

# Jacksonville Police and Fire Pension Fund

Chapter 112.664, F.S. Compliance Report  
In Connection with the October 1, 2020 Funding Actuarial  
Valuation Report and the Plan's Financial Reporting for the  
Year Ending September 30, 2020





April 20, 2021

Board of Trustees  
Jacksonville Police and Fire Pension Fund  
Jacksonville, Florida

Dear Board Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the Jacksonville Police and Fire Pension Fund (Plan) to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

This report was prepared at the request of the Board and is intended for use by the Retirement Board and those designated or approved by the Board. This report may be provided to parties other than the System only in its entirety and only with the permission of the Board.

The purpose of the report is to provide the required information specified in Ch. 112.664, F.S. as well as supplement this information with additional exhibits. This report should not be relied on for any purpose other than the purpose described above.

The findings in this report are based on data through July 1, 2020 and financial information through September 30, 2020. 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; 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 this engagement does not include an analysis of the potential range of such measurements.

This report was based upon information furnished by the City and the Board concerning Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the Town.

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Board as described in our October 1, 2020 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2020 actuarial valuation report. Please refer to the

October 1, 2020 actuarial valuation report, dated April 12, 2021, for summaries and descriptions of this information.

This report was prepared using ProVal's valuation model, a software product of Winklevoss Technologies. We are relying on the ProVal model. We performed tests of the ProVal model with this assignment and made a reasonable attempt to understand the developer's intended purpose of, general operation of, major sensitivities and dependencies within, and key strengths and limitations of the ProVal model. In our professional judgment, the ProVal valuation model has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

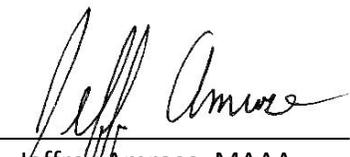
Peter N. Strong and Jeffrey Amrose are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1) F.S., the actuarial disclosures required under this section were prepared and completed by us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate, and in our opinion, meet the requirements of Section 112.664(1), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY

By   
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Enrolled Actuary No. 20-6975  
Senior Consultant & Actuary

By   
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Enrolled Actuary No. 20-6599  
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## **CH. 112.664, FLORIDA STATUTES**

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### **RESULTS**

**Schedule of Changes in the Employers' Net Pension Liability  
Using Financial Reporting Assumptions per GASB Statement No. 67**

Fiscal year ending September 30,	<u>2020</u>
<b>1. Total Pension Liability</b>	
a. Service Cost	\$ 70,109,932
b. Interest	280,847,718
c. Benefit Changes	2,706,557
d. Difference between actual & expected experience & Other	2,733,203
e. Assumption Changes	56,025,218
f. Benefit Payments	(192,399,945)
g. Contribution Refunds	(715,829)
<b>h. Net Change in Total Pension Liability</b>	<u>219,306,854</u>
<b>i. Total Pension Liability - Beginning</b>	<u>4,034,218,560</u>
<b>j. Total Pension Liability - Ending</b>	<u>\$ 4,253,525,414</u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 123,328,488
b. Contributions - Employer (from Reserves)	16,964,149
c. Contributions - Member	19,035,433
d. Net Investment Income	156,040,613
e. Benefit Payments	(192,399,945)
f. Contribution Refunds	(715,829)
g. Administrative Expense	(2,184,754)
h. Other	1,192,055
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>121,260,210</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>1,898,804,713</u>
<b>k. Plan Fiduciary Net Position - Ending</b>	<u>\$ 2,020,064,923</u>
<b>3. Net Pension Liability / (Asset)</b>	2,233,460,491
<b>Certain Key Assumptions</b>	
Valuation Date	10/01/2020
Measurement Date	09/30/2020
Investment Return Assumption	6.90%
Mortality Table	FRS Mortality Rates from 7/1/19 FRS Valuation



**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(a), F.S.**

Fiscal year ending September 30,	<u>2020</u>
<b>1. Total Pension Liability</b>	
a. Service Cost	\$ 70,109,932
b. Interest	280,847,718
c. Benefit Changes	2,706,557
d. Difference between actual & expected experience & Other	2,733,203
e. Assumption Changes	56,025,218
f. Benefit Payments	(192,399,945)
g. Contribution Refunds	(715,829)
<b>h. Net Change in Total Pension Liability</b>	<u>219,306,854</u>
<b>i. Total Pension Liability - Beginning</b>	<u>4,034,218,560</u>
<b>j. Total Pension Liability - Ending</b>	<u>\$ 4,253,525,414</u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 123,328,488
b. Contributions - Employer (from Reserves)	16,964,149
c. Contributions - Member	19,035,433
d. Net Investment Income	156,040,613
e. Benefit Payments	(192,399,945)
f. Contribution Refunds	(715,829)
g. Administrative Expense	(2,184,754)
h. Other	1,192,055
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>121,260,210</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>1,898,804,713</u>
<b>k. Plan Fiduciary Net Position - Ending</b>	<u>\$ 2,020,064,923</u>
<b>3. Net Pension Liability / (Asset)</b>	2,233,460,491
<b>Certain Key Assumptions</b>	
Valuation Date	10/01/2020
Measurement Date	09/30/2020
Investment Return Assumption	6.90%
Mortality Table	FRS Mortality Rates from 7/1/19 FRS Valuation



**Schedule of Changes in the Employers' Net Pension Liability  
Using Assumptions required under 112.664(1)(b), F.S.**

Fiscal year ending September 30,

	<u>2020</u>
<b>1. Total Pension Liability</b>	
a. Service Cost	\$ 120,252,938
b. Interest	268,382,904
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(192,399,945)
g. Contribution Refunds	(715,829)
<b>h. Net Change in Total Pension Liability</b>	<u>195,520,068</u>
<b>i. Total Pension Liability - Beginning</b>	<u>5,452,352,358</u>
<b>j. Total Pension Liability - Ending</b>	<u>\$ 5,647,872,426</u>
<b>2. Plan Fiduciary Net Position</b>	
a. Contributions - Employer	\$ 123,328,488
b. Contributions - Employer (from Reserves)	16,964,149
c. Contributions - Member	19,035,433
d. Net Investment Income	156,040,613
e. Benefit Payments	(192,399,945)
f. Contribution Refunds	(715,829)
g. Administrative Expense	(2,184,754)
h. Other	1,192,055
<b>i. Net Change in Plan Fiduciary Net Position</b>	<u>121,260,210</u>
<b>j. Plan Fiduciary Net Position - Beginning</b>	<u>1,898,804,713</u>
<b>k. Plan Fiduciary Net Position - Ending</b>	<u>\$ 2,020,064,923</u>
<b>3. Net Pension Liability / (Asset)</b>	<b>3,627,807,503</b>

**Certain Key Assumptions**

Valuation Date	10/01/2020
Measurement Date	09/30/2020
Investment Return Assumption	4.90%
Mortality Table	FRS Mortality Rates from 7/1/19 FRS Valuation



**Asset and Benefit Payment Projection**  
**Not Reflecting Any Contributions from the Employer, State or Employee**  
**Using Assumptions from the Latest Actuarial Valuation**

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2021	2,020,064,923	132,252,994	206,709,732	1,945,608,185
2022	1,945,608,185	126,803,399	215,755,518	1,856,656,066
2023	1,856,656,066	120,334,561	225,353,843	1,751,636,784
2024	1,751,636,784	112,857,235	232,049,369	1,632,444,650
2025	1,632,444,650	104,443,744	237,534,389	1,499,354,005
2026	1,499,354,005	94,664,009	254,823,692	1,339,194,322
2027	1,339,194,322	83,259,125	265,080,675	1,157,372,772
2028	1,157,372,772	70,318,309	276,533,692	951,157,389
2029	951,157,389	55,717,530	287,313,899	719,561,020
2030	719,561,020	39,288,003	300,339,341	458,509,682
2031	458,509,682	21,073,419	306,195,617	173,387,484
2032	173,387,484	1,075,724	315,594,565	-
2033	-	-	321,457,823	-
2034	-	-	328,145,111	-
2035	-	-	334,709,635	-
2036	-	-	336,811,263	-
2037	-	-	339,174,220	-
2038	-	-	341,433,094	-
2039	-	-	343,769,572	-
2040	-	-	345,463,354	-
2041	-	-	345,654,718	-
2042	-	-	346,130,371	-
2043	-	-	345,588,826	-
2044	-	-	344,039,390	-
2045	-	-	341,919,372	-
2046	-	-	339,071,648	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions: 11.50

**Certain Key Assumptions**

Valuation Investment return assumption 6.90%  
 Valuation Mortality Table FRS Mortality Rates from 7/1/19 FRS Valuation

**Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.**



**Asset and Benefit Payment Projection**  
**Not Reflecting Any Contributions from the Employer, State or Employee**  
**Using Assumptions required under 112.664(1)(a), F.S.**

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2021	2,020,064,923	132,252,994	206,709,732	1,945,608,185
2022	1,945,608,185	126,803,399	215,755,518	1,856,656,066
2023	1,856,656,066	120,334,561	225,353,843	1,751,636,784
2024	1,751,636,784	112,857,235	232,049,369	1,632,444,650
2025	1,632,444,650	104,443,744	237,534,389	1,499,354,005
2026	1,499,354,005	94,664,009	254,823,692	1,339,194,322
2027	1,339,194,322	83,259,125	265,080,675	1,157,372,772
2028	1,157,372,772	70,318,309	276,533,692	951,157,389
2029	951,157,389	55,717,530	287,313,899	719,561,020
2030	719,561,020	39,288,003	300,339,341	458,509,682
2031	458,509,682	21,073,419	306,195,617	173,387,484
2032	173,387,484	1,075,724	315,594,565	-
2033	-	-	321,457,823	-
2034	-	-	328,145,111	-
2035	-	-	334,709,635	-
2036	-	-	336,811,263	-
2037	-	-	339,174,220	-
2038	-	-	341,433,094	-
2039	-	-	343,769,572	-
2040	-	-	345,463,354	-
2041	-	-	345,654,718	-
2042	-	-	346,130,371	-
2043	-	-	345,588,826	-
2044	-	-	344,039,390	-
2045	-	-	341,919,372	-
2046	-	-	339,071,648	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:** 11.50

**Certain Key Assumptions**

Valuation Investment return assumption 6.90%  
 Valuation Mortality Table FRS Mortality Rates from 7/1/19 FRS Valuation

**Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.**



**Asset and Benefit Payment Projection**  
**Not Reflecting Any Contributions from the Employer, State or Employee**  
**Using Assumptions required under 112.664(1)(b), F.S.**

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2021	2,020,064,923	93,918,793	206,709,732	1,907,273,984
2022	1,907,273,984	88,170,415	215,755,518	1,779,688,881
2023	1,779,688,881	81,683,586	225,353,843	1,636,018,624
2024	1,636,018,624	74,479,703	232,049,369	1,478,448,958
2025	1,478,448,958	66,624,406	237,534,389	1,307,538,975
2026	1,307,538,975	57,826,229	254,823,692	1,110,541,512
2027	1,110,541,512	47,922,058	265,080,675	893,382,895
2028	893,382,895	37,000,686	276,533,692	653,849,889
2029	653,849,889	24,999,454	287,313,899	391,535,444
2030	391,535,444	11,826,923	300,339,341	103,023,026
2031	103,023,026	-	306,195,617	-
2032	-	-	315,594,565	-
2033	-	-	321,457,823	-
2034	-	-	328,145,111	-
2035	-	-	334,709,635	-
2036	-	-	336,811,263	-
2037	-	-	339,174,220	-
2038	-	-	341,433,094	-
2039	-	-	343,769,572	-
2040	-	-	345,463,354	-
2041	-	-	345,654,718	-
2042	-	-	346,130,371	-
2043	-	-	345,588,826	-
2044	-	-	344,039,390	-
2045	-	-	341,919,372	-
2046	-	-	339,071,648	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:** 10.33

**Certain Key Assumptions**

Valuation Investment return assumption 4.90%  
 Valuation Mortality Table FRS Mortality Rates from 7/1/19 FRS Valuation

**Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.**



<b>ACTUARIALLY DETERMINED CONTRIBUTION</b>			
	Plan's Latest Actuarial Valuation	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions
A. Valuation Date	October 1, 2020	October 1, 2020	October 1, 2020
B. Actuarial Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2022	9/30/2022	9/30/2022
C. Assumed Date of Employer Contributions	12/1/2021	12/1/2021	12/1/2021
D. Expected Covered Payroll for the Year Beginning on the Valuation Date	\$ 174,185,559	\$ 174,185,559	\$ 174,185,559
E. Annual Payment to Amortize the Unfunded Actuarial Liability	90,939,160	90,939,160	124,405,802
F. Employer Normal Cost	63,271,186	63,271,186	117,968,476
G. ADC if Paid on the Valuation Date	154,210,346	154,210,346	242,374,278
H. Contributions from Court Fines	519,212	519,212	519,212
I. City Contribution if Paid on the Valuation Date as % of Covered Payroll	153,691,134 88.23 %	153,691,134 88.23 %	241,855,066 138.85 %
J. Assumed Rate of Increase in Covered Payroll to Contribution Year	1.25 %	1.25 %	1.25 %
K. Covered Payroll for Contribution Year	176,362,878	176,362,878	176,362,878
L. City Contribution for Contribution Year*	157,352,434	157,352,434	246,838,445
M. Expected Member Contribution in Contribution Year	18,182,720	18,182,720	18,182,720
N. Expected Court Fines in Contribution Year	519,212	519,212	519,212
O. Total Contributions (from All Sources) in Contribution Year	176,054,366	176,054,366	265,540,377
P. Total Contributions as % of Covered Payroll in Contribution Year	99.83 %	99.83 %	150.56 %
Q. Certain Key Assumptions			
Investment Return Assumption	6.90%	6.90%	4.90%
Mortality Table	FRS Mortality Rates from 7/1/19 FRS Valuation	FRS Mortality Rates from 7/1/19 FRS Valuation	FRS Mortality Rates from 7/1/19 FRS Valuation

\* Adjusted for frequency of payments (from October 1, 2021 to December 1, 2021)

