Arkansas Local Police and Fire Retirement System

Compiled Annual Actuarial Valuation Report
as of December 31, 2025

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Compiled Actuarial Valuation Report

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June 17, 2026

Board of Trustees
Arkansas Local Police and Fire
Retirement System
Little Rock, Arkansas

Dear Board Members:

Submitted in this report are the compiled results of the annual actuarial valuations for the Arkansas Local Police and Fire Retirement System (LOPFI). The date of the valuation was December 31, 2025.

This report was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board (including employers participating in LOPFI). This report may be provided to parties other than the System only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The purposes of the valuation are to measure the funding progress in relation to the actuarial cost method and to determine the employer contribution rate for the Fiscal Year beginning January 1, 2027. These measurements were made in accordance with the basic financial objective of the Arkansas Local Police and Fire Retirement System (LOPFI): to establish and receive contributions which, expressed as a percent of active member payroll, will remain approximately level from generation-to-generation and when combined with present assets and future investment return will be sufficient to meet the financial obligations of LOPFI to present and future benefit recipients. Calculations required for compliance with the Governmental Accounting Standards Board (GASB) Statements No. 67 and No. 68 has been issued in a separate report.

This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

Results of the 2025 actuarial valuations indicate that aggregate actuarial accrued liabilities are 77% covered by actuarial valuation assets. This result includes the 298 local police and fire pension and relief funds which are closed to new hires and for which LOPFI also serves as administrative agent. Continued receipt of computed employer and member contributions will improve this financial condition and allow LOPFI to continue to operate in sound condition in accordance with the actuarial principles of level cost financing.

The valuations were based upon data furnished to us concerning active and retired members and System assets as of December 31, 2025. The cooperation of the Executive Director and the LOPFI staff in furnishing the materials required for these valuations is acknowledged with appreciation. We checked for internal and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the data provided by LOPFI staff.

The actuarial methods and assumptions used in making the valuations are shown in Section E of this report. The December 31, 2025 valuation was based upon demographic assumptions that were recommended in connection with a study of experience covering the period from January 1, 2017 through December 31, 2020, and the economic assumptions adopted by the Board in March 2022. These assumptions were established by the Board after consulting with the actuary as outlined in A.C.A. 24-10-205(a)(1). The combined effect of the assumptions, excluding prescribed assumptions or methods set by law, is expected to have no significant bias (i.e., not significantly optimistic or pessimistic). The actuarial assumptions and methods used for funding purposes meet the parameters set by Actuarial Standards of Practice.

To the best of our knowledge, this report is complete and accurate and was made in accordance with standards of practice promulgated by the Actuarial Standards Board of the American Academy of Actuaries and in conformance with Title 24 of the Arkansas Code, which gives the Board the authority to adopt the assumptions used in actuarial valuations. The Board has committed to an ongoing review of the actuarial assumptions. In our opinion, the assumptions used for the valuation produce results which, individually and in the aggregate, are reasonable.

Note that other assumptions and methods could also be reasonable and could result in materially different results. In addition, because it is not possible or practical to consider every possible contingency, we may use summary information, estimates or simplifications of calculations to facilitate the modeling of future events. We may also exclude factors or data that are deemed to be immaterial. Each actuarial valuation takes into account all prior differences between actual and assumed experience in each risk area and adjusts the contribution rates as needed.

Please be aware that future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the economic and demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuary's assignment, the actuary did not perform an analysis of the potential range of such future measurements.

On the basis of the December 31, 2025 actuarial valuations and the benefits and contribution rates then in effect, it is our opinion that the Arkansas Local Police and Fire Retirement System continues to satisfy the general financial objective of level contribution financing.

We have assessed that the contribution rates under the current funding policy are reasonable Actuarially Determined Employer Contributions (ADECs) and they are consistent with the plan accumulating adequate assets to make benefit payments when due.

The contribution rate in this report is determined using the actuarial assumptions and methods disclosed in Section E of this report. This report includes risk metrics on pages B-18 through B-21, but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment. We encourage a review and assessment of investment and other significant risks that may have a material effect on the plan's financial condition.

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

This valuation assumed the continuing ability of the plan sponsor to make contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The actuaries who prepared this report have substantial experience valuing public employee retirement systems and are independent of the plan sponsor. Heidi G. Barry and Casey T. Ahlbrandt-Rains are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

If you have any questions concerning this report or LOPFI in general, please contact the LOPFI office.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Heidi G. Barry, ASA, FCA, MAAA

Casey T. Ahlbrandt-Rains, ASA, FCA, MAAA

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SECTION A

EXECUTIVE SUMMARY

Executive Summary
Comments

Comment 1: The December 31, 2025 actuarial valuations establish employer contribution rates for the fiscal year beginning in calendar year 2027. Contribution rates for 303 paid service departments were computed. In addition, Local Pension and Relief Fund departments under LOPFI administration were included to develop employer contribution rates for affected departments. The uniform contribution rate is 24.50% and results in a 15.0-year amortization period. This rate reflects the Board policy of increasing all individual location employer rates by 1% of pay until all or most employer rates can be merged into a single uniform paid service employer rate. The Board policy also reflects a maximum employer contribution rate of 24.50% for calendar year 2027. Beginning with the contributions for calendar year 2026, the uniform rate is set equal to the maximum rate.

For Benefit Program 2 paid service departments participating in LOPFI, the uniform rate is the Benefit Program 1 rate plus a surcharge of 2.50%. Beginning with the contributions for calendar year 2026, there is no longer a surcharge for Benefit Program 2 employers with members covered by Social Security.

Comment 2: Due to changes enacted in the 2007 Session of the Arkansas General Assembly, all Benefit Program 3 volunteer service departments participating in LOPFI are charged a uniform rate for the calendar year. For calendar year 2027, that rate is $95.00 per member per month ($7.00 per member per month after allocation of Premium Tax money) which results in a 9.0-year amortization period. This rate was computed as $75.00 ($6.50 per member per month after allocation of Premium Tax money) in the prior valuation which resulted in a 14.7-year amortization period. For Benefit Program 4 volunteer service departments participating in LOPFI, the uniform rate is the Benefit Program 3 rate plus a surcharge of $20.00.

Comment 3: Overall experience for the year ending December 31, 2025 was unfavorable, primarily as a result of larger payroll increases than expected. The rate of return based on the fair value of assets for the year ended December 31, 2025 was 11.2% while the recognized rate of return on the actuarial value of assets was 8.2%, which partially offset losses resulting from payroll increases. The net experience losses totaled $38.5 million or 0.8% of the actuarial accrued liabilities (see page B-17).

Comment 4: The ratio of actuarial value of assets to fair value of assets is currently 95.0%, as the fair value of assets exceeded the actuarial value of assets by $204.4 million. If near-term experience matches valuation expectations, in particular that investment returns on a fair value basis of 7.25% are achieved each year for the next four years, the phase-in of these yet-to-be-recognized gains will result in accelerated funding progress on an actuarial basis.

Comment 5: Actuarial accrued liabilities, including both LOPFI and Local Pension and Relief Funds under LOPFI administration, totaled $5.062 billion while smoothed actuarial valuation assets totaled $3.878 billion. Hence, actuarial accrued liabilities are 77% covered by actuarial valuation assets as of December 31, 2025. Excluding the Local Funds, paid actuarial accrued liabilities are 78% covered by actuarial valuation assets.

Comment 6: There were no assumption changes, method changes or benefit provision changes for the December 31, 2025 actuarial valuation.

Executive Summary
Comments

Comment 7: Every four to five years we typically perform a study that reviews the demographic and economic experience of the System and then recommend changes in assumptions as appropriate and necessary to comply with Actuarial Standards of Practice. The last study covered the experience during the period January 1, 2017 to December 31, 2020. The next study will cover experience during the period January 1, 2021 to December 31, 2025. We would expect this study to be completed late in calendar year 2026 and to affect the December 31, 2026 valuations.

Recommendation and Conclusion

Recommendation: We recommend that the Section 24-10-405(h)(1) limits be removed (or at least increased). This limit hinders the complete implementation of the single paid service employer rate and may, over the long run, impair the ability to maintain a sound retirement plan.

Conclusion: The Retirement System's financial objective is to meet long-term benefit obligations through contributions that remain approximately level from year-to-year as a percent of active member payroll. Continued receipt of these contributions is the best guarantee that the Retirement System will be able to pay all promised benefits when due.

Executive Summary – Other Observations

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status

Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 7.25% on the actuarial value of assets), it is expected that:

1) The employer normal cost is sufficient to cover the cost of benefits accruing each year;
2) The unfunded actuarial accrued liabilities will be fully amortized after 15.0 years for paid service and 9.0 years for volunteer service; and
3) The funded status of the plan will increase gradually towards a 100% funded ratio.

Limitations of Funded Status Measurements

Unless otherwise indicated, a funded status measurement presented in this report is based upon the actuarial accrued liability and the actuarial value of assets. Unless otherwise indicated, with regard to any funded status measurements presented in this report:

1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations; in other words, of transferring the obligations to an unrelated third party in an arm's length fair value type transaction.
2) The measurement is dependent upon the actuarial cost method which, in combination with the plan's amortization policy, affects the timing and amounts of future contributions. A funded status measurement in this report of 100% is not synonymous with no required future contributions. If the funded status were 100%, the plan would still require future normal cost contributions (i.e., contributions to cover the cost of the active membership accruing an additional year of service credit).
3) The measurement would produce a different result if the fair value of assets were used instead of the actuarial value of assets, unless the fair value of assets is used in the measurement.

Limitations of Project Scope

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsor or other contributing entity to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.

Risks to Future Employer Contribution Requirements

There are ongoing risks to future employer contribution requirements to which the Retirement System is exposed, such as:

- Actual and Assumed Investment Rate of Return;
- Actual and Assumed Wage Inflation;
- Actual and Assumed Mortality Rates; and
- Amortization Policy.

SECTION B

VALUATION RESULTS

LOPFI
Average Computed Employer Contribution Rate for Paid Service Members

Computed December 31, 2025 for Plan Year Beginning January 1, 2027

Contributions	% of Active Payroll #
Normal Cost of Benefits:	
Age and Service	12.89%
Casualty	2.60%
Refunds	1.34%
Total	16.83%
Unfunded Accrued Liabilities *	15.12%
Total Contribution Requirement	31.95%
Member Portion @	7.45%
Employer Portion	24.50%

 # Includes DROP participant payroll.

** Unfunded actuarial accrued liabilities are projected to be amortized over a 15.0-year period.*

@ Weighted average, Social Security covered members contribute 3.50% of pay, while members not covered by Social Security contribute 9.50% of pay.

LOPFI
Computed Employer Contributions for Paid Service Members by Department December 31, 2025@

Group	Number of Active Members	Number of Departments with Indicated Computed Employer Contributions Expressed as Percents of Active Member Payroll							Totals
		Under 19.00%	19.00% -19.99%	20.00% -20.99%	21.00% -21.99%	22.00% -22.99%	23.00% -23.99%	24.00% & Above	
12/31/2017 *	6,651	29	5	15	18	24	190	4	285
12/31/2018 #	6,755	19	11	5	15	46	189	5	290
12/31/2019	6,889	11	7	11	5	15	238	7	294
12/31/2020 #	6,916	6	5	7	11	5	253	8	295
12/31/2021 *	6,834	3	3	5	7	11	43	223	295
12/31/2022 #	7,017	2	1	2	5	7	55	224	296
12/31/2023 #	7,199	1	1	1	2	5	52	239	301
12/31/2024	7,340	-	-	1	1	2	5	293	302
12/31/2025	7,427	-	-	-	1	1	2	299	303
Paid Police:									
W/SS	2,596	-	-	-	1	1	-	181	183
W/O SS	1,576	-	-	-	-	-	2	12	14
Paid Fire:									
W/SS	245	-	-	-	-	-	-	42	42
W/O SS	3,010	-	-	-	-	-	-	64	64

Group	Number of Active Members	Number of Departments with Indicated Computed Employer Contributions Expressed as Percents of Active Member Payroll									Totals
		Under 9.00%	9.00% -9.99%	10.00% -10.99%	11.00% -11.99%	12.00% -12.99%	13.00% -13.99%	14.00% -14.99%	15.00% -15.99%	16.00% & Above	
12/31/2009	5,907	8	8	8	5	11	20	17	33	159	269
12/31/2010	5,949	7	6	6	13	6	17	18	27	174	274
12/31/2011	6,016	3	3	6	6	12	6	17	19	203	275
12/31/2012 *#	6,139	1	2	3	6	6	11	7	16	220	272
12/31/2013	6,245	1	-	2	3	5	6	11	6	238	272
12/31/2014	6,323	1	-	1	2	3	5	6	11	247	276
12/31/2015 *	6,430	1	-	-	1	2	3	5	7	266	285
12/31/2016	6,551	-	1	-	-	-	2	3	5	272	283

* *After changes in actuarial valuation assumptions.*

\# *After legislated benefit changes.*

@ *Rules established by Board policy to implement uniform paid service rule applied on and after December 31, 2011. All paid service employer rates increased by the maximum allowed under law.*

LOPFI
Computed Employer Contribution Rate for Volunteer Service Members

Computed December 31, 2025 for Plan Year Beginning January 1, 2027

Contributions	$ Per Member Per Month
Normal Cost of Benefits:	
Age and Service	$ 27.81
Casualty	1.72
Refunds	-
Total	29.53
Unfunded Accrued Liabilities *	65.47
Total Contribution Requirement	95.00
Member Portion	-
Employer Portion	$ 95.00

** Unfunded actuarial accrued liabilities are projected to be amortized over a 9.0-year period.*

LOPFI
Reported Accrued Assets Available for Benefits
December 31, 2025

Group Type	No. #	Employer Accumulation Account	Members' Deposit Account	Retirement Reserve Account &	Totals @
Paid Police W/SS	183	$ 250,643,009	$ 36,056,763	$ -	$ 286,699,772
Paid Police W/O SS	14	258,711,621	98,745,709	-	357,457,330
Paid Fire W/SS	42	28,448,081	4,868,244	-	33,316,325
Paid Fire W/O SS	64	597,938,104	168,370,567	-	766,308,671
Subtotal	303	1,135,740,815	308,041,283	-	1,443,782,098
Volunteer Police and Fire	630	82,150,666	-	-	82,150,666
Retirants and Beneficiaries	-	-	-	2,204,425,575	2,204,425,575
Total	933	$ 1,217,891,481	$ 308,041,283	$ 2,204,425,575	$ 3,730,358,339

 # Number of departments with active participants as of December 31, 2025. Totals include accounts for departments with no active participants as of December 31, 2025.

& Includes DROP Reserve Account.

@ Does not include assets of $352,451,136 invested by LOPFI on behalf of Pension and Relief Funds under LOPFI administration.

The Employer Accumulation Account represents employer contributions accumulated for the payment of annuities.

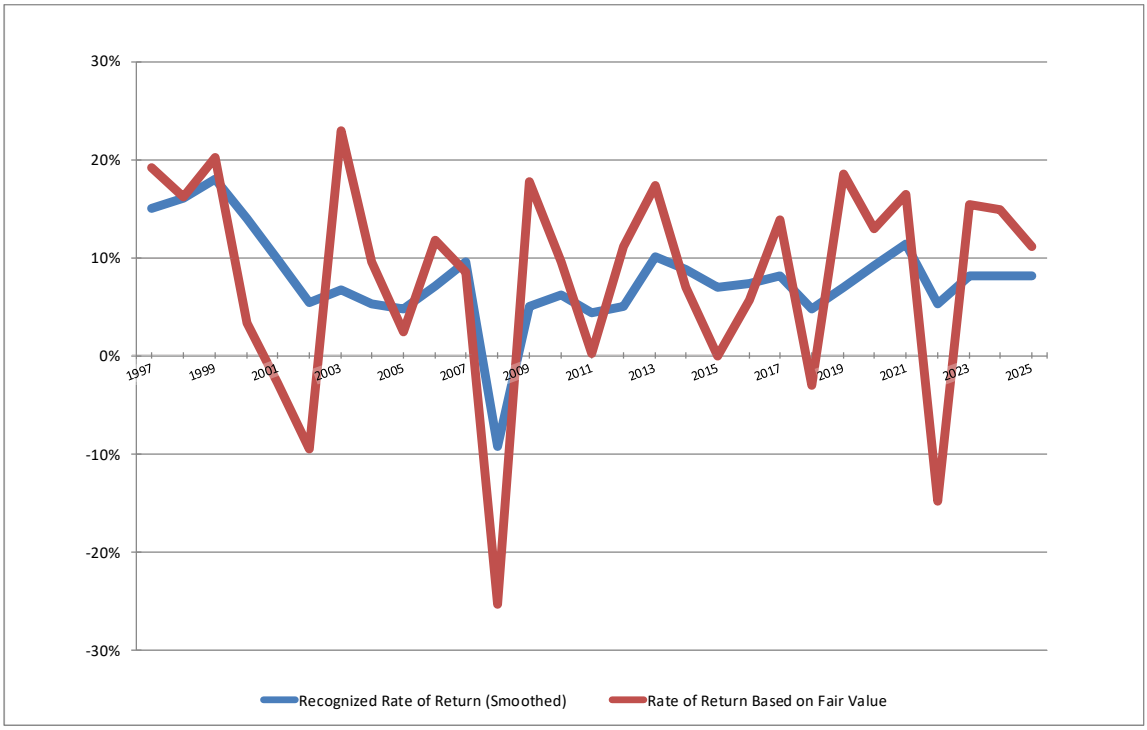
The Members' Deposit Account represents employee contributions for (1) monthly annuities upon future retirements and (2) refunds upon termination if a monthly annuity is not payable.

The Retirement Reserve Account represents employer and employee contributions accumulated for monthly annuities being paid to present retired lives.

LOPFI
Development of Actuarial Value of Retirement System Assets
(Including Assets of Pension and Relief Fund Plans Under LOPFI Administration)

Year Ended December 31:	2021	2022	2023	2024	2025
A. Actuarial Value Beginning of Year	$2,637,519,696	$2,926,343,924	$3,067,268,089	$3,313,026,418	$3,582,117,971
B. Fair Value End of Year	3,267,281,824	2,772,495,903	3,194,502,712	3,667,708,157	4,082,809,475
C. Fair Value Beginning of Year	2,814,482,623	3,267,281,824	2,772,495,903	3,194,502,712	3,667,708,157
D. Non-Investment Net Cash Flow	(10,375,288)	(13,034,709)	(3,882,297)	(1,465,813)	4,068,110
E. Investment Income					
E1. Market Total: B - C - D	463,174,489	(481,751,212)	425,889,106	474,671,258	411,033,208
E1(a). Assumed Rate of Return	7.50%	7.25%	7.25%	7.25%	7.25%
E2. Amount for Immediate Recognition	$ 197,424,904	$ 211,687,426	$ 222,236,203	$ 240,141,280	$ 259,851,022
E3. Amount for Phased-In Recognition: E1-E2	265,749,585	(693,438,638)	203,652,903	234,529,978	151,182,186
F. Phased-In Recognition of Investment Income					
F1. Current Year: 0.20 x E3	53,149,917	(138,687,728)	40,730,581	46,905,996	30,236,437
F2. First Prior Year	28,317,319	53,149,917	(138,687,728)	40,730,581	46,905,996
F3. Second Prior Year	43,894,333	28,317,319	53,149,917	(138,687,728)	40,730,581
F4. Third Prior Year	(44,402,395)	43,894,333	28,317,319	53,149,917	(138,687,728)
F5. Fourth Prior Year	20,815,438	(44,402,393)	43,894,334	28,317,320	53,149,917
F6. Total Recognized Investment Gain	101,774,612	(57,728,552)	27,404,423	30,416,086	32,335,203
G. Actuarial Value End of Year: A + D + E2 + F6	2,926,343,924	3,067,268,089	3,313,026,418	3,582,117,971	3,878,372,306
120% Corridor	3,920,738,189	3,326,995,084	3,833,403,254	4,401,249,788	4,899,371,370
80% Corridor	2,613,825,459	2,217,996,722	2,555,602,170	2,934,166,526	3,266,247,580
Actuarial Value End of Year	2,926,343,924	3,067,268,089	3,313,026,418	3,582,117,971	3,878,372,306
H. Difference Between Fair & Actuarial Value	340,937,900	(294,772,186)	(118,523,706)	85,590,186	204,437,169
I. Recognized Rate of Return	11.37%	5.27%	8.14%	8.17%	8.15%
J. Fair Value Rate of Return	16.49%	(14.77)%	15.37%	14.86%	11.20%
K. Ratio of Actuarial Value to Fair Value	89.57%	110.63%	103.71%	97.67%	94.99%

Comparison Measurements for Rates of Investment Return
Fair Value of Assets vs. Actuarial Value of Assets



LOPFI
Summary of Valuation Assets, Actuarial Accrued Liabilities and Average Contribution Rate Excluding Pension and Relief Funds Under LOPFI Administration

Paid Participants

Valuation Date ^	Number of Departments	Active Members	Actuarial Accrued Liabilities	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	Funded Ratio*	Average Contribution Rate[1]	Average Contribution Rate[2]	Amortization Period
12/31/2006	247	5,328	$ 679,947,017	$ 633,759,848	$ 46,187,169	93 %	15.11 %		30
12/31/2007	261	5,603	790,780,919	740,968,085	49,812,834	94	15.16	15.44 %	30
12/31/2008 #+	258	5,640	941,808,816	778,148,309	163,660,507	83	15.30	15.69	30
12/31/2009	269	5,907	1,089,212,977	765,350,382	323,862,595	70	17.25	18.79	30
12/31/2010	274	5,949	1,188,842,953	840,895,829	347,947,124	71	17.03	19.21	30
12/31/2011	275	6,016	1,307,344,445	928,177,445	379,167,000	71	18.01	19.63	30
12/31/2012 #+	272	6,139	1,434,209,374	1,031,482,975	402,726,399	72	18.97	18.97	22
12/31/2013	272	6,245	1,592,077,174	1,188,197,455	403,879,719	75	19.39	19.39	19
12/31/2014	276	6,323	1,734,569,468	1,335,956,221	398,613,247	77	20.12	20.12	16.3
12/31/2015 #	285	6,430	1,937,302,402	1,463,508,550	473,793,852	76	21.04	21.04	18.8
12/31/2016	283	6,551	2,101,909,805	1,607,578,162	494,331,643	76	21.90	21.90	16.8
12/31/2017 #	285	6,651	2,317,272,762	1,774,216,157	543,056,605	77	22.44	22.44	17.0
12/31/2018 +	290	6,755	2,477,962,759	1,890,785,753	587,177,006	76	22.84	22.84	16.1
12/31/2019	294	6,889	2,688,706,314	2,046,963,145	641,743,169	76	23.17	23.17	16.5
12/31/2020 +	295	6,916	2,887,310,723	2,256,519,852	630,790,871	78	23.38	23.38	13.8
12/31/2021 #	295	6,834	3,193,285,631	2,515,658,420	677,627,211	79	23.72	23.72	15.9
12/31/2022 +	296	7,017	3,465,248,173	2,653,811,204	811,436,969	77	23.83	23.83	17.8
12/31/2023	301	7,199	3,770,230,171	2,878,744,600	891,485,571	76	23.93	23.93	17.7
12/31/2024	302	7,340	4,054,953,791	3,125,075,772	929,878,019	77	24.50	24.50	16.0
12/31/2025	303	7,427	4,330,923,311	3,390,827,374	940,095,937	78	24.50	24.50	15.0

* *If this ratio approximates 100%, it indicates that financial activity is operating within an expected range of reasonableness.*

\# *After changes in actuarial valuation assumptions.*

\+ *After legislated benefit changes and Board policy changes.*

^ *Rules established by Board policy to implement uniform paid service rule applied on and after December 31, 2011. All paid service employer rates increased by the maximum allowed under law.*

[1] *With Section 24-10-405(h)(1) cap on rate increases as a result of plan experience.*

[2] *Without Section 24-10-405(h)(1) cap on rate increases as a result of plan experience.*

LOPFI
Summary of Valuation Assets, Actuarial Accrued Liabilities and Average Contribution Rate Excluding Pension and Relief Funds Under LOPFI Administration (Continued)

Volunteer Participants

Valuation Date	Number of Departments	Active Members	Actuarial Accrued Liabilities	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	Funded Ratio*	Average Contribution Rate[&]	Amortization Period
12/31/2006	341	4,905	$ 33,214,438	$ 21,250,207	$ 11,964,231	64 %	$ 33.91	30
12/31/2007	461	6,620	47,026,093	26,468,537	20,557,556	56	39.15	30
12/31/2008 #	457	6,603	53,074,090	24,187,269	28,886,821	46	46.14	30
12/31/2009	468	6,551	58,959,579	27,103,260	31,856,319	46	49.15	29
12/31/2010	485	6,734	64,586,619	32,173,609	32,413,010	50	49.62	28
12/31/2011	512	7,034	71,670,610	36,812,938	34,857,672	51	51.56	27
12/31/2012 #	511	7,029	78,626,100	42,114,214	36,511,886	54	53.75	26
12/31/2013	534	7,140	84,573,784	49,562,326	35,011,458	59	52.68	25
12/31/2014	554	7,347	90,183,301	57,093,309	33,089,992	63	52.68	21
12/31/2015 #	566	7,304	97,465,046	62,673,098	34,791,948	64	54.13	21
12/31/2016	573	7,391	103,714,962	69,786,157	33,928,805	67	55.62	18.5
12/31/2017 #	579	7,341	112,025,766	77,776,841	34,248,925	69	59.00	16.0
12/31/2018	596	7,461	118,978,599	83,364,148	35,614,451	70	59.00	16.7
12/31/2019	601	7,533	126,633,600	91,327,397	35,306,203	72	59.00	16.5
12/31/2020	602	7,508	133,866,429	101,496,995	32,369,434	76	59.00	13.1
12/31/2021 #	608	7,316	148,345,786	114,245,426	34,100,360	77	60.00	15.2
12/31/2022	618	7,251	164,296,294	120,522,577	43,773,717	73	60.00	26.4
12/31/2023	629	7,184	174,717,902	130,841,730	43,876,172	75	60.00	28.5
12/31/2024	630	7,227	184,768,346	141,453,084	43,315,262	77	75.00	14.7
12/31/2025	630	7,151	194,362,923	152,442,587	41,920,336	78	95.00	9.0

* *If this ratio approximates 100%, it indicates that financial activity is operating within an expected range of reasonableness.*

\# *After changes in actuarial valuation assumptions.*

& *Beginning with the December 31, 2006 valuation, volunteer departments are not separately experience rated for employer contribution rate purposes.*

LOPFI
Summary of Valuation Assets, Actuarial Accrued Liabilities and Average Contribution Rate
Excluding Pension and Relief Funds Under LOPFI Administration (Concluded)

Total Plan

Valuation Date	Number of Departments	Active Members	Actuarial Accrued Liabilities	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	Funded Ratio*
12/31/2006	588	10,233	$ 713,161,455	$ 655,010,055	$ 58,151,400	92 %
12/31/2007	722	12,223	837,807,012	767,436,622	70,370,390	92
12/31/2008 #+	715	12,243	994,882,906	802,335,578	192,547,328	81
12/31/2009	737	12,458	1,148,172,556	792,453,642	355,718,914	69
12/31/2010	759	12,683	1,253,429,572	873,069,438	380,360,134	70
12/31/2011	787	13,050	1,379,015,055	964,990,383	414,024,672	70
12/31/2012 #+	783	13,168	1,512,835,474	1,073,597,189	439,238,285	71
12/31/2013	806	13,385	1,676,650,958	1,237,759,781	438,891,177	74
12/31/2014	830	13,670	1,824,752,769	1,393,049,530	431,703,239	76
12/31/2015 #	851	13,734	2,034,767,448	1,526,181,648	508,585,800	75
12/31/2016	856	13,942	2,205,624,767	1,677,364,319	528,260,448	76
12/31/2017 #	864	13,992	2,429,298,528	1,851,992,998	577,305,530	76
12/31/2018 +	886	14,216	2,596,941,358	1,974,149,901	622,791,457	76
12/31/2019	895	14,422	2,815,339,914	2,138,290,542	677,049,372	76
12/31/2020 +	897	14,424	3,021,177,152	2,358,016,847	663,160,305	78
12/31/2021 #	903	14,150	3,341,631,417	2,629,903,846	711,727,571	79
12/31/2022 +	914	14,268	3,629,544,467	2,774,333,781	855,210,686	76
12/31/2023	930	14,383	3,944,948,073	3,009,586,330	935,361,743	76
12/31/2024	932	14,567	4,239,722,137	3,266,528,856	973,193,281	77
12/31/2025	933	14,578	4,525,286,234	3,543,269,961	982,016,273	78

* *If this ratio approximates 100%, it indicates that financial activity is operating within an expected range of reasonableness.*

\# *After changes in actuarial valuation assumptions.*

\+ *After legislated benefit changes.*

Other Results Associated with the Determination of Employer Contribution Rates Excluding Pension and Relief Funds Under LOPFI Administration

Terminated Vested Results*

The following table contains information regarding terminated vested member data used in the December 31, 2025 valuation. It includes projected benefits and the actuarial accrued liabilities associated with these benefits. The projected benefit reflects our best estimate of the ultimate benefit. The ultimate benefit will be based on the final average pay at termination.

The December 31, 2025 valuation included 10,776 terminated vested members from 892 departments.

Service Type	Number	Projected Annual Benefits	Actuarial Accrued Liabilities	Average Age
Paid	5,870	$ 14,022,073	$ 120,168,148	42.5
Volunteer	4,906	5,496,666	43,410,876	51.6
Total	10,776	$ 19,518,739	$ 163,579,024	46.6

* *The terminated vested data contains non-terminated vested members who are entitled to, but have not yet received, a refund from the System.*

Active Inactive Results

Active Inactive refers to members who have terminated service with an employer, but are currently active with a different employer in LOPFI. The following table contains information regarding the active inactive member data used in the December 31, 2025 valuation. It includes the actuarial accrued liabilities associated with the service accrued from the terminated employer.

The December 31, 2025 valuation included 5,130 active inactive members from 816 departments.

Service Type	Number	Actuarial Accrued Liabilities	Average Age
Paid	2,060	$105,826,713	40.2
Volunteer	3,070	8,890,426	40.8
Total	5,130	$114,717,139	40.6

Other Results Associated with the Determination of Employer Contribution Rates Excluding Pension and Relief Funds Under LOPFI Administration (Concluded)

Retired Results

The following table contains information regarding retired member data used in the December 31, 2025 valuation. When a member retires, a reserve transfer is made to the Retirement Reserve Account to fully fund the liabilities associated with the benefit recipient.

The December 31, 2025 valuation included 10,018 retired members from 901 departments.

Service Type	Number	Annual Benefits	Actuarial Accrued Liabilities	Average Age at Valuation Date	Average Age at Retirement
Paid	4,954 *	$ 148,121,627	$ 2,068,693,490	60.5	52.4
Volunteer	5,064	6,337,798	77,978,903	63.6	56.0
Total	10,018	$ 154,459,425	$ 2,146,672,393	62.1	54.2

** Paid number counts do not reflect additional records associated with DROP annuitizations.*

Deferred Retirement Option Plan (DROP) Results

The following table contains information regarding DROP member data used in the December 31, 2025 valuation. It includes current DROP account deposits, expected benefits at retirement and the actuarial accrued liabilities associated with these benefits.

The December 31, 2025 valuation included 391 DROP members from 105 departments.

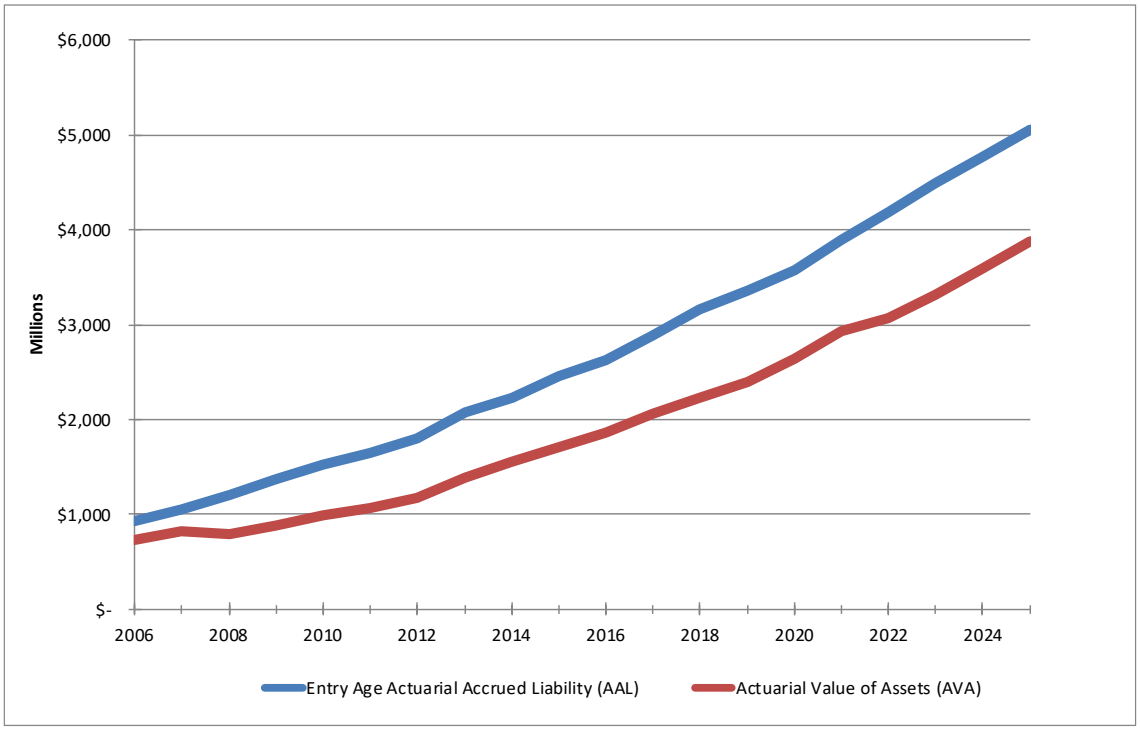
Service Type	Number	Annual DROP Benefits	Expected Annual Benefits at Retirement	Actuarial Accrued Liabilities	Average Age at Valuation Date	Average Age at DROP
Paid	391	$ 14,991,540	$ 20,252,976	$ 333,044,821	56.6	53.4

LOPFI and Local Plans
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Entry Age Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (c) = (b) - (a)	Funded Ratio (d) = (a)/(b)	Annual Valuation Payroll (e)	UAAL as a Percentage of Valuation Payroll (f) = (c)/(e)
12/31/2006	$ 724,746,827	$ 927,816,659	$ 203,069,832	78%	$ 222,107,556	91%
12/31/2007	827,546,002	1,054,599,720	227,053,718	78%	235,337,218	96%
12/31/2008 +#	788,633,082	1,200,515,663	411,882,581	66%	245,775,341	168%
12/31/2009	878,958,364	1,379,093,412	500,135,048	64%	265,123,993	189%
12/31/2010	982,154,992	1,519,527,855	537,372,863	65%	268,424,127	200%
12/31/2011	1,070,685,918	1,654,156,087	583,470,169	65%	275,850,081	212%
12/31/2012 +#	1,169,357,127	1,805,815,641	636,458,514	65%	284,595,308	224%
12/31/2013	1,391,830,575	2,069,345,139	677,514,564	67%	298,805,693	227%
12/31/2014	1,554,175,988	2,235,441,597	681,265,609	70%	307,760,404	221%
12/31/2015 #	1,702,593,072	2,455,768,287	753,175,215	69%	317,133,046	237%
12/31/2016	1,857,485,451	2,623,115,852	765,630,401	71%	326,307,029	235%
12/31/2017 #	2,066,004,218	2,892,057,540	826,053,322	71%	338,837,262	244%
12/31/2018 +	2,235,288,171	3,154,883,796	919,595,625	71%	350,825,283	262%
12/31/2019	2,397,980,317	3,365,160,599	967,180,282	71%	367,406,964	263%
12/31/2020 +	2,637,519,696	3,572,572,929	935,053,233	74%	379,736,069	246%
12/31/2021 #	2,926,343,924	3,895,299,842	968,955,918	75%	383,460,690	253%
12/31/2022 +	3,067,268,089	4,180,902,097	1,113,634,008	73%	410,696,540	271%
12/31/2023	3,313,026,418	4,492,688,851	1,179,662,433	74%	455,700,108	259%
12/31/2024	3,582,117,971	4,764,674,693	1,182,556,722	75%	492,688,804	240%
12/31/2025	3,878,372,306	5,061,735,230	1,183,362,924	77%	519,490,220	228%

 # After changes in actuarial valuation assumptions.
+ After legislated benefit changes and Board policy changes.

LOPFI and Local Plans
Actuarial Accrued Liability vs. Actuarial Value of Assets



LOPFI and Local Plans
Schedule of Employer Contributions

Fiscal Year Ending	Annual Required Contribution	Percent Contributed
12/31/2010	$ 58,654,842	100%
12/31/2011	61,818,119	100%
12/31/2012	66,648,849	100%
12/31/2013	73,092,900	100%
12/31/2014	82,447,373	100%
12/31/2015	85,473,297	100%
12/31/2016	89,923,898	100%
12/31/2017	96,071,994	100%
12/31/2018	104,016,627	100%
12/31/2019	113,692,346	100%
12/31/2020	119,262,176	100%
12/31/2021	123,130,126	100%
12/31/2022	129,285,608	100%
12/31/2023	143,365,628	100%
12/31/2024	154,931,051	100%
12/31/2025	164,374,972	100%

Short Condition Test
Comparative Statement

LOPFI Plans

LOPFI Paid Service

Valuation Date December 31	Actuarial Accrued Liabilities for: Member Contributions (1)	Current Retirees and Beneficiaries (2)	Active and Inactive Members, Employer Financed Portion (3)	Actuarial Value of Assets	Portion of Present Values Covered by Assets (1)	(2)	(3)
2012 #+	$ 176,658,387	$ 290,143,869	$ 967,407,118	$ 1,031,482,975	100 %	100 %	58 %
2013	189,555,199	357,817,076	1,044,704,899	1,188,207,688	100	100	61
2014	202,036,742	424,620,753	1,107,911,973	1,335,956,221	100	100	64
2015 #	211,502,055	526,188,884	1,199,611,463	1,463,508,560	100	100	61
2016	220,115,288	632,757,349	1,249,037,168	1,607,578,162	100	100	60
2017 #	229,228,802	760,264,654	1,327,779,306	1,774,216,157	100	100	59
2018 +	239,860,093	867,082,665	1,371,020,001	1,890,785,753	100	100	57
2019	244,796,596	1,022,434,924	1,421,474,794	2,046,963,145	100	100	55
2020 +	251,563,149	1,168,479,254	1,467,268,320	2,256,519,852	100	100	57
2021 #	254,808,504	1,394,652,805	1,543,824,322	2,515,658,420	100	100	56
2022 +	262,713,022	1,553,287,616	1,649,247,535	2,653,811,204	100	100	51
2023	273,084,746	1,725,236,498	1,771,908,927	2,878,744,600	100	100	50
2024	288,230,130	1,906,204,248	1,860,519,413	3,125,075,772	100	100	50
2025	308,041,283	2,068,693,490	1,954,188,538	3,390,827,374	100	100	52

LOPFI Volunteer Service

Valuation Date December 31	Actuarial Accrued Liabilities for: Member Contributions (1)	Current Retirees and Beneficiaries (2)	Active and Inactive Members, Employer Financed Portion (3)	Actuarial Value of Assets	Portion of Present Values Covered by Assets (1)	(2)	(3)
2012 #	$ -	$ 18,410,957	$ 60,215,143	$ 42,114,214	- %	100 %	39 %
2013	-	21,467,691	63,106,093	49,552,093	-	100	45
2014	-	24,443,482	65,739,819	57,093,309	-	100	50
2015 #	-	28,794,727	68,670,319	62,673,098	-	100	49
2016	-	31,622,143	72,092,819	69,786,157	-	100	53
2017 #	-	36,279,130	75,746,636	77,776,841	-	100	55
2018	-	39,876,740	79,101,859	83,364,148	-	100	55
2019	-	44,341,829	82,291,771	91,327,397	-	100	57
2020	-	48,621,919	85,244,510	101,496,995	-	100	62
2021 #	-	55,037,613	93,308,173	114,245,426	-	100	63
2022	-	59,306,887	104,989,407	120,522,577	-	100	58
2023	-	64,720,740	109,997,162	130,841,730	-	100	60
2024	-	71,170,990	113,597,356	141,453,084	-	100	62
2025	-	77,978,903	116,384,020	152,442,587	-	100	64

 # After changes in actuarial valuation assumptions.
+ After legislated benefit changes and Board policy changes.

Short Condition Test
Comparative Statement

Local Plans

Local Paid Service

Valuation Date December 31	Actuarial Accrued Liabilities for: Member Contributions (1)	Current Retirees and Beneficiaries (2)	Active and Inactive Members, Employer Financed Portion (3)	Actuarial Value of Assets	Portion of Present Values Covered by Assets (1)	(2)	(3)
2012 #	$ 2,123,678	$ 248,990,760	$ 28,111,237	$ 88,851,483	100 %	35 %	- %
2013	1,647,055	347,697,141	29,055,445	146,413,041	100	42	-
2014	1,734,546	357,077,348	36,767,436	152,308,676	100	42	-
2015 #	1,455,029	371,571,160	32,666,704	167,837,218	100	45	-
2016	1,595,793	372,340,632	27,740,698	171,109,243	100	46	-
2017 #	1,274,344	415,623,362	25,783,235	199,957,371	100	48	-
2018	1,158,476	509,574,301	24,638,215	244,799,518	100	48	-
2019	1,061,086	503,135,342	22,195,366	242,430,841	100	48	-
2020	847,168	506,805,254	21,006,978	261,734,327	100	51	-
2021 #	745,609	504,959,151	23,563,366	275,650,869	100	54	-
2022	597,719	504,926,084	20,013,360	271,010,385	100	54	-
2023	521,589	503,563,532	17,966,025	280,312,374	100	56	-
2024	417,179	482,635,576	17,168,932	291,206,962	100	60	-
2025	360,294	498,409,567	12,706,908	308,645,921	100	62	-

Local Volunteer Service

Valuation Date December 31	Actuarial Accrued Liabilities for: Member Contributions (1)	Current Retirees and Beneficiaries (2)	Active and Inactive Members, Employer Financed Portion (3)	Actuarial Value of Assets	Portion of Present Values Covered by Assets (1)	(2)	(3)
2012 #	$ 17,401	$ 13,196,487	$ 540,604	$ 6,908,455	100 %	52 %	- %
2013	17,759	13,940,442	336,339	7,657,753	100	55	-
2014	17,778	14,706,680	385,040	8,817,782	100	60	-
2015 #	4,398	14,991,823	308,725	8,574,196	100	57	-
2016	6,919	15,514,259	292,784	9,011,889	100	58	-
2017 #	6,284	19,761,146	310,641	14,053,849	100	71	-
2018	6,461	22,310,984	254,001	16,338,752	100	73	-
2019	4,190	23,272,798	151,903	17,258,934	100	74	-
2020	4,277	22,583,013	149,087	17,768,522	100	79	-
2021 #	5,009	24,243,140	152,150	20,789,209	100	86	-
2022	3,912	25,667,465	149,090	21,923,923	100	85	-
2023	2,854	25,578,556	108,222	23,127,714	100	90	-
2024	2,842	24,608,952	119,075	24,832,153	100	99	-
2025	2,314	24,891,166	78,747	26,456,424	100	100	100

 # After changes in actuarial valuation assumptions.

Derivation of Actuarial Gain (Loss)

Year Ended December 31, 2025
(LOPFI and Local Plans Combined)

The actuarial gains or losses realized in the operation of the Retirement System provide an experience test. Actual experience will never (except by coincidence) coincide exactly with assumed experience. It is expected that gains and losses will cancel each other over a period of years, but sizable year-to-year fluctuations are common. Detail on the derivation of the actuarial gain (loss) is shown below, along with a year-by-year comparative schedule.

(1)	UAAL at start of year		$ 1,182,556,723
(2)	Employer normal cost from last valuation		48,310,267
(3)	Actual employer contributions		179,748,584
(4)	Interest accrual: (1) x 0.07250 + [(2)-(3)] x (0.07250/2)		80,970,723
(5)	Expected UAAL before changes: (1) + (2) - (3) + (4)		1,132,089,129
(6)	Change from benefit changes*		12,746,654
(7)	Change from revised actuarial assumptions		-
(8)	Expected UAAL after changes		1,144,835,783
(9)	Actual UAAL at end of year		1,183,362,924
(10)	Gain (Loss) (8) - (9)		(38,527,141)
	(a) demographics		(70,862,344)
	(b) investment return		32,335,203
(11)	Gain (Loss) as percent of actuarial accrued liabilities at start of year	$4,764,674,693	(0.8)%

* *Includes unfunded liability associated with Local Pension Funds added during the year.*

Valuation Date December 31	Actuarial Gain (Loss) as a Percentage of Beginning Accrued Liabilities
2016	(0.5) %
2017	(0.3)
2018	(2.6)
2019	(1.9)
2020	0.5
2021	2.4
2022	(3.1)
2023	(2.0)
2024	(0.7)
2025	(0.8)

Risks Associated with Measuring the Accrued Liability and Actuarially Determined Contribution

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. **Investment Risk** – actual investment returns may differ from the expected returns;
2. **Asset/Liability Mismatch** – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. **Contribution Risk** – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base;
4. **Salary and Payroll Risk** – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. **Longevity Risk** – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
6. **Other Demographic Risks** – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.

Plan Maturity Measures

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures are discussed in the following pages. A historical summary of these plan maturity measures can be found on page B-21.

Funded Ratio

The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

Ratio of Actuarial Accrued Liability to Payroll

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of contributions for a fully funded plan. A funding policy that targets a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time. AAL/Payroll is expected to grow as the System matures.

The ratio of liability to payroll may also be used as a measure of sensitivity of the liability itself. For example, if the actuarial accrued liability is 2.5 times the payroll, a change in liability 2% other than assumed would equal 5% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in liability (and also plan sponsor contributions) as a percentage of payroll.

Ratio of Fair Value of Assets to Payroll

The relationship between assets and payroll is a useful indicator of the potential volatility of contributions. For example, if the fair value of assets is 2.0 times the payroll, a return on assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in plan sponsor contributions as a percentage of payroll.

Ratio of Unfunded Actuarial Accrued Liability to Payroll

The ratio of unfunded liability to payroll gives an indication of the plan sponsor's ability to actually pay off the unfunded liability. The ratio of the unfunded actuarial accrued liability to payroll is expected to trend toward 0% in 15.0 years for paid participants.

Plan Maturity Measures
(Concluded)

Ratio of Net Cash Flow to Fair Value of Assets

The ratio of Net External Cash Flow to assets is an important measure of sustainability. Negative ratios are common and expected for a maturing system. In the longer term, this ratio should be on the order of approximately -4%. A ratio that is significantly more negative than that for an extended period could be a leading indicator of potential exhaustion of assets.

Duration of Present Value of Future Benefits

The duration of the present value of future benefits may be used to approximate the sensitivity to a 1% change in the assumed rate of return. For example, a duration of 10 indicates that the liability would increase approximately 10% if the assumed rate of return were lowered 1%.

Additional Risk Assessment

Additional risk assessment is outside the scope of the annual actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.

LOPFI and Local Plans
Risk Measures
($ Millions)

Valuation Date Dec. 31	(1) Accrued Liabilities (AAL)	(2) Fair Value of Assets	(3) Unfunded AAL (1)-(2)	(4) Valuation Payroll	(5) Funded Ratio (2)/(1)	(6) AAL/ Payroll (1)/(4)	(7) FV Assets/ Payroll (2)/(4)	(8) UAAL/ Payroll (3)/(4)	(9) Net External Cash Flow (NECF)	(10) NECF/ Assets (9)/(2)	(11) Modified Duration of PVFB
2009	$ 1,379	$ 828	$ 551	$ 265	60%	520%	312%	208%	$ 49	6.0%	
2010	1,520	956	564	268	63%	566%	356%	210%	47	4.9%	
2011	1,654	1,002	652	276	61%	600%	363%	237%	44	4.4%	
2012#+	1,806	1,159	647	285	64%	635%	407%	227%	43	3.7%	
2013	2,069	1,468	601	299	71%	693%	491%	201%	100	6.8%	
2014	2,235	1,610	625	308	72%	726%	523%	203%	37	2.3%	
2015#	2,456	1,647	809	317	67%	774%	519%	255%	37	2.3%	
2016	2,623	1,771	852	326	68%	804%	543%	261%	28	1.6%	
2017#	2,892	2,075	817	339	72%	853%	612%	241%	54	2.6%	
2018+	3,155	2,080	1,075	351	66%	899%	593%	306%	70	3.4%	15.7
2019	3,365	2,475	890	367	74%	917%	674%	243%	7	0.3%	15.0
2020+	3,573	2,814	759	380	79%	940%	741%	200%	18	0.6%	14.9
2021#	3,895	3,267	628	383	84%	1017%	853%	164%	(10)	-0.3%	14.8
2022+	4,181	2,772	1,409	411	66%	1017%	674%	343%	(13)	-0.5%	14.9
2023	4,493	3,195	1,298	456	71%	985%	701%	285%	(4)	-0.1%	14.9
2024	4,765	3,668	1,097	493	77%	967%	744%	223%	(1)	0.0%	15.0
2025	5,062	4,083	979	519	81%	975%	787%	189%	4	0.1%	14.9

 # LOPFI had experience studies and/or assumption changes in these years leading to a change or "true up" in actuarial assumptions. A pattern of periodic studies is a sign of a well-run system and suggests the extent to which the liability measures the actuary provides are likely to be realistic.

+ LOPFI had benefit changes in these years. Benefit increases cause liabilities to rise; benefit decreases cause liabilities to fall. In either case, benefit changes affect the year-by-year comparability of the measures on this page.

Short-term fluctuations will occur due to experience, plan changes, and assumption and method changes. Long-term expectations are described on the prior pages.

Low-Default-Risk Obligation Measure

Introduction

In December 2021, the Actuarial Standards Board (ASB) adopted a revision to Actuarial Standard of Practice (ASOP) No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions. The revised ASOP No. 4 requires the calculation and disclosure of a liability referred to by the ASOP as the "Low-Default-Risk Obligation Measure" (LDROM). The rationale that the ASB cited for the calculation and disclosure of the LDROM was included in the Transmittal Memorandum of ASOP No. 4 and is presented below (emphasis added):

> "The ASB believes that the calculation and disclosure of this measure provides **appropriate, useful information for the intended user regarding the funded status of a pension plan**. The calculation and disclosure of this additional measure is **not intended to suggest that this is the "right" liability measure** for a pension plan. However, the ASB does believe that **this additional disclosure provides a more complete assessment of a plan's funded status and provides additional information regarding the security of benefits that members have earned as of the measurement date."**

Comparing the Accrued Liabilities and the LDROM

One of the fundamental financial objectives of LOPFI is to finance each member's retirement benefits over the period from the member's date of hire until the member's projected date of retirement (entry age actuarial cost method) as a level percentage of payroll. To fulfill this objective, the discount rate that is used to value the accrued liabilities of LOPFI is set equal to the **expected return** on the System's diversified portfolio of assets (referred to sometimes as the investment return assumption). For LOPFI, the investment return assumption is 7.25%.

The LDROM is meant to approximately represent the lump sum cost to a plan to purchase low-default-risk fixed income securities whose resulting cash flows essentially replicate in timing and amount the benefits earned (or the costs accrued) as of the measurement date. The LDROM is very dependent upon market interest rates at the time of the LDROM measurement. The lower the market interest rates, the higher the LDROM, and vice versa. The LDROM results presented in this report are based on the projected unit credit actuarial cost method and discount rates based upon the December 2025 Treasury Yield Curve Spot Rates (monthly average). The 1-, 5-, 10- and 30-year rates follow: 3.57%, 3.73%, 4.22% and 5.00%.

Low-Default-Risk Obligation Measure

Presented below are the actuarial accrued liability and the LDROM as of December 31, 2025 for LOPFI.

Paid Service		
Type of Member	Valuation Accrued Liabilities	LDROM
Retirees	$ 2,401,738,311	$ 3,193,569,862
Deferreds	225,994,861	346,788,824
Actives	1,703,190,139	2,157,033,582
Totals	**$ 4,330,923,311**	**$ 5,697,392,268**

Volunteer Service		
Type of Member	Valuation Accrued Liabilities	LDROM
Retirees	$ 77,978,903	$ 101,576,138
Deferreds	52,301,302	79,071,052
Actives	64,082,718	76,545,011
Totals	**$ 194,362,923**	**$ 257,192,201**

Commentary Regarding the LDROM

Some ways in which the LDROM can assist the LOPFI Board of Trustees in a decision-making process include:

(1) It provides information to potentially allow for better risk management for LOPFI.
(2) It places the appropriateness of potential employer contribution rate reductions or benefit enhancements in a better context.
(3) It provides more complete information regarding the benefit security of the membership's benefits earned as of the measurement date.

Potentially Allows for Better Risk Management: A very useful risk metric to exhibit potential contribution rate volatility (or amortization period volatility for fixed rate plans) is the ratio of assets to payroll or AAL to payroll. How could we reduce that potential contribution rate volatility (or amortization period volatility for fixed rate plans)? The LDROM and liability driven investing (LDI) are closely related concepts.

Low-Default-Risk Obligation Measure

Places the Appropriateness of Potential Employer Contribution Rate Reductions or Benefit Enhancements in a Better Context: Many PERS have adopted a funding policy. Many funding policies already take into account the System's funded ratio (based upon the AAL) when considering whether to allow for benefit enhancements or contribution rate reductions. For example, a System may not allow for a benefit enhancement if the funded ratio does not exceed a certain threshold. Similarly, a System may not allow for an employer contribution rate reduction in some circumstances. For example, a reduction to the employer normal cost contribution may not be allowed until the System reaches a funded ratio of 120%. Given the fact that most criteria are based upon the expectation of earning the investment return assumption, a System may want to consider extending these criteria to a funded ratio based upon the LDROM in addition to the AAL.

Provides more Complete Information Regarding the Benefit Security of the Membership's Benefits Earned as of the Measurement Date: Too often, a high funded ratio (e.g., 100% funded) on an AAL basis is interpreted as benefit security for the participants. The fact that this funded ratio is based upon an expected measure is many times overlooked. If the AAL and LDROM measures are relatively close, then the System at least has the opportunity to make benefits payable in the future more secure.

Results for Local Plans under LOPFI Administration
Paid Service Plans as of December 31, 2025

Department	Actuarial Accrued Liability	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	2027 Total Monthly Employer Rate*
Arkadelphia Fire	$ 819,675	$ 503,642	$ 316,033	$ 2,801
Bald Knob Part-Paid Fire	95,047	145,789	(50,742)	-
Barling Fire	317,916	290,561	27,355	947
Beebe Fire	476,313	529,878	(53,565)	727
Bella Vista Fire	5,308,399	3,030,384	2,278,015	23,400
Benton Fire	8,146,603	5,777,318	2,369,285	39,175
Benton Police	2,142,706	2,638,698	(495,992)	-
Bentonville Fire	5,825,667	9,576,033	(3,750,366)	-
Blytheville Fire	2,625,943	2,000,586	625,357	12,472
Blytheville Police	2,013,544	2,696,444	(682,900)	-
Brinkley Fire	228,215	234,297	(6,082)	-
Brinkley Police	214,004	581,806	(367,802)	-
Cabot Fire	1,093,580	3,667,704	(2,574,124)	-
Cabot Police	797,577	4,581,539	(3,783,962)	-
Camden Fire	2,187,673	1,856,625	331,048	18,502
Camden Police	3,191,848	2,537,047	654,801	13,442
Centerton Fire	1,271,315	1,281,696	(10,381)	148
Clinton Fire	178,364	170,051	8,313	288
Conway Fire	7,272,395	6,965,665	306,730	57,436
Conway Police	7,937,149	7,905,313	31,836	49,904
Crossett Fire	3,035,529	2,596,727	438,802	5,503
Crossett Police	304,651	1,811,073	(1,506,422)	-
El Dorado Fire	4,823,687	346,446	4,477,241	46,121
El Dorado Police	3,066,893	(1,081,480)	4,148,373	50,083
Fayetteville Fire	10,297,907	1,626,846	8,671,061	80,840
Fayetteville Paid Police	13,686,395	7,181,488	6,504,907	66,231
Forrest City Fire	2,535,749	2,622,166	(86,417)	10,832
Forrest City Police	1,185,753	(92,921)	1,278,674	14,518
Fort Smith Fire	27,969,431	12,650,240	15,319,191	153,552
Fort Smith Police	22,465,793	10,625,549	11,840,244	141,480
Gentry Fire	933,166	933,259	(93)	961
Harrison Police	3,264,110	2,808,619	455,491	4,434
Heber Springs Fire	265,953	282,686	(16,733)	-
Heber Springs Police	1,187,921	1,745,107	(557,186)	-
Helena - West Helena Fire	2,673,943	2,442,536	231,407	18,675
Helena - West Helena Police	2,133,354	2,048,210	85,144	15,825
Hope Fire	1,605,129	1,741,372	(136,243)	209
Hot Springs Fire	14,520,140	(1,129,737)	15,649,877	152,380
Hot Springs Police	20,837,379	16,703,294	4,134,085	69,952
Hot Springs Village Fire	436,051	(29,447)	465,498	4,529
Hoxie Fire	111,444	122,990	(11,546)	496
Jonesboro Fire	10,074,850	(1,957,379)	12,032,229	124,280
Jonesboro Police	10,055,838	9,556,480	499,358	19,801

* *The Total Monthly Employer Rate is the fixed monthly dollar amount charged to the Employer to cover Local Plan unfunded actuarial accrued liabilities.*

Due to extreme uncertainty in financial markets at this time, the employer contribution established for calendar year 2027 will not be lower than the amount in effect for calendar year 2026.

Results for Local Plans under LOPFI Administration
Paid Service Plans as of December 31, 2025
(Concluded)

Department	Actuarial Accrued Liability	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	2027 Total Monthly Employer Rate*
Lincoln Fire	$ 88,051	$ 72,813	$ 15,238	$ 227
Little Rock Fire	80,108,612	47,461,595	32,647,017	283,048
Little Rock Police	83,945,117	50,991,973	32,953,144	337,627
Lowell Fire	378,538	1,263,486	(884,948)	-
Lowell Police	47,659	(14,188)	61,847	1,621
Magnolia Fire	2,726,068	3,063,759	(337,691)	6,356
Magnolia Police	1,110,943	956,556	154,387	3,993
Malvern Fire	1,193,124	1,936,791	(743,667)	-
Malvern Police	596,428	1,713,800	(1,117,372)	-
Marianna Fire	695,480	646,499	48,981	533
Marianna Police	435,557	709,878	(274,321)	-
McGehee Fire	345,853	383,656	(37,803)	-
McGehee Police	43,647	707,969	(664,322)	-
Mena Fire	582,107	683,760	(101,653)	-
Monticello Fire	499,009	843,172	(344,163)	-
Mountain Home Fire	4,287,637	1,582,660	2,704,977	25,906
Newport Fire	583,139	1,208,975	(625,836)	-
Newport Police	1,444,722	605,419	839,303	7,653
North Little Rock Fire	17,708,861	320,638	17,388,223	176,114
North Little Rock Police	17,638,957	(652,334)	18,291,291	188,445
Osceola Police	2,070,823	3,035,092	(964,269)	-
Paragould Fire	1,129,995	395,508	734,487	7,869
Paragould Police	1,814,099	535,142	1,278,957	14,532
Pine Bluff Fire	11,739,206	5,581,891	6,157,315	60,690
Pine Bluff Police	18,099,792	13,837,913	4,261,879	48,551
Pocahontas Fire	773,352	890,384	(117,032)	-
Russellville Fire	4,896,210	3,480,392	1,415,818	15,773
Russellville Police	4,802,213	5,942,892	(1,140,679)	-
Searcy Fire	3,886,466	(402,214)	4,288,680	43,457
Searcy Police	2,588,243	1,368,493	1,219,750	14,679
Stamps Fire	21,559	3,823	17,736	147
Stuttgart Fire	3,293,664	2,802,023	491,641	27,133
Stuttgart Police	801,326	1,629,186	(827,860)	-
Texarkana Fire	4,871,262	4,949,738	(78,476)	4,977
Texarkana Paid Police	10,063,753	3,872,174	6,191,579	55,940
Trumann Fire	361,735	195,647	166,088	1,669
Van Buren Fire	1,431,884	567,560	864,324	11,213
Walnut Ridge Fire	1,318,921	595,209	723,712	6,851
Warren Fire	138,577	108,176	30,401	280
West Memphis Fire	$ 8,613,099	$ 7,344,873	$ 1,268,226	$ 16,579
West Memphis Police	3,831,019	6,617,285	(2,786,266)	-
Wynne Fire	399,205	282,653	116,552	1,353

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Due to extreme uncertainty in financial markets at this time, the employer contribution established for calendar year 2027 will not be lower than the amount in effect for calendar year 2026.

Results for Local Plans under LOPFI Administration
Volunteer Service Plans as of December 31, 2025

Department	Actuarial Accrued Liability	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	2027 Total Monthly Employer Rate*
Altheimer Volunteer Fire	$ 31,518	$ 67,561	$ (36,043)	$ -
Altus Volunteer Fire	54,522	28,361	26,161	442
Amity Volunteer Fire	138,634	183,596	(44,962)	-
Arkadelphia Volunteer Fire	67,601	47,641	19,960	257
Arkansas City Volunteer Fire	7,751	(12,283)	20,034	467
Atkins Volunteer Fire	132,682	145,105	(12,423)	-
Augusta Volunteer Fire	75,677	120,974	(45,297)	-
Bald Knob Volunteer Fire	58,535	117,483	(58,948)	-
Barling Volunteer Fire	40,706	177,775	(137,069)	-
Bay Volunteer Fire	45,528	113,880	(68,352)	-
Bearden Volunteer Fire	44,499	84,157	(39,658)	-
Beebe Volunteer Fire	82,188	78,515	3,673	96
Bella Vista Volunteer Fire	56,849	35,409	21,440	279
Belleville Volunteer Fire	95,749	221,348	(125,599)	-
Bentonville Volunteer Fire	35,545	63,933	(28,388)	-
Berryville Volunteer Fire	216,266	308,876	(92,610)	-
Biscoe Volunteer Fire	70,843	(2,405)	73,248	805
Blytheville Volunteer Fire	10,016	974	9,042	141
Booneville Volunteer Fire	197,971	103,961	94,010	964
Bradford Volunteer Fire	93,205	70,160	23,045	437
Bradley Volunteer Fire	86,368	77,389	8,979	324
Brinkley Volunteer Fire	252,476	246,237	6,239	67
Bryant Volunteer Fire	44,491	68,471	(23,980)	-
Bull Shoals Volunteer Fire	94,976	114,483	(19,507)	-
Cabot Volunteer Fire	76,540	248,842	(172,302)	-
Caddo Valley Volunteer Fire	92,362	110,712	(18,350)	-
Caldwell Volunteer Fire	45,544	145,374	(99,830)	-
Calico Rock Volunteer Fire	35,354	121,747	(86,393)	-
Calion Volunteer Fire	46,809	127,125	(80,316)	-
Camden Volunteer Fire	110,962	74,599	36,363	809
Cammack Village Volunteer Fire	8,867	110,008	(101,141)	-
Caraway Volunteer Fire	118,010	(50,237)	168,247	2,108
Carlisle Volunteer Fire	264,841	143,631	121,210	1,262
Carthage Volunteer Fire	49,241	64,162	(14,921)	-
Cash Volunteer Fire	7,452	4,785	2,667	131
Cave City Volunteer Fire	89,844	9,836	80,008	1,033

* *The Total Monthly Employer Rate is the fixed monthly dollar amount charged to the Employer to cover Local Plan unfunded actuarial accrued liabilities.*

Due to extreme uncertainty in financial markets at this time, the employer contribution established for calendar year 2027 will not be lower than the amount in effect for calendar year 2026.

Results for Local Plans under LOPFI Administration
Volunteer Service Plans as of December 31, 2025
(Continued)

Department	Actuarial Accrued Liability	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	2027 Total Monthly Employer Rate*
Centerton Volunteer Fire	$ 278,712	$ 216,600	$ 62,112	$ 654
Charleston Volunteer Fire	262,810	666,110	(403,300)	-
Chidester Volunteer Fire	17,130	44,210	(27,080)	-
Clarendon Volunteer Fire	167,790	296,276	(128,486)	-
Clarksville Volunteer Fire	719,108	1,327,221	(608,113)	-
Clinton Volunteer Fire	312,245	296,572	15,673	1,558
Coal Hill Volunteer Fire	25,491	5,625	19,866	521
Cooterneck Volunteer Fire	105,116	(1,730)	106,846	1,265
Corning Volunteer Fire	84,977	112,361	(27,384)	-
Cotter Volunteer Fire	27,910	30,719	(2,809)	130
Cotton Plant Volunteer Fire	22,633	66,808	(44,175)	-
Crawfordsville Volunteer Fire	113,911	94,743	19,168	219
Crossett Volunteer Fire	184,956	146,408	38,548	468
Danville Volunteer Fire	76,077	35,366	40,711	462
Decatur Volunteer Fire	122,874	140,861	(17,987)	-
DeQueen Volunteer Fire	276,353	411,380	(135,027)	-
Des Arc Volunteer Fire	233,539	465,996	(232,457)	-
DeValls Bluff Volunteer Fire	108,156	26,000	82,156	1,170
DeWitt Volunteer Fire	192,777	211,705	(18,928)	671
Diaz Volunteer Fire	122,013	141,700	(19,687)	-
Dover Volunteer Fire	28,572	94,629	(66,057)	-
Elaine Volunteer Fire	144,591	162,380	(17,789)	-
Elkins Volunteer Fire	223,300	220,382	2,918	302
Emmet Volunteer Fire	75,983	51,529	24,454	367
England Volunteer Fire	169,486	200,922	(31,436)	-
Eudora Volunteer Fire	109,050	176,012	(66,962)	-
Farmington Volunteer Fire	84,384	121,270	(36,886)	-
Fayetteville Volunteer Fire	13,952	(648)	14,600	178
Fisher Volunteer Fire	20,456	(672)	21,128	255
Flippin Volunteer Fire	198,644	198,077	567	6
Forrest City Volunteer Fire	-	(199)	199	-
Garland Volunteer Fire	49,382	47,020	2,362	51
Gassville Volunteer Fire	234,183	168,227	65,956	673
Gentry Volunteer Fire	380,570	335,661	44,909	558
Gillett Volunteer Fire	145,884	228,541	(82,657)	-
Gosnell Volunteer Fire	33,802	827	32,975	371

* *The Total Monthly Employer Rate is the fixed monthly dollar amount charged to the Employer to cover Local Plan unfunded actuarial accrued liabilities.*

Due to extreme uncertainty in financial markets at this time, the employer contribution established for calendar year 2027 will not be lower than the amount in effect for calendar year 2026.

Results for Local Plans under LOPFI Administration
Volunteer Service Plans as of December 31, 2025
(Continued)

Department	Actuarial Accrued Liability	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	2027 Total Monthly Employer Rate*
Gould Volunteer Fire	$ 38,302	$ 53,568	$ (15,266)	$ -
Grady Volunteer Fire	92,244	108,804	(16,560)	-
Gravette Volunteer Fire	85,543	133,093	(47,550)	-
Green Forest Volunteer Fire	81,149	71,399	9,750	413
Greenwood Volunteer Fire	192,484	147,350	45,134	608
Greers Ferry Volunteer Fire	72,655	145,784	(73,129)	-
Grover Township Volunteer Fire	86,449	94,570	(8,121)	721
Grubbs Volunteer Fire	30,970	29,939	1,031	278
Gurdon Volunteer Fire	228,228	279,160	(50,932)	-
Hamburg Volunteer Fire	334,673	208,259	126,414	1,300
Hampton Volunteer Fire	172,860	54,750	118,110	1,279
Hardin Volunteer Fire	54,570	59,269	(4,699)	463
Hardy Volunteer Fire	96,731	135,120	(38,389)	-
Harrisburg Volunteer Fire	31,683	378,103	(346,420)	-
Hartford Volunteer Fire	12,955	79,416	(66,461)	-
Hazen Volunteer Fire	216,104	170,042	46,062	385
Heber Springs Volunteer Fire	194,589	312,133	(117,544)	-
Helena - West Helena Volunteer Fire	129,032	90,677	38,355	882
Hermitage Volunteer Fire	29,340	(10,578)	39,918	495
Hickory Ridge Volunteer Fire	309,533	289,124	20,409	414
Holiday Island Volunteer Fire	26,268	29,489	(3,221)	274
Holly Grove Volunteer Fire	8,294	36,253	(27,959)	-
Hope Volunteer Fire	31,246	29,751	1,495	25
Horatio Volunteer Fire	129,554	144,479	(14,925)	5
Hot Springs Village Volunteer Fire	38,997	(10,338)	49,335	678
Hoxie Volunteer Fire	24,154	49,366	(25,212)	-
Humphrey Volunteer Fire	34,802	43,837	(9,035)	-
Huntington Volunteer Fire	38,290	53,484	(15,194)	-
Huntsville Volunteer Fire	176,172	231,104	(54,932)	-
Huttig Volunteer Fire	133,680	223,674	(89,994)	-
Imboden Volunteer Fire	176,417	38,473	137,944	1,626
Jasper Volunteer Fire	72,488	(5,351)	77,839	880
Joiner Volunteer Fire	32,222	35,744	(3,522)	419
Jonesboro Volunteer Fire	-	(21,817)	21,817	708
Judsonia Volunteer Fire	102,365	154,167	(51,802)	-
Junction City Volunteer Fire	86,275	175,528	(89,253)	-

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Due to extreme uncertainty in financial markets at this time, the employer contribution established for calendar year 2027 will not be lower than the amount in effect for calendar year 2026.

Results for Local Plans under LOPFI Administration
Volunteer Service Plans as of December 31, 2025
(Continued)

Department	Actuarial Accrued Liability	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	2027 Total Monthly Employer Rate*
Keiser Volunteer Fire	$ 68,146	$ 37,419	$ 30,727	$ 408
Kensett Volunteer Fire	67,718	49,263	18,455	256
Lake City Volunteer Fire	103,146	92,995	10,151	340
Lake Village Volunteer Fire	113,120	118,723	(5,603)	79
Lavaca Volunteer Fire	76,840	90,731	(13,891)	-
Leachville Volunteer Fire	55,340	99,195	(43,855)	-
Lepanto Volunteer Fire	84,166	92,492	(8,326)	-
Lewisville Volunteer Fire	47,222	55,975	(8,753)	-
Lincoln Volunteer Fire	85,132	82,517	2,615	255
Lockesburg Volunteer Fire	92,722	96,116	(3,394)	420
Lonoke Volunteer Fire	445,817	486,281	(40,464)	255
Lowell Volunteer Fire	20,231	73,724	(53,493)	-
Luxora Volunteer Fire	24,113	286,577	(262,464)	-
Magazine Volunteer Fire	96,639	(7,528)	104,167	1,183
Magnolia Volunteer Fire	80,671	74,327	6,344	646
Malvern Volunteer Fire	20,194	81,192	(60,998)	-
Mammoth Spring Volunteer Fire	81,362	40,130	41,232	462
Mansfield Volunteer Fire	55,424	52,312	3,112	144
Marianna Volunteer Fire	226,512	229,784	(3,272)	16
Marion Volunteer Fire	247,577	82,243	165,334	1,711
Marked Tree Volunteer Fire	121,837	403,850	(282,013)	-
Marmaduke Volunteer Fire	40,219	24,528	15,691	277
Marshall Volunteer Fire	229,504	15,790	213,714	2,288
Marvell Volunteer Fire	92,632	89,860	2,772	712
McCrory Volunteer Fire	94,566	245,459	(150,893)	-
McGehee Volunteer Fire	35,157	31,344	3,813	173
McNeil Volunteer Fire	59,310	85,055	(25,745)	-
McRae Volunteer Fire	29,315	23,072	6,243	411
Melbourne Volunteer Fire	75,128	(24,366)	99,494	1,241
Mena Volunteer Fire	16,520	168,723	(152,203)	-
Mineral Springs Volunteer Fire	37,105	61,786	(24,681)	-
Monette Volunteer Fire	83,665	(228)	83,893	1,060
Monticello Volunteer Fire	145,426	313,210	(167,784)	-
Montrose Volunteer Fire	22,433	30,920	(8,487)	-
Moro Volunteer Fire	50,707	54,825	(4,118)	425
Mount Ida Volunteer Fire	262,985	366,552	(103,567)	-

* *The Total Monthly Employer Rate is the fixed monthly dollar amount charged to the Employer to cover Local Plan unfunded actuarial accrued liabilities.*

Due to extreme uncertainty in financial markets at this time, the employer contribution established for calendar year 2027 will not be lower than the amount in effect for calendar year 2026.

Results for Local Plans under LOPFI Administration
Volunteer Service Plans as of December 31, 2025
(Continued)

Department	Actuarial Accrued Liability	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	2027 Total Monthly Employer Rate*
Mountain Home Volunteer Fire	$ 39,672	$ (65,805)	$ 105,477	$ 1,361
Mountain View Volunteer Fire	618,731	252,548	366,183	3,599
Mountainburg Volunteer Fire	97,713	76,867	20,846	198
Mulberry Volunteer Fire	126,905	199,984	(73,079)	-
Murfreesboro Volunteer Fire	108,486	(47,617)	156,103	1,890
Nashville Volunteer Fire	214,152	266,946	(52,794)	-
Newark Volunteer Fire	96,808	85,323	11,485	270
Newport Volunteer Fire	30,342	90,893	(60,551)	-
Norman Volunteer Fire	26,896	57,071	(30,175)	-
Norphlet Volunteer Fire	43,416	66,070	(22,654)	-
North Crossett Volunteer Fire	42,826	(30,409)	73,235	952
Ola Volunteer Fire	188,328	320,972	(132,644)	-
Oppelo Volunteer Fire	111,822	106,834	4,988	435
Ozark Volunteer Fire	891,556	922,413	(30,857)	51
Pangburn Volunteer Fire	196,622	201,130	(4,508)	-
Paragould Volunteer Fire	9,225	(11,271)	20,496	353
Paris Volunteer Fire	169,207	160,286	8,921	116
Parkin Volunteer Fire	61,357	24,855	36,502	496
Perla Volunteer Fire	5,172	24,356	(19,184)	-
Perryville Volunteer Fire	74,194	72,574	1,620	700
Piggott Volunteer Fire	417,697	298,051	119,646	1,608
Plainview Volunteer Fire	108,790	143,891	(35,101)	-
Plumerville Volunteer Fire	301,207	172,335	128,872	2,023
Pocahontas Volunteer Fire	45,181	64,573	(19,392)	-
Portland Volunteer Fire	71,077	171,056	(99,979)	-
Prairie Grove Volunteer Fire	268,310	359,250	(90,940)	-
Prescott Volunteer Fire	97,621	158,330	(60,709)	-
Pulaski County Fire Protection District 5	73,686	(39,663)	113,349	1,035
Rector Volunteer Fire	87,278	74,438	12,840	395
Rison Volunteer Fire	337,286	143,358	193,928	1,909
Russell Volunteer Fire	26,787	42,777	(15,990)	-
Russellville Volunteer Fire	593,963	437,342	156,621	3,244
Salem Volunteer Fire	111,822	115,068	(3,246)	512
Searcy Volunteer Fire	53,200	(51,848)	105,048	1,616
Shannon Hills FD Volunteer Fire	62,608	21,054	41,554	589
Sheridan Volunteer Fire	83,082	146,886	(63,804)	-

* *The Total Monthly Employer Rate is the fixed monthly dollar amount charged to the Employer to cover Local Plan unfunded actuarial accrued liabilities.*

Due to extreme uncertainty in financial markets at this time, the employer contribution established for calendar year 2027 will not be lower than the amount in effect for calendar year 2026.

Results for Local Plans under LOPFI Administration
Volunteer Service Plans as of December 31, 2025
(Concluded)

Department	Actuarial Accrued Liability	Actuarial Valuation Assets	Unfunded Actuarial Accrued Liability	2027 Total Monthly Employer Rate*
Smackover Volunteer Fire	$ 344,770	$ 379,385	$ (34,615)	$ 342
Sparkman Volunteer Fire	160,882	166,729	(5,847)	536
St. Francis Volunteer Fire	31,963	2,614	29,349	342
Stamps City Volunteer Fire	172,230	110,758	61,472	567
Star City Volunteer Fire	343,775	208,840	134,935	1,990
Stephens Volunteer Fire	142,254	246,212	(103,958)	-
Strong Volunteer Fire	52,018	83,596	(31,578)	-
Stuttgart Volunteer Fire	35,430	24,668	10,762	1,035
Sulphur Springs Volunteer Fire	52,463	59,602	(7,139)	246
Swifton Volunteer Fire	80,534	130,452	(49,918)	-
Taylor Volunteer Fire	150,356	67,847	82,509	1,019
Thornton Volunteer Fire	130,669	32,360	98,309	1,619
Tillar Volunteer Fire	34,392	58,242	(23,850)	-
Tracy Area Volunteer Fire	27,045	26,822	223	454
Trumann Volunteer Fire	44,075	33,212	10,863	167
Tuckerman Volunteer Fire	42,088	(2,888)	44,976	655
Turrell Volunteer Fire	9,621	11,690	(2,069)	-
Tyronza Volunteer Fire	118,100	3,496	114,604	1,351
Vilonia Volunteer Fire	72,668	119,253	(46,585)	-
Viola Volunteer Fire	77,313	(8,330)	85,643	1,045
Wabbeska Volunteer Fire	45,298	1,529	43,769	618
Waldo Volunteer Fire	27,962	62,631	(34,669)	-
Waldron Volunteer Fire	275,871	252,052	23,819	319
Walnut Ridge Volunteer Fire	296,095	89,968	206,127	2,237
Warren Volunteer Fire	207,359	168,746	38,613	376
Washington Volunteer Fire	24,163	11,972	12,191	132
Weiner Volunteer Fire	234,235	86,013	148,222	1,080
West Point Volunteer Fire	32,922	65,456	(32,534)	-
Wheatley Volunteer Fire	67,535	102,567	(35,032)	-
White Hall Volunteer Fire	86,785	119,880	(33,095)	-
Wilmot Volunteer Fire	51,896	85,488	(33,592)	-
Wilson Volunteer Fire	72,975	101,344	(28,369)	-
Wynne Volunteer Fire	96,302	68,397	27,905	595

* *The Total Monthly Employer Rate is the fixed monthly dollar amount charged to the Employer to cover Local Plan unfunded actuarial accrued liabilities.*

Due to extreme uncertainty in financial markets at this time, the employer contribution established for calendar year 2027 will not be lower than the amount in effect for calendar year 2026.

LOPFI Level Dollar Contributions
December 31, 2025

Departments with Active Members in Other Departments

Department Name	Number	Actuarial Accrued Liabilities	Actuarial Value Assets	Unfunded Actuarial Accrued Liabilities (UAAL)	Amort. Years	2027 Total Monthly Employer Rate
Altheimer Police	24822	$ 251,648	$ 254,901	$ (3,253)	Layered#	$ 1,447
Bauxite Police	112023	478,477	162,122	316,355	12	3,483
Caddo Valley Fire	268233	114,750	122,724	(7,974)	Layered#	543
Calion Police	276322	25,229	35,117	(9,888)	13	-
Chidester Police	338723	35,051	40,573	(5,522)	Layered#	-
Town of Concord Police	377822	34,799	229,662	(194,863)	10	-
Dyess Police	526622	2,145	27,493	(25,348)	Layered#	-
East Camden Police	536322	131,176	208,723	(77,547)	12	-
Evening Shade Police	587822	3,507	16,043	(12,536)	12	-
Foreman Police	635122	236,963	403,638	(166,675)	5	-
Gillett Police	713722	310,961	(171,297)	482,258	12	4,753
Higginson Police	884222	5,644	21,700	(16,056)	Layered#	-
Town of Highfill Fire	885032	117,410	107,039	10,371	Layered#	507
Humphrey Police	951222	340,083	558,108	(218,025)	13	-
Huntington Police	971722	47,349	80,419	(33,070)	11	-
Joiner Police	1040522	65,054	112,660	(47,606)	Layered#	-
Junction City Police	1061822	67,352	334,159	(266,807)	11	-
Luxora Police	1195922	258,079	357,163	(99,084)	8	-
Manila Fire	1248332	13,320	10,555	2,765	10	30
Montrose Police	1418422	19,778	18,390	1,388	Layered#	32
Mount Ida Police	1448622	15,300	185,787	(170,487)	Layered#	-
Nashville Fire	1487733	318,022	143,510	174,512	14	1,748
Newark Police	1497422	47,769	127,457	(79,688)	Layered#	-
Perla Police	1628422	66,030	64,290	1,740	Layered#	185
Plainview Police	1657822	39,609	22,584	17,025	7	232
Rison Police	1714022	742,461	465,174	277,287	9	3,217
Sheridan Fire	1774432	8,719	78,318	(69,599)	8	-
Sparkman Police	1798126	57,842	50,717	7,125	12	122
Strong Police	1843022	44,537	(106,898)	151,435	12	1,782
Swifton Police	1879122	137,159	278,007	(140,848)	14	-
Tontitown Area Fire	1909732	27,300	103,310	(76,010)	Layered#	-
Waldo Police	1991722	84,545	294,520	(209,975)	13	-
Yellville Police	2139322	81,950	183,022	(101,072)	Layered#	-

Departments with No Active Members

Department Name	Number	Actuarial Accrued Liabilities	Actuarial Value Assets	Unfunded Actuarial Accrued Liabilities (UAAL)	Amort. Years	2027 Total Monthly Employer Rate
Friendship Police	665322	$ 42,228	$ 40,815	$ 1,413	Layered#	$ 194

 # Amortized over multiple layers ranging from 1-5 years.

(1) These results assume contributions begin January 1, 2027 and are applicable in periods where no active members are reported.
(2) Departments currently with their reported assets exceeding their actuarial accrued liabilities could still be liable for contributions at a later date, depending upon future economic and demographic experience.
(3) These departments were identified for inclusion in this calculation by the LOPFI Staff.
(4) New calculations are needed, as of December 31, 2026, for any of these departments that again are without active members.

SECTION C

BENEFIT PROVISIONS AND VALUATION DATA

Arkansas LOcal Police and FIre Retirement System
Brief Summary as of December 31, 2025 of LOPFI Coverage for
BENEFIT PROGRAM 1 PAID SERVICE
Benefits and Conditions Evaluated and/or Considered
(Section References are to Arkansas Code of 1987, Including Amendments from 2025 General Assembly Session)

Voluntary Retirement. Section 24-10-604. A member may retire with an age & service annuity after both (i) completing 5 years (10 years for members hired on or after July 1, 2013) of credited service, and (ii) attaining his or her normal retirement age. The normal retirement age is age 60 for a member with less than 20 years credited service, age 55 for a member with at least 20 years credited service or any age for a member with 28 or more years of credited service.

Compulsory Retirement. Section 24-10-605. Established by each employer.

Paid Service. Section 24-10-102(13). Covered employment which is half-time employment or more, and for which a minimum dollar amount is paid. For each calendar month in 1981, the minimum is $500 for the month. For each later calendar year, the $500 is indexed for inflation (Consumer Price Index). Accordingly, the monthly minimum during 2025 was $1,813.

Volunteer Service. Section 24-10-102(14). Covered employment which cannot be classified as Paid Service.

Final Average Pay. Section 24-10-102(16)(A). The average of a member's monthly pay during the period of 36 consecutive months of credited Paid Service producing the highest monthly average, which period is contained within the 120 consecutive months of credited Paid Service immediately preceding retirement. Not applicable to Volunteer Service.

Age & Service Annuity. Section 24-10-602. The annuity, payable monthly for life, equals a specified amount multiplied by the member's number of years of credited service. The amount depends upon the conditions related to covered employment:

A. ***Paid Service Not Covered by Social Security***. For each year of such service, 3.00% of the member's final average pay.
B. ***Paid Service Also Covered by Social Security***. For each year of such service, 2.00% of the member's final average pay. In addition, there is a temporary annuity equal to 1.0% of the member's final average pay for each year of service, payable to normal Social Security retirement age.
C. At time of retirement, the total of A plus B cannot exceed 100% of final average pay.

Early Annuity. Section 24-10-606. A member may retire with an early annuity after both (i) completing 20 years of credited service, and (ii) attaining age 50 or (iii) after completing 25 years of credited paid service. The early annuity amount, payable monthly for life, is computed in the same manner as an age & service annuity, based upon his or her service and pay record to time of early retirement, but reduced to reflect the fact that his or her age when payments begin is younger than his or her normal retirement age. The amount of the reduction is 1/2 of 1% (.005) for each month his or her age at early retirement is younger than his or her normal retirement age (age 55 for members with 25 years of credited paid service).

Vested Termination Annuity. Section 24-10-611. If a member leaves LOPFI-covered employment (i) before attaining his or her early retirement age, and (ii) after completing 5 years (10 years for members hired on or after July 1, 2013) of credited service, he or she becomes eligible for a vested termination annuity; provided he or she lives to his or her normal retirement age and does not withdraw his or her accumulated contributions. The vested annuity amount, payable monthly for life from his or her normal retirement age, is computed in the same manner as an age & service annuity, based upon his or her service and pay record to time of leaving LOPFI coverage.

Non-Duty Disability Annuity. Section 24-10-607(a)(1)(A). A member with 5 or more years (10 or more years for members hired on or after July 1, 2013) of credited service who becomes totally and permanently disabled from other than duty-connected causes receives a non-duty disability annuity computed in the same manner as an age & service annuity, based upon his or her service and pay record to time of disability.

Duty Disability Annuity. Section 24-10-607(c)(1)(A). A member who becomes totally and permanently disabled from duty-connected causes receives a duty disability annuity computed in the same manner as an age & service annuity, based upon his or her service and pay record to time of disability.

The minimum annuity payable is 65% of the member's final average pay for duty disability retirements approved prior to April 1, 2021.

An approved duty disability retirement that is effective on or after April 1, 2021, shall be classified as catastrophic duty disability, hazardous duty disability, or ordinary duty disability in accordance with the criteria in the rules for disability retirement established by the board.

The minimum annuity payable to:

(i) A catastrophic duty disability retiree shall be an annuity based on twenty-eight (28) years of accrued paid service credit;
(ii) A hazardous duty disability retiree shall be sixty-five percent (65%) of the final average pay of the member; and
(iii) An ordinary duty disability retiree shall be fifteen percent (15%) of the final average pay of the member.

Non-Duty Death-in-Service. ***Paid Member***. Section 24-10-608(a)(1). Upon the death, from other than duty-connected causes, of a Paid Service member who had completed 5 years (10 years for members hired on or after July 1, 2013) of paid service, his or her eligible surviving dependents receive the following benefits:

(a) The surviving spouse receives an annuity equal to the Option B50 annuity (joint and 50% survivor benefit) computed based upon the deceased member's service (and pay) record to time of death. Minimum of 20% of member's final average pay, or $125 monthly if greater.
(b) While a spouse benefit is payable, each dependent child under age 18 (age 23 if full time student) receives 10% of member's final average pay, or $25 monthly if greater. The totals for 4 or more children cannot exceed 30% of final average pay, or $125 monthly if greater.
(c) While no spouse benefit is payable, each dependent child under age 18 (age 23 if full time student) receives 20% of member's final average pay, or $25 monthly if greater. The total for 3 or more children cannot exceed 50% of final average pay, or $125 monthly if greater.
(d) If there is neither spouse nor child at time of member's death, each dependent parent receives 20% of final average pay.

Duty Death-in-Service. Section 24-10-608(b)(1). Upon the death of a Paid Service member from duty-connected causes, regardless of length of service, his or her eligible surviving dependents receive the same benefits as for Non-Duty Death, except that if credited service at time of death is less than 25 years, credited service is increased to 25 years.

Benefit Changes after Retirement. Section 24-10-612. There is an annual redetermination of monthly benefit amount, beginning the July 1 following 12 months of retirement. The redetermined amount is 3.0% of the monthly benefit from the preceding July.

Member Contributions. Sections 24-10-404 and 24-10-613. Each member contributes 9.5% of his or her covered pay if his or her covered employment is resulting in Paid Service credit and is not covered by Social Security. For other covered employment conditions, each member contributes 3.5% of his or her covered pay. Individual member deposit accounts do not receive interest credit. If a member leaves LOPFI-covered employment before an annuity is payable on his or her behalf, the member may choose to have his or her accumulated contributions refunded to him. If he or she dies, his or her accumulated contributions are refunded to his or her designated beneficiary.

Employer Contributions. Section 24-10-405. Each employer contributes the remainder amounts necessary to finance its employees' participation in LOPFI. Contributions to LOPFI are determined based upon level-rate principles, so that contribution rates do not have to increase over decades of time.

DROP (Deferred Retirement Option Plan). Sections 24-10-701 through 24-10-708. Paid service members who have attained age 55 with at least 20 years of service or members with at least 28 years of service may participate. A participant with 28 years of service will receive 75% of his or her accrued benefit at time of DROP election while in the DROP, payable into the participant's DROP account (which will be credited with 6% interest annually). A participant with less than 28 years of service will receive 72% of his or her accrued benefit at time of DROP election while in the DROP, payable into the participant's DROP account (which will be credited with 6% interest annually). The duration of participation in the DROP shall not exceed 10 years. When a member has reached year 6 of participation in the DROP, the amount of the accrued benefit at the time of DROP election shall be redetermined. The redetermined amount shall be the amount of the benefit as of the immediately preceding July 1 increased by 3%. The redetermined amount shall be payable only when the member elects to cease employment and receive a service retirement and shall not be added to the plan account. Employer and employee contributions continue and are used to finance System benefits (i.e., they are not deposited to the participant's DROP account). For additional details please refer to Arkansas Code, Title 24, Chapter 10, Subchapter 7.

LOPFI
Illustrations of Normal Benefit Amounts for Sample Combinations of Service & Pay

Illustration 1
FOR PAID SERVICE WHICH IS NOT COVERED BY SOCIAL SECURITY

(The Applicable Benefit Program is Years of Paid Service times 3.00% of FAP [1])

Final Average Pay (FAP) [1]	LOPFI BENEFIT [2] $	LOPFI BENEFIT [2] % of FAP
32 Years of Service [3]		
$ 3,000	$ 2,880	96 %
3,600	3,456	96
4,200	4,032	96
4,800	4,608	96
5,000	4,800	96
28 Years of Service [3]		
$ 3,000	$ 2,520	84 %
3,600	3,024	84
4,200	3,528	84
4,800	4,032	84
5,000	4,200	84
20 Years of Service [3]		
$ 3,000	$ 1,800	60 %
3,600	2,160	60
4,200	2,520	60
4,800	2,880	60
5,000	3,000	60

(1) *"Final Average Pay" means the monthly average of an employee's pays during the period of 36 consecutive months when they were highest, contained within the last 120 months of paid service.*

(2) *Amounts shown are rounded to the nearest dollar; actual amounts will be calculated to the nearest cent.*

(3) *With 28 or more years of service the employee is eligible for normal retirement. With 20 or more years of service the employee is eligible for normal retirement at age 55. With fewer than 20 years, the eligibility age is 60.*

LOPFI
Illustrations of Normal Benefit Amounts for Sample Combinations of Service & Pay

Illustration 2 [5]

FOR PAID SERVICE WHICH IS COVERED BY SOCIAL SECURITY

(The Applicable Benefit Program is Years of Paid Service times: 2.00% of FAP [1] for life, plus 1.0% of FAP [1] Temporary to Full Social Security Retirement Age)

Final Average Pay (FAP) at LOPFI Retirement Age (LRA) [1]	LOPFI Benefit [3]		Estimated Social Security [2]	Estimated Monthly Total		Percent of FAP	
	At LRA	At SSRA [6]		At LRA	At SSRA	At LRA	At SSRA [7]
32 Years of Service [4]							
$3,000	$ 2,880	$ 2,737	$ 2,074	$ 2,880	$ 4,811	96 %	123 %
3,600	3,456	3,285	2,283	3,456	5,568	96	118
4,200	4,032	3,832	2,483	4,032	6,315	96	115
4,800	4,608	4,380	2,683	4,608	7,063	96	113
5,000	4,800	4,562	2,750	4,800	7,312	96	112
28 Years of Service [4]							
$3,000	$ 2,520	$ 2,395	$ 2,074	$ 2,520	$ 4,469	84 %	114 %
3,600	3,024	2,874	2,283	3,024	5,157	84	110
4,200	3,528	3,353	2,483	3,528	5,836	84	106
4,800	4,032	3,832	2,683	4,032	6,515	84	104
5,000	4,200	3,992	2,750	4,200	6,742	84	103
20 Years of Service [4]							
$3,000	$ 1,800	$ 1,711	$ 2,074	$ 1,800	$ 3,785	60 %	97 %
3,600	2,160	2,053	2,283	2,160	4,336	60	92
4,200	2,520	2,395	2,483	2,520	4,878	60	89
4,800	2,880	2,737	2,683	2,880	5,420	60	86
5,000	3,000	2,852	2,750	3,000	5,602	60	86

(1) *"Final Average Pay" means the monthly average of an employee's pays during the period of 36 consecutive months when they were highest, contained within the last 120 months of paid service.*

(2) *"Estimated Social Security" means, for an employee covered by Social Security, an employee's estimated OASDI retirement benefit is based upon an estimated "average indexed monthly earnings" for an employee retiring at normal Social Security Retirement Age (SSRA). It does not include any amounts which might be payable to an eligible spouse or children. The results assume no Social Security covered earnings after retirement. Note that a member may draw a reduced Social Security benefit as early as age 62. This is an estimate. Individuals can receive an estimate from the Social Security Administration based on their actual earnings history.*

(3) *Amounts shown are rounded to the nearest dollar; actual amounts will be calculated to the nearest cent.*

(4) *With 28 or more years of service the employee is eligible for normal retirement. With 20 or more years of service the employee is eligible for normal retirement at age 55. With fewer than 20 years, the eligibility age is 60.*

(5) *This illustration shows 2036 Social Security estimates for a participant who retires in 2025 at age 55.*

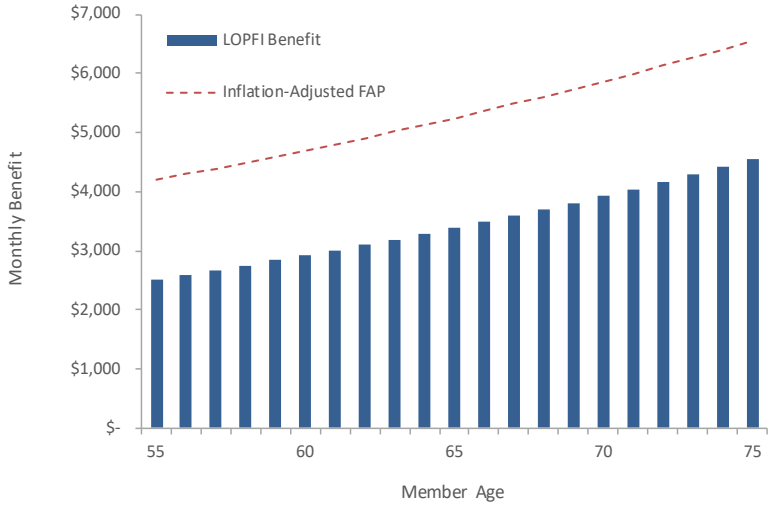
(6) *Amounts at Social Security Retirement Age are adjusted for post-retirement increases of 3% annually from retirement to SSRA. Amounts to Social Security Retirement Age are benefits at commencement.*

(7) *Amounts at Social Security Retirement Age are discounted by price inflation annually from SSRA to the retirement date and then displayed as a percent of FAP.*

LOPFI with Social Security vs. LOPFI-Only
Comparing Normal Benefit Amounts in Retirement

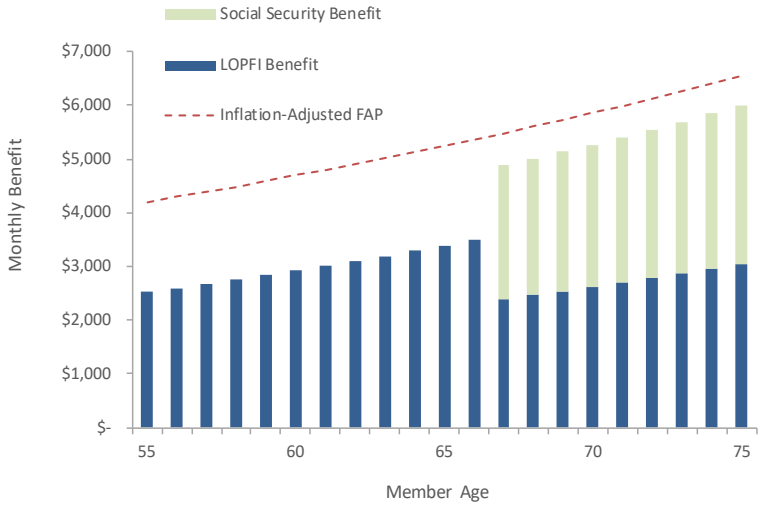
As a summary of the principles set forth in illustrations 1 and 2 on the previous pages, the graphs below show retirement benefit amounts for a LOPFI employee who retires at age 55 with 20 years of service and a monthly FAP of $4,200 at retirement.

For Paid Service Which is Not Covered by Social Security



The LOPFI benefit for a member not covered by Social Security will replace a portion of the inflation-adjusted earnings at retirement.

For Paid Service Which is Covered by Social Security



If the member is covered by Social Security, the LOPFI benefit is reduced at full Social Security retirement age, after which the member would begin receiving an OASI benefit. The total combined benefit would serve to replace the member's inflation-adjusted final average pay at retirement from LOPFI. The provisions of Social Security coverage create an environment in which retirees may achieve full replacement of their inflation-adjusted earnings when they reach full Social Security retirement age.

Arkansas LOcal Police and FIre Retirement System
Brief Summary as of December 31, 2025 of LOPFI Coverage for *BENEFIT PROGRAM 2 PAID SERVICE*
Benefits and Conditions Evaluated and/or Considered (Section References are to Arkansas Code of 1987, Including Amendments from 2025 General Assembly Session)

The provisions for Benefit Program 2 departments are the same as those for Benefit Program 1 departments with the following exception:

Age & Service Annuity. Section 24-10-602. The annuity, payable monthly for life, equals a specified amount multiplied by the member's number of years of credited service. The amount depends upon the conditions related to covered employment:

A. ***Paid Service Not Covered by Social Security***.

- **Paid Service Before Adoption of Benefit Program 2.** For each year of such service, 3.00% of the member's final average pay.
- **Paid Service After Adoption of Benefit Program 2**. For each year of such service, 3.34% of the member's final average pay.
- At time of retirement, the total cannot exceed 100% of final average pay.

B. ***Paid Service Also Covered by Social Security***.

- **Paid Service Before Adoption of Benefit Program 2.** For each year of such service, 2.00% of the member's final average pay, plus a temporary annuity equal to 1.0% of the member's final average pay for each year of service, payable to normal Social Security retirement age.
- **Paid Service After Adoption of Benefit Program 2**. For each year of such service, 3.00% of the member's final average pay.
- At time of retirement, the total cannot exceed 100% of final average pay.

Member Contributions. Sections 24-10-404 and 24-10-613. Each member contributes 9.5% of his covered pay if his covered employment is resulting in Paid Service credit. Individual member deposit accounts do not receive interest credit. If a member leaves LOPFI-covered employment before an annuity is payable on his behalf, the member may choose to have his accumulated contributions refunded to him. If he dies, his accumulated contributions are refunded to his designated beneficiary.

Arkansas LOcal Police and FIre Retirement System
Brief Summary as of December 31, 2025 of LOPFI Coverage for *VOLUNTEER SERVICE*
Benefits and Conditions Evaluated and/or Considered
(Section References are to Arkansas Code of 1987, Including Amendments from 2025 General Assembly Session)

Voluntary Retirement. Section 24-10-604. A member may retire with an age & service annuity after both (i) completing 5 years (10 years for members hired on or after July 1, 2013) of credited service, and (ii) attaining his or her normal retirement age. The normal retirement age is age 60 for a member with less than 20 years credited service, age 55 for a member with at least 20 years credited service or any age for a member with 28 or more years of credited service.

Compulsory Retirement. Section 24-10-605. Established by each employer.

Volunteer Service. Section 24-10-102(14). Covered employment which cannot be classified as Paid Service.

Age & Service Annuity. Section 24-10-102(16)(A). The annuity, payable monthly for life, equals a specified amount multiplied by the member's number of years of credited service. The amount depends upon the conditions related to covered employment.

Volunteer Service. For each year of Benefit Program 3 Volunteer Service, $5.00 monthly, to a maximum of $200 monthly for all volunteer service. Beginning in 2003, each July 1 these amounts are indexed for inflation by any percentage increase in the inflation index for the period from December 2003 to the December immediately preceding July 1, for members retiring in the next 12 months. Accordingly, the basic benefit factor reflected in the December 31, 2025 valuations was $8.81 monthly.

For each year of Benefit Program 4 Volunteer Service, $10.00 monthly, to a maximum benefit of $400 monthly for all volunteer service. Beginning in 2013, each July 1 these amounts are indexed for inflation by any percentage increase in the inflation index for the period from December 2011 to the December immediately preceding July 1, for members retiring in the next 12 months. Accordingly, the basic benefit factor reflected in the December 31, 2025 valuations was $14.27 monthly.

Early Annuity. Section 24-10-606. A member may retire with an early annuity after both (i) completing 20 years of credited service, and (ii) attaining age 50. The early annuity amount, payable monthly for life, is computed in the same manner as an age & service annuity, based upon his or her service record to time of early retirement, but reduced to reflect the fact that his or her age when payments begin is younger than his or her normal retirement age. The amount of the reduction is 1/2 of 1% (.005) for each month his or her age at early retirement is younger than his or her normal retirement age.

Vested Termination Annuity. Section 24-10-611. If a member leaves LOPFI-covered employment (i) before attaining his or her early retirement age, and (ii) after completing 5 years (10 years for members hired on or after July 1, 2013) of credited service, he or she becomes eligible for a vested termination annuity; provided he or she lives to his or her normal retirement age (and does not withdraw any accumulated contributions). The vested annuity amount, payable monthly for life from his or her normal retirement age, is computed in the same manner as an age & service annuity, based upon his or her service record to time of leaving LOPFI coverage.

Non-Duty Disability Annuity. Section 24-10-607(a)(1)(A). A member with 5 or more years (10 of more years for members hired on or after July 1, 2013) of credited service who becomes totally and permanently disabled from other than duty-connected causes receives a non-duty disability annuity computed in the same manner as an age & service annuity, based upon his or her service record to time of disability.

Duty Disability Annuity. Section 24-10-607(c)(1)(A). A member who becomes totally and permanently disabled from duty-connected causes receives a duty disability annuity computed in the same manner as an age & service annuity, based upon his or her service and pay record to time of disability. If the member had less than 25 years of service at time of disability, credited service is increased to 25 years.

Non-Duty Death-in-Service. ***Volunteer Member***. Section 24-10-609. Upon the death, from other than duty-connected causes, of a Volunteer member who had completed 5 years (10 years for members hired on or after July 1, 2013) of volunteer service, or who was eligible for normal retirement, his or her eligible surviving dependents receive the following benefits:

(a) The surviving spouse receives an annuity equal to the Option B50 annuity (joint and 50% survivor benefit) computed based upon the deceased member's service record to time of death.

(b) Each dependent child under age 18 (age 23 if full time student) receives $15 monthly. The totals for 3 or more children cannot exceed $40 monthly.

Duty Death-in-Service. Section 24-10-608(b)(1). Upon the death of a Paid Service member from duty-connected causes, regardless of length of service, his or her eligible surviving dependents receive the same benefits as for Non-Duty Death, except that if credited service at the time of death is less than 25 years, credited service is increased to 25 years.

Benefit Changes after Retirement. Section 24-10-612. There is an annual redetermination of monthly benefit amount, beginning the July first following 12 months of retirement. The redetermined amount is 3.0% of the monthly benefit from the preceding July.

Member Contributions. For Volunteer Service credit, members do not contribute.

Employer Contributions. Section 24-10-405. Each employer contributes the amounts necessary to finance its employees' participation in LOPFI. Contributions to LOPFI are determined based upon level-rate principles, so that contribution rates do not have to increase over decades of time.

LOPFI Covered Departments and Covered Persons (Excluding Local Plan Members)

Paid Police Covered by Social Security	Number of Departments	Active Members* Number	Annual Payroll	Average Pay	% Increase	Inflation Increase % (CPI)
12/31/2001	152	1,497	$ 42,193,903	$ 28,186	7.7	1.6 %
12/31/2002	158	1,556	46,480,114	29,872	6.0	2.4
12/31/2003	154	1,583	49,757,738	31,433	5.2	1.9
12/31/2004	154	1,583	51,235,812	32,366	3.0	3.3
12/31/2005	154	1,614	53,061,186	32,876	1.6	3.4
12/31/2006	161	1,680	57,466,068	34,206	4.0	2.5
12/31/2007	167	1,795	62,586,228	34,867	1.7	4.1
12/31/2008	164	1,846	66,703,415	36,134	3.6	0.1
12/31/2009	173	1,913	72,174,542	37,728	4.4	2.7
12/31/2010	176	1,914	73,414,879	38,357	1.6	1.5
12/31/2011	177	1,939	74,641,764	38,495	0.3	3.0
12/31/2012	176	1,956	76,050,618	38,881	1.0	1.7
12/31/2013	173	1,994	80,319,179	40,280	3.6	1.5
12/31/2014	177	2,029	83,740,919	41,272	2.5	0.8
12/31/2015	183	2,122	89,826,406	42,331	2.9	0.7
12/31/2016	179	2,152	91,581,947	42,557	0.5	2.1
12/31/2017	182	2,196	94,895,150	43,213	1.5	2.1
12/31/2018	183	2,229	98,772,944	44,313	2.5	1.9
12/31/2019	186	2,332	106,236,865	45,556	2.8	2.3
12/31/2020	186	2,349	109,497,373	46,614	2.3	1.4
12/31/2021	183	2,328	111,773,904	48,013	3.0	7.0
12/31/2022	182	2,403	122,202,327	50,854	5.9	6.5
12/31/2023	185	2,488	139,696,950	56,148	10.4	3.4
12/31/2024	184	2,564	152,801,028	59,595	6.1	2.9
12/31/2025	183	2,596	161,613,229	62,255	4.5	2.7

* *Includes DROP participants, if any.*

LOPFI Covered Departments and Covered Persons (Excluding Local Plan Members) (Continued)

Paid Police Not Covered by Social Security	Number of Departments	Active Members* Number	Annual Payroll	Average Pay	% Increase	Inflation Increase % (CPI)
12/31/2001	15	1,310	$ 47,997,431	$ 36,639	4.9	1.6 %
12/31/2002	14	1,309	51,013,420	38,971	6.4	2.4
12/31/2003	14	1,344	54,363,935	40,449	3.8	1.9
12/31/2004	15	1,369	57,397,946	41,927	3.7	3.3
12/31/2005	15	1,410	60,652,180	43,016	2.6	3.4
12/31/2006	14	1,455	64,982,903	44,662	3.8	2.5
12/31/2007	14	1,479	68,484,220	46,304	3.7	4.1
12/31/2008	14	1,507	72,880,723	48,361	4.4	0.1
12/31/2009	14	1,544	77,374,468	50,113	3.6	2.7
12/31/2010	14	1,562	76,993,476	49,292	(1.6)	1.5
12/31/2011	14	1,558	79,332,711	50,920	3.3	3.0
12/31/2012	14	1,604	83,272,934	51,916	2.0	1.7
12/31/2013	14	1,635	87,087,216	53,264	2.6	1.5
12/31/2014	14	1,632	89,441,845	54,805	2.9	0.8
12/31/2015	14	1,599	87,090,401	54,466	(0.6)	0.7
12/31/2016	14	1,597	88,602,540	55,481	1.9	2.1
12/31/2017	14	1,635	93,831,833	57,390	3.4	2.1
12/31/2018	14	1,654	95,257,685	57,592	0.4	1.9
12/31/2019	14	1,637	97,125,778	59,332	3.0	2.3
12/31/2020	14	1,609	97,972,198	60,890	2.6	1.4
12/31/2021	14	1,543	96,159,660	62,320	2.3	7.0
12/31/2022	15	1,539	101,369,200	65,867	5.7	6.5
12/31/2023	14	1,567	113,826,224	72,640	10.3	3.4
12/31/2024	14	1,562	121,723,422	77,928	7.3	2.9
12/31/2025	14	1,576	128,877,969	81,775	4.9	2.7

* *Includes DROP participants, if any.*

LOPFI Covered Departments and Covered Persons (Excluding Local Plan Members) (Continued)

Paid Fire Covered by Social Security	Number of Departments	Active Members* Number	Annual Payroll	Average Pay	% Increase	Inflation Increase % (CPI)
12/31/2001	4	34	$ 1,091,894	$ 32,115	16.6	1.6 %
12/31/2002	5	34	1,236,009	36,353	13.2	2.4
12/31/2003	6	34	1,297,597	38,165	5.0	1.9
12/31/2004	7	58	1,881,084	32,432	(15.0)	3.3
12/31/2005	10	62	2,137,350	34,473	6.3	3.4
12/31/2006	13	71	2,459,152	34,636	0.5	2.5
12/31/2007	19	84	3,224,208	38,383	10.8	4.1
12/31/2008	20	85	3,310,078	38,942	1.5	0.1
12/31/2009	21	90	3,794,410	42,160	8.3	2.7
12/31/2010	23	99	4,092,787	41,341	(1.9)	1.5
12/31/2011	23	104	4,155,015	39,952	(3.4)	3.0
12/31/2012	22	101	4,221,364	41,796	4.6	1.7
12/31/2013	25	102	4,331,413	42,465	1.6	1.5
12/31/2014	25	114	4,689,955	41,140	(3.1)	0.8
12/31/2015	27	124	5,239,454	42,254	2.7	0.7
12/31/2016	28	126	5,375,073	42,659	1.0	2.1
12/31/2017	27	126	5,486,384	43,543	2.1	2.1
12/31/2018	31	155	6,673,890	43,057	(1.1)	1.9
12/31/2019	32	165	7,248,722	43,932	2.0	2.3
12/31/2020	32	168	7,912,729	47,100	7.2	1.4
12/31/2021	36	172	7,961,038	46,285	(1.7)	7.0
12/31/2022	36	202	10,246,076	50,723	9.6	6.5
12/31/2023	38	210	11,327,593	53,941	6.3	3.4
12/31/2024	41	228	13,221,090	57,987	7.5	2.9
12/31/2025	42	245	14,534,140	59,323	2.3	2.7

* *Includes DROP participants, if any.*

LOPFI Covered Departments and Covered Persons (Excluding Local Plan Members) (Continued)

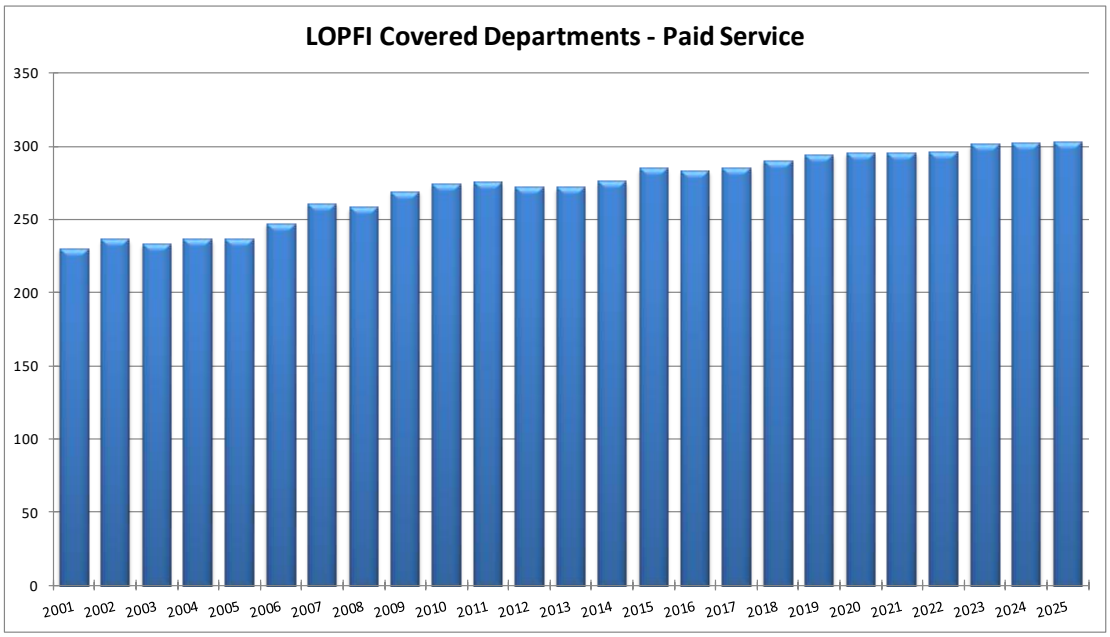
Paid Fire Not Covered by Social Security	Number of Departments	Active Members* Number	Annual Payroll	Average Pay	% Increase	Inflation Increase % (CPI)
12/31/2001	59	1,732	$ 57,430,283	$ 33,158	6.6	1.6 %
12/31/2002	59	1,821	64,691,073	35,525	7.1	2.4
12/31/2003	59	1,888	70,635,697	37,413	5.3	1.9
12/31/2004	60	1,956	76,826,671	39,277	5.0	3.3
12/31/2005	57	2,029	81,650,944	40,242	2.5	3.4
12/31/2006	59	2,122	88,041,571	41,490	3.1	2.5
12/31/2007	61	2,245	95,882,874	42,710	2.9	4.1
12/31/2008	60	2,202	98,780,987	44,860	5.0	0.1
12/31/2009	61	2,360	108,383,023	45,925	2.4	2.7
12/31/2010	61	2,374	110,404,238	46,506	1.3	1.5
12/31/2011	61	2,415	114,640,275	47,470	2.1	3.0
12/31/2012	60	2,478	118,625,189	47,871	0.8	1.7
12/31/2013	60	2,514	124,879,563	49,674	3.8	1.5
12/31/2014	60	2,548	129,532,480	50,837	2.3	0.8
12/31/2015	61	2,585	134,740,985	52,124	2.5	0.7
12/31/2016	62	2,676	140,445,733	52,483	0.7	2.1
12/31/2017	62	2,694	144,407,370	53,603	2.1	2.1
12/31/2018	62	2,717	149,934,716	55,184	2.9	1.9
12/31/2019	62	2,755	156,614,173	56,847	3.0	2.3
12/31/2020	63	2,790	164,234,390	58,865	3.6	1.4
12/31/2021	62	2,791	167,384,344	59,973	1.9	7.0
12/31/2022	63	2,873	176,743,947	61,519	2.6	6.5
12/31/2023	64	2,934	190,707,147	64,999	5.7	3.4
12/31/2024	63	2,986	204,797,955	68,586	5.5	2.9
12/31/2025	64	3,010	214,325,046	71,204	3.8	2.7

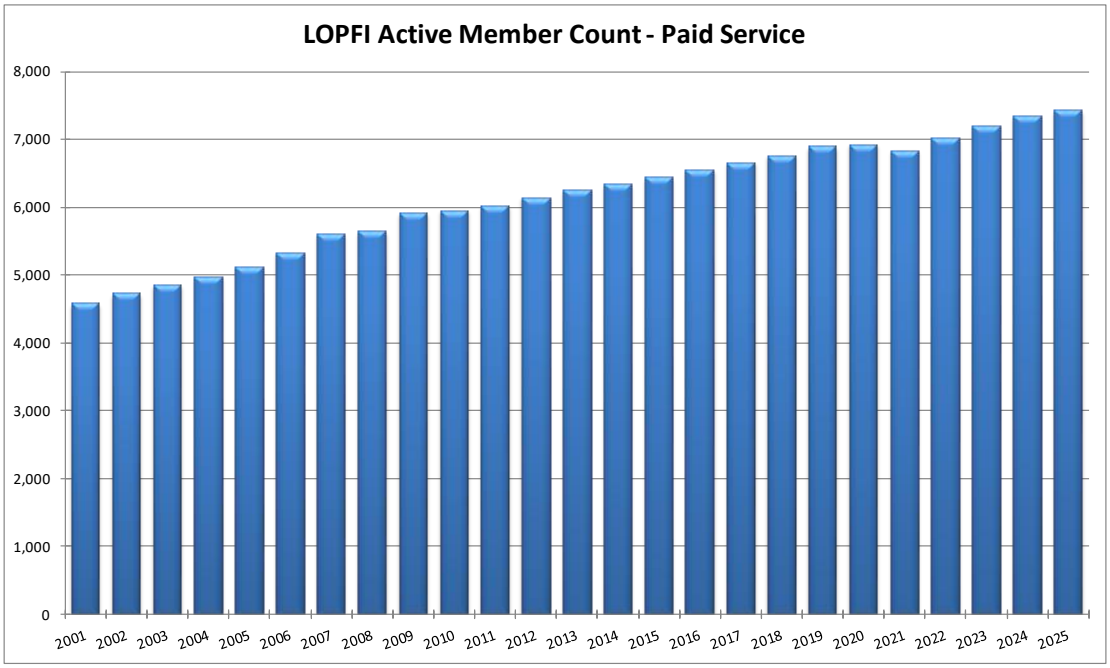
* *Includes DROP participants, if any.*

LOPFI Covered Departments and Covered Persons (Excluding Local Plan Members) (Continued)

Total Paid	Number of Departments	Active Members* Number	Annual Payroll	Average Pay	% Increase	Inflation Increase % (CPI)
12/31/2001	230	4,573	$ 148,713,511	$ 32,520	6.4	1.6
12/31/2002	236	4,720	163,420,616	34,623	6.5	2.4
12/31/2003	233	4,849	176,054,967	36,307	4.9	1.9
12/31/2004	236	4,966	187,341,513	37,725	3.9	3.3
12/31/2005	236	5,115	197,501,660	38,612	2.4	3.4
12/31/2006	247	5,328	212,949,694	39,968	3.5	2.5
12/31/2007	261	5,603	230,177,530	41,081	2.7	4.1
12/31/2008	258	5,640	241,675,203	42,850	4.3	0.1
12/31/2009	269	5,907	261,726,443	44,308	3.4	2.7
12/31/2010	274	5,949	264,905,380	44,529	0.5	1.5
12/31/2011	275	6,016	272,769,765	45,341	1.8	3.0
12/31/2012	272	6,139	282,170,105	45,964	1.4	1.7
12/31/2013	272	6,245	296,617,371	47,497	3.3	1.5
12/31/2014	276	6,323	307,405,199	48,617	2.4	0.8
12/31/2015	285	6,430	316,897,246	49,284	1.4	0.7
12/31/2016	283	6,551	326,005,293	49,764	1.0	2.1
12/31/2017	285	6,651	338,620,737	50,913	2.3	2.1
12/31/2018	290	6,755	350,639,235	51,908	2.0	1.9
12/31/2019	294	6,889	367,225,538	53,306	2.7	2.3
12/31/2020	295	6,916	379,616,690	54,890	3.0	1.4
12/31/2021	295	6,834	383,278,946	56,084	2.2	7.0
12/31/2022	296	7,017	410,561,550	58,510	4.3	6.5
12/31/2023	301	7,199	455,557,914	63,281	8.2	3.4
12/31/2024	302	7,340	492,543,495	67,104	6.0	2.9
12/31/2025	303	7,427	519,350,384	69,927	4.2	2.7

* *Includes DROP participants, if any.*


LOPFI Covered Departments - Paid Service
350
300
250
200
150
100
50
0
2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025


LOPFI Active Member Count - Paid Service
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

LOPFI Covered Departments and Covered Persons (Excluding Local Plan Members) (Continued)

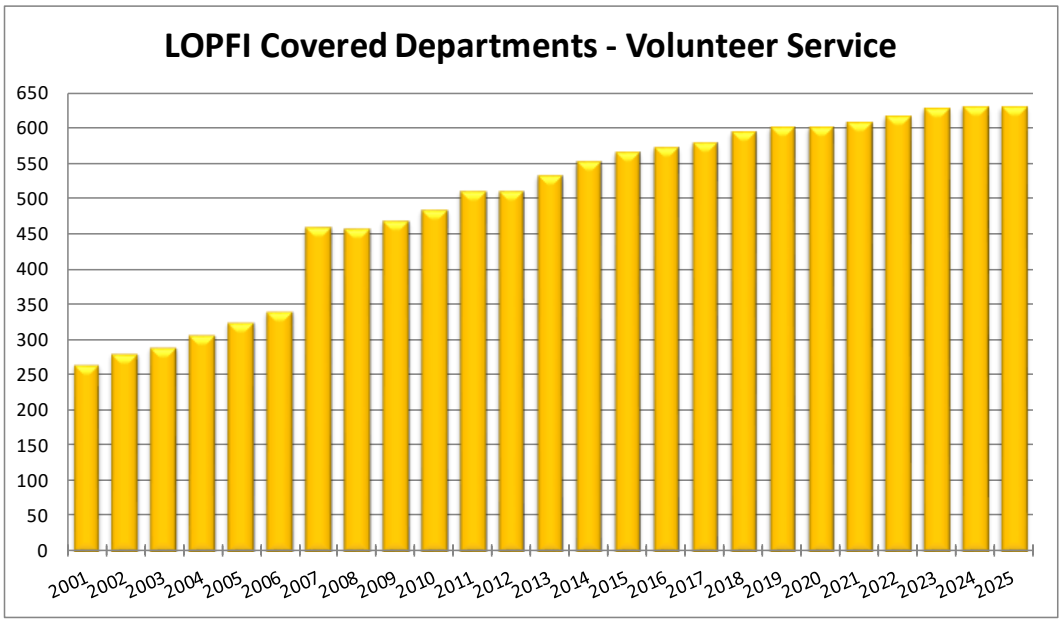
Volunteer Police	Number of Departments	Number of Active Members	Inflation Increase % (CPI)
12/31/2001	10	16	1.6 %
12/31/2002	19	49	2.4
12/31/2003	24	55	1.9
12/31/2004	24	55	3.3
12/31/2005	32	70	3.4
12/31/2006	38	91	2.5
12/31/2007	51	118	4.1
12/31/2008	42	123	0.1
12/31/2009	44	139	2.7
12/31/2010	58	174	1.5
12/31/2011	72	230	3.0
12/31/2012	69	224	1.7
12/31/2013	85	293	1.5
12/31/2014	98	335	0.8
12/31/2015	105	366	0.7
12/31/2016	104	396	2.1
12/31/2017	108	408	2.1
12/31/2018	118	452	1.9
12/31/2019	119	478	2.3
12/31/2020	115	470	1.4
12/31/2021	119	476	7.0
12/31/2022	124	455	6.5
12/31/2023	132	459	3.4
12/31/2024	129	481	2.9
12/31/2025	128	469	2.7

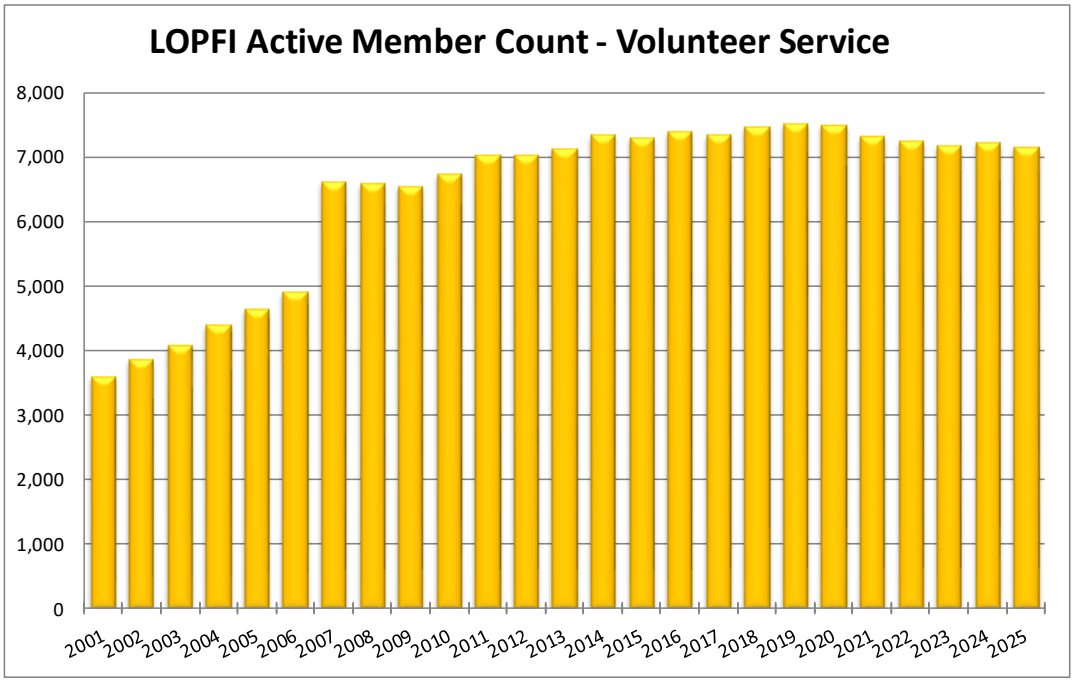
LOPFI Covered Departments and Covered Persons (Excluding Local Plan Members) (Continued)

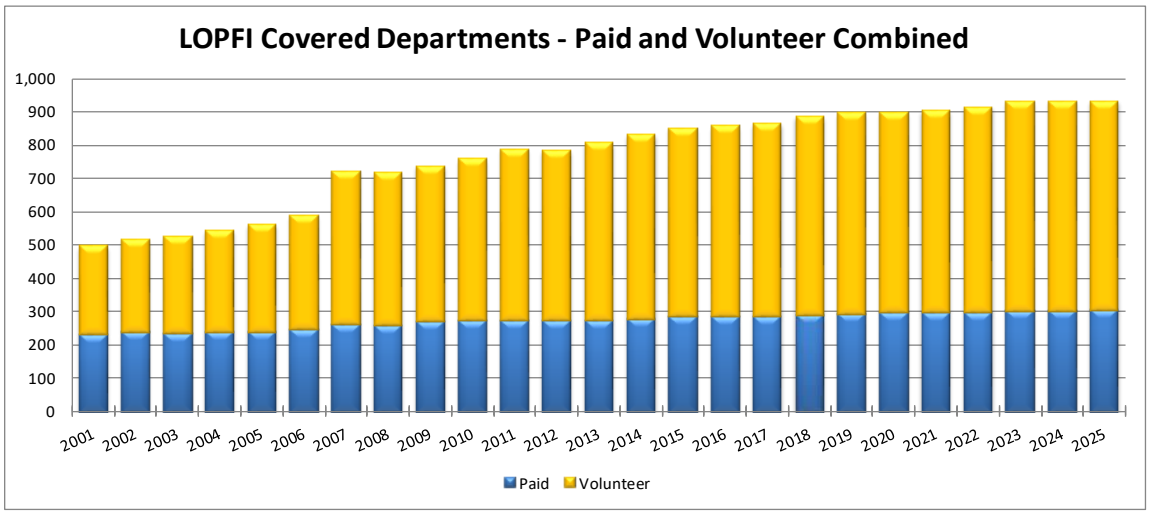
Volunteer Fire	Number of Departments	Number of Active Members	Inflation Increase % (CPI)
12/31/2001	255	3,585	1.6 %
12/31/2002	261	3,809	2.4
12/31/2003	266	4,033	1.9
12/31/2004	282	4,351	3.3
12/31/2005	293	4,580	3.4
12/31/2006	303	4,814	2.5
12/31/2007	410	6,502	4.1
12/31/2008	415	6,480	0.1
12/31/2009	424	6,412	2.7
12/31/2010	427	6,560	1.5
12/31/2011	440	6,804	3.0
12/31/2012	442	6,805	1.7
12/31/2013	449	6,847	1.5
12/31/2014	456	7,012	0.8
12/31/2015	461	6,938	0.7
12/31/2016	469	6,995	2.1
12/31/2017	471	6,933	2.1
12/31/2018	478	7,009	1.9
12/31/2019	482	7,055	2.3
12/31/2020	487	7,038	1.4
12/31/2021	489	6,840	7.0
12/31/2022	494	6,796	6.5
12/31/2023	497	6,725	3.4
12/31/2024	501	6,746	2.9
12/31/2025	502	6,682	2.7

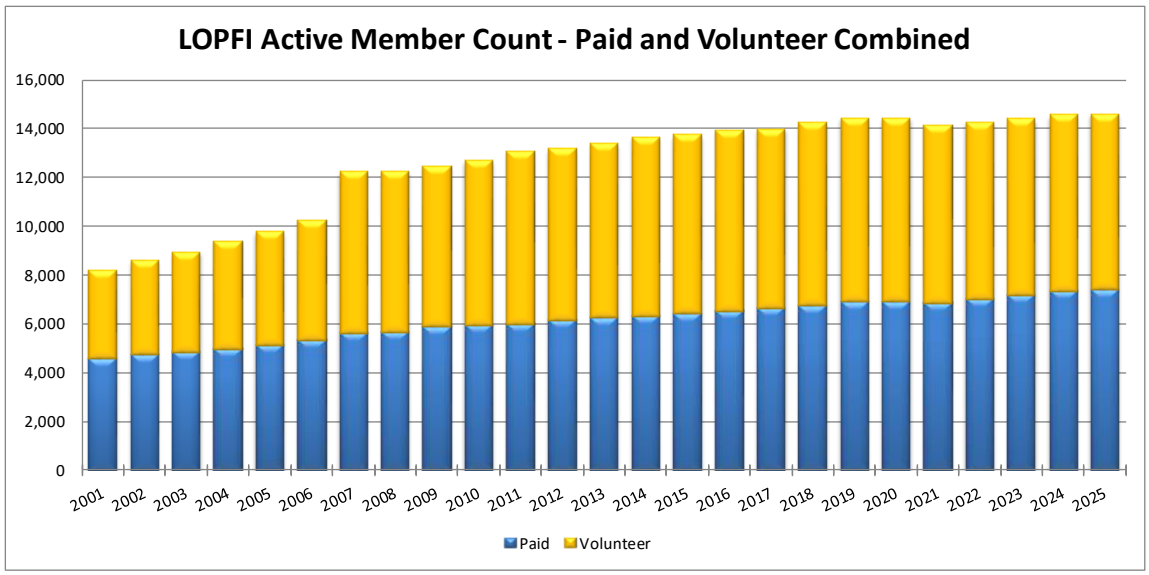
LOPFI Covered Departments and Covered Persons (Excluding Local Plan Members) (Concluded)

Total Volunteer Police and Fire	Number of Departments	Number of Active Members	Inflation Increase % (CPI)
12/31/2001	265	3,601	1.6 %
12/31/2002	280	3,858	2.4
12/31/2003	290	4,088	1.9
12/31/2004	306	4,406	3.3
12/31/2005	325	4,650	3.4
12/31/2006	341	4,905	2.5
12/31/2007	461	6,620	4.1
12/31/2008	457	6,603	0.1
12/31/2009	468	6,551	2.7
12/31/2010	485	6,734	1.5
12/31/2011	512	7,034	3.0
12/31/2012	511	7,029	1.7
12/31/2013	534	7,140	1.5
12/31/2014	554	7,347	0.8
12/31/2015	566	7,304	0.7
12/31/2016	573	7,391	2.1
12/31/2017	579	7,341	2.1
12/31/2018	596	7,461	1.9
12/31/2019	601	7,533	2.3
12/31/2020	602	7,508	1.4
12/31/2021	608	7,316	7.0
12/31/2022	618	7,251	6.5
12/31/2023	629	7,184	3.4
12/31/2024	630	7,227	2.9
12/31/2025	630	7,151	2.7


LOPFI Covered Departments - Volunteer Service
650
600
550
500
450
400
350
300
250
200
150
100
50
0
2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025


LOPFI Active Member Count - Volunteer Service
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025


LOPFI Covered Departments - Paid and Volunteer Combined
1,000
900
800
700
600
500
400
300
200
100
0
2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025
Paid
Volunteer


LOPFI Active Member Count - Paid and Volunteer Combined
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025
Paid
Volunteer

LOPFI (Excluding Local Plan Members)
Paid Service Active Members – December 31, 2025
Attained Age and Years of Service

Attained Age	Years of Service at Valuation Date							Totals*	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Annual Payroll
Under 20	10							10	$ 411,071
20-24	544	15						559	28,104,138
25-29	968	239	57					1,264	73,515,776
30-34	572	518	184	93				1,367	88,155,131
35-39	311	306	297	160	90			1,164	83,089,615
40-44	136	152	177	207	174	108		954	73,598,138
45-49	88	71	96	143	198	145	70	811	67,214,694
50-54	74	43	51	86	118	231	108	711	59,657,414
55-59	46	30	34	43	76	136	49	414	32,845,535
60-64	22	9	10	16	26	39	23	145	11,143,529
65-69	5	2	2	4	4	3	1	21	1,256,909
70+	5	1	1					7	358,434
Totals	**2,781**	**1,386**	**909**	**752**	**686**	**662**	**251**	**7,427**	**$ 519,350,384**

* *Includes DROP participants.*

Average Age: 38.1 years

Average Service: 11.1 years

Average Pay: $69,927

As a comparison, 7,340 paid service members participated in LOPFI on December 31, 2024.

LOPFI Staff is included in the table above.

LOPFI (Excluding Local Plan Members)
Volunteer Service Active Members – December 31, 2025
Attained Age and Years of Service

Attained Age	Years of Service at Valuation Date							Total Number
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	
Under 20	78							78
20-24	452	18						470
25-29	360	231	60					651
30-34	359	242	210	75				886
35-39	325	209	179	193	75			981
40-44	263	189	143	139	164	74		972
45-49	207	152	122	138	118	90	51	878
50-54	156	138	108	90	86	91	71	740
55-59	136	114	95	84	60	46	74	609
60-64	81	93	67	50	51	33	43	418
65-69	69	51	36	24	25	19	35	259
70+	53	53	41	19	15	12	16	209
Totals	**2,539**	**1,490**	**1,061**	**812**	**594**	**365**	**290**	**7,151**

Average Age: 43.1 years

Average Service: 10.8 years

As a comparison, 7,227 volunteer service members participated in LOPFI on December 31, 2024.

Benefit Program 2 Departments
December 31, 2025
(Included in Paid Service Schedules)

Employer	Number of Active Members*	Payroll
Bella Vista Police	46	$ 3,383,695
Bella Vista Fire	70	5,288,389
Fayetteville Police	160	14,957,600
Fayetteville Fire	139	12,850,233
Hot Springs Police	116	8,443,596
Hot Springs Fire	81	5,867,335
Marion Police	32	1,874,775
Total Benefit Program 2	**644**	**$ 52,665,623**

* *Includes DROP participants, if any.*

Benefit Program 4 Departments
December 31, 2025
(Included in Volunteer Service Schedules)

Employer	Number of Active Members
Alexander Volunteer Fire	7
Alexander Volunteer Police	1
Bella Vista Volunteer Police	3
Chickalah Volunteer Fire	5
Greenwood Volunteer Police	3
Greenwood Volunteer Fire	26
Higginson Volunteer Fire	15
Higginson Volunteer Police	1
Norfork Volunteer Police	2
Total Benefit Program 4	**63**

Retirants and Beneficiaries* Added to and Removed from Rolls
Comparative Statement

LOPFI Paid Service

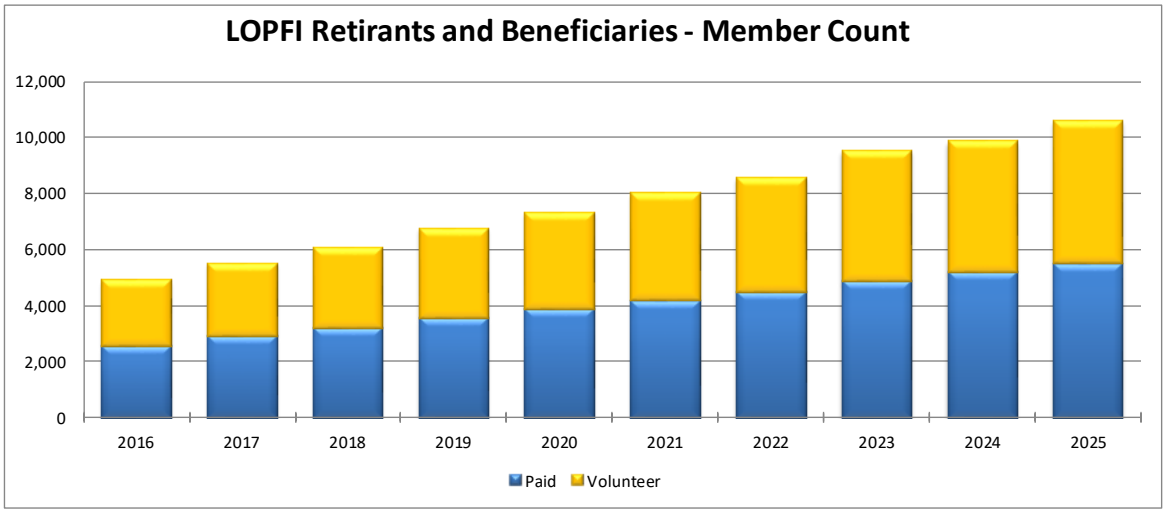
Valuation Date		Added No.	Added Annual Allowance	Removed No.	Removed Annual Allowance	End of Year No.	End of Year Annual Allowance	% Increase in Annual Allowance	Average Annual Allowance	Average % Increase in Allowance
December 31, 2016	Retirement	358	$ 9,667,785	33	$ 412,922	2,374	$ 55,027,032	20.22	$ 23,179	3.76 %
	Survivor of active	1	41,255	3	21,630	95	739,564	2.73	7,785	4.89
	Survivor of retired	16	236,963	4	21,003	79	985,794	28.05	12,478	8.60
December 31, 2017	Retirement	352	9,567,871	33	457,772	2,693	64,137,131	16.56	23,816	2.75
	Survivor of active	11	102,949	5	19,030	101	823,483	11.35	8,153	4.73
	Survivor of retired	21	281,874	5	161,825	95	1,105,843	12.18	11,640	(6.72)
December 31, 2018	Retirement	320	9,702,523	38	398,114	2,975	73,441,540	14.51	24,686	3.65
	Survivor of active	12	83,922	5	23,899	108	883,506	7.29	8,181	0.34
	Survivor of retired	11	110,354	9	108,967	97	1,107,230	0.13	11,415	(1.93)
December 31, 2019	Retirement	380	11,370,675	30	468,181	3,325	84,344,034	14.85	25,367	2.76
	Survivor of active	20	129,798	3	21,662	125	991,642	12.24	7,933	(3.03)
	Survivor of retired	9	229,694	3	35,039	103	1,301,885	17.58	12,640	10.73
December 31, 2020	Retirement	338	12,115,568	39	800,609	3,624	95,658,993	13.42	26,396	4.06
	Survivor of active	16	196,570	2	13,040	139	1,175,172	18.51	8,454	6.57
	Survivor of retired	11	204,964	9	208,626	105	1,298,223	(0.28)	12,364	(2.18)
December 31, 2021	Retirement	369	11,923,020	59	977,061	3,934	106,604,952	11.44	27,098	2.66
	Survivor of active	14	222,146	9	41,061	144	1,356,257	15.41	9,418	11.40
	Survivor of retired	30	383,618	8	139,356	127	1,542,485	18.82	12,146	(1.76)
December 31, 2022	Retirement	343	12,701,874	59	1,247,813	4,218	118,059,013	10.74	27,989	3.29
	Survivor of active	2	56,966	5	32,188	141	1,381,035	1.83	9,795	4.00
	Survivor of retired	25	835,647	13	97,464	139	2,280,668	47.86	16,408	35.09
December 31, 2023	Retirement	391	14,677,056	73	1,450,888	4,536	131,285,181	11.20	28,943	3.41
	Survivor of active	18	223,354	8	38,743	151	1,565,646	13.37	10,369	5.86
	Survivor of retired	33	429,589	13	335,041	159	2,375,216	4.15	14,938	(8.96)
December 31, 2024	Retirement	408	14,904,534	66	1,205,411	4,878	144,984,304	10.43	29,722	2.69
	Survivor of active	4	113,939	6	36,954	149	1,642,631	4.92	11,024	6.32
	Survivor of retired	22	483,843	11	302,651	170	2,556,408	7.63	15,038	0.67
December 31, 2025	Retirement	372	14,887,418	52	1,113,232	5,198	158,758,490	9.50	30,542	2.76
	Survivor of active	4	93,448	3	27,414	150	1,708,665	4.02	11,391	3.33
	Survivor of retired	19	352,164	10	262,560	179	2,646,012	3.51	14,782	(1.70)

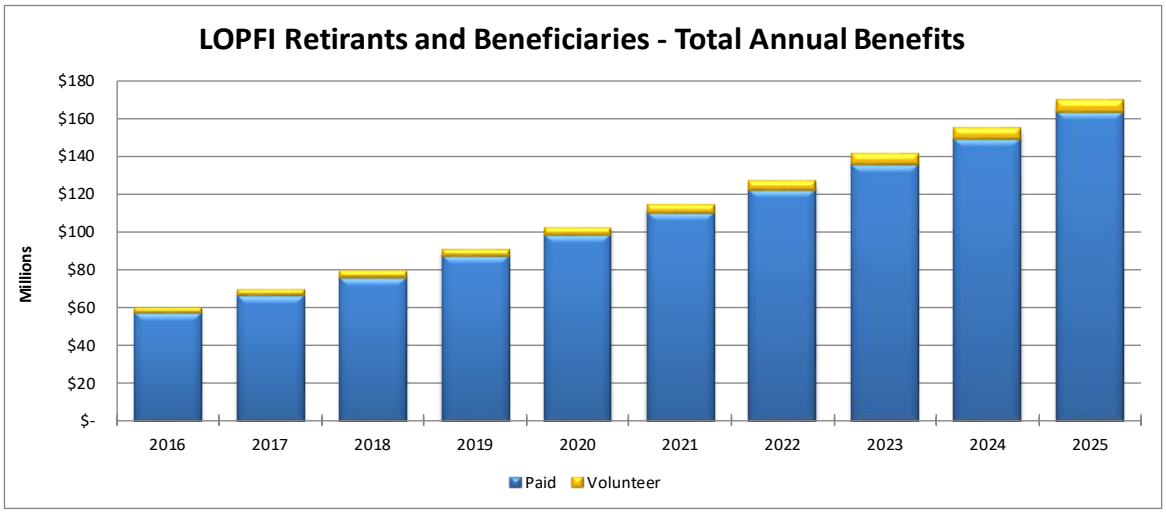
* *Includes DROP participants.*

Retirants and Beneficiaries Added to and Removed from Rolls
Comparative Statement (Continued)

LOPFI Volunteer Service

Valuation Date		Added No.	Added Annual Allowance	Removed No.	Removed Annual Allowance	End of Year No.	End of Year Annual Allowance	% Increase in Annual Allowance	Average Annual Allowance	Average % Increase in Allowance
December 31, 2016	Retirement	218	$ 283,941	42	$ 48,527	2,075	$ 2,476,639	10.50	$ 1,194	1.19 %
	Survivor of active	22	10,936	6	1,251	152	57,278	20.35	377	7.71
	Survivor of retired	29	35,094	14	14,065	131	137,095	18.12	1,047	4.60
December 31, 2017	Retirement	280	357,463	35	43,329	2,320	2,790,773	12.68	1,203	0.75
	Survivor of active	28	8,857	6	1,193	174	64,942	13.38	373	(1.06)
	Survivor of retired	17	22,702	9	11,424	139	148,373	8.23	1,067	1.91
December 31, 2018	Retirement	302	362,684	54	71,173	2,568	3,082,284	10.45	1,200	(0.25)
	Survivor of active	2	2,860	8	3,113	168	64,689	(0.39)	385	3.22
	Survivor of retired	28	38,862	15	21,944	152	165,291	11.40	1,087	1.87
December 31, 2019	Retirement	337	426,392	61	78,585	2,844	3,430,091	11.28	1,206	0.50
	Survivor of active	30	9,012	10	1,817	188	71,884	11.12	382	(0.78)
	Survivor of retired	31	33,191	25	33,785	158	164,697	(0.36)	1,042	(4.14)
December 31, 2020	Retirement	305	416,268	46	58,366	3,103	3,787,993	10.43	1,221	1.24
	Survivor of active	20	11,498	15	4,076	193	79,306	10.32	411	7.59
	Survivor of retired	19	25,148	19	19,903	158	169,942	3.18	1,076	3.26
December 31, 2021	Retirement	381	493,207	72	102,246	3,412	4,178,954	10.32	1,225	0.33
	Survivor of active	28	10,956	22	5,960	199	84,302	6.30	424	3.16
	Survivor of retired	29	27,764	16	14,448	171	183,258	7.84	1,072	(0.37)
December 31, 2022	Retirement	351	471,908	92	121,575	3,671	4,529,287	8.38	1,234	0.73
	Survivor of active	9	7,584	16	2,543	192	89,343	5.98	465	9.67
	Survivor of retired	37	48,058	18	20,802	190	210,514	14.87	1,108	3.36
December 31, 2023	Retirement	347	532,252	72	104,135	3,946	4,957,404	9.45	1,256	1.78
	Survivor of active	23	8,304	8	3,972	207	93,675	4.85	453	(2.58)
	Survivor of retired	32	45,850	25	31,713	197	224,651	6.72	1,140	2.89
December 31, 2024	Retirement	414	630,432	88	118,361	4,272	5,469,475	10.33	1,280	1.91
	Survivor of active	11	6,672	12	5,208	206	95,139	1.56	462	1.99
	Survivor of retired	24	37,669	26	38,205	195	224,115	(0.24)	1,149	0.79
December 31, 2025	Retirement	456	675,263	79	136,662	4,649	6,008,076	9.85	1,292	0.96
	Survivor of active	22	11,903	15	5,598	213	101,444	6.63	476	3.09
	Survivor of retired	36	44,234	29	40,071	202	228,278	1.86	1,130	(1.65)


LOPFI Retirants and Beneficiaries - Member Count
12,000
10,000
8,000
6,000
4,000
2,000
0
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Paid
Volunteer


LOPFI Retirants and Beneficiaries - Total Annual Benefits
Millions
$180
$160
$140
$120
$100
$80
$60
$40
$20
$-
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Paid
Volunteer

Retirants and Beneficiaries* Added to and Removed from Rolls
Comparative Statement (Continued)

Local Paid Service

Valuation Date		Added No.	Added Annual Allowance	Removed No.	Removed Annual Allowance	End of Year No.	End of Year Annual Allowance	% Increase in Annual Allowance	Average Annual Allowance	Average % Increase in Allowance
December 31, 2016	Retirement	28	$ 663,817	42	$ 808,519	1,177	$ 28,793,741	(0.50)	$ 24,464	0.68 %
	Survivor of active	1	8,712	-	-	22	345,435	2.59	15,702	(2.07)
	Survivor of retired	28	593,043	23	347,147	377	7,029,493	3.62	18,646	2.25
December 31, 2017	Retirement	122	3,554,712	35	795,031	1,264	31,553,422	9.58	24,963	2.04
	Survivor of active	2	43,909	1	7,425	23	381,919	10.56	16,605	5.75
	Survivor of retired	58	1,149,220	24	357,161	411	7,821,552	11.27	19,031	2.06
December 31, 2018	Retirement	237	8,914,833	54	1,178,112	1,447	39,290,143	24.52	27,153	8.77
	Survivor of active	4	90,907	-	-	27	472,826	23.80	17,512	5.46
	Survivor of retired	102	3,066,934	26	459,655	487	10,428,831	33.33	21,414	12.52
December 31, 2019	Retirement	22	925,524	51	1,137,359	1,418	39,078,308	(0.54)	27,559	1.50
	Survivor of active	-	2,742	2	37,378	25	438,190	(7.33)	17,528	0.09
	Survivor of retired	26	682,836	25	456,573	488	10,655,094	2.17	21,834	1.96
December 31, 2020	Retirement	40	1,358,752	67	1,563,768	1,391	38,873,292	(0.52)	27,946	1.40
	Survivor of active	1	15,683	1	8,820	25	445,053	1.57	17,802	1.56
	Survivor of retired	55	1,402,303	30	547,727	513	11,509,670	8.02	22,436	2.76
December 31, 2021	Retirement	4	731,131	56	1,358,978	1,339	38,245,445	(1.62)	28,563	2.21
	Survivor of active	-	2,890	-	-	25	447,943	0.65	17,918	0.65
	Survivor of retired	27	747,437	32	534,701	508	11,722,406	1.85	23,076	2.85
December 31, 2022	Retirement	3	1,616,871	62	1,527,670	1,280	38,334,646	0.23	29,949	4.85
	Survivor of active	1	50,260	2	39,284	24	458,919	2.45	19,122	6.72
	Survivor of retired	25	1,280,335	43	818,847	490	12,183,894	3.94	24,865	7.75
December 31, 2023	Retirement	44	1,817,364	53	1,568,853	1,271	38,583,157	0.65	30,357	1.36
	Survivor of active	-	2,791	5	107,119	19	354,591	(22.73)	18,663	(2.40)
	Survivor of retired	43	1,195,275	32	732,857	501	12,646,312	3.80	25,242	1.52
December 31, 2024	Retirement	5	423,871	67	1,814,851	1,209	37,192,177	(3.61)	30,763	1.34
	Survivor of active	-	2,865	3	30,480	16	326,976	(7.79)	20,436	9.50
	Survivor of retired	36	1,136,973	49	1,067,910	488	12,715,375	0.55	26,056	3.22
December 31, 2025	Retirement	54	2,849,605	61	1,907,330	1,202	38,134,452	2.53	31,726	3.13
	Survivor of active	1	64,719	1	32,476	16	359,219	9.86	22,451	9.86
	Survivor of retired	53	1,993,086	26	610,043	515	14,098,418	10.88	27,376	5.06

* *Includes DROP participants.*

Retirants and Beneficiaries Added to and Removed from Rolls
Comparative Statement (Concluded)

Local Volunteer Service

Valuation Date		Added No.	Added Annual Allowance	Removed No.	Removed Annual Allowance	End of Year No.	End of Year Annual Allowance	% Increase in Annual Allowance	Average Annual Allowance	Average % Increase in Allowance
December 31, 2016	Retirement	37	$ 80,525	40	$ 60,439	688	$ 1,214,162	1.68	$ 1,765	2.14 %
	Survivor of active	1	2,526	2	2,340	13	21,946	0.85	1,688	8.62
	Survivor of retired	45	76,922	16	22,294	275	425,239	14.74	1,546	2.59
December 31, 2017	Retirement	175	358,989	33	63,305	830	1,509,846	24.35	1,819	3.06
	Survivor of active	4	4,821	-	-	17	26,767	21.97	1,575	(6.69)
	Survivor of retired	99	190,566	24	36,316	350	579,489	36.27	1,656	7.12
December 31, 2018	Retirement	77	225,052	41	73,666	866	1,661,232	10.03	1,918	5.44
	Survivor of active	1	2,109	1	1,957	17	26,919	1	1,583	0.51
	Survivor of retired	60	141,299	21	32,132	389	688,656	18.84	1,770	6.88
December 31, 2019	Retirement	47	162,997	39	64,014	874	1,760,215	5.96	2,014	5.01
	Survivor of active	1	2,054	2	3,941	16	25,032	(7.01)	1,565	(1.14)
	Survivor of retired	28	70,009	31	53,470	386	705,195	2.40	1,827	3.22
December 31, 2020	Retirement	9	45,099	54	103,946	829	1,701,368	(3.34)	2,052	1.89
	Survivor of active	-	316	3	3,300	13	22,048	(11.92)	1,696	8.37
	Survivor of retired	35	81,176	36	60,012	385	726,359	3.00	1,887	3.28
December 31, 2021	Retirement	45	160,512	50	85,712	824	1,776,168	4.40	2,156	5.07
	Survivor of active	-	325	2	4,080	11	18,293	(17.03)	1,663	(1.95)
	Survivor of retired	55	130,425	37	74,462	403	782,322	7.70	1,941	2.86
December 31, 2022	Retirement	64	195,150	39	78,264	849	1,893,054	6.58	2,230	3.43
	Survivor of active	1	1,635	1	2,643	11	17,285	(5.51)	1,571	(5.53)
	Survivor of retired	50	119,644	33	58,926	420	843,040	7.76	2,007	3.40
December 31, 2023	Retirement	22	88,982	52	119,141	819	1,862,895	(1.59)	2,275	2.02
	Survivor of active	1	1,421	2	2,591	10	16,115	(6.77)	1,612	2.61
	Survivor of retired	46	129,880	34	59,446	432	913,474	8.35	2,115	5.38
December 31, 2024	Retirement	8	41,364	49	115,946	778	1,788,313	(4.00)	2,299	1.05
	Survivor of active	-	228	1	1,380	9	14,963	(7.15)	1,663	3.16
	Survivor of retired	35	93,469	38	77,939	429	929,003	1.70	2,166	2.41
December 31, 2025	Retirement	29	96,616	46	78,458	761	1,806,470	1.02	2,374	3.25
	Survivor of active	-	234	-	-	9	15,197	1.56	1,689	1.54
	Survivor of retired	35	122,786	32	52,071	432	999,717	7.61	2,314	6.84

LOPFI (Excluding Local Plan Members)
Paid Service Retirants and Beneficiaries* – December 31, 2025
Tabulated by Attained Ages

Attained Ages	Age & Service Retirants		Disability Retirants		Survivor Beneficiaries	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits
Under 10					8	$ 52,484
10-14					7	47,373
15-19					29	198,487
20-24					3	56,301
25-29					4	106,153
30-34			3	$ 80,327	4	34,009
35-39	15	$ 244,976	17	434,516	9	103,173
40-44	84	1,537,275	30	969,601	9	117,652
45-49	246	6,536,468	67	2,055,811	15	192,202
50-54	626	21,543,128	126	4,347,268	28	465,987
55-59	1,133	38,598,819	121	4,491,538	45	697,989
60-64	1,172	37,142,667	134	4,398,237	53	755,976
65-69	745	21,399,469	68	2,348,934	38	551,430
70-74	334	7,393,066	20	673,957	36	501,245
75-79	166	2,689,822	18	611,396	28	298,107
80-84	48	733,415	4	157,591	11	161,113
85-89	18	347,764			1	4,570
90 & Over	3	22,445			1	10,426
Totals	**4,590**	**$ 138,189,314**	**608**	**$ 20,569,176**	**329**	**$ 4,354,677**

* *Includes DROP participants.*

LOPFI (Excluding Local Plan Members)
Volunteer Service Retirants and Beneficiaries – December 31, 2025
Tabulated by Attained Ages

Attained Ages	Age & Service Retirants		Disability Retirants		Survivor Beneficiaries	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits
Under 10					8	$ 638
10-14					16	1,887
15-19					27	4,045
20-24					9	1,112
25-29					2	330
30-34			1	$ 849	6	2,483
35-39	15	$ 12,942	11	3,305	7	6,870
40-44	94	59,336	9	1,722	11	6,698
45-49	226	151,434	24	11,922	23	13,362
50-54	399	343,976	47	21,179	32	19,293
55-59	656	738,362	26	13,374	35	28,260
60-64	981	1,278,389	27	19,186	64	51,813
65-69	842	1,297,551	15	14,012	38	44,141
70-74	605	974,109	2	3,250	50	53,509
75-79	377	596,167	7	9,477	49	46,297
80-84	184	303,636			21	27,320
85-89	79	123,549			14	18,360
90 & Over	22	30,349			3	3,304
Totals	**4,480**	**$ 5,909,800**	**169**	**$ 98,276**	**415**	**$ 329,722**

Local Plan Members Under LOPFI Administration
Paid Service Retirants and Beneficiaries* – December 31, 2025
Tabulated by Attained Ages

Attained Ages	Age & Service Retirants		Disability Retirants		Survivor Beneficiaries	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits
Under 10						
10-14					1	$ 21,707
15-19					2	79,598
20-24					1	25,167
25-29						
30-34						
35-39						
40-44						
45-49					1	29,242
50-54					2	49,439
55-59	4	$ 23,370			3	89,916
60-64	30	870,982	1	$ 37,842	19	670,050
65-69	191	6,604,445	22	654,505	42	1,290,871
70-74	329	10,815,103	22	617,151	83	2,549,102
75-79	277	8,882,049	31	871,688	123	3,548,595
80-84	164	5,341,748	10	260,866	114	3,009,291
85-89	86	2,275,506	6	146,177	80	1,915,746
90 & Over	24	619,943	5	113,077	60	1,178,913
Totals	**1,105**	**$ 35,433,146**	**97**	**$ 2,701,306**	**531**	**$ 14,457,637**

* *Includes DROP members.*

Local Plan Members Under LOPFI Administration
Volunteer Service Retirants and Beneficiaries – December 31, 2025
Tabulated by Attained Ages

Attained Ages	Age & Service Retirants		Disability Retirants		Survivor Beneficiaries	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits
Under 10						
10-14						
15-19					1	$ 300
20-24						
25-29						
30-34						
35-39						
40-44						
45-49	1	$ 3,156				
50-54						
55-59					2	4,067
60-64	44	118,254			12	25,451
65-69	141	327,519			20	47,335
70-74	162	370,767	5	$ 14,105	58	141,907
75-79	166	414,698	3	3,600	103	275,417
80-84	121	275,728	1	1,200	103	214,978
85-89	71	156,382			87	183,114
90 & Over	46	121,061			55	122,345
Totals	**752**	**$ 1,787,565**	**9**	**$ 18,905**	**441**	**$ 1,014,914**

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
101-Gamaliel FPD #5						X	
70 West Fire Protection District				X		X	
Alexander Police	X		X	X		X	
Allison Sylamore Volunteer Fire						X	
Alma Volunteer Fire						X	
Alpena Volunteer Fire						X	
Altheimer Volunteer Fire						X	
Altus Police	X					X	
Amity Volunteer Fire	X					X	
Antioch Volunteer Fire						X	
Appleton Rural Volunteer Fire						X	
Arch Street FPD #16						X	
Arkadelphia Fire					X	X	
Arkansas City Volunteer Fire						X	
Ash Flat Fire	X		X		X	X	
Ashdown Police	X		X		X	X	
Atkins Volunteer Fire	X		X			X	
Augusta Police	X					X	
Austin Volunteer Fire	X		X			X	
Avoca Volunteer Fire						X	
Bald Knob Fire	X			X		X	
Barling Police	X		X	X		X	
Barton-Lexa Fire Department, Inc.						X	
Batesville Volunteer Fire	X		X		X	X	
Bauxite Volunteer Fire						X	
Bay Village Volunteer Fire						X	
Bay Volunteer Fire	X		X			X	
BDR FD#1						X	
Bearden Volunteer Fire						X	
Beaver Lake Volunteer Fire						X	
Beaverfork Volunteer Fire						X	
Bee Branch Volunteer Fire						X	
Beebe Fire				X		X	
Bella Vista Volunteer Fire	X		X	X			
Belleville Volunteer Fire						X	
Benton Police	X				X		
Bentonville Volunteer Fire	X		X		X	X	
Bergman Volunteer Fire Association						X	
Berryville Volunteer Fire	X		X			X	
Bethesda Area Volunteer Fire						X	
Big Creek Volunteer Fire						X	
Bigelow Volunteer Fire						X	
Bigger-Reyno Volunteer Fire						X	
Biscoe Volunteer Fire						X	
Bismarck Fire Pro Assoc						X	
Black Rock Police	X		X				
Blytheville Police	X		X		X	X	
Bonanza Volunteer Fire						X	
Bono FID Volunteer Fire						X	
Bono Police	X		X				

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Booneville Police	X					X	
Boston Mountain Volunteer Fire						X	
Bradford Police	X					X	
Bradley County Rural Volunteer Fire						X	
Bradley Volunteer Police	X		X			X	
Brinkley Volunteer Police		X	X		X	X	
Brookland Fire Protection District						X	
Brookland Volunteer Police	X		X				
Bruno Fire Protection District						X	
Bryant Volunteer Police	X		X		X		
Buena Vista Volunteer Fire						X	
Buford Fire				X		X	
Bull Shoals Fire	X		X	X		X	
Burnt Ridge Volunteer Fire						X	
Butterfield Volunteer Fire						X	
Cabot Fire	X				X	X	
Caddo Valley Police	X		X			X	
Cairo Volunteer Fire						X	
Caldwell Volunteer Fire						X	
Calico Rock Volunteer Fire						X	
Calion Volunteer Police			X			X	
Calvert Township Volunteer Fire						X	
Camden Police		X			X	X	
Cammack Village Volunteer Police	X		X				
Camp Volunteer Fire						X	
Cane Creek Volunteer Fire						X	
Capps-Batavia Volunteer Fire						X	
Caraway Volunteer Fire	X					X	
Carlisle Police	X					X	
Carthage Volunteer Fire						X	
Cash Volunteer Fire						X	
Cave City Fire	X		X	X		X	
Cave Springs Volunteer Police	X		X	X		X	
Cecil Rural Fire Department						X	
Center Grove Volunteer Fire						X	
Center Volunteer Fire						X	
Centerton Volunteer Fire	X		X		X	X	
Central City Police	X		X			X	
Chambersville Volunteer Fire						X	
Charleston Volunteer Fire						X	
Charlotte Volunteer Fire						X	
Cherokee Village Fire	X		X	X		X	
Cherry Hill Volunteer Fire						X	
Cherry Valley Police	X		X			X	
Chickalah Volunteer Fire						X	
Chidester Volunteer Fire						X	
Chimes Volunteer Fire						X	
Choctaw Volunteer Fire						X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Cincinnati Volunteer Fire						X	
Clarendon Police	X					X	
Clarksville Police	X		X			X	
Clinton Fire	X		X	X		X	
Coal Hill Police	X		X			X	
Collegeville Volunteer Fire						X	
Colt Volunteer Fire						X	
Compton Vol Fire Assoc						X	
Concord Volunteer Police			X				
Conway Co. Fire				X		X	
Conway Fire	X				X		
Cooterneck Volunteer Fire						X	
Cord Volunteer Fire						X	
Corning Police	X					X	
Cotter Police	X		X			X	
Cotter/Gassville Rural Fire Protection District						X	
Cotton Plant Police	X					X	
Cottonwood Rural Fire Assoc						X	
County Line Volunteer Fire						X	
Cove Rural Volunteer Fire						X	
Crawfordsville Volunteer Fire						X	
Crossett Police	X				X	X	
Crow Mountain Fire Protection District						X	
Crystal Fire Protection District #24						X	
Curtis Rural Volunteer Fire						X	
Cushman Volunteer Fire						X	
Dalton Volunteer Fire						X	
Damascus Volunteer Fire						X	
Danville Police	X					X	
Dardanelle Police	X		X			X	
Deann Volunteer Fire						X	
Decatur Volunteer Police	X		X			X	
Deer Volunteer Fire						X	
Delaware Volunteer Fire						X	
DeQueen Police	X				X	X	
Dermott Police	X			X		X	
Des Arc Police	X		X			X	
Desha Volunteer Fire						X	
DeValls Bluff Volunteer Fire	X					X	
DeWitt Volunteer Fire	X					X	
Diamond City Police	X		X				
Diaz Police	X		X			X	
Dierks Police	X		X				
District 7 Crawford County Volunteer Fire						X	
Dodd Mountain Volunteer Fire						X	
Dover Volunteer Fire	X		X			X	
Dumas Volunteer Fire						X	
Dyess Volunteer Fire						X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Earle Police	X		X			X	
East Camden Volunteer Fire						X	
East End Fire Protection District						X	
East Pulaski County Volunteer Fire						X	
El Dorado Police		X			X		
Elaine Volunteer Fire						X	
Elkins Fire	X		X	X		X	
Elm Springs Volunteer Police	X		X				
Emerson Volunteer Fire						X	
Emmet Volunteer Fire						X	
EMP Rural Fire Association Inc						X	
England Volunteer Fire						X	
Etowah Volunteer Fire						X	
Eudora Volunteer Fire						X	
Eureka Springs Police	X		X		X	X	
Evansville Volunteer Fire						X	
Evening Shade Volunteer Police			X			X	
Faircrest Volunteer Fire						X	
Fairfield Bay Police	X					X	
Fairview Fire Protection District Volunteer Fire						X	
Fairview Rural Fire District						X	
Farmington Police	X		X	X		X	
Fayetteville Police		X			X		
Fifty Six Volunteer Fire						X	
Fire District #6 Crawford Co						X	
Fisher Volunteer Fire						X	
Flippin Volunteer Police	X		X	X		X	
Floral Volunteer Fire						X	
Fordyce Volunteer Fire						X	
Foreman Volunteer Fire						X	
Forrest City Police	X		X		X	X	
Fort Smith Fire		X	X		X		
Fountain Lake Fire Department						X	
Fox Volunteer Fire						X	
Frenchport Volunteer Fire						X	
Gallatin Volunteer Fire						X	
Garland Volunteer Fire						X	
Garnett Volunteer Fire				X		X	
Gassville Police	X		X			X	
Gentry Volunteer Fire	X		X	X		X	
Gillett Volunteer Fire						X	
Gillham Volunteer Fire						X	
Glenwood Police	X		X			X	
Goshen Fire Dist Assoc						X	
Goshen Police	X						
Gosnell Police	X		X			X	
Gould Volunteer Fire						X	
Grady Volunteer Fire						X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Gravel Ridge Fire Protection District					X	X	
Gravette Volunteer Fire	X		X	X		X	
Grayson Fire Assoc						X	
Green Forest Police	X					X	
Greenbrier Police	X			X		X	
Greenland Police	X		X				
Greenwood Police	X		X		X	X	
Greenwood Rural Volunteer Fire						X	
Greers Ferry Police	X					X	
Grover Township Volunteer Fire						X	
Grubbs Volunteer Fire						X	
Gum Springs Volunteer Fire						X	
Gurdon Volunteer Fire						X	
Guy Community Volunteer Fire						X	
Hackett Police	X		X			X	
Hagarville RFD #3						X	
Halley Volunteer Fire						X	
Hamburg Volunteer Fire						X	
Hampton Volunteer Fire	X					X	
Hand Cove Fire Prot Dist						X	
Hardin Volunteer Fire						X	
Hardy Fire	X		X		X	X	
Harmon Volunteer Fire						X	
Harrell Volunteer Fire						X	
Harrisburg Police	X		X			X	
Harrison Police	X		X		X	X	
Hartford Police	X					X	
Haskell Police	X			X		X	
Hatfield Volunteer Fire						X	
Hazen Volunteer Fire						X	
Heber Springs Police	X				X	X	
Hector Police	X		X			X	
Helena-West Helena Fire		X	X		X	X	
Hensley Volunteer Fire						X	
Hermitage Police	X		X			X	
Hickory Creek Volunteer Fire						X	
Hickory Ridge Volunteer Fire						X	
Higginson Volunteer Police			X			X	
Highfill Volunteer Police	X		X			X	
Highland Police	X		X	X		X	
Highway 15 South Volunteer Fire						X	
Highway 286 East Volunteer Fire						X	
Highway 94 East Volunteer Fire						X	
Hilltop Volunteer Fire						X	
Hilltop Volunteer Fire						X	
Holiday Island Fire					X	X	
Holland Volunteer Fire						X	
Hollis Volunteer Fire						X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Holly Grove Police	X		X			X	
Hon Volunteer Fire						X	
Hope Fire					X	X	
Hopewell Fire District						X	
Horatio Volunteer Fire						X	
Horseshoe Lake Volunteer Fire						X	
Hot Springs Police		X			X		
Hot Springs Village Police	X			X		X	
Hoxie Fire	X		X		X	X	
Hughes Police	X		X			X	
Humphrey Volunteer Fire						X	
Huntington Volunteer Police			X			X	
Huntsville Police	X				X	X	
Huttig Police	X					X	
Imboden Volunteer Fire						X	
Inspiration Point Rural Fire Protection District						X	
Ione Community Fire						X	
Jacksonville Police	X				X		
Jasper Police	X					X	
Johnson County Rfd #1						X	
Johnson County Rfd #2						X	
Johnson County Rfd #4						X	
Johnson County Rfd #5						X	
Johnson County Rfd #7						X	
Johnson County RFD #8						X	
Johnson Police	X			X		X	
Joiner Volunteer Fire						X	
Jonesboro Volunteer Police		X	X		X		
Joplin Volunteer Fire						X	
Judsonia Police	X		X			X	
Junction City Volunteer Fire						X	
Keiser Volunteer Fire						X	
Kensett Police	X		X			X	
Keo Volunteer Fire						X	
Kibler Police	X						
Knoxville Volunteer Fire						X	
Krooked Kreek Volunteer Fire Assoc, Inc						X	
Lake City Police	X					X	
Lake Hamilton Fire Protection District				X		X	
Lake Maumelle Area RFD						X	
Lake Norrell Area Fire Protection District						X	
Lake Village Volunteer Fire	X					X	
Lakeview Police		X	X				
Lakeway Rural Volunteer Fire						X	
Lamar Police	X					X	
Landis Volunteer Fire						X	
Lavaca Police	X		X			X	
Lawson-Urbana Volunteer Fire						X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Lazy Acres Vfd						X	
Leachville Police	X					X	
Lead Hill Volunteer Fire						X	
Lepanto Police	X					X	
Leslie Volunteer Fire						X	
Lewisville Volunteer Fire	X					X	
Liberty Volunteer Fire						X	
Lincoln Police	X		X	X		X	
Linwood-Moscow Volunteer Fire						X	
Little Flock Police	X		X			X	
Little Rock Police		X			X		
Lockesburg Volunteer Fire						X	
London Rural Volunteer Fire						X	
Lone Rock Volunteer Fire						X	
Lonoke Police	X					X	
LOPFI Staff							X
Louann Volunteer Fire						X	
Lowell Police	X		X		X		
Lurton-Pelser Volunteer Fire						X	
Luxora Volunteer Fire						X	
Lynne Volunteer Fire						X	
Magazine Volunteer Fire						X	
Magnet Cove Volunteer Fire						X	
Magnolia Police	X		X		X	X	
Malvern Police	X				X	X	
Mammoth Springs Volunteer Fire						X	
Manila Police	X		X			X	
Mansfield Police	X					X	
Marble Volunteer Fire						X	
Marianna Police	X		X	X		X	
Marion Police	X		X	X		X	
Marked Tree Police	X		X			X	
Marmaduke Police	X		X			X	
Marshall Police	X		X			X	
Marvell Volunteer Fire	X		X			X	
Maumelle Volunteer Fire		X			X	X	
Mayflower Police	X			X		X	
Maynard Volunteer Fire						X	
McCrory Police	X					X	
McGehee Police	X				X	X	
McNeil Volunteer Fire						X	
McRae Volunteer Fire	X					X	
Melbourne Volunteer Fire						X	
Melrose Volunteer Fire						X	
Mena Fire					X	X	
Midland Volunteer Fire						X	
Milo Volunteer Fire						X	
Mineral Springs Police	X		X			X	
Monette Police	X					X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Monticello Fire					X	X	
Montrose Volunteer Fire						X	
Morning Star FPA				X		X	
Morning Star Volunteer Fire						X	
Moro Volunteer Fire						X	
Morrilton Fire				X		X	
Morriston Volunteer Fire						X	
Morrow Volunteer Fire						X	
Mount Holly Volunteer Fire						X	
Mount Ida Volunteer Fire						X	
Mountain Home Volunteer Fire	X		X		X	X	
Mountain Pine Police	X		X				
Mountain View Police	X					X	
Mountainburg Police	X					X	
Mt Judea Area Volunteer Fire						X	
Mulberry Police	X		X			X	
Murfreesboro Police	X					X	
Nashville Fire				X		X	
Natural Dam Volunteer Fire						X	
New Blaine Rural Volunteer Fire						X	
Newark Volunteer Fire			X			X	
Newcastle Rural Volunteer Fire						X	
Newport Police	X		X		X	X	
Nimrod/Aplin Volunteer Fire						X	
Nob Hill Fire					X	X	
Norfork Volunteer Police			X				
Norman Volunteer Fire						X	
Norphlet Volunteer Fire			X			X	
North Crossett Volunteer Fire						X	
North Little Rock Police		X	X		X		
North Pulaski FPD Volunteer Fire						X	
Northeast Benton Co. Volunteer						X	
Northeast Greene County Fire District						X	
Northeast Lakeside Fire				X		X	
Northeast Saline County Fire District						X	
Northside Volunteer Fire						X	
Northside Volunteer Fire						X	
Oak Grove Fire Protection Dist. #25					X	X	
Oak Grove Volunteer Fire						X	
Oil Trough Volunteer Fire						X	
Ola Police	X		X			X	
Oppelo Police	X					X	
Osceola Police	X		X		X	X	
Ouachita Co FD #1						X	
Ouachita Volunteer Fire						X	
Oxley Volunteer Fire						X	
Ozark Volunteer Police	X		X	X		X	
Pangburn Police	X					X	
Paragould Police	X		X		X	X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Paris Volunteer Fire						X	
Parkin Volunteer Fire						X	
Parthenon Volunteer Fire						X	
Patterson Police	X					X	
Pea Ridge Police	X		X	X		X	
Peel Volunteer Fire & Rescue						X	
Perla Volunteer Fire						X	
Perryville Police	X					X	
Philadelphia Volunteer Fire						X	
Piggott Volunteer Fire						X	
Pine Bluff Police		X	X		X		
Pine Ridge Volunteer Fire						X	
Pine Village Volunteer Fire						X	
Pineville Volunteer Fire						X	
Piney Point Volunteer Fire						X	
Plainview Volunteer Fire						X	
Pleasant Plains Police	X						
Pleasant Plains Volunteer Fire						X	
Plumerville Volunteer Fire						X	
Pocahontas Volunteer Fire	X		X		X	X	
Ponca Volunteer Fire						X	
Portland Police	X					X	
Pottsville Volunteer Police	X		X			X	
Prairie Grove Fire	X		X	X		X	
Prescott Volunteer Fire						X	
Pulaski Co #5 Fire					X	X	
Pyatt Rural Fire & Def Assoc						X	
Quail Creek Volunteer Fire						X	
Quitman Volunteer Fire						X	
Ravenden Police	X					X	
Rector Volunteer Fire	X		X			X	
Redfield Volunteer Fire	X		X			X	
Richwood Volunteer Fire						X	
Rison Volunteer Fire						X	
Riverdale Volunteer Fire						X	
Rockport Police	X		X				
Rockport Volunteer Fire						X	
Rocky Branch Volunteer Fire						X	
Rogers Police	X				X		
Rose Bud Volunteer Fire						X	
Ross Van Ness - Wellford Volunteer Fire						X	
Round Mountain Volunteer Fire						X	
Ruddell Hill Volunteer Fire						X	
Rudd'S Crossing Volunteer Fire						X	
Runyan Acres Volunteer Fire						X	
Russell Volunteer Fire						X	
Russellville Police	X				X		
Salem Police	X					X	
Salem-Saline Co Volunteer Fire						X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Saratoga Volunteer Fire						X	
Sardis Fire Protection District #16				X			
Scotland Area Fire & Emergency						X	
Scott Volunteer Fire						X	
Scranton Rural Volunteer Fire						X	
Se Jefferson Co Volunteer Fire						X	
Searcy Police	X		X		X	X	
Sedgwick Fire Improvement District						X	
Shady Grove Fire & Rescue						X	
Shannon Hills FD Volunteer Fire						X	
Shannon Hills Police	X		X				
Shaw Volunteer Fire Protection Dist						X	
Sheridan Volunteer Fire						X	
Sherrill Volunteer Fire						X	
Sherwood Police	X		X				
Siloam Springs Police	X		X		X	X	
Sixth District Volunteer Fire						X	
Smackover Police	X		X			X	
Smyrna Volunteer Fire						X	
Snowball Volunteer Fire						X	
South Carroll Co Fire Assoc						X	
South Greene County Volunteer Fire						X	
South Mountain Volunteer Fire						X	
Southbend Volunteer Fire						X	
Southridge Volunteer Fire						X	
Southside Volunteer Fire						X	
Sparkman Volunteer Fire						X	
Springdale Police	X				X		
St. Francis Volunteer Fire						X	
Stamps Police	X					X	
Star City Police	X		X			X	
Stephens Volunteer Fire						X	
Strawberry Volunteer Fire						X	
Strickler Volunteer Fire						X	
Strong Volunteer Fire						X	
Stuttgart Police	X		X		X	X	
Sulphur Rock Area Volunteer Fire						X	
Sulphur Springs Police	X		X			X	
Summit Volunteer Fire						X	
Sunnyland Rural Volunteer Fire						X	
Sunset Rural Volunteer Fire						X	
Swifton Volunteer Fire						X	
Taylor Volunteer Fire						X	
Texarkana Police		X			X		
Thornton Volunteer Fire						X	
Tillar Volunteer Fire						X	
Timbo Volunteer Fire						X	
Tinsman Volunteer Fire						X	
Tontitown Area Volunteer Fire						X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Tontitown Volunteer Fire	X		X	X		X	
Town Of Rondo Volunteer Fire						X	
Town of St. Charles Volunteer						X	
Tracey Area FD 5 Volunteer Fire						X	
Trumann Police	X		X		X	X	
Tuckerman Police	X					X	
Tull Fire & Rescue						X	
Tumbling Shoals Ida VFD						X	
Turrell Volunteer Fire						X	
Turtle Creek Volunteer Fire						X	
Tyronza Police	X					X	
Umpire Volunteer Fire						X	
Upper White Oak Lake Volunteer Fire						X	
Valley Springs Volunteer Fire						X	
Van Buren Volunteer Police	X		X		X		
Vandervoort Rural Volunteer Fire						X	
Velvet Ridge Fire Protection District						X	
Vilonia Police	X		X	X		X	
Viola Volunteer Fire						X	
Wabbaseka Volunteer Fire						X	
Waldo Volunteer Police			X			X	
Waldron Volunteer Fire	X					X	
Walnut Ridge Volunteer Fire	X		X		X	X	
Ward Police	X		X	X		X	
Warren Fire					X	X	
Washington Volunteer Fire						X	
Water Valley Volunteer Fire						X	
Watson Chapel Volunteer Fire						X	
Wedington Volunteer Fire						X	
Weiner Volunteer Police	X		X			X	
Wescon Volunteer Fire						X	
Wesley Volunteer Fire						X	
West Fork Police	X		X	X		X	
West Memphis Police	X		X		X		
West Point Volunteer Fire						X	
West Pulaski Volunteer Fire						X	
Western Greene Co. Fire						X	
Western Grove Volunteer Fire						X	
Wheatley Police	X					X	
Wheeler Volunteer Fire						X	
White Bluff-Rye Hill Volunteer Fire						X	
White Hall Police	X		X			X	
Whitehouse Volunteer Fire						X	
Wickes Rvfd #2						X	
Williams Junction Volunteer Fire						X	
Wilmar Volunteer Fire						X	
Wilmot Police	X					X	
Wilson Volunteer Fire	X		X			X	
Wilton Volunteer Fire						X	

LOPFI Participating Department by Employer
December 31, 2025

Employer	POLICE			FIRE			OTHER
	Paid with SS	Paid w/o SS	Volunteer Service	Paid with SS	Paid w/o SS	Volunteer Service	
Winchester Volunteer Fire						X	
Woodlawn Volunteer Fire						X	
Wynne Police	X		X		X	X	
Y-City Volunteer Fire						X	
Yellville Volunteer Fire						X	
Zinc Volunteer Fire						X	

SECTION D

FINANCIAL PRINCIPLES

Financial Principles and Operational Techniques of LOPFI
Local Police and Fire Retirement System

Promises Made, and To Be Paid For. As each year is completed, the System in effect hands an "IOU" to each member then acquiring a year of service credit -- the "IOU" says: "The Arkansas Local Police and Fire Retirement System owes you one year's worth of retirement benefits, payments in cash commencing when you qualify for retirement."

The related ***key financial questions*** are:

Which generation of taxpayers contributes the money to cover the IOU? The present taxpayers, who receive the benefit of the member's present year of service? ***Or the future taxpayers***, who happen to be in Arkansas at the time the IOU becomes a cash demand, years and often decades later?

LOPFI intends that this year's taxpayers contribute the money to cover the IOUs being handed out this year. By following this principle, ***the employer contribution rate will remain approximately level from generation to generation*** -- our children and our grandchildren will contribute the same percents of pay we contribute now.

There are systems which have a design for deferring contributions to future taxpayers lured by a lower contribution rate now and putting aside the fact that the contribution rate must relentlessly grow much greater over decades of time -- consume now, and let your children face your financial pollution after you've retired.

An inevitable by-product of the level-cost design is the accumulation of reserve assets, for decades, and the income produced when the assets are invested. ***Invested assets are a by-product and not the objective***. ***Investment income*** becomes in effect ***the third contributor*** for benefits to employees, and is interlocked with the contribution amounts required from employees and employers.

Translated to actuarial terminology, this level-cost objective means that the contribution rates must total at least the following:

> Normal Cost (the cost of members' service being rendered this year)
>
> ... plus ...
>
> Interest on Unfunded Actuarial Accrued Liabilities (unfunded actuarial accrued liabilities are the difference between: liabilities for members' service already rendered; and the accrued assets of the governmental unit in the plan).

Computing Contributions to Support System Benefits. From a given schedule of benefits and from the employee data and asset data furnished, the actuary determines the contribution rates to support the benefits, by means of ***an actuarial valuation and a funding method***.

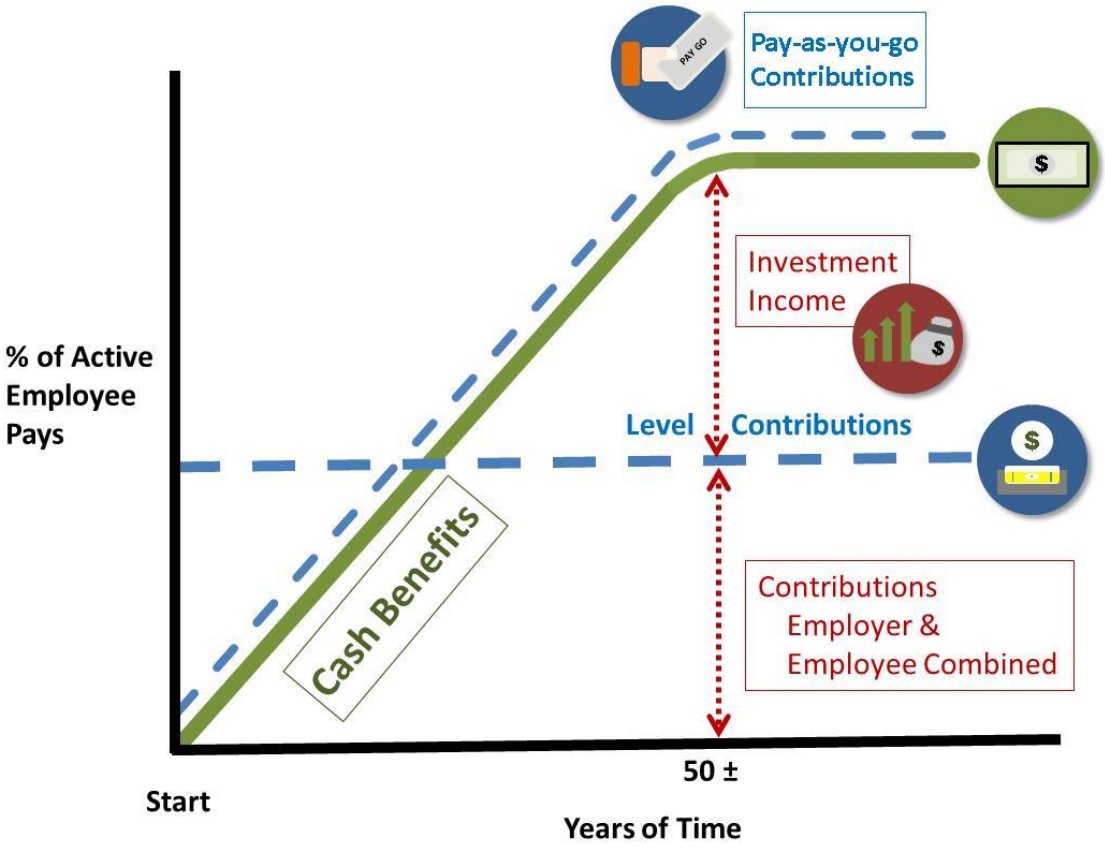
An actuarial valuation has a number of ingredients such as: the rate of investment return which plan assets will earn; the rates of withdrawal of active members who leave covered employment before qualifying for any monthly benefit; the rates of mortality; the rates of disability; the rates of pay increases; and the assumed age or ages at actual retirement.

In making an actuarial valuation, the system must assume what the above experience will be for the next year and for decades in the future. Only the subsequent actual experience of the System can indicate the degree of accuracy of the assumptions.

Reconciling Differences between Assumed Experience and Actual Experience. Once actual experience has occurred and been observed, it will not coincide exactly with assumed experience, regardless of the wisdom of the assumptions and regardless of the skill of the actuary and the calculations made. The future can be predicted with considerable but not complete precision, except that inflation seems to defy reliable prediction.

LOPFI copes with these continually changing differences by having ***annual actuarial valuations***, separately for each participating paid employer department and in aggregate for participating volunteer departments. Each annual actuarial valuation is a complete recalculation of assumed future experience, taking into account all past differences between assumed and actual experience. The result is continually changing employer contribution rates.

To avoid causing employer budget problems, LOPFI provides a maximum annual increase of one percent of payroll for any one participating employer (not including the effect of any benefit changes throughout the year).



CASH BENEFITS LINE. This relentlessly increasing line is the fundamental reality of retirement plan financing. It happens each time a new benefit is added for future retirements (and happens regardless of the design for contributing for benefits).

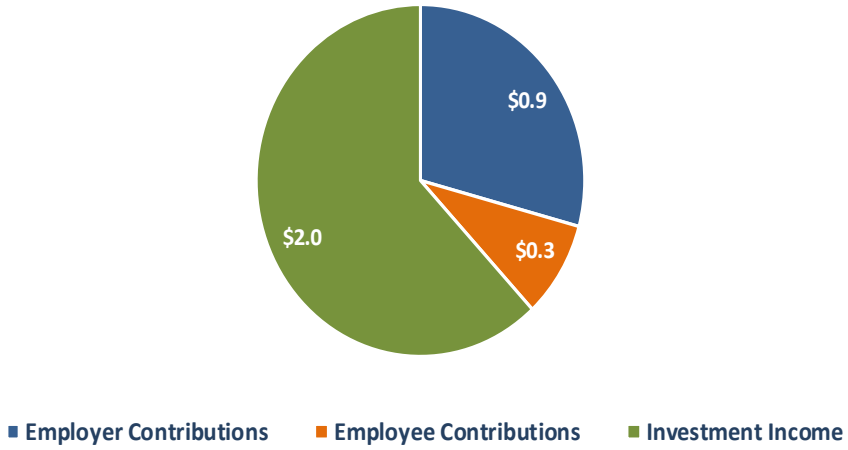
LEVEL CONTRIBUTION LINE. Determining the level contribution line requires detailed assumptions concerning a variety of experiences in future decades, including:

- **Economic Risk Areas**
  - Rates of investment return
  - Rates of pay increase
  - Changes in active member group size
- **Non-Economic Risk Areas**
  - Ages at actual retirement
  - Rates of mortality
  - Rates of withdrawal of active members (turnover)
  - Rates of disability

Illustration of Income Sources to Fund Benefits

The funding policy in place for LOPFI is designed to prefund future benefit obligations in a manner that allows the System portfolio to be invested in long-term assets. The investment return obtained through this funding arrangement serves to fund benefits that would otherwise need to be funded through contributions directly. Over the last decade, while approximately $1.1 billion in benefits were paid to LOPFI paid participants, excluding Local plan participants administered by LOPFI, the Fair Market value of assets to prefund retirement benefits for current and future LOPFI Paid participants grew from $1.5 billion to $3.6 billion. This growth in System assets is the result of income sources, totaling $3.2 billion over the same period, collectively being greater than benefits paid. The breakdown of income sources to fund these benefits over the last 10 years is shown below.

Pension-Benefit-Funding Income by Source to Fund for the 10-Year Period from 2016-2025
(LOPFI Paid Members, $-Billions)



Actuarial Valuation Process

The ***actuarial valuation*** is the mathematical process by which the contribution rate is determined, and the flow of activity constituting the valuation may be summarized as follows:

A. ***Covered people data***, furnished by plan administrator, including:
   Retired lives now receiving benefits
   Former employees with vested benefits not yet payable
   Active employees

\+ B. ***Asset data*** (cash & investments), furnished by plan administrator

\+ C. ***Assumptions concerning future financial experiences in various risk areas***, which assumptions are established by the Board of Trustees after consulting with the actuary

\+ D. ***The funding method*** for determining employer contributions (the long-term, planned pattern for employer contributions)

\+ E. ***Mathematically combining the assumptions, the funding method, and the data***

= F. Determination of:

Plan financial position

and/or ***New Employer Contribution Rate***

SECTION E

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS

Summary of
Assumptions Used for LOPFI Actuarial Valuations
Assumptions Adopted by Board of Trustees After Consulting with Actuary

The actuarial assumptions used in making the valuations are shown in this section of the report. The assumptions are established by the Board after consulting with the actuary as outlined in A.C.A. 24-10-205(a)(1). Assumptions were established based upon an Experience Study covering the period January 1, 2017 through December 31, 2020 (please see our report dated September 7, 2021). The actuarial assumptions represent estimates of future experience.

ECONOMIC ASSUMPTIONS

The investment return rate used in the valuation was 7.25% per year, compounded annually (net after administrative expenses). This rate of return is not the assumed real rate of return. The real rate of return is defined to be the portion of investment return which is more than the wage inflation rate. With a 3.00% wage inflation assumption, the 7.25% investment return rate translates to an assumed real rate of return of 4.25%.

Price inflation was assumed to be 2.25% a year. This assumption was utilized to increase the basic benefit factor for volunteer members.

Pay increase assumptions for individual active members are summarized in Schedule A-5. Part of the assumption for each age is for a merit and/or seniority increase, and the other 3.00% recognizes wage inflation.

Total active member payroll is assumed to increase 3.00% a year, which is the portion of the individual pay increase assumptions attributable to wage inflation.

The number of active members is assumed to remain constant at the present level of LOPFI active members.

NON-ECONOMIC ASSUMPTIONS

The mortality tables used to measure retired life mortality were the Pub-2010 Amount-Weighted General Below Median Income Healthy Retiree tables, set forward one year for males, and two years for females. The disability post-retirement mortality tables used were the Pub-2010 Amount-Weighted General Disabled Retiree tables for males and females. The death-in-service mortality tables used were the Pub-2010 Amount-Weighted General Below Median Income Employee tables for males and females. Fifty percent of deaths-in-service were assumed to be duty related. The tables were adjusted for fully generational mortality improvements using Scale MP-2020. Related retired life mortality values are shown in Schedule A-1.

The probabilities of retirement for members eligible to retire are shown in Schedule A-3.

The probabilities of withdrawal from service are summarized in Schedule A-4, and the ***probabilities of disability*** are summarized in Schedule A-2.

An individual entry age actuarial cost method of valuation was used in determining age & service allowance normal costs and the allocation of actuarial present values between service rendered before and after the valuation date. The entry-age actuarial cost method has the following characteristics:

(i) The annual normal costs for each individual active member, payable from the member's actual date of employment to the member's projected date of retirement are sufficient to accumulate the actuarial present value of the member's benefit at the time of retirement; and
(ii) Each annual normal cost is (a) a constant percentage of the member's year-by-year projected covered pay for paid service plans, or (b) an increasing dollar amount for volunteer service plans.

Differences in the past between assumed experience and actual experience ("actuarial gains and losses") are inevitable and become part of accrued liabilities. In LOPFI, cumulative actuarial losses and gains are the same as unfunded (or overfunded) accrued liabilities.

Unfunded accrued liabilities are amortized to produce contribution amounts (principal and interest) which are (a) level percent of payroll contributions over a period of future years for paid service plans, (b) increasing dollar amounts for volunteer service plans, or (c) level dollar amounts for local plans administered by the System.

For Benefit Program 3 volunteer service plans, the contribution rates from the December 31, 2002 valuation were developed based on a $5.00 per month basic benefit factor. This factor is $8.81 effective July 1, 2026 and is assumed to increase at the assumed rate of price inflation in future years. For Benefit Program 4 volunteer service plans, the contribution rates from the December 31, 2012 valuation were developed based on a $10.00 per month basic benefit factor. This factor is $14.27 effective July 1, 2026 and is assumed to increase at the assumed rate of price inflation in future years.

OTHER TECHNICAL ASSUMPTIONS

Decrements are assumed to occur at the middle of the valuation year.

The probability of being married, for death-in-service benefits, is assumed to be 90%.

Active members who are eligible to participate in the DROP are assumed to participate in the DROP program in such a manner that is the most advantageous to them. We assume on average the DROP duration for members currently in the DROP is 5 years.

Future service credit is always assumed to accrue at the rate of 1 year of credit every 12 calendar months. Lower service accrual rates (service breaks or less-than-full-time employment) or higher service accrual rates (addition of military credit or reinstatement of prior service) are reflected as they are reported. Any lower or higher accrual rates may result in small financial gains or losses when reported.

The form of benefit payment assumed in the valuation for paid service and volunteer service plans is the Five Year Certain and Life Option. For local plans under LOPFI administration, the assumed form of benefit payment is 100% joint and survivor for police plans and the Life Option for fire plans. For local fire plans under LOPFI administration who have adopted Act 397, the assumed form of benefit payment is 100% joint and survivor.

Employer contribution dollars were assumed to be ***paid in equal installments*** throughout the employer fiscal year.

The data about persons now covered and about present assets were furnished by the System's administrative staff. Although examined for general reasonableness, the data was not audited by the Actuary.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the economic and demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuary's assignment, the actuary did not perform an analysis of the potential range of such future measurements.

ADDITIONAL DEFINITIONS

"Actuarial Value of Assets" refers to the "smoothed" value of current plan assets recognized for valuation purposes. This value is calculated by applying the 5-year asset smoothing method to the changes in Fair Value as reported in financial statements provided to the actuary, and is intended to dampen the effects the short-term volatility in capital markets.

"Fair Value" of System assets refers to the value of assets as reported in System financial statements, and defined by the Governmental Accounting Standards Board as the "exit price" of assets in a portfolio assuming that a "transaction takes place in a government's principal market, or a government's most advantageous market in the absence of a principal market. The fair value also should be measured assuming that general market participants would act in their economic best interest. Fair value should not be adjusted for transaction costs".

"Market Value" of assets generally refers to the price which would be obtained from the sale of an asset in an open market.

Illustration of Computed Employer Contributions
15.0-Year Closed Amortization Period

LOPFI Paid Service
(Based on Projected Future Payroll)

Valuation Year Ended December 31,	Fiscal Year Ended December 31,	Illustrative Payroll	Normal Cost	Payment for Amortization of UAL	Computed Employer Rate	Annual Employer Dollar Contribution
2025	2027	$100,000	9.38%	15.12%	24.50%	$ 24,500
2026	2028	103,000	9.38%	15.12%	24.50%	25,235
2027	2029	106,090	9.38%	15.12%	24.50%	25,992
2028	2030	109,273	9.38%	15.12%	24.50%	26,772
2029	2031	112,551	9.38%	15.12%	24.50%	27,575
2030	2032	115,927	9.38%	15.12%	24.50%	28,402
2031	2033	119,405	9.38%	15.12%	24.50%	29,254
2032	2034	122,987	9.38%	15.12%	24.50%	30,132
2033	2035	126,677	9.38%	15.12%	24.50%	31,036
2034	2036	130,477	9.38%	15.12%	24.50%	31,967
2035	2037	134,392	9.38%	15.12%	24.50%	32,926
2036	2038	138,423	9.38%	15.12%	24.50%	33,914
2037	2039	142,576	9.38%	15.12%	24.50%	34,931
2038	2040	146,853	9.38%	15.12%	24.50%	35,979
2039	2041	151,259	9.38%	15.12%	24.50%	37,058
2040	2042	155,797	9.38%	0.00%	9.38%	14,614

This illustration is not intended to exactly predict future employer contributions, but instead is intended to illustrate the general trend of future contributions based upon current benefit structure and assumed future economic and demographic activity. It is unlikely that future contributions will match exactly for any given year those rates shown above.

Illustration of Computed Employer Contributions
9.0-Year Closed Amortization Period

LOPFI Benefit Program 3 Volunteer Service
(Based on Projected Benefit Factors)

Valuation Year Ended December 31,	Fiscal Year Ended December 31,	Basic Benefit Factor@	Illustrative Monthly Active Member Count	Normal Cost	Payment for Amortization of UAL	Computed Monthly Employer Rate	Annual Employer Dollar Contribution
2025	2027	$ 8.81	10	$ 29.53	$ 65.47	$ 95.00	$ 11,400
2026	2028	9.01	10	30.19	65.47	95.66	11,479
2027	2029	9.21	10	30.87	65.47	96.34	11,561
2028	2030	9.42	10	31.56	65.47	97.03	11,644
2029	2031	9.63	10	32.27	65.47	97.74	11,729
2030	2032	9.85	10	33.00	65.47	98.47	11,816
2031	2033	10.07	10	33.74	65.47	99.21	11,905
2032	2034	10.30	10	34.50	65.47	99.97	11,996
2033	2035	10.53	10	35.28	65.47	100.75	12,090
2034	2036	10.77	10	36.07	0.00	36.07	4,328

@ *Basic benefit factor - $5.00 per month for each year of service beginning July 1, 2003. Increased by price inflation on July 1, 2004 and every July 1 thereafter. This factor is $8.81 effective July 1, 2026. For purposes for this illustration, the factor was assumed to increase by 2.25% a year, compounded.*

This illustration is not intended to exactly predict future employer contributions, but instead is intended to illustrate the general trend of future contributions based upon current benefit structure and assumed future economic and demographic activity. It is unlikely that future contributions will match exactly for any given year those rates shown above.

Schedule A-1
Single Life Retirement Values
Based on the Pub-2010 General
Below Median Income Healthy Retiree
Generational Mortality Tables
and 7.25% Interest
(First Used for December 31, 2021 Valuations)

Sample Attained Ages	Probability of Dying Next Year*		Value at Retirement: $1.00 Monthly for Life		Future Life Expectancy (Years)*					
					2025		2030		2035	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
35	0.113%	0.052%	$159.75	$163.19	47.08	51.09	47.68	51.57	48.27	52.03
40	0.142%	0.067%	155.36	159.84	41.77	45.76	42.36	46.23	42.95	46.70
45	0.253%	0.166%	149.24	155.19	36.52	40.48	37.08	40.94	37.67	41.41
50	0.712%	0.406%	142.72	150.25	31.74	35.58	32.27	36.03	32.82	36.48
55	0.886%	0.484%	135.97	144.30	27.39	30.87	27.88	31.29	28.39	31.72
60	1.130%	0.600%	127.42	136.27	23.16	26.21	23.61	26.61	24.08	27.00
65	1.412%	0.810%	116.38	125.51	19.03	21.63	19.44	21.99	19.84	22.35
70	2.121%	1.298%	102.62	111.90	15.10	17.26	15.44	17.57	15.79	17.90
75	3.407%	2.262%	86.89	95.67	11.55	13.24	11.81	13.49	12.10	13.77
80	5.819%	4.177%	70.11	77.59	8.47	9.68	8.67	9.89	8.89	10.10

** Life expectancies in future years are determined by the fully generational MP-2020 projection scale.*

Sample Attained Ages	Benefit Increasing 3.00% Yearly	Portion of Age 55 Lives Still Alive	Sample Attained Ages
55	$100	100 %	55
60	116	95	60
65	134	89	65
70	156	81	70
75	181	70	75
80	209	55	80

Schedule A-2
Probabilities of Disability Retirement

Paid Service Members
(First Used for December 31, 2021 Valuations)

Sample Ages	Percent Becoming Disabled within Next Year	
	Non-Duty	Duty
20	0.10 %	0.13 %
25	0.10	0.13
30	0.12	0.16
35	0.17	0.22
40	0.26	0.34
45	0.40	0.52
50	0.68	0.89
55	1.18	1.55
60	1.77	2.32

Given the relatively small number of disabilities in total and the sensitivity of the results to the actual disability benefit that members would qualify for, we have assumed the minimum disability benefit would be based on duty disabilities being split 1/3 catastrophic, 1/3 hazardous and 1/3 ordinary duty. The resulting weighted minimum disability benefit is approximately 55% of final average pay. This assumption will be reviewed and updated as experience emerges.

Volunteer Service Members
(First Used for December 31, 2021 Valuations)

Sample Ages	Percent Becoming Disabled within Next Year	
	Non-Duty	Duty
20	0.03 %	0.00 %
25	0.05	0.00
30	0.10	0.01
35	0.15	0.01
40	0.22	0.01
45	0.28	0.01
50	0.35	0.02
55	0.42	0.02
60	0.47	0.03

Schedule A-3
Probabilities of Retirement for Members Eligible to Retire
(First Used for December 31, 2021 Valuations)

Paid Service Members

Retirement Ages	Percents of Active Members Retiring within Next Year		Years of Service	Percents of Active Members Retiring within Next Year
	Early	Normal		
45	4 %			
46	4			
47	5			
48	5			
49	5			
50	6			
51	6			
52	6			
53	7			
54	7			
55		30 %	28	30 %
56		30	29	20
57		25	30	15
58		25	31	15
59		25	32	15
60		25	33	25
61		25	34	100
62		25		
63		25		
64		25		
65		50		
66		60		
67		70		
68		80		
69		90		
70+		100		

A member was assumed eligible for retirement after attaining age 55 with 20 years of service or age 60 with 5 years of service or any age with 28 or more years of service. A member was assumed to retire with 100% probability at 34 or more years of service credit.

A member was assumed eligible for a reduced benefit after attaining age 50 with 20 or more years of service or any age with 25 or more years of paid service credit.

The probabilities of retirement shown above represent ultimate termination of employment (whether or not the member participates in the DROP).

We assume on average the DROP duration (for members currently in the DROP) is 5 years. Active members who are eligible to participate in the DROP are assumed to participate in the DROP program in such a manner that is the most advantageous to them.

Schedule A-3
Probabilities of Retirement for Members Eligible to Retire (Concluded)
(First Used for December 31, 2021 Valuations)

Volunteer Service Members

Retirement Ages	Percents of Active Members Retiring within Next Year	
	Early	Normal
Under 50		15 %
50-54	2.5 %	15
55-59		15
60-64		10
65-69		15
70-74		15
75+		100

A member was assumed to be eligible for retirement after 28 years of service, attaining age 55 with 20 years of service, or age 60 with 5 years of service.

A member was assumed eligible for a reduced benefit after attaining age 50 with 20 or more years of service.

Schedule A-4
Rates of Separation (Excluding Deaths and Disability) from Active Employment Before Retirement (First Used for December 31, 2021 Valuations)

Paid Service Members

Sample Ages	Years of Service	% of Active Members Separating within Next Year
ALL	0	18.50 %
	1	15.50
	2	13.00
	3	11.50
	4	11.00
25	5 & Over	10.17
30		8.55
35		6.56
40		5.23
45		4.18
50		3.33
55		0.95
60		0.00

Volunteer Service Members

Sample Ages	Years of Service	% of Active Members Separating within Next Year
ALL	0	23.00 %
	1	21.00
	2	19.00
	3	17.00
	4	15.00
25	5 & Over	10.50
30		10.50
35		10.50
40		10.50
45		10.50
50		10.50
55		10.50
60		10.50

Schedule A-5
Pay Increase Assumptions
for an Individual Paid Service Member
(First Used for December 31, 2021 Valuations)

Years of Service	Pay Increase Assumptions for an Individual Member		
	Merit and Seniority	Base (Economic)	Increase Next Year
1	15.00%	3.00%	18.00%
2	9.00%	3.00%	12.00%
3	4.00%	3.00%	7.00%
4	3.50%	3.00%	6.50%
5	2.50%	3.00%	5.50%
6	2.00%	3.00%	5.00%
7	2.00%	3.00%	5.00%
8	2.00%	3.00%	5.00%
9	1.50%	3.00%	4.50%
10	1.50%	3.00%	4.50%
11	1.00%	3.00%	4.00%
12	1.00%	3.00%	4.00%
13	0.50%	3.00%	3.50%
14	0.50%	3.00%	3.50%
15	0.50%	3.00%	3.50%
16	0.50%	3.00%	3.50%
17	0.50%	3.00%	3.50%
18	0.50%	3.00%	3.50%
19	0.50%	3.00%	3.50%
20+	0.50%	3.00%	3.50%