

2022 ACTUARIAL VALUATION REPORT

JACKSONVILLE POLICE AND FIRE PENSION FUND

APRIL 4, 2023 PRESENTATION TO CITY COUNCIL FINANCE COMMITTEE



Timothy H. Johnson
Executive Director – Plan Administrator



INTRODUCTION

This actuarial report is a statement of the current and future conditions of a fund to determine whether it is on track to meet the needs of the police and firefighters depending on it.

The key purpose of an actuarial valuation is to inform City Council of the amount that needs to be contributed each year to adequately fund benefits.

FIVE BIG THINGS YOU NEED TO KNOW

What is the employer contribution for next fiscal year?

Why did it change from this year?

What would the contribution be without pension reform?

Is pension reform on track to accomplish its goals?

Why is the City's contribution so important?

“Investment losses, higher salaries, greater than expected retirements and a reduction in the investment return assumption.”

Metric	FYE 2021	FYE 2022
COJ Contribution	\$156.4M	\$171.2M
Without Surtax	\$236.7M	\$259.8M

As of October 1,	Assumed 2016	Actual 2022	Trend
Surtax Growth	4.25%	5.94%	▲
Funded Status	45%	46%	▲
Surtax Ends	After 2057	After 2056	▼

“On track. Slightly better than anticipated.”

WHY IS THE COJ CONTRIBUTION SO IMPORTANT?

- Employer Contribution is 10% of budget
- >\$225 million in benefits
- Retirement security for public safety personnel



POLICE AND FIRE PENSION FUND 2023 ANNUAL MEMBERS' MEETING

PFPP HEADQUARTERS, 1 WEST ADAMS STREET, FRIDAY, APRIL 21ST 9:00 – 10:30 A.M.

ZOOM Meeting Link:

<https://zoom.us/j/9196583095?pwd=b1dxcjNmL1NQbDVPWnBuemYyUEJjQT09>

ZOOM Meeting Password: PFPP2020