



FPPTA Pension Plan Data Center

Fred Nesbitt, FPPTA Media Consultant

Intermediate Class

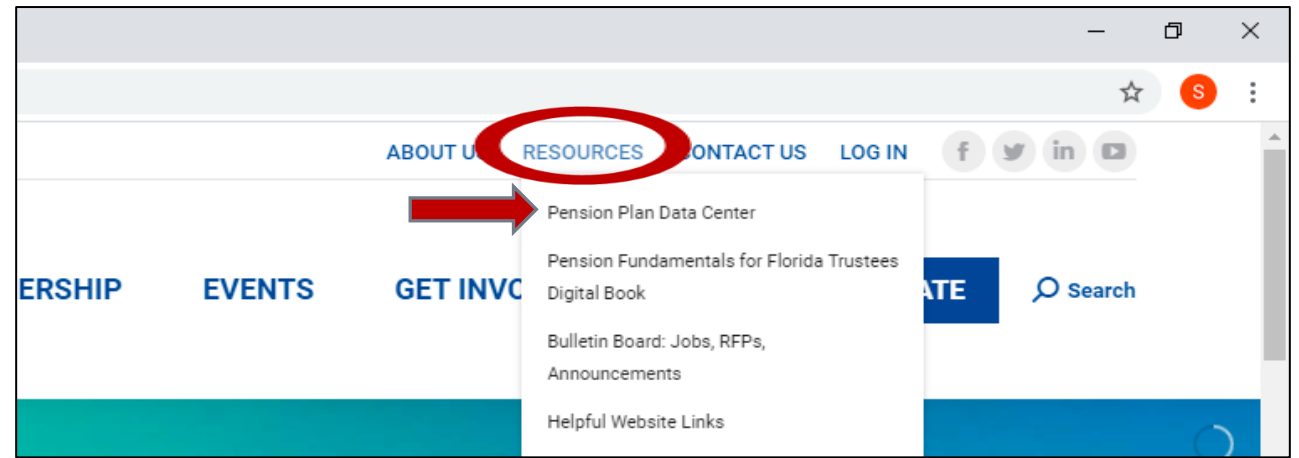
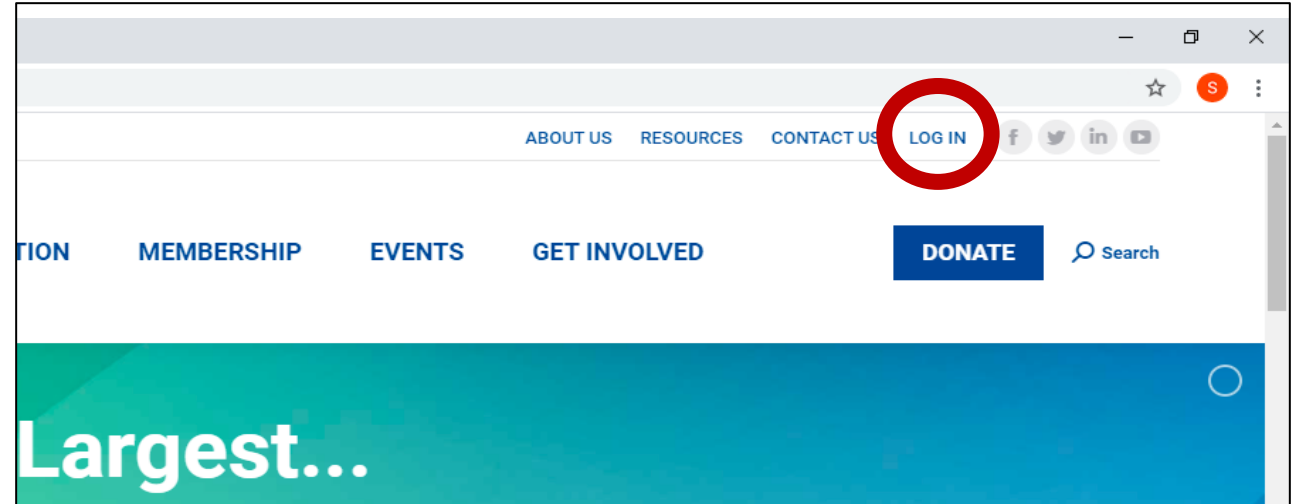


Pension Data Center Mission

“The FPPTA Pension Plan Data Center provides plan statistics on Florida’s 481 local defined benefit plans. It allows FPPTA members to better understand their plan and make comparisons to all Florida defined benefit plans.”

Accessing the Data Center

- Step 1: The Pension Plan Data Center is a members' only resource. Go to www.fppta.org and **log in** to your member account.
- Step 2: Once logged into your account, hover your cursor over the **Resources** menu and click on **Pension Plan Data Center**.



Role of the Trustee

#1 – Set the assumed rate of return for the plan

#2 – Approve an investment strategy that outlines the asset allocation

FY22 Data Report

Three categories of data analysis:

- 1) FPPTA Membership
- 2) Plan Funding
- 3) Plan Investments

FPPTA Membership – Who are we?

- **75% (143,944) of plan participants belong to FPPTA**
- **63% (304) of local DB plans belong**
- **78% are active plans vs closed and frozen**
- **76% of plans are covered by Social Security**
- **30% plans are general employees**
- **29% are firefighters**
- **29% police officers**
- **10% police and firefighters**
- **2% other**

Plan Status

Plan Status	Active	Closed	Frozen	% Active
All Local Plans	365	103	13	76%
FPPTA Plans	237	64	5	78%

Plan Funding: FY22

84.2% average pre-funded ratio

(12.2%) market return

6.98% Assumed Rate - down since FY16

\$2.3 billion contribution: 55% normal cost and 45% unfunded liability

Plan Funding: FY22

General Employee Plans

- ☐ **\$1.2 billion required contribution**
- ☐ **6.2% employees**
- ☐ **39.3% city**
- ☐ **54.5% investments**

Plan Funding: FY22

Police and Firefighter Plans

- ❑ \$1.1 billion required contribution**
- ❑ 7.1% employees**
- ❑ 29.9% city**
- ❑ 7.9% state funding (175/185)**
- ❑ 55.1% investments**

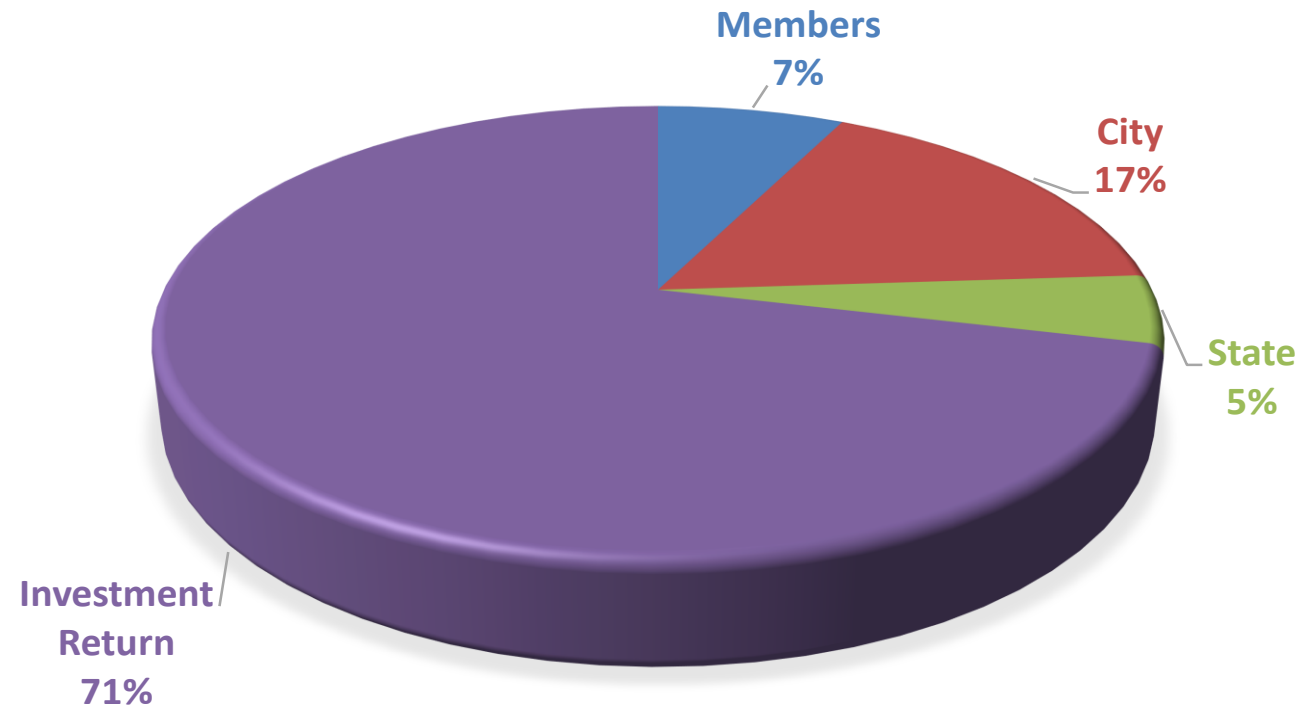
Plan Funding: FY22

Members:

- ☐ **47% active members**
- ☐ **42% retired members**
- ☐ **3% DROP members**
- ☐ **8% vested terminated**

Plan Funding

SOURCE OF PENSION PLAN FUNDING FY2023



B enefits + E xpenses =		C ontributions + I nvestments
	Red	City contribution
		Normal costs +
		Unfunded liability
	Green	
		Investment earnings
		ROI
	Blue	Dividends and Interest
		Appreciation
		Employee contributions
		P&F - 175/185 state funding

Assets Market Value \$46 billion

1. **Cash & Equivalents**
2. **Equity: International**
3. **Equity: Domestic**
4. **Fixed Income: International**
5. **Fixed Income: Domestic**
6. **Real Estate**
7. **Alternative Investment**
8. **Other Assets**

Investment of Assets – FY22

- ❖ **57.2% equities (9.7% international equities)**
- ❖ **20.9% fixed income (.7% international)**
- ❖ **12% real estate**
- ❖ **5.5% alternative investments**
- ❖ **4.4% other assets, cash and equivalents**
- ❖ **4.6% of assets in DROP accounts**

Actuarial Fact Sheet

Pension Plan Data Center – Florida x Actuarial_Fact_Sheets-2018.pdf x +

fppta.org/wp-content/uploads/2020/09/Actuarial_Fact_Sheets-2018.pdf

Actuarial_Fact_Sheets-2018.pdf 1 / 10 100% +

One Page Fact Sheets

City Name	Plan Type	County Name
ALACHUA COUNTY LIBRARY	General	Alachua
ALACHUA COUNTY SCHOOL BOARD	Early Retirement Plan	Alachua
ALTAMONTE SPRINGS	General	Seminole
ALTAMONTE SPRINGS	Police	Seminole
APOPKA	Fire	Orange
APOPKA	General	Orange
APOPKA	Police	Orange
ARCADIA	General	De Soto
ARCADIA	Police And Fire	De Soto
ATLANTIC BEACH	General	Duval
ATLANTIC BEACH	Police	Duval
ATLANTIS	Police	Palm Beach
AUBURNDALE	Fire	Polk
AUBURNDALE	General	Polk
AUBURNDALE	Police	Polk
AVENTURA	Police	Miami-Dade
AVON PARK	Fire	Highlands
AVON PARK	Police	Highlands
BAL HARBOUR VILLAGE	General	Miami-Dade
BAL HARBOUR VILLAGE	Police	Miami-Dade
BARTOW	Fire	Polk
BARTOW	General	Polk
BARTOW	Police	Polk
BAY HARBOR ISLANDS	General	Miami-Dade
BAY HARBOR ISLANDS	Police	Miami-Dade
BAY MEDICAL CENTER	General	Bay
BELLE GLADE	General	Palm Beach
BELLE GLADE (RETIRED)	Police And Fire	Palm Beach
BELLE GLADE HOUSING	General	Palm Beach
BELLE GLADE	Police	Palm Beach

SAMPLE ACTUARIAL FACT SHEET

City/District Name: Boynton Beach		Employee group(s) covered: Police	
Current actuarial valuation date: 10/1/2019		Plan Status: Active	Date prepared: 1/14/2021
Number of plan participants: 295		GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$108,078,649	Discount Rate	7.25%
Actuarial Accrued Liability (AAL):	\$152,640,260	Total Pension Liability	151,965,967
Unfunded Accrued Liability (UAL):	\$44,561,611	Market Value of Plan Assets	107,146,116
Market Value of Plan Assets (MVA):	\$107,300,912	Net Pension Liability	44,819,851
MVA Funded Ratio (5-year history):		GASB 67 Funded Ratio	70.51%
		Averages for all plans with 2019 current actuarial valuation date	
Current valuation	70.30%	86.62%	*
1 year prior	70.18%	88.75%	*
2 years prior	69.00%	85.83%	*
3 years prior	68.16%	82.35%	*
4 years prior	66.30%	82.16%	*
Rate of Actuarial Value, Actual (2019 Plan Year)	6.73%	7.12%	
Return: Market Value, Actual	5.17%	3.94%	
Assumed	7.25%	7.19%	
Funding requirement as percentage of payroll:	63.19%	59.70%	**
Percentage of payroll contributed by employee:	7.00%	6.47%	**
Funding requirement as dollar amount:	7,092,483	N/A	
Benefit Formula Description:		3.00% X AFC X SC	
AFC Averaging Period (years):		5	
Employees covered by Social Security?		Yes	

Additional actuarial disclosures required by section 112.664, Florida Statutes:

Florida Statute Chapter	Discount Rate	Pension Liability	Market Value of Plan Assets	Net Pension Liability	Years assets sustain benefit payments	Total Dollar Contribution	Total % of Pay Contribution
112.664(1)(a)	7.25%	151,965,967	107,146,116	44,819,851	17.42	7,269,849	63.19
112.664(1)(b)	5.25%	188,389,240	107,146,116	81,243,124	14.17	10,967,475	95.33
Valuation Basis	7.25%	N/A	N/A	N/A	17.42	7,269,849	63.19

Link to annual financial statements: <https://irs.fl.gov/forms/LOC5340063PDF10012019N1.pdf>

*Adjusted by excluding plans from average whose Funded Ratios were not within two standard deviations from the mean

**Excludes plans with zero payroll

(For explanation of terms, see glossary on page 2)

Actuarial Summary Fact Sheet – Glossary of Terms

Actuarial Value of Plan Assets (AVA):	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
Actuarial Accrued Liability (AAL):	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
Unfunded Accrued Liability (UAL):	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
Market Value of Plan Assets (MVA):	The fair market value of assets, including DROP accounts.
MVA Funded Ratio:	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
Rate of Return (Assumed):	Assumed long-term rate of return on the pension fund assets.
Funding requirement as percentage of payroll:	Total Required Contribution (employer and employee) divided by total payroll of active participants. No interest adjustment is included.
AFC:	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
SC:	Service Credit

Section 112.664 – Glossary of Terms

Florida Statute Chapter:	112.664(1)(a) – uses mortality tables used in either of the two most recently published FRS valuation reports, with projection scale for mortality improvement 112.664(1)(b) – uses same mortality assumption as 112.664(1)(a) but using an assumed discount rate equal to 200 basis points (2.00%) less than plan's assumed rate of return. Valuation Basis – uses all the assumptions in the plan's valuation as of the current actuarial valuation date.
Discount Rate:	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
Total Pension Liability:	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
Net Pension Liability:	Total Pension Liability minus Market Value of Plan Assets.
Years assets sustain benefit payments:	Assuming no future contributions from any source, the number of years the market value of assets will sustain payment of expected retirement benefits. The number of years will vary based on the Florida Statute Chapter assumption.
Total Dollar Contribution:	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
Total % of Pay Contribution:	Total Dollar Contribution divided by total payroll of active participants
Annual financial statements:	A report issued which covers a local government retirement system or plan to satisfy the financial reporting requirements of section 112.664(1), F.S.

Using Data Center Information

#1 - Compare your plan with 481 Florida plans

#2 - Defend your plan's actuarial data and explain your plan's situation

#3 - Improve your plan's numbers through communications with other FPPTA plans and your consultants

FPPTA PENSION PLAN DATA CENTER

Florida Local Defined Benefit Pension Plans: FY2022

Summary results from the FY2022 data analysis of Florida's 481 local defined benefit plans. The data come from state reports filed by plans and can be viewed on the [FPPTA website](#).

FPPTA Membership

- ✓ **75%** (143,944) of total plan participants belong to FPPTA
- ✓ **63%** (304) of Florida local DB plans belong to FPPTA
- ✓ **78%** of FPPTA plans are active plans vs closed or frozen plans
- ✓ **76%** of FPPTA plans are covered by Social Security
- ✓ **29%** of FPPTA plans are firefighters
- ✓ **30%** general employees
- ✓ **29%** police officers
- ✓ **10%** police and firefighters
- ✓ **2%** other

Plan Funding

- ✓ **84.2%** average pre-funded ratio of all 481 plans in FY22
- ✓ **-12.5%** average actual market value rate of return in FY22
- ✓ **6.9%** average assumed rate of return, and continues to decline
- ✓ **\$2.3 billion** required contribution: **55%** normal cost and **45%** unfunded liability
- ✓ **\$1.2 billion** required contribution to general plans: **6.2%** from employees, **39.3%** from city, and **54.5%** from investments
- ✓ **\$1.1 billion** required contribution to police and fire plans: **7.1%** from employees, **29.9%** for city, **7.9%** from 175/185 state funding, and **55.1%** from investments
- ✓ **47%** active members; **42%** retired; **3%** DROP and **8%** vested terminated

Assets Invested

- ✓ **\$46 billion** market value of all plan assets
- ✓ **57.2%** invested in equities (**9.7%** international)
- ✓ **20.9%** invested in fixed income (**.7%** international)
- ✓ **12%** invested in real estate
- ✓ **5.5%** invested in alternative investments
- ✓ **4.4%** invested in other assets, cash and equivalents
- ✓ **4.6%** of assets in DROP accounts

FPPTA: The **VOICE** of Florida's Public Pensions
The **ADVOCATE** for Defined Benefit Pensions
Florida Public Pension Trustees Association

