

Jacksonville Police and Fire Pension Fund

Chapter 112.664, F.S. Compliance Report
In Connection with the October 1, 2023 Funding Actuarial
Valuation Report and the Plan's Financial Reporting for the
Year Ending September 30, 2023





May 24, 2024

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, 2023 and financial information through September 30, 2023. 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 City.

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, 2023 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2023 actuarial valuation report. Please refer to the October 1, 2023 actuarial valuation report, dated April 12, 2024, 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 Jennifer Joy Cagasan 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 
Peter N. Strong, FSA, FCA, MAAA
Enrolled Actuary No. 23-6975
Senior Consultant & Actuary

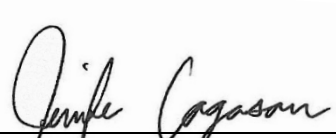
By 
Jennifer Joy Cagasan, FCA, MAAA
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Consultant & Actuary



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CH. 112.664, FLORIDA STATUTES

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>2023</u>
1. Total Pension Liability	
a. Service Cost	\$ 74,921,572
b. Interest	318,080,956
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	73,537,795
e. Assumption Changes	-
f. Benefit Payments	(232,255,799)
g. Contribution Refunds	(1,078,315)
h. Net Change in Total Pension Liability	<u>233,206,209</u>
i. Total Pension Liability - Beginning	<u>4,933,462,035</u>
j. Total Pension Liability - Ending	<u>\$ 5,166,668,244</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 156,847,592
b. Contributions - State	18,423,121
c. Contributions - Member	17,791,429
d. Net Investment Income	273,430,029
e. Benefit Payments	(232,255,799)
f. Contribution Refunds	(1,078,315)
g. Administrative Expense	(2,544,070)
h. Other	868,100
i. Net Change in Plan Fiduciary Net Position	<u>231,482,087</u>
j. Plan Fiduciary Net Position - Beginning	<u>1,993,278,230</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 2,224,760,317</u>
3. Net Pension Liability / (Asset)	2,941,907,927
Certain Key Assumptions	
Valuation Date	10/01/2023
Measurement Date	09/30/2023
Investment Return Assumption	6.50%
Mortality Table	FRS Mortality Rates from 7/1/22 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>2023</u>
1. Total Pension Liability	
a. Service Cost	\$ 74,921,572
b. Interest	318,080,956
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	73,537,795
e. Assumption Changes	-
f. Benefit Payments	(232,255,799)
g. Contribution Refunds	(1,078,315)
h. Net Change in Total Pension Liability	<u>233,206,209</u>
i. Total Pension Liability - Beginning	<u>4,933,462,035</u>
j. Total Pension Liability - Ending	<u>\$ 5,166,668,244</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 156,847,592
b. Contributions - State	18,423,121
c. Contributions - Member	17,791,429
d. Net Investment Income	273,430,029
e. Benefit Payments	(232,255,799)
f. Contribution Refunds	(1,078,315)
g. Administrative Expense	(2,544,070)
h. Other	868,100
i. Net Change in Plan Fiduciary Net Position	<u>231,482,087</u>
j. Plan Fiduciary Net Position - Beginning	<u>1,993,278,230</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 2,224,760,317</u>
3. Net Pension Liability / (Asset)	2,941,907,927
Certain Key Assumptions	
Valuation Date	10/01/2023
Measurement Date	09/30/2023
Investment Return Assumption	6.50%
Mortality Table	FRS Mortality Rates from 7/1/22 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>2023</u>
1. Total Pension Liability	
a. Service Cost	\$ 125,276,146
b. Interest	302,282,860
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(232,255,799)
g. Contribution Refunds	(1,078,315)
h. Net Change in Total Pension Liability	<u>194,224,892</u>
i. Total Pension Liability - Beginning	<u>6,707,504,016</u>
j. Total Pension Liability - Ending	<u>\$ 6,901,728,908</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ 156,847,592
b. Contributions - State	18,423,121
c. Contributions - Member	17,791,429
d. Net Investment Income	273,430,029
e. Benefit Payments	(232,255,799)
f. Contribution Refunds	(1,078,315)
g. Administrative Expense	(2,544,070)
h. Other	868,100
i. Net Change in Plan Fiduciary Net Position	<u>231,482,087</u>
j. Plan Fiduciary Net Position - Beginning	<u>1,993,278,230</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 2,224,760,317</u>
3. Net Pension Liability / (Asset)	4,676,968,591
Certain Key Assumptions	
Valuation Date	10/01/2023
Measurement Date	09/30/2023
Investment Return Assumption	4.50%
Mortality Table	FRS Mortality Rates from 7/1/22 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)
2024	2,191,853,854	134,888,202	233,301,489	2,093,440,567
2025	2,093,440,567	128,252,996	240,635,092	1,981,058,471
2026	1,981,058,471	120,437,531	256,346,755	1,845,149,247
2027	1,845,149,247	110,891,834	278,242,048	1,677,799,033
2028	1,677,799,033	99,699,542	287,919,857	1,489,578,718
2029	1,489,578,718	86,927,762	304,457,071	1,272,049,409
2030	1,272,049,409	72,245,858	321,149,352	1,023,145,915
2031	1,023,145,915	55,832,482	328,369,315	750,609,082
2032	750,609,082	37,693,477	341,418,861	446,883,698
2033	446,883,698	17,698,815	349,188,462	115,394,051
2034	115,394,051	-	359,296,859	-
2035	-	-	369,297,123	-
2036	-	-	373,215,649	-
2037	-	-	377,598,267	-
2038	-	-	382,019,421	-
2039	-	-	386,893,550	-
2040	-	-	391,626,585	-
2041	-	-	393,683,948	-
2042	-	-	396,925,837	-
2043	-	-	398,269,730	-
2044	-	-	398,069,361	-
2045	-	-	397,301,074	-
2046	-	-	395,680,732	-
2047	-	-	393,545,077	-
2048	-	-	390,995,064	-
2049	-	-	388,174,446	-

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:** 10.25

Certain Key Assumptions

Valuation Investment return assumption 6.50%
 Valuation Mortality Table FRS Mortality Rates from 7/1/22 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)
2024	2,191,853,854	134,888,202	233,301,489	2,093,440,567
2025	2,093,440,567	128,252,996	240,635,092	1,981,058,471
2026	1,981,058,471	120,437,531	256,346,755	1,845,149,247
2027	1,845,149,247	110,891,834	278,242,048	1,677,799,033
2028	1,677,799,033	99,699,542	287,919,857	1,489,578,718
2029	1,489,578,718	86,927,762	304,457,071	1,272,049,409
2030	1,272,049,409	72,245,858	321,149,352	1,023,145,915
2031	1,023,145,915	55,832,482	328,369,315	750,609,082
2032	750,609,082	37,693,477	341,418,861	446,883,698
2033	446,883,698	17,698,815	349,188,462	115,394,051
2034	115,394,051	-	359,296,859	-
2035	-	-	369,297,123	-
2036	-	-	373,215,649	-
2037	-	-	377,598,267	-
2038	-	-	382,019,421	-
2039	-	-	386,893,550	-
2040	-	-	391,626,585	-
2041	-	-	393,683,948	-
2042	-	-	396,925,837	-
2043	-	-	398,269,730	-
2044	-	-	398,069,361	-
2045	-	-	397,301,074	-
2046	-	-	395,680,732	-
2047	-	-	393,545,077	-
2048	-	-	390,995,064	-
2049	-	-	388,174,446	-

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:** 10.25

Certain Key Assumptions

Valuation Investment return assumption 6.50%
 Valuation Mortality Table FRS Mortality Rates from 7/1/22 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)
2024	2,191,853,854	93,384,140	233,301,489	2,051,936,505
2025	2,051,936,505	86,922,853	240,635,092	1,898,224,266
2026	1,898,224,266	79,652,290	256,346,755	1,721,529,801
2027	1,721,529,801	71,208,395	278,242,048	1,514,496,148
2028	1,514,496,148	61,674,130	287,919,857	1,288,250,421
2029	1,288,250,421	51,120,985	304,457,071	1,034,914,335
2030	1,034,914,335	39,345,285	321,149,352	753,110,268
2031	753,110,268	26,501,652	328,369,315	451,242,605
2032	451,242,605	12,623,993	341,418,861	122,447,737
2033	122,447,737	-	349,188,462	-
2034	-	-	359,296,859	-
2035	-	-	369,297,123	-
2036	-	-	373,215,649	-
2037	-	-	377,598,267	-
2038	-	-	382,019,421	-
2039	-	-	386,893,550	-
2040	-	-	391,626,585	-
2041	-	-	393,683,948	-
2042	-	-	396,925,837	-
2043	-	-	398,269,730	-
2044	-	-	398,069,361	-
2045	-	-	397,301,074	-
2046	-	-	395,680,732	-
2047	-	-	393,545,077	-
2048	-	-	390,995,064	-
2049	-	-	388,174,446	-

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:** 9.33

Certain Key Assumptions

Valuation Investment return assumption 4.50%
 Valuation Mortality Table FRS Mortality Rates from 7/1/22 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.



ACTUARIALLY DETERMINED CONTRIBUTION

	Plan's Latest Actuarial Valuation	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions
A. Valuation Date	October 1, 2023	October 1, 2023	October 1, 2023
B. Actuarial Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2025	9/30/2025	9/30/2025
C. Assumed Date of Employer Contributions	10/1/2024	10/1/2024	10/1/2024
D. Expected Covered Payroll for the Year Beginning on the Valuation Date	\$ 159,542,895	\$ 159,542,895	\$ 159,542,895
E. Annual Payment to Amortize the Unfunded Actuarial Liability	104,512,658	104,512,658	149,046,418
F. Employer Normal Cost	71,357,284	71,357,284	128,830,818
G. ADC if Paid on the Valuation Date	175,869,942	175,869,942	277,877,236
H. City Contribution if Paid on the Valuation Date as % of Covered Payroll	175,869,942 110.23 %	175,869,942 110.23 %	277,877,236 174.17 %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	1.25 %	1.25 %	1.25 %
J. Covered Payroll for Contribution Year	161,537,181	161,537,181	161,537,181
K. City Contribution for Contribution Year	178,068,316	178,068,316	281,350,701
L. Expected Member Contribution in Contribution Year	17,102,027	17,102,027	17,102,027
M. Total Contributions (from All Sources) in Contribution Year	195,170,343	195,170,343	298,452,728
N. Total Contributions as % of Covered Payroll in Contribution Year	120.82 %	120.82 %	184.76 %
O. Certain Key Assumptions			
Investment Return Assumption	6.50%	6.50%	4.50%
Mortality Table	FRS Mortality Rates from 7/1/22 FRS Valuation	FRS Mortality Rates from 7/1/22 FRS Valuation	FRS Mortality Rates from 7/1/22 FRS Valuation

