8.6%
Fixed Income	25%	2.3%

Expected returns based on the Grinold-Kroner model provided by the plan's investment advisor, Meritage Portfolio Management, weighted by the target allocation produce an expected long-term return of 7.025%.

Schedule of Total Pension Liability, Fiduciary Net Position, and Net Pension Liability

Actuarial Valuation Date, July 1	Fiduciary Net Position (FNP) (a)	Total Pension Liability (TPL) (b)	Net Pension Liability (b)-(a)	FNP as a Percent of TPL (a)/(b)	Annual Covered Payroll (c)	NPL as a Percentage of Covered Payroll ((b-a)/c)
2015	15,285	27,599	12,314	55.4%	3,630	339.3%
2016	15,628	30,516	14,888	51.2%	3,426	434.6%
2017	16,614	31,277	14,664	53.1%	3,599	407.5%
2018	17,666	33,508	15,842	52.7%	3,549	446.4%
2019	18,566	33,554	14,987	55.3%	3,733	401.5%
2020	19,067	33,732	14,665	56.5%	3,612	406.1%
2021	25,883	34,462	8,579	75.1%	3,622	236.8%
2022	21,982	35,379	13,397	62.1%	3,479	385.1%
2023	23,942	36,292	12,350	66.0%	3,550	347.9%
2024	26,864	37,817	10,953	71.0%	3,950	277.3%
2025	28,599	38,764	10,165	73.8%	3,982	255.3%

Dollar amounts in thousands.

Ten-Year Schedule of Employer Contributions

Year Ending June 30	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2015	984,663	1,183,568	(198,905)	3,389,458	34.92%
2016	1,066,446	1,264,977	(198,531)	3,629,583	34.85%
2017	1,193,766	1,276,452	(82,686)	3,425,821	37.26%
2018	1,201,580	1,298,013	(96,433)	3,598,561	36.07%
2019	1,321,254	1,364,514	(43,260)	3,548,574	38.45%
2020	1,283,839	1,424,566	(140,727)	3,733,069	38.16%
2021	1,214,588	1,492,927	(278,339)	3,611,556	41.34%
2022	1,141,792	1,520,789	(378,997)	3,622,338	41.98%
2023	1,242,941	1,482,564	(239,623)	3,478,954	42.62%
2024	1,238,383	1,585,373	(346,990)	3,549,769	44.66%
2025	1,186,331	1,626,045	(439,714)	3,950,114	41.16%

Pension Expense for Year Ended June 30, 2025

Service cost	\$ 619,176
Interest on the total pension liability	2,571,583
Employee contributions	(641,315)
Projected earnings on pension plan investments	(1,838,708)
Pension plan administrative expense	62,294
Outflows / (inflows) of resources recognized in the current year due to	
Difference between expected and actual experience	656,588
Changes of assumptions	69,913
Difference between projected and actual earnings on plan investments	(825,881)
Pension expense	<u>\$ 673,650</u>

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at 6/30/24	\$ 37,817,338	\$ 26,864,341	\$ 10,952,997
Changes for the year			
Service cost	619,176		619,176
Interest	2,571,583		2,571,583
Difference between expected and actual experience	1,155,247		1,155,247
Change of mortality tables			
Contributions - employer		1,626,045	(1,626,045)
Contributions - employee		641,315	(641,315)
Net investment income		2,929,274	(2,929,274)
Benefit payments, including refunds of contributions	(3,399,234)	(3,399,234)	
Administrative expense		(62,294)	62,294
Net changes	946,772	1,735,106	(788,334)
Balances at 6/30/25	\$ 38,764,110	\$ 28,599,447	\$ 10,164,663

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

	Current Single Discount Rate		
	1% Decrease 6.0%	Assumption 7.0%	1% Increase 8.0%
Total Pension Liability	\$ 43,455,858	\$ 38,764,110	\$ 34,897,419
Plan Fiduciary Net Position	28,599,447	28,599,447	28,599,447
Net Pension Liability / (Asset)	\$ 14,856,411	\$ 10,164,663	\$ 6,297,972

Statement of Outflows and Inflows Arising During the Current Period

1. Difference between expected and actual experience of the TPL (gains) / losses	\$ 1,155,247
2. Assumption Changes	0
3. Recognition period: Average of the expected remaining service lives of all plan participants (in years)	4.79
4. Difference between expected and actual return on plan investments	(1,090,566)
5. Outflow (Inflow) of Resources to be recognized in the current pension expense:	
a. for the difference between expected and actual experience of the TPL, (1) / (3)	241,179
b. for assumption changes, (2) / (3)	0
c. for the difference between expected and actual return on plan investments, (4) / 5	(218,113)

Deferred Outflows and Deferred Inflows of Resources to be Recognized in Future Years

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,628,044	--
Changes in Assumptions	--	--
Net difference between projected and actual earnings on pension plan investments	--	1,077,644
Total	\$ 1,628,044	\$ 1,077,644

Year Ending June 30	Net Deferred Outflows of Resources
2026	\$ 934,622
2027	(218,891)
2028	(137,748)
2029	(27,583)
2030	--
Thereafter	--
Total	\$ 550,400



Section Seven:

Glossary of Terms

Glossary of Terms

Accrued Benefit

The benefit earned by a participant payable in the form of a monthly benefit commencing at normal retirement age.

Actuarial Accrued Liability

The actuarial present value of benefits earned as of the valuation date.

Actuarial Gain or Loss

The difference between the plan's actual experience and expected experience based on the actuarial assumptions used in the valuation.

Actuarial Value of Assets

The value of assets as determined by the actuary for the purpose of the valuation. This may or may not include a method of smoothing investment gains and losses over time.

Amortization

The spreading of liabilities or costs over a period of years. A plan's unfunded actuarial accrued liability is amortized over a period of years.

Entry Age Normal Actuarial Cost Method

An actuarial method for determining the annual normal cost and the actuarial accrued liability of a pension plan. Under this method, the annual normal cost is the level amount that would have to be contributed each year from the time each employee entered employment so that his pension will be fully funded by his assumed retirement age.

Normal Cost

That portion of the actuarial present value of plan benefits and expenses allocated to the valuation year.

Present Value

The value of a benefit payment or series of benefit payments determined as of the valuation date by the application of a particular set of actuarial assumptions. It is the single sum which reflects the time value of money (through discounts for investment yield) and the probabilities of payment (taking into account death, disability, withdrawal and age at retirement).

Unfunded Actuarial Accrued Liability

The excess of the actuarial accrued liability over the actuarial value of assets.

Vested Benefit

A benefit that is not forfeited if the participant leaves employment.

The Board along with the Police and Fire employees continue to monitor and take proactive measures to assist in continuing to increase the funded status, while decreasing liabilities, with employees currently contributing 15% of their overall salary.

Based on State of Missouri statutes; if a plan's funding status is below 80% and is not making 100% of the recommended contributions, the State has the authority to take over the plan; redirecting funds for the agency (the City) to ensure the required contribution levels are met. Additionally, the Joint Committee on Public Employee Retirement (JCPER) staff compiles a report for the "committee's" review that includes any defined benefit retirement plan that has a funded ratio on a market value basis of less than 70%. I am pleased to report, based upon the Plan's market value of assets, the City of Hannibal is not on the watch list!

This information and valuation are provided, as a requirement, set forth in the City of Hannibal Code of Ordinances: **Sec.21-74. Annual report of condition of funds.**

The board of trustees shall make a report to the city council of the condition of the pension fund in January in each and every year.

The full actuarial valuation is attached, for your information and review. If you have any questions or would like to view a copy of the Plan Document, let me know or you can view online at www.hannibal-mo.gov (*Employee Information* section).

Pc: Andy Dorian, City Manager
Bianca Quinn, Finance Director

MEMORANDUM

TO: MAYOR MCCOY & COUNCIL MEMBERS

FROM: MELISSA COGDAL
City Clerk - Treasurer/Secretary, P&F Retirement Board

DATE: January 12, 2026

SUBJECT: APPROVAL OF UPDATED P&F PENSION PLAN

Pursuant to Section 9.02 of the Police & Firemen's Retirement Fund Plan Document, the City reserves the right to amend the plan document from time to time. On December 14, 2023, the Policemen and Firemen Pension Board took a vote to amend Section 1.23 of the plan regarding Break In Service. This plan amendment was reviewed by the Police & Fire Pension's attorney, plan administrators, and JCPER (Joint Committee on Public Employee Retirement.) The City Council approved the update at the regular scheduled Council meeting on August 19, 2025

In addition, on April 23, 2025, the Policemen and Firemen Pension Board members voted to amend Section 4.05 of the plan document regarding Chief of The Department Retirement Provision amending the years of service. This plan amendment was reviewed by the Police & Fire Pension's attorney, plan administrators, and JCPER (Joint Committee on Public Employee Retirement.) The City Council approved this update at the regular scheduled Council meeting on August 19, 2025

In December 2025 the plan document was updated with all amendments and submitted to the Police & Fire Pension Board for approval. On Thursday, December 11, 2025, the Board voted unanimously to approve the plan document as presented by Melissa Cogdal, Treasurer/Secretary of the Board.

I am requesting the approval of the Council for the Police & Fire Pension plan document update as presented. Bill No. 26-001 is to follow for a first reading.

BILL NO. 26-001

ORDINANCE NO. 5018

FIRST READING 01.20.2026

SECOND READING 02.03.2026

AN ORDINANCE OF THE CITY OF HANNIBAL, MISSOURI RESTATING THE CITY'S POLICEMEN AND FIREMAN RETIREMENT PLAN DOCUMENT TO INCORPORATE PREVIOUSLY APPROVED AMENDMENTS, INCLUDING THE MOST CURRENT AMENDMENT TO SECTION 4.05 *CHIEF OF THE DEPARTMENT RETIREMENT PROVISIONS*, ALONG WITH MANDATORY UPDATES AS NECESSARY TO MAINTAIN THE PLAN'S COMPLIANCE WITH THE INTERNAL REVENUE SERVICE

WHEREAS, the City of Hannibal, Missouri ("City") sponsors the City of Hannibal, Missouri Policemen and Firemen Retirement Fund ("Plan"); and

WHEREAS, pursuant to Section 9.02 of the Plan, the Plan may be amended by the City from time to time; and

WHEREAS, the City desires to restate the Plan Document to incorporate previously approved amendments, including the most current amendment to Section 4.05 *Chief of the Department Retirement Provisions*, along with mandatory updates to maintain the Plan's compliance with the Internal Revenue Service.

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HANNIBAL:

SECTION ONE: The City hereby adopts the restated Plan document attached hereto with the same to be effective as of January 1, 2026.

SECTION TWO: All ordinances in conflict herewith are hereby replaced.

SECTION THREE: This ordinance shall become effective immediately upon its adoption and approval.

Adopted this 3rd day of February, 2026.

Approved this 3rd day of February, 2026.

Darrell McCoy, Mayor

ATTEST:

Melissa Cogdal, City Clerk

**CITY OF HANNIBAL, MISSOURI
POLICEMEN AND FIREMEN
RETIREMENT FUND**

Effective July 1, 2025

**Restated by Ordinance No. _____
Approved by Council on
_____, 20__**

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INTRODUCTION

The City of Hannibal, Missouri (herein referred to as the "City") previously established a retirement plan for full time police and fire members in recognition of the service provided by such members. The Plan was originally effective July 18, 1973. The Plan is hereby amended and restated effective July 1, 2025.

It is intended that this Plan shall be approved and qualified by the Internal Revenue Service under Section 401(a) of the Internal Revenue Code and any applicable regulations issued thereunder with respect to employee plans and trusts so: (a) Employer contributions will not be taxable to Members as income until received; and (b) the income of the trust shall be exempt from federal income taxes.

SECTION I - DEFINITIONS

1.01 ACCRUED BENEFIT

Shall mean, at any time, a monthly benefit payable in the form of a single life annuity starting on the Normal Retirement Date, equal to the benefit determined under Section 4.01, based on Years of Service and Average Monthly Compensation as of the date such benefit is being determined.

1.02 ACTUARIAL EQUIVALENT

Shall mean a form of benefit differing in time, period, or manner of payment from a specific benefit provided under the Plan but having the same present value on the Benefit Payment Commencement Date. The Member's mortality (both pre-retirement and post-retirement) is based on the Male 1983 Group Annuity Mortality Table. The Beneficiary's mortality is based on the Female 1983 Group Annuity Mortality Table. The interest rate is 7% (both pre-retirement and post-retirement).

1.03 AVERAGE MONTHLY COMPENSATION

Shall mean the monthly average of the Member's Compensation during the highest continuous twelve (12)-month period in the five (5) years immediately preceding retirement. Lump sum payments paid at the time of termination are not included for benefit purposes.

1.04 BENEFICIARY

Shall mean the Member's Eligible Spouse, or such other named person pursuant to an optional form of benefit under Section V, who may be eligible to receive benefits which are payable under the Plan upon or after the death of a Member.

1.05 **BENEFIT PAYMENT COMMENCEMENT DATE**

Shall mean the first day of the first period for which a benefit is payable under the Plan.

1.06 **BOARD OF TRUSTEES**

Shall be made up of the following representatives of the City:

- City Clerk;
- Two representatives of the Fire Department (to be elected by the respective departments);
- Two representatives of the Police Department (to be elected by the respective departments);
- Two "at large" representatives appointed by the City Manager; and
- Two alternates - one from the Fire Department and one from the Police Department (to be elected by the respective departments).

The term of office of such representatives is three (3) years. Selected members from each Department will be elected on alternate years. The City Clerk shall be the official record keeper of the Board of Trustees.

1.07 **CITY**

Shall mean the City of Hannibal, Missouri.

1.08 **CODE**

Shall mean the Internal Revenue Code of 1986, as amended.

1.09 **COMPENSATION**

Shall mean a Member's regular base wages or base salary paid by the City as per payroll ordinance. Base salary for this purpose does not include payments for excess unused-accrued-sick leave, unused vacation, clothing allowance, holiday pay, overtime pay, out of rank pay or any other additional benefit or pay not stated in the base salary pay for said Member.

Compensation in excess of the annual compensation limit in effect for the Plan Year under Code Section 401(a)(17) shall be disregarded under the Plan. The annual compensation limit for the 2025 calendar year is \$350,000, as adjusted thereafter by the Commissioner for increases in the cost-of-living in accordance with Code Section 401(a)(17)(B). The adjusted annual compensation limit in effect for a calendar year shall be effective for the Plan Year beginning in such calendar year. If a determination period consists of fewer than twelve (12) months, the Code Section 401(a)(17) annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is twelve (12).

1.10 **EARLY RETIREMENT AGE**

Shall mean the age at which the Member completes twenty (20) continuous Years of Service.

1.11 **ELIGIBLE CHILD**

Shall mean the Member's surviving natural or adopted children who are under the age of eighteen (18) or, if full-time students, age twenty-three (23).

1.12 **ELIGIBLE SPOUSE**

Shall mean the Member's surviving opposite sex legal spouse or surviving same sex legal spouse under the law of the State in which the marriage was formalized, who is married to the Member on the earlier of the Benefit Payment Commencement Date or the Member's death.

1.13 **EMPLOYMENT COMMENCEMENT DATE**

Shall mean the date on which a Member first performs an Hour of Service for the City.

1.14 **FUND**

Shall consist of all amounts held in trust by the Board of Trustees pursuant to Section VII.

1.15 **HOURS OF SERVICE**

Shall mean each hour that a Member is:

- (a) Directly paid or entitled to payment, by the City for the performance of duties during the applicable computation period;
- (b) Directly paid or entitled to payment, by the City because of a period of time during which no duties are performed (regardless of whether the employment relationship has terminated), e.g., vacation, holiday, illness, incapacity, lay-off, jury duty, military duty, or approved leave of absence, during the applicable computation period; or
- (c) Awarded (or has reached an agreement for) back pay by the City (credited for the computation period or periods to which such award or agreement pertains), regardless of mitigation of damages.

Notwithstanding the above, (1) no more than 501 Hours of Service are required to be credited to a Member on account of any single continuous period during which the Member performs no duties (irrespective of whether such period occurs in a

single computation period); (2) an hour for which a Member is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed, is not required to be credited to the Member if such payment is made or due under a plan maintained solely for the purpose of complying with applicable workers' compensation, unemployment compensation or disability insurance laws; and (3) Hours of Service are not required to be credited for a payment that solely reimburses a Member for medical or medically-related expenses incurred by the Member.

For purposes of this Section, a payment shall be deemed to be made by or due from the City regardless of whether such payment is made by or due from the City directly, or indirectly through, among others, a trust fund, or insurer, to which the City contributes or pays premiums and regardless of whether contributions made or due to the trust fund, insurer, or other entity are for the benefit of particular Members or are on behalf of a group of Members in the aggregate.

Notwithstanding any provision of this Plan to the contrary, benefit accruals and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.

1.16 MEMBER

Shall mean for purposes of the Plan any person who is currently, or hereafter, employed by the City as a police officer or firefighter and makes mandatory contributions to the Plan as provided in Section 2.02. Member shall not include, however, any department head who is not a Member of the Plan at the time of his or her hire into such position (i.e., any department head who is hired into such position from outside the City).

1.17 NORMAL RETIREMENT AGE

For those Members hired prior to July 1, 2007, shall mean the age at which the Member completes twenty-five (25) continuous Years of Service.

For those Members hired on or after July 1, 2007, shall mean the later of the age at which the Member completes twenty-five (25) continuous Years of Service or reaches age fifty-five (55).

1.18 NORMAL RETIREMENT DATE

Shall mean the first day of the month coincident with or immediately following the Member's attainment of Normal Retirement Age.

1.19 **ONE-YEAR BREAK IN SERVICE**

Shall mean the applicable computation period during which a Member has not completed more than 500 Hours of Service with the City. Solely for the purpose of determining whether a Member has incurred a One-Year Break in Service, Hours of Service shall be recognized for "authorized leaves of absence," "maternity and paternity leaves of absence" and "family and medical leaves of absence." Years of Service and One-Year Breaks in Service shall be measured on the same computation period.

"Authorized leave of absence" means an unpaid, temporary cessation from active employment with the City pursuant to an established nondiscriminatory policy, whether occasioned by illness, military service, or any other reason.

A "maternity or paternity leave of absence" means an absence from work for any period by reason of the Member's pregnancy, birth of the Member's child, placement of a child with the Member in connection with the adoption of such child, or any absence for the purpose of caring for such child for a period immediately following such birth or placement. For this purpose, Hours of Service shall be credited for the computation period in which the absence from work begins, only if credit is necessary to prevent the Member from incurring a One-Year Break in Service, or, in any other case, in the immediately following computation period. The Hours of Service credited for a "maternity or paternity leave of absence" shall be those that would normally have been credited but for such absence, or, in any case in which the Administrator is unable to determine such hours normally credited, eight (8) Hours of Service per day. The total Hours of Service required to be credited for a "maternity or paternity leave of absence" shall not exceed 501.

A "family and medical leave of absence" means a leave of absence taken on or after August 5, 1993, which is a qualified leave under the Family and Medical Leave Act of 1993 (FMLA).

1.20 **PLAN**

Shall mean the City of Hannibal, Missouri Policemen and Firemen Retirement Fund, as set forth in this document and as may be amended from time to time in the future.

1.21 **PLAN YEAR**

Shall mean the twelve (12)-month period beginning each July 1 and ending on the following June 30.

1.22 **RETIREMENT DATE**

Shall mean the date a Member retires.

1.23 YEAR OF SERVICE

Shall mean a computation period during which a Member is credited with at least 1,000 Hours of Service. For partial computation periods (i.e., a Member's year of termination), one-fourth ($\frac{1}{4}$) of a Year of Service is credited for each computation period quarter during which a Member is credited with at least 250 Hours of Service. A computation period is the twelve (12)-month period commencing on the Member's Employment Commencement Date and each subsequent anniversary of his or her Employment Commencement Date.

If a Member terminates employment with the City and is later rehired by the City after incurring a One-Year Break in Service, the Member's pre-break Years of Service shall not be counted for Plan purposes, unless such Member had accepted an appointment as the director of any administrative department of the City of which he or she is a member at the time of his or her appointment or as specifically provided below.

Notwithstanding any provision of this Plan to the contrary:

- (a) A Member who leaves the service of the City to serve in the armed services of the United States in any qualifying military deployment shall be entitled to service crediting under the Plan in accordance with Code Section 414(u); and
- (b) Any Member who is placed on temporary total disability due to a work-related injury shall be entitled to service crediting under the Plan as if he or she were actively working for the City during the time of such temporary total disability; provided that the Member returns to his or her respective department immediately upon receiving a medical release to return to work.

Upon return from a leave provided above, said Member will be allowed a time period equal to three (3) times the length of uniformed service (or as otherwise provided in Code Section 414(u) or temporary total disability period, but not longer than five (5) years, to make-up contributions pursuant to Section 2.02 of the Plan that would have been made to the Plan but for the Member's leave. In the case of a Member returning after a period of temporary total disability, the Member's make-up contribution will equal a percentage of his or her temporary total disability payment during such period of disability, which percentage shall equal the percentage specified in Section 2.02 as in effect for the period of his or her disability. A Member on temporary total disability leave may elect to pay such contribution from his or her temporary total disability payment during the leave.

A Member who leaves the service of the City to serve in the armed services of the United States in any qualifying military deployment and whose subsequent service with the City extends beyond the timeframe allowed above to make up

contributions pursuant to Section 2.02 of the Plan and who elected to forgo the make-up contributions specified above may elect to have any or all service lost due to such leave reinstated upon making a contribution to the Plan in the amount of the actuarial value of the increase in benefits that such service would afford. Such contributions shall be calculated as of the Member's Retirement Date by the Plan actuary using the actuarial assumptions employed for Plan funding calculations and specified in the most recent actuarial valuation report, and shall be treated as accumulated employee contributions for all Plan purposes. Notwithstanding anything herein to the contrary, a Member who is entitled to a distribution of accumulated employee contributions hereunder upon his or her termination of employment may elect to use all or part of such accumulated employee contributions to make the contribution provided in the preceding sentences; provided that such election shall reduce the accumulated employee contributions to be distributed to the Member and further provided that such election must be made by notifying the City Clerk in writing within thirty (30) calendar days after his or her termination.

SECTION II - FUNDING

2.01 CITY CONTRIBUTIONS

The City shall contribute to the Plan each Plan Year the amount deemed necessary to fund benefits under this Plan based on the annual recommendations of an enrolled actuary and subject to the review of the City's auditor; provided, however, that the City's contribution for any Plan Year shall not be less than its contribution for the preceding Plan Year (unless the funding ratio, as determined by an enrolled actuary and reflected in the most recent actuarial study, is 80% or greater), nor shall its contribution for any Plan Year increase by more than 3% above its contribution for the preceding Plan Year. For purposes of this Section 2.01, the City's contribution shall be expressed as a percentage of gross compensation. For this purpose, "gross compensation" means all wages, allowances, paid benefits, and other compensation paid to Members. All contributions shall be irrevocable and shall be used for the exclusive benefit of Members and their Beneficiaries, subject to the provisions of Section 10.08.

2.02 EMPLOYEE CONTRIBUTIONS

The City shall deduct the following percentage applicable to each Plan Year from each Member's gross compensation (as defined in Section 2.01 above) on an after-tax basis and contribute it to the Plan:

July 1, 2016 - June 30, 2017	12.5%
July 1, 2017 - June 30, 2018	13%
July 1, 2018 - June 30, 2019	13.5%
July 1, 2019 - June 30, 2020	14%
July 1, 2020 - June 30, 2021	14.5%
July 1, 2021 - June 30, 2022 and subsequent Plan Years	15%

SECTION III - ELIGIBILITY AND PARTICIPATION

3.01 PARTICIPATION

Any Member shall be eligible to participate in the Plan on his or her Employment Commencement Date.

A Member shall not be allowed to waive participation in the Plan for any reason.

3.02 RE-EMPLOYMENT RULES

Any Member who terminates employment with the City and is later rehired as a Member shall be eligible to participate in the Plan immediately on the date of his or her rehire. Prior service shall be credited only as provided in Section 1.23.

SECTION IV - RETIREMENT DATES AND BENEFITS

4.01 NORMAL RETIREMENT

A Member may retire on his or her Normal Retirement Date, and payment of the retirement benefit shall be governed by the following provisions:

- (a) **Benefit Amount:** A Member's monthly normal retirement benefit shall be equal to 65% of the Member's Average Monthly Compensation.
- (b) **Benefit Payments:** Retirement benefits shall be payable in the form of a lifetime annuity on the first day of each month. The first payment shall be made on the first day of the month that falls on or immediately follows the Member's Retirement Date.

A Member's right to his or her normal retirement benefit shall become nonforfeitable upon the attainment of Normal Retirement Age.

4.02 LATE RETIREMENT

A Member may retire after his or her Normal Retirement Age, and payment of the retirement benefit shall be governed by the following provisions:

- (a) **Benefit Amount:** For a Member who continues to work after reaching his or her Normal Retirement Age, his or her retirement benefit shall be that provided in Section 4.01 above; provided, however, that an additional 1% of Average Monthly Compensation shall be added to the 65% stated therein for each Year of Service after twenty-five (25) Years of Service, to a maximum of 70% of Average Monthly Compensation.
- (b) **Benefit Payments:** Late retirement benefits shall be payable in the form of a lifetime annuity on the first day of each month. The first payment shall be made on the first day of the month that falls on or immediately follows the Member's Retirement Date.

4.03 EARLY RETIREMENT

A Member may retire after his or her Early Retirement Age, but before his or her Normal Retirement Age, and payment of the retirement benefit shall be governed by the following provisions:

- (a) **Benefit Amount - Pre-July 1, 2007 Members:** A Member hired prior to July 1, 2007 is entitled to an early retirement benefit payable immediately upon retirement equal to 55% of Average Monthly Compensation. An additional 2% of Average Monthly Compensation is added for each full Year of Service between twenty (20) and twenty-five (25) Years of Service.

- (b) **Benefit Amount - Post July 1, 2007 Members:** A Member hired on or after July 1, 2007 is entitled to an early retirement benefit payable when he or she reaches age fifty-five (55) equal to 55% of Average Monthly Compensation. An additional 2% of Average Monthly Compensation is added for each full Year of Service between twenty (20) and twenty-five (25) Years of Service.
- (c) **Benefit Payments:** Early retirement benefits shall be payable in the form of a lifetime annuity on the first day of each month. The first payment pursuant to Section 4.03(a) above shall be made on the first day of the month that falls on or immediately follows the Member's Retirement Date and the first payment pursuant to Section 4.03(b) above shall be made on the first day of the month that falls on or immediately follows the Member's attainment of age fifty-five (55).

4.04 VESTED BENEFITS

- (a) **Benefit Amount:** Any Member who terminates his or her employment with the City and is credited with at least twelve (12) Years of Service, but less than twenty (20) Years of Service, is entitled to a vested benefit of 2.5% of his or her Average Monthly Compensation, multiplied by his or her Years of Service. In the alternative, a Member described above may, in lieu of receiving such vested benefit, elect a single lump sum distribution of his or her accumulated employee contributions, without earnings.

The Member's election shall be made by notifying the City Clerk in writing within thirty (30) calendar days after his or her termination; provided, however, that a Member who timely elects to receive the vested benefit described in the preceding paragraph may at any time prior to his or her attainment of age fifty-five (55), elect to waive such benefit and receive a single lump sum distribution of his or her accumulated employee contributions. A Member who fails to make a timely election shall be deemed to have elected to receive a single lump sum payment of his or her accumulated employee contributions. In no event shall a Member receive both the vested benefit and his or her accumulated employee contributions.

- (b) **Benefit Payments:** Vested benefits shall be payable in the form of a lifetime annuity on the first day of each month. The first payment shall be payable on the first day of the month that falls on or follows the Member's attainment of age fifty-five (55).

4.05 CHIEF OF THE DEPARTMENT RETIREMENT PROVISION

- (a) **Benefit Amount:** Any Member who: (1) has served as Chief of his or her Police or Fire Department for longer than twelve (12) months, (2) has at least eighteen (18) Years of Service, but less than twenty five (25) Years of Service, and (3) terminates employment on or after January 1, 2025 for any reason other than in connection with the commission of a felonious criminal act, may elect the normal retirement benefit provided in Section 4.01 in lieu of any other benefits to which he or she may be entitled under the Plan. If the Member elects such benefit, he or she shall not be entitled to return of his or her accumulated employee contributions pursuant to Section 4.06 regardless of his or her date of hire.
- (b) **Benefit Payments:** Retirement benefits under Section 4.05(a) shall be payable in the form of a lifetime annuity on the first day of each month. The first payment shall be payable on the first day of the month that falls on or follows the date the Member retires from Service.

4.06 RETURN OF EMPLOYEE CONTRIBUTIONS

- (a) Any Member hired prior to July 1, 2005, shall receive his or her accumulated employee contributions in a single lump sum payment, without earnings, as soon as administratively practicable following termination of employment (other than on account of death), unless he or she is entitled to a vested benefit pursuant to Section 4.04 or a disability benefit pursuant to Article VI.
- (b) Any member hired on or after July 1, 2005, shall receive his or her accumulated employee contributions in a single lump sum payment, without earnings, as soon as administratively practicable following termination of employment (other than on account of death), unless he or she is entitled to a normal retirement benefit under Section 4.01, a late retirement benefit pursuant to Section 4.02, an early retirement benefit pursuant to Section 4.03, a vested benefit pursuant to Section 4.04 or a disability benefit pursuant to Article VI.
- (c) If the Member's accumulated employee contributions do not exceed \$1,000 and he or she is otherwise entitled to a distribution of such contributions as provided hereunder, they shall be distributed to the Member without his or her consent unless he or she elects to roll over such amounts as provided in Section 4.10. If the Member's accumulated employee contributions exceed \$1,000, the Member must elect to receive such amounts directly or to roll over such amounts as provided in Section 4.10; such contributions may not be distributed without the Member's written consent.

4.07 **MAXIMUM ANNUAL BENEFIT LIMITATION**

Notwithstanding anything herein to the contrary, the limitations, adjustments and other requirements prescribed in the Plan shall comply with the provisions of Code Section 415 and the final regulations promulgated thereunder, the terms of which are specifically incorporated herein by reference as of July 1, 2007. For purposes of this Section 4.07 and Code Section 415, the Plan's limitation year shall be the Plan Year.

4.08 **REQUIRED MINIMUM DISTRIBUTIONS**

Notwithstanding anything herein to the contrary, in accordance with Code Section 401(a)(9) and guidance issued thereunder, a Member's retirement benefit shall commence no later than the first day of April immediately following the calendar year in which the Member attains age 70½ or terminates his or her employment with the City, whichever is later. The Member's retirement benefit shall be paid over a period not longer than the life of the Member or the lives of the Member and any designated Beneficiary in accordance with Code Section 401(a)(9). This Section 4.08 shall be applied in accordance with a reasonable and good faith interpretation of Code Section 401(a)(9), including the incidental death benefit requirement under section 401(a)(9)(G).

If the Member dies before distribution of the Member's interest has commenced, distribution of a death benefit shall be completed by the end of the calendar year which contains the fifth (5th) anniversary of the date of the Member's death. Such distribution need not be completed within such five (5)-year period if the distribution is for a period not longer than the life expectancy of the Beneficiary and commences on or before the end of the calendar year immediately following the calendar year in which the Member's death occurred, or if the Beneficiary is the Member's spouse, not later than the later of the end of the calendar year immediately following the calendar year in which the Member died or the end of the calendar year in which the Member would have attained age 70½.

If the distribution of the Member's interest has commenced prior to his or her death and he or she dies before his or her entire interest has been distributed to him or her, the remaining portion of such interest shall be distributed to his or her spouse or Beneficiary at least as rapidly as under the method of distribution as of his or her date of death.

4.09 **APPLICABLE BENEFIT PROVISIONS**

The determination of the Accrued Benefit to which any Member or Beneficiary is entitled shall be governed by the terms of the Plan in effect on the date of the Member's termination of employment, unless a subsequent amendment provides otherwise.

4.10 DIRECT ROLLOVER

- (a) Election. Notwithstanding any contrary provision of the Plan that otherwise would limit a distributee's election of a form of distribution under the Plan, a distributee may elect, at the time and in the manner prescribed by the Board of Trustees, to have all of an eligible rollover distribution paid as a direct rollover to an eligible retirement plan specified by the distributee.
- (b) Definitions.
 - (1) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or a portion of the balance to the credit of the distributee of at least \$200, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (made not less frequently than annually) for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and his or her designated Beneficiary, or for a specified period of ten years or more; and any distribution to the extent such distribution is required under Code Section 401(a)(9).
 - (2) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), a tax deferred annuity described in Code Section 403(b), a qualified trust described in Code Section 401(a), or an eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state which agrees to separately account for amounts transferred into such plan from this Plan, that accepts the eligible rollover distribution; provided, however, that only an inherited individual retirement account or annuity described in Code Section 408(a) or 408(b) that was established for the purpose of receiving benefits under the Plan and a Roth individual retirement account described in Section 408A that is treated as an inherited IRA shall be considered an eligible retirement plan with respect to a distributee who is a non-spouse designated beneficiary. An eligible retirement plan shall also include a Roth individual retirement account described in Code Section 408A.
 - (3) Direct rollover: A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.
 - (4) Distributee: An employee or former employee; and an employee's or former employee's surviving spouse. Distributee also includes

an employee's or former employee's non-spouse designated beneficiary.

SECTION V - DEATH BENEFITS

5.01 DEATH BEFORE BENEFIT PAYMENT COMMENCEMENT DATE

- (a) **Benefit Amount:** If a Member dies while actively employed by the City, his or her surviving Eligible Spouse is entitled to a benefit equal to the amount the Member would have received if he or she had terminated employment on his or her date of death; provided, however, that in the event the Member was credited with at least ten (10) years of service, but less than twenty (20) Years of Service, as of his or her death, the Eligible Spouse is entitled to a benefit equal to 2.5% of Average Monthly Compensation, multiplied by the Member's Years of Service. In the alternative, the Eligible Spouse may, in lieu of receiving such benefit, elect a single lump sum distribution of the Member's accumulated employee contributions, without earnings.

The Eligible Spouse's election shall be made in writing by notifying the City Clerk within sixty (60) calendar days after the Member's death. An Eligible Spouse who fails to make a timely election shall be deemed to have elected to receive the monthly benefit described above.

- (b) **Benefit Payments:** Benefits shall be payable in the form of a lifetime annuity on the first day of each month; provided however, that all payments shall cease upon the Eligible Spouse's death or remarriage. The first payment shall be made on the first day of the month that falls on or immediately follows the Member's death.

5.02 DEATH AFTER BENEFIT PAYMENT COMMENCEMENT DATE

If a Member dies after his or her Benefit Payment Commencement Date, other than with respect to disability benefits under Article VI, his or her Eligible Spouse is entitled to continue the benefit the Member was receiving at his or her death; provided however, that all payments shall cease upon the Eligible Spouse's death or remarriage.

5.03 DEPENDENT CHILD BENEFIT

- (a) **Benefit Amount:** In the event an Eligible Spouse benefit is paid pursuant to Section 5.01 or 5.02 and the Member also had Eligible Children as of his or her death, an additional benefit equal to \$25 per month per Eligible Child shall be paid to the Eligible Spouse until the child ceases to be an Eligible Child.

In the event the Member dies without an Eligible Spouse, or the Eligible Spouse dies or remarries, the benefit that would otherwise have been paid

to an Eligible Spouse shall be divided equally among all Eligible Children and shall continue to each such Eligible Child until the child ceases to be an Eligible Child; provided, however, that any payment under this Section to an Eligible Child shall be reduced by any workers' compensation payments received by such Child from any source.

- (b) **Benefit Payments:** Benefits shall be payable in the form of an annuity on the first day of each month; provided however, that payments shall cease as provided above. The first payment shall be made on the first day of the month that falls on or immediately follows the Member's death or, if applicable, the Eligible Spouse's death or remarriage.

5.04 **DEATH DURING DISABILITY**

If a Member dies while receiving disability benefits under Section 6.01, his or her surviving spouse or dependents shall be entitled to receive any survivor benefits available under the group disability policy referenced in Section 6.01. In addition, and notwithstanding anything herein to the contrary, his or her Eligible Spouse, if any, shall receive the Member's accumulated employee contributions in a single lump sum payment, without earnings, as soon as administratively practicable following the Member's death.

SECTION VI - DISABILITY BENEFITS

6.01 DISABILITY BENEFIT

- (a) **Underlying Policy.** Members shall be eligible for a disability benefit per the terms of the policy of group disability insurance held by the Trust Fund from time to time and attached hereto as Exhibit A. Neither the Trust Fund nor the City shall be obligated to pay any disability benefits under the Plan, other than premiums on such policy.
- (b) **Coordination with Retirement Benefit.** If a Member is entitled to a benefit under this Section 6.01 and also eligible for a benefit under Article IV, the Member may elect to retire and waive his or her benefit under this Section 6.01 in lieu of the benefit under Article IV, subject to the terms and conditions of Article IV. While receiving benefits under Section 6.01, a Member shall not be entitled to receive any other benefit under this Plan.

6.02 CESSATION OF DISABILITY

While receiving benefits under Section 6.01, a Member shall not be entitled to receive any other benefit under this Plan. If a Member who is receiving benefits under Section 6.01 ceases to be disabled or his or her benefit under Section 6.01 ceases for any other reason, to the extent otherwise entitled to receive benefits under Article IV, he or she shall be entitled to receive a benefit provided in Article IV, subject to the terms and conditions of Article IV. Any such benefit shall commence as soon as administratively practicable following the cessation of benefits under Section 6.01; the Member shall not be entitled to benefit payments for any retroactive period.

SECTION VII - MANAGEMENT AND ADMINISTRATION

7.01 GENERAL FIDUCIARY DUTIES

- (a) Fiduciaries shall act with the care, skill, prudence, and diligence under the circumstances that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims.
- (b) In the course of administration of the Plan, fiduciaries may delegate in writing such duties and responsibilities to other parties.
- (c) Each fiduciary is responsible for the duties and responsibilities that are specifically allocated to them under this Section VII, and is responsible for no other duties under the Plan.
- (d) A fiduciary may serve in more than one fiduciary capacity with respect to the Plan.

7.02 RESPONSIBILITIES OF THE BOARD OF TRUSTEES

(a) Powers, Duties and Responsibilities

The primary responsibility of the Board of Trustees is to administer the Plan for the exclusive benefit of the Members and their Beneficiaries, subject to the specific terms of the Plan. The Board of Trustees shall administer the Plan in accordance with its terms and shall have the power to determine all questions arising in connection with the administration, interpretation, and application of the Plan. Any such determination by the Board of Trustees shall be conclusive and binding upon all persons. The Board of Trustees may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of this Agreement. The Board of Trustees shall have all powers necessary or appropriate to accomplish their duties under this Plan.

The Board of Trustees may rely upon such information as is supplied by the City pursuant to Section 7.03, and shall have no duty or responsibility to verify such information.

The Board of Trustees shall be charged with the duties of the general administration of the Plan, including, but not limited to, the following:

- (1) to determine all questions relating to the eligibility of Members to participate or remain a Member hereunder;

- (2) to compute, certify, and direct the amount and the kind of benefits to which any Member shall be entitled hereunder;
- (3) to authorize with respect to all nondiscretionary or otherwise directed disbursements from the Plan;
- (4) to maintain all necessary records for the administration of the Plan;
- (5) to interpret the provisions of the Plan and to make and publish such rules for regulation of the Plan as are consistent with the terms hereof.
- (6) to consult with the City regarding the short and long-term liquidity needs of the Plan in order that the investment manager can exercise any investment discretion in a manner designated to accomplish specific objectives; and
- (7) to assist any Member regarding their rights, benefits, or elections available under the Plan.

The Board of Trustees may appoint counsel, specialists, advisors, and other persons as it deems necessary or desirable in connection with the administration of this Plan, including an actuary who shall have the responsibility for the preparation of the annual actuarial statements.

(b) **Records and Reports**

The Board of Trustees shall keep a record of all actions taken and shall keep all other books of account, records, and other data that may be necessary for proper administration of the Plan and shall be responsible for supplying all information and reports to the Internal Revenue Service, Department of Labor, Members, Beneficiaries and others as required by law.

(c) **Annual Report of Condition of Funds**

The Board of Trustees shall make a report to the City Council of the condition of the Plan and Fund on January 1 in each and every year.

(d) **Records**

The Board of Trustees shall keep a record of all its proceedings, which shall be open to public inspection. It shall meet whenever necessary and transact all business before it. The Board of Trustees annually shall make a report to the City Council showing the fiscal transactions of the Plan for the preceding fiscal year, the amount of accumulated cash and securities of the Plan, and the last balance sheet showing the financial condition of the

system by means of an actuarial valuation of the assets and liabilities of the system.

(e) **Legal Counsel**

The City Attorney is legal counsel for the Board of Trustees. The Board of Trustees reserves the right to hire outside counsel.

7.03 **RESPONSIBILITIES OF THE CITY**

- (a) The City shall authorize contributions to the Fund in accordance with Section II. All expenses incurred before termination of the Plan that arise in connection with the administration of the Plan, including but not limited to proper charges of the actuary, accountant, counsel, specialist, or other person who shall be employed by the Board of Trustees, shall be paid by the City, or by the Fund as directed by the City. The City shall be responsible for amending the Plan as provided in Section 9.01.
- (b) To enable the Board of Trustees to perform its function, the City shall supply full and timely information to the Board of Trustees in all matters relating to the Average Monthly Compensation of all Members, their Hours of Service, their Years of Service, their retirement, death or termination of employment, and such other pertinent facts as the Board of Trustees may require.

7.04 **CLAIMS PROCEDURE**

- (a) **Initial Stage:** Claims related to disability benefits under Section 6.01 shall be handled in accordance with the terms of the policy of group disability insurance held by the Trust Fund from time to time and attached hereto as Exhibit A. Claims for retirement benefits under the Plan must be filed in writing with the Board of Trustees or its delegate (the "Administrator"). Written notice of the disposition of a claim shall be furnished to the "claimant" within ninety (90) days after the application is filed. In the event the Administrator denies a claim for benefits submitted by a Member or Beneficiary ("claimant"), the Administrator shall set forth, in a manner calculated to be understood by the claimant, the following: (1) specific reason(s) for the denial; (2) specific reference(s) to Plan provisions on which the denial is based; (3) a description of any materials or information necessary to perfect the claim and why they are necessary; and (4) an explanation of the review procedure of the Plan. In the event that the Administrator notifies the claimant that additional materials or information are necessary to perfect the claim, the claimant may in lieu of an appeal provide such materials or information to the Administrator within sixty (60) days of such notice. In that event the Administrator shall reconsider the initial claim and furnish written notice of the disposition of the claim to the claimant within sixty (60) days after receipt of such

additional materials or information. If within sixty (60) days after receipt of written notice of the denial of a claim in whole or in part the claimant neither supplies additional materials or information in accordance with this subsection (a) nor requests a hearing in accordance subsection (b), the denial at the initial stage shall become final.

- (b) **Appellate Stage:** Any claimant who has been denied a benefit by a decision of the Administrator shall be entitled to request the Administrator to give further consideration to their claim by filing with the Administrator a written request for a hearing. Such request, together with a written statement of the reasons why the claimant believes their claim should be allowed, shall be filed with the Administrator no later than sixty (60) days after receipt of the written notification provided for in Section 7.04(a). The Administrator shall then conduct a hearing within the next sixty (60) days, at which the claimant may be represented by an attorney or any other representative of their choosing and expense and at which the "claimant" shall have an opportunity to submit written and oral evidence and arguments in support of their claim. At the hearing (or prior thereto upon five (5) business days written notice to the Administrator) the claimant or their representative shall have an opportunity to review all documents in the possession of the Administrator that are pertinent to the claim at issue and its disallowance. Either the claimant or the Administrator may cause a court reporter to attend the hearing and record the proceedings. In such event, a complete written transcript of the proceedings shall be furnished to both parties by the court reporter. The full expense of any such court reporter and such transcripts shall be borne by the party causing the court reporter to attend the hearing.

A final decision as to the allowance of the claim shall be made by the Administrator within sixty (60) days of receipt of the appeal (unless there has been an extension of sixty (60) days due to special circumstances, provided the delay and the special circumstances occasioning it are communicated to the claimant within the sixty (60)-day period). Such communication shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent Plan provisions on which the decision is based.

SECTION VIII - TRUST FUND AND TRUSTEE

8.01 TRUST AGREEMENT

The City has entered into a Trust Agreement with the Board of Trustees to hold the funds necessary to provide the benefits set forth in this Plan. The Trust Agreement shall be deemed to form a part of the Plan and all rights of Members or others under this Plan shall be subject to the provisions of this section to the extent such provisions are not contradicted by specific provisions of this Plan. The Trust Agreement may contain provisions granting authority to the City to settle the accounts of the Board of Trustees on behalf of all persons having or claiming an interest in the Trust Fund.

8.02 TRUST FUND AND TRUSTEES

The Trust Fund shall be received, held, in Trust, and disbursed by the Board of Trustees in accordance with the following provisions of this section and the provisions set forth in this Plan. No part of the Trust Fund shall be used for or diverted to purposes other than for the exclusive benefit of Members, retired Members, disabled Members, spouses and Beneficiaries under this Plan, prior to the satisfaction of all liabilities hereunder with respect to them. No person shall have any interest in or right to the Trust Fund or any part thereof, except as specifically provided for in this Plan or the Trust Agreement. In particular, all benefits funded through the Trust Fund shall be shielded from claims made by the City's creditors. The City may remove the Board of Trustees or any one of them at any time upon the notice required by the terms of the Trust Agreement, and, upon such removal or upon the resignation of the Trustee or Trustees, the City shall designate and appoint a successor Trustee or Trustees. The Board of Trustees shall have such powers to hold, invest, re-invest, control, and disburse funds as at that time shall be set forth in the Trust Agreement.

8.03 INVESTMENTS

The Board of Trustees shall invest and reinvest the Trust Fund without distinction between income or principal in one or more of the following ways as the Board of Trustees shall from time to time determine:

- (a) The Board of Trustees may invest the Trust Fund or any portion thereof in obligations issued or guaranteed by the United States of America or of any instrumentalities thereof, or in other bonds, notes, debentures, mortgages, preferred or common stocks, options to buy or sell stocks or other securities, mutual fund shares, limited partnership interests, commodities, or in such other property, real or personal, as the Board of Trustees shall determine.
- (b) The Board of Trustees may cause the Trust Fund or any portion thereof to be invested in a common trust fund established and maintained by a

national or other bank for the collective investment of fiduciary funds even though the bank is acting as the Board of Trustees or Investment Manager, provided such common trust fund is a qualified trust under the applicable section of the Code, or corresponding provisions of future federal internal revenue laws and is exempt from income tax under the applicable section of the Code. In the event any assets of the Trust Fund are invested in such a common trust fund, the Declaration of Trust creating such common trust fund, as it may be amended from time to time, shall be incorporated into this Plan by reference and made a part hereof.

- (c) The Board of Trustees may deposit any portion of the Trust Fund in savings accounts in federally insured banks or savings and loan associations or invest in certificates of deposit issued by any such bank or savings and loan association. The Board of Trustees may, without liability for interest, retain any portion of the Trust Fund in cash balances pending investment thereof or payment of expenses.
- (d) The Board of Trustees may, in its discretion, fund disability or any other Plan benefit under a policy of group insurance as it determines from time to time.

8.04 **ADMINISTRATION OF TRUST ASSETS**

Subject to the limitations herein expressly set forth, the Board of Trustees shall have the following powers and authority in connection with the administration of the assets of the Trust:

- (a) To hold and administer all contributions made by the City to the Trust Fund and all income or other property derived there from as a single Trust Fund, except as otherwise provided in the Plan.
- (b) To manage, control, sell, convey, exchange, petition, divide, subdivide, improve, repair, grant options, sell upon deferred payments, lease without limit as determined for any purpose, compromise, arbitrate or otherwise settle claims in favor of or against the Trust Fund, institute, compromise and defend actions and proceedings, and to take any other action necessary or desirable in connection with the administration of the Trust Fund.
- (c) To vote any stock, bonds, or other securities of any corporation or other issuer; otherwise consent to or request any action on the part of any such corporation or other issuer; to give general or special proxies or powers of attorney, with or without power of substitution; to participate in any reorganization, recapitalization, consolidation, merger or similar transaction with respect to such securities; to deposit such stocks or other securities in any voting trusts, or with any protective or like committee, or with the trustee, or with the depositories designated thereby; to exercise any subscription rights and conversion privileges or other options and to

make any payments incidental thereto; and generally to do all such acts, execute all such instruments, take all such proceedings and exercise all such rights, powers and privileges with respect to the stock or other securities or property constituting the Trust Fund as if the Trustees were the absolute owner thereof.

- (d) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;
- (e) To register any investment held in the Trust in the Board of Trustees' names or in the name of a nominee and to hold any investment in bearer form, but the books and records of the Trustees shall at all times show that all such investments are part of the Trust;
- (f) To commingle the assets of the Trust Fund with the assets of other similar trusts which are exempt from income tax, whether sponsored by the City, an affiliate of the City or an unrelated City, provided that the books and records of the Trustees shall at all times show the portion of the commingled assets which are part of the Trust; and
- (g) To do all acts whether or not expressly authorized which the Board of Trustees may deem necessary or proper for the protection of the property held hereunder.

SECTION IX - AMENDMENT AND TERMINATION

9.01 AMENDMENT AND TERMINATION OF THE PLAN

The City reserves the right at any time to amend, modify or terminate the Plan in its entirety.

9.02 AMENDMENT OF THE PLAN

The City shall have the right to amend any or all of the provisions of the Plan; provided that no amendment shall authorize or permit any part of the Plan's assets to be diverted for purposes other than for the exclusive benefit of Members and their Beneficiaries. Also, no amendment shall have the effect of re-vesting in the City any portion of the assets of the Plan, except such amounts as may remain in the Plan's assets after termination of the Plan and after all liabilities under the Plan have been satisfied, in accordance with Section 9.03. Any amendment that affects the rights, duties, or responsibilities of the Board of Trustees may only be made with the Trustees' written consent. The Board of Trustees shall not be required to execute any amendment made to the Plan provisions.

Any amendment to the Plan shall not reduce the non-forfeitable percentage of any Member's Accrued Benefit derived from contributions by the City (determined as of the later of the date such amendment is adopted or becomes effective). For purposes of this paragraph, a Plan amendment that has the effect of (a) eliminating or reducing an early retirement benefit or a retirement-type subsidy, or (b) eliminating an optional form of benefit (except as provided by IRS Regulations) with respect to benefits attributable to service before the amendment shall be treated as reducing a Member's Accrued benefit. In the case of a retirement-type subsidy, the preceding sentence shall apply only with respect to a Member who satisfies (either before or after the amendment) the pre-amendment conditions for the subsidy. In general, a retirement-type subsidy is a subsidy that continues after retirement, but does not include a qualified disability benefit, a medical benefit, a Social Security supplement, a death benefit (including life insurance), or a plan shutdown benefit (that does not continue after retirement age).

9.03 TERMINATION OF THE PLAN OR PLAN PARTICIPATION

The City expects this Plan to be continued indefinitely, but reserves the right to terminate the Plan at any time. In the event of the termination or partial termination of the Plan, the rights of all affected Members to Accrued Benefits determined as of the date of such termination or partial termination, to the extent funded as of such date, shall be non-forfeitable. No such action shall alter the Plan or its operation with respect to Members who have previously retired under this Plan.

SECTION X - MISCELLANEOUS

10.01 13TH CHECK PROGRAM

The Board of Trustees, in its discretion, may authorize the ad hoc payment of an additional benefit check (the "13th Check") with respect to any Plan Year beginning on or after July 1, 2020 in an amount equal to one hundred percent (100%) of the eligible annuitant's gross monthly benefit payment, pursuant to the terms and conditions set forth below. A 13th Check under this Section 10.01 is in addition to, and not in lieu of, the regular monthly payments to which such annuitant is otherwise entitled for the applicable Plan Year.

- (a) **Conditions:** In no event shall a 13th Check be authorized by the Board of Trustees for any Plan Year unless all of the following conditions are satisfied, as determined by an actuarial study:
- (1) The funded status of the Plan as of July 1 of the Plan Year for which the 13th Check is made is at least seventy percent (70%); and
 - (2) The funded status of the Plan as of July 1 of the Plan Year for which the 13th Check is made, taking into account the proposed 13th Check, is at least equal to the funded status of the Plan as of July 1 of the previous Plan Year; and
 - (3) The investment gains on the assets of the Plan for the Plan Year for which the 13th Check is made are at least equal to the estimated cost of the proposed 13th Check. For this purpose, "investment gains" means increases on the investments of the Plan, such as dividends, interest, and realized and unrealized gains, for the Plan Year which are in excess of the assumed rate of investment return for the Plan Year.
- (b) **Eligibility:** In the event a 13th Check is authorized for a Plan Year, the following persons shall be eligible to receive a payment for such Plan Year:
- (1) All retired Members who receive a monthly retirement benefit payment pursuant to Section IV of the Plan for June of such Plan Year and who, as of June of such Plan Year, have received monthly retirement benefit payments for at least the immediately preceding twelve (12) months;
 - (2) All Eligible Spouses who receive a monthly benefit payment pursuant to Section 5.01, 5.02 or 5.04 of the Plan for June of such Plan Year and who, as of June of such Plan Year, have received monthly benefit payments for at least the immediately preceding

twelve (12) months (or, to the extent such Eligible Spouse is receiving payments pursuant to Section 5.02 of the Plan, the Member and the Eligible Spouse have together received monthly benefit payments for at least the immediately preceding twelve (12) months);

(3) All Eligible Children who receive a monthly benefit payment pursuant to Section 5.03 or 5.04 of the Plan for June of such Plan Year and who, as of June of such Plan Year, have received monthly retirement benefit payments for at least the immediately preceding twelve (12) months (or, to the extent such Eligible Child is receiving such payments following the death or remarriage of the Eligible Spouse, the Eligible Spouse and the Eligible Child have together received monthly benefit payments for at least the immediately preceding twelve (12) months); and

(4) All Members who incurred a disability prior to August 1, 2017 who receive a monthly benefit payment from the Plan (pursuant to the disability benefit provisions of the Plan in effect on the date of such disability) for June of such Plan Year and who, as of June of such Plan Year, have received monthly benefit payments for at least the immediately preceding twelve (12) months. (For clarity, this provision shall not apply to a Member who incurs a disability after July 31, 2017 and is receiving benefit payments pursuant to Section 6.01 of the Plan directly from an insurer.)

(c) **Payment:** The 13th Check for a Plan Year, if any, shall be paid no later than the December 31 following the end of the Plan Year to which such 13th Check relates.

10.02 HEADINGS

The headings and subheadings in this Plan have been inserted for convenience of reference only, and are to be ignored in any construction of its provisions.

10.03 CONSTRUCTION

In the construction of this Plan, the masculine shall include the feminine and the singular the plural, in all cases where such meanings would be appropriate.

10.04 SPENDTHRIFT CLAUSE

The benefit payable by the police and fireman retirement fund shall not be assignable or subject to counterclaim, recoupment or set off except as provided in the plan document, nor shall it be subject to process or proceeding in any court for the payment of any debt of any member or beneficiary. No Member or

Beneficiary shall have any right to alienate, commute, or assign any of the benefit distributions.

10.05 STATUS AND LOCATION OF RECIPIENTS

(a) Legally Incompetent

Every person receiving or claiming a benefit under the Plan shall be presumed to be mentally competent and of age until the Board of Trustees receives reliable, written notice that such person is incompetent or a minor. Payments otherwise due a minor shall be paid to any custodial parent of such minor. Payments otherwise due any other incompetent person shall be paid to the guardian, conservator, or other legal representative of such person. In the event that the Board of Trustees is unable to locate a parent, guardian, conservator, or other legal representative of an incompetent person who is otherwise entitled to payment under the Plan, such payment shall be made to the individual determined by the Board of Trustees to have legally assumed financial responsibility for the care of such person. Before the initial payment is made to an individual designated in this Section 10.05, the minor or other legally incompetent person shall be legally notified of the Board of Trustees' intent to make such payment to that other individual. Any payment of a benefit in accordance with the provisions of this Section shall be in complete discharge of any further liability to make such payment.

(b) Location of Member or Beneficiary Unknown

If no legal representative or any of the aforementioned persons can be located by reason of the inability of the Board of Trustees, after sending a registered letter, return receipt requested, to any of the last known addresses of all of the aforementioned, and after further diligent effort, to ascertain the whereabouts of such Member or their beneficiary, children or legal representatives, the amounts so distributable shall be forfeited under the Plan. In the event a Member or Beneficiary is located subsequent to his benefit being forfeited, such benefit shall be restored, first from forfeitures, if any, and then from an additional City contribution if necessary.

10.06 FORFEITURES

Forfeitures arising from any cause shall not be applied to increase the benefits any Member would otherwise receive, and the forfeitures shall be applied to reduce the current or future year's contributions.

10.07 PAYMENTS PRORATED WHEN FUNDS ARE INSUFFICIENT

If at any time there should not be sufficient money in the retirement fund to pay each person entitled to the benefit thereof the full amount per month as herein provided, then an equal percentage of such monthly payments shall be made to

each beneficiary until such fund shall be replenished to warrant the payment in full of each of the beneficiaries.

10.08 RETURN OF PLAN ASSETS TO THE CITY

The assets of the Plan shall be held for the exclusive purpose of providing benefits to Members and their Beneficiaries, and shall never be returned to the City except:

- (a) where the contribution was conditioned on the initial qualification of the Plan by the Internal Revenue Service, such contribution shall be returned within one (1) year after the date of denial of qualification of the Plan;
- (b) in accordance with Section 10.03 where there are excess or residual assets remaining upon termination of the Plan and after payment of all liabilities with respect to the Plan;
- (c) where the contribution was made by a mistake of fact, such contribution shall be returned within one (1) year after payment of such contribution;
- (d) where the deductibility of the contribution under the Code is disallowed by the Internal Revenue Service, or deemed to be disallowed in accordance with rules established by the Internal Revenue Service, such contribution, to the extent disallowed or deemed disallowed, shall be returned within one (1) year after the denial; or
- (e) for the payment of administrative expenses authorized by the City or paid pursuant to Section VII.

10.09 NOT A CONTRACT OF EMPLOYMENT

The Plan shall not be deemed to constitute a contract between the City and any Member or other person in the employ of the City, nor shall anything in this Plan be deemed to give any Member any right to be retained in the employ of the City, or to interfere with the right of the City to discharge any Member at any time, and to treat them without regard to the effect such treatment might have upon them as a Member in the Plan.

10.10 INDEMNITY

Except as otherwise prohibited by applicable law, the City hereby agrees to assume liability for, and does hereby indemnify, protect, save, and keep harmless each member of the Board of Trustees, and his or her respective successors and assigns from and against any and all liabilities, obligations, losses, expenses, damages, penalties, taxes, claims, actions, suits, costs, expenses, or disbursements (including legal fees and expenses) of any kind and nature whatsoever, which may be imposed on, incurred by, or asserted against such member(s) (whether or

not such member(s) is also indemnified by any other person), which in any way relates to or arises out of this Plan or the administration of the Plan or Fund, or the action or inaction of such member(s) hereunder, except only in the case of willful misconduct or gross negligence on the part of such member(s) in the performance of his duties.

10.11 **FALSE STATEMENTS**

Any person who knowingly or willfully makes any false statement in regard to applying for or securing a benefit under the Plan, or falsified any record or records of the Plan in an attempt to defraud the Plan as a result of such act, shall be guilty of a misdemeanor as well as having all his or her rights, interests and privileges under and by virtue of the Plan revoked and canceled.

EXHIBIT A

Group Disability Policy

Effective August 1, 2017



Hannibal Police Department

Jacob Nacke, Chief of Police

777 Broadway, P O Box 793
Hannibal, MO 63401

Chief's Office (573) 221-7111
Police Department (573) 221-0987
Department Fax (573) 221-3966
Confidential Fax (573) 406-1535
E-mail chief@hannibalpd.com

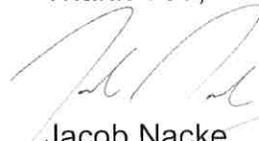
January 9, 2026

Dear Mayor McCoy and Council Members,

The Hannibal Police Department currently has one remaining 2018 Dodge Charger from our previous vehicle fleet. This vehicle currently has 122,569 miles and is not safe to operate for emergency driving or police use.

I am requesting permission to surplus this 2018 Dodge Charger (2C3CDXKTXJH323961). The vehicle will be sold by Purple Wave auctions which we have used in the past.

Thank You,



Jacob Nacke
Chief of Police