

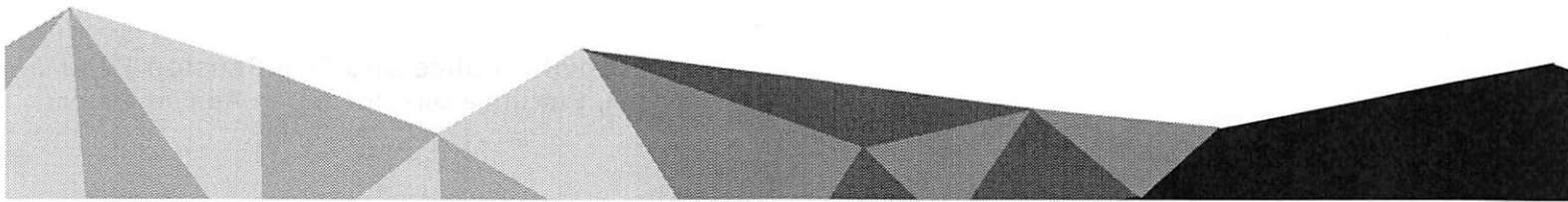
# 2019 Actuarial Valuation Report

Presentation to City Council Finance Committee  
March 3, 2020

Jacksonville Police and Fire Pension Fund  
Timothy H. Johnson, Executive Director – Plan Administrator

## Highlights of the October 1, 2019 Actuarial Valuation

- The Actuarial Accrued Liability was \$4.04 billion.
- The Net Market Value of Assets was \$1.90 billion.
- The Present Value of the Pension Liability Surtax proceeds increased to \$900.3 million.
- The Fund's investments earned a 2.96% net return during the year ended 9/30/2019, while the average net return in the Fund over the past five years has been 6.1%.
- **The City contribution requirement is \$148.5 million payable December 1, 2020.**



## Analysis of Employer Contribution

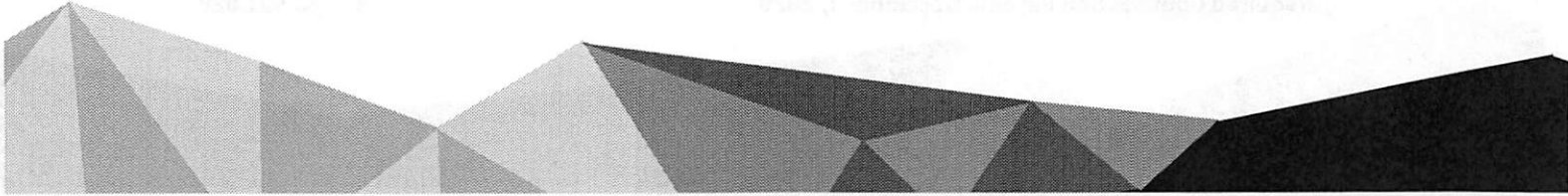
The components of change in the required City contribution are as follows:

<b>Required Contribution Payable December 1, 2019 (Gains) or Losses</b>	<b>\$ 140,292,637</b>
Investment Experience	489,967
Change in Projected Pension Liability Surtax Experience	1,460,580
Other Sources Experience	394,589
Revision in Methods or Assumptions	34,101
Amortization Payment on UAAL	1,294,483
Change in Net Employer Normal Cost (due to higher payroll)	3,889,639
Administrative/Investment Expenses	418,260
Court Fines	75,867
Benefit Changes (Including Benefit Adjustments)	150,905
<b>Required Contribution Payable December 1, 2020</b>	<b>\$ 148,501,028</b>

## Contribution Policy

"... the ADEC for FY 2021  
would have been **\$212.43 million**  
if the surtax had not been recognized."

*Peter N. Strong, FSA, EA, MAAA, FCA*

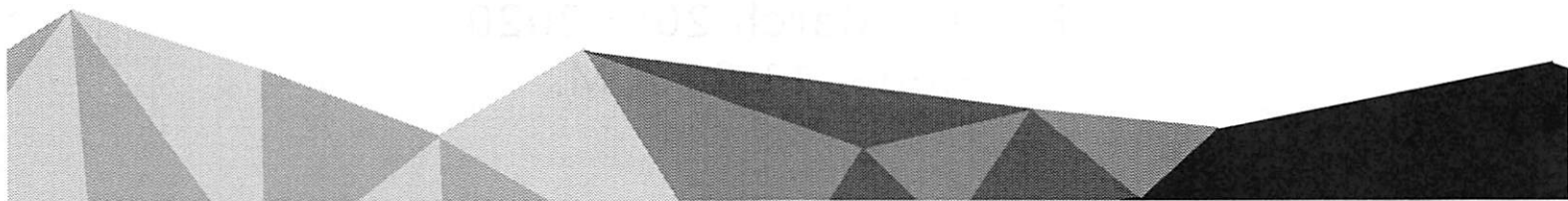


## Fiscal Metrics

<b>Pension Health</b>	<b>FYE 2018</b>	<b>FYE 2019</b>	<b>TREND</b>
Funded Ratio	48.07%	48.22%	▲
Unfunded Liability	\$ 2,014,576,980	\$ 2,090,316,363	▲
Net Amortization	55.43%	53.84%	▼
ADEC without Surtax	\$ 200.5 million	\$ 212.4 million	▲

<b>Pension Liability Surtax</b>	<b>FYE 2018</b>	<b>FYE 2019</b>	<b>TREND</b>
Surtax Growth Rate (4.25%)	6.25%	4.67%	▼
Net Present Value of Proceeds	\$ 1,414,211,903	\$ 1,519,319,941	▲
PFPF Portion (\$)	\$ 861,255,049	\$ 900,348,997	▲
PFPF Portion (%)	60.9%	59.3%	▼
Liquidity Ratio (5:1)	9.13 : 1	8.81 : 1	▼
ADEC	\$ 140,304,801	\$ 148,501,028	▲



**PPPF**  
**2020**

Annual  
Members'  
Meeting

1 West Adams Street  
Friday, March 20<sup>th</sup>, 2020  
9:00 – 11:00 A.M.