



January 9, 2023

Ms. Edemir K. Estrada
Pension Administrator
Gabriel, Roeder, Smith & Company
One East Broward Blvd.
Suite 505
Fort Lauderdale, Florida 33301-1804

Re: Town of Palm Beach Retirement System – Ordinance No. 002-2023

Dear Edemir:

We have reviewed the proposed Ordinance which will amend Chapter 82 of the Town's Code of Ordinances with regard to the Town of Palm Beach Retirement System (Plan).

This Ordinance will add a new Section 82-77, *Reemployment after Retirement*, which will allow re-employed retirees to receive in-service distributions of their retirement benefits, including their DROP distributions, during their period of re-employment, as permitted by the Internal Revenue Code and applicable Treasury Regulations, but will not be eligible to participate in the Plan and shall not accrue any additional retirement benefit under the Plan during their period of re-employment.

This Ordinance will also change Section 82-147, *Worker's compensation benefits offset; return of retirant to town employment* to remove "return of retirant to town employment" in the namesake and remove the provision that a re-employed retirant's pension payment is suspended during the period of re-employment.

Based on the above, it is our opinion these proposed changes will not have a material actuarial impact on the cost of the Plan and thus a formal Actuarial Impact Statement is not required. However, we recommend that you send a copy of this letter and the Ordinance to the Bureau of Local Retirement Systems.

Peter N. Strong is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The undersigned actuary is independent of the plan sponsor.

If there are any questions, please let us know.

Respectfully submitted,

A handwritten signature in black ink that reads "Pete Strong". The signature is written in a cursive, flowing style.

Peter N. Strong, FSA, EA, MAAA
Senior Consultant and Actuary

The above communication shall not be construed to provide tax advice, legal advice or investment advice.