

City of Jacksonville Senior Staff Voluntary Retirement Plan

Chapter 112.664, F.S. Compliance Report
In Connection with the October 1, 2021 Funding Actuarial
Valuation Report and the Plan's Financial Reporting for the
Year Ending September 30, 2021





June 30, 2022

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 (Fund) to prepare a disclosure report for the City of Jacksonville Senior Staff Voluntary Retirement Plan (Plan) 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. 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, 2021 and financial information through September 30, 2021. 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 Executive Director 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 Executive Director.

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, 2021 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2021 actuarial valuation report. Please refer to the October 1, 2021 actuarial valuation report, dated March 17, 2022, 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.

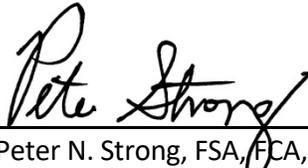
This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations 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 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. 20-6975
Senior Consultant & Actuary

By 
Jennifer Joy Cagasan, MAAA
Enrolled Actuary No. 20-8977
Senior Analyst & 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>2021</u>
1. Total Pension Liability	
a. Service Cost	\$ -
b. Interest	303,786
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	119,664
e. Assumption Changes	111,957
f. Benefit Payments	(374,412)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>160,995</u>
i. Total Pension Liability - Beginning	<u>4,586,780</u>
j. Total Pension Liability - Ending	<u><u>\$ 4,747,775</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - State	-
c. Contributions - Member	-
d. Net Investment Income	902,783
e. Benefit Payments	(374,412)
f. Contribution Refunds	-
g. Administrative Expense	-
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>528,371</u>
j. Plan Fiduciary Net Position - Beginning	<u>4,077,179</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 4,605,550</u></u>
3. Net Pension Liability / (Asset)	142,225

Certain Key Assumptions

Valuation Date	10/01/2021
Measurement Date	09/30/2021
Investment Return Assumption	6.625%
Mortality Table	FRS Mortality Rates from 7/1/20 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>2021</u>
1. Total Pension Liability	
a. Service Cost	\$ -
b. Interest	303,786
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	119,664
e. Assumption Changes	111,957
f. Benefit Payments	(374,412)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>160,995</u>
i. Total Pension Liability - Beginning	<u>4,586,780</u>
j. Total Pension Liability - Ending	<u><u>\$ 4,747,775</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - State	-
c. Contributions - Member	-
d. Net Investment Income	902,783
e. Benefit Payments	(374,412)
f. Contribution Refunds	-
g. Administrative Expense	-
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>528,371</u>
j. Plan Fiduciary Net Position - Beginning	<u>4,077,179</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 4,605,550</u></u>
3. Net Pension Liability / (Asset)	142,225
Certain Key Assumptions	
Valuation Date	10/01/2021
Measurement Date	09/30/2021
Investment Return Assumption	6.625%
Mortality Table	FRS Mortality Rates from 7/1/20 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>2021</u>
1. Total Pension Liability	
a. Service Cost	\$ -
b. Interest	261,497
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(374,412)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>(112,915)</u>
i. Total Pension Liability - Beginning	<u>5,839,071</u>
j. Total Pension Liability - Ending	<u><u>\$ 5,726,156</u></u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - State	-
c. Contributions - Member	-
d. Net Investment Income	902,783
e. Benefit Payments	(374,412)
f. Contribution Refunds	-
g. Administrative Expense	-
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>528,371</u>
j. Plan Fiduciary Net Position - Beginning	<u>4,077,179</u>
k. Plan Fiduciary Net Position - Ending	<u><u>\$ 4,605,550</u></u>
3. Net Pension Liability / (Asset)	1,120,606
Certain Key Assumptions	
Valuation Date	10/01/2021
Measurement Date	09/30/2021
Investment Return Assumption	4.625%
Mortality Table	FRS Mortality Rates from 7/1/20 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)
2022	4,605,550	292,697	374,960	4,523,287
2023	4,523,287	287,006	382,228	4,428,065
2024	4,428,065	280,523	387,505	4,321,083
2025	4,321,083	273,305	391,451	4,202,937
2026	4,202,937	265,371	394,659	4,073,649
2027	4,073,649	256,635	399,829	3,930,455
2028	3,930,455	247,083	401,791	3,775,747
2029	3,775,747	236,840	401,599	3,610,988
2030	3,610,988	225,977	400,035	3,436,930
2031	3,436,930	214,481	398,956	3,252,455
2032	3,252,455	202,405	394,570	3,060,290
2033	3,060,290	189,902	387,698	2,862,494
2034	2,862,494	177,043	380,298	2,659,239
2035	2,659,239	163,926	369,764	2,453,401
2036	2,453,401	150,682	357,920	2,246,163
2037	2,246,163	137,431	343,480	2,040,114
2038	2,040,114	124,292	328,008	1,836,398
2039	1,836,398	111,365	310,830	1,636,933
2040	1,636,933	98,734	293,222	1,442,445
2041	1,442,445	86,443	275,301	1,253,587
2042	1,253,587	74,536	257,028	1,071,095
2043	1,071,095	63,035	239,254	894,876
2044	894,876	51,933	221,978	724,831
2045	724,831	41,220	205,281	560,770
2046	560,770	30,882	189,264	402,388
2047	402,388	20,897	173,909	249,376
2048	249,376	11,244	159,311	101,309
2049	101,309	1,896	145,374	-

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:

27.67

Certain Key Assumptions

Valuation Investment return assumption

6.625%

Valuation Mortality Table

FRS Mortality Rates from 7/1/20 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)
2022	4,605,550	292,697	374,960	4,523,287
2023	4,523,287	287,006	382,228	4,428,065
2024	4,428,065	280,523	387,505	4,321,083
2025	4,321,083	273,305	391,451	4,202,937
2026	4,202,937	265,371	394,659	4,073,649
2027	4,073,649	256,635	399,829	3,930,455
2028	3,930,455	247,083	401,791	3,775,747
2029	3,775,747	236,840	401,599	3,610,988
2030	3,610,988	225,977	400,035	3,436,930
2031	3,436,930	214,481	398,956	3,252,455
2032	3,252,455	202,405	394,570	3,060,290
2033	3,060,290	189,902	387,698	2,862,494
2034	2,862,494	177,043	380,298	2,659,239
2035	2,659,239	163,926	369,764	2,453,401
2036	2,453,401	150,682	357,920	2,246,163
2037	2,246,163	137,431	343,480	2,040,114
2038	2,040,114	124,292	328,008	1,836,398
2039	1,836,398	111,365	310,830	1,636,933
2040	1,636,933	98,734	293,222	1,442,445
2041	1,442,445	86,443	275,301	1,253,587
2042	1,253,587	74,536	257,028	1,071,095
2043	1,071,095	63,035	239,254	894,876
2044	894,876	51,933	221,978	724,831
2045	724,831	41,220	205,281	560,770
2046	560,770	30,882	189,264	402,388
2047	402,388	20,897	173,909	249,376
2048	249,376	11,244	159,311	101,309
2049	101,309	1,896	145,374	-

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:**

27.67

Certain Key Assumptions

Valuation Investment return assumption

6.625%

Valuation Mortality Table

FRS Mortality Rates from 7/1/20 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)
2022	4,605,550	204,336	374,960	4,434,926
2023	4,434,926	196,276	382,228	4,248,974
2024	4,248,974	187,554	387,505	4,049,023
2025	4,049,023	178,215	391,451	3,835,787
2026	3,835,787	168,279	394,659	3,609,407
2027	3,609,407	157,689	399,829	3,367,267
2028	3,367,267	146,445	401,791	3,111,921
2029	3,111,921	134,639	401,599	2,844,961
2030	2,844,961	122,329	400,035	2,567,255
2031	2,567,255	109,510	398,956	2,277,809
2032	2,277,809	96,224	394,570	1,979,463
2033	1,979,463	82,585	387,698	1,674,350
2034	1,674,350	68,644	380,298	1,362,696
2035	1,362,696	54,474	369,764	1,047,406
2036	1,047,406	40,166	357,920	729,652
2037	729,652	25,803	343,480	411,975
2038	411,975	11,469	328,008	95,436
2039	95,436	-	310,830	-
2040	-	-	293,222	-
2041	-	-	275,301	-
2042	-	-	257,028	-
2043	-	-	239,254	-
2044	-	-	221,978	-
2045	-	-	205,281	-
2046	-	-	189,264	-
2047	-	-	173,909	-
2048	-	-	159,311	-
2049	-	-	145,374	-

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: 17.25

Certain Key Assumptions

Valuation Investment return assumption 4.625%
 Valuation Mortality Table FRS Mortality Rates from 7/1/20 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, 2021	October 1, 2021	October 1, 2021
B. Actuarial Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2023	9/30/2023	9/30/2023
C. Assumed Date of Employer Contributions	12/1/2022	12/1/2022	12/1/2022
D. Expected Covered Payroll for the Year Beginning on the Valuation Date	\$ 0	\$ 0	\$ 0
E. Annual Payment to Amortize the Unfunded Actuarial Liability	15,078	15,078	94,230
F. Employer Normal Cost	0	0	0
G. ADC if Paid on the Valuation Date	15,078	15,078	94,230
H. City Contribution if Paid on the Valuation Date as % of Covered Payroll	15,078 N/A %	15,078 N/A %	94,230 N/A %
I. Assumed Rate of Increase in Covered Payroll to Contribution Year	N/A %	N/A %	N/A %
J. Covered Payroll for Contribution Year	N/A	N/A	N/A
K. City Contribution for Contribution Year*	15,240	15,240	94,943
L. Expected Member Contribution in Contribution Year	0	0	0
M. Total Contributions (from All Sources) in Contribution Year	15,240	15,240	94,943
N. Total Contributions as % of Covered Payroll in Contribution Year	N/A %	N/A %	N/A %
O. Certain Key Assumptions			
Investment Return Assumption	6.625%	6.625%	4.625%
Mortality Table	FRS Mortality Rates from 7/1/20 FRS Valuation	FRS Mortality Rates from 7/1/20 FRS Valuation	FRS Mortality Rates from 7/1/20 FRS Valuation

* Adjusted for frequency of payments (from October 1, 2022 to December 1, 2022).

