FPPTA Pension Plan Data: FY20 Report

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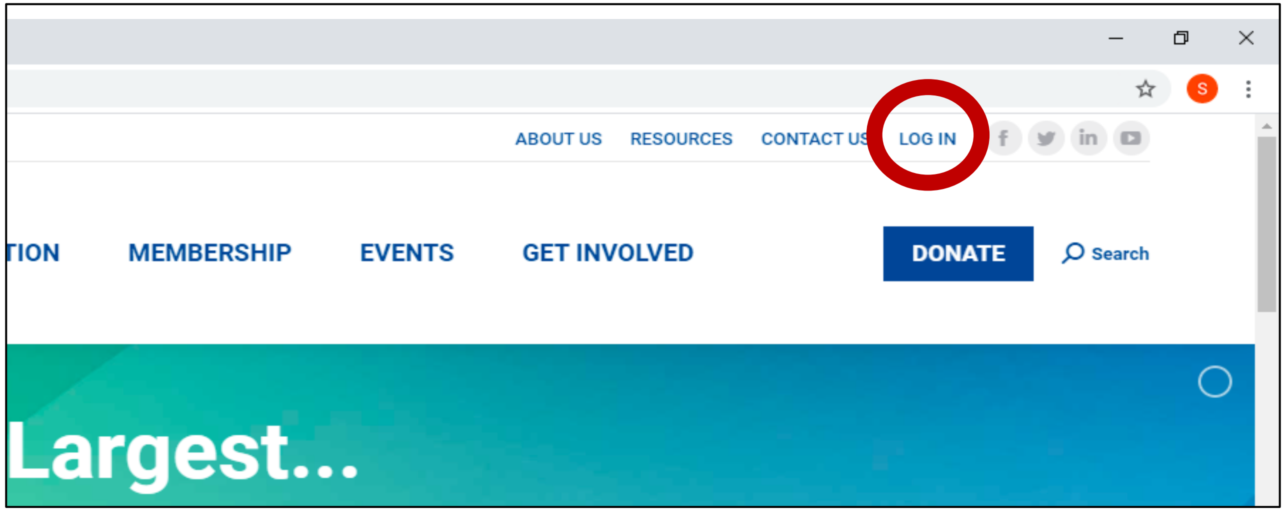
FPPTA®
FLORIDA PUBLIC PENSION TRUSTEES ASSOCIATION
SINCE 1984

Pension Plan Data Center Mission

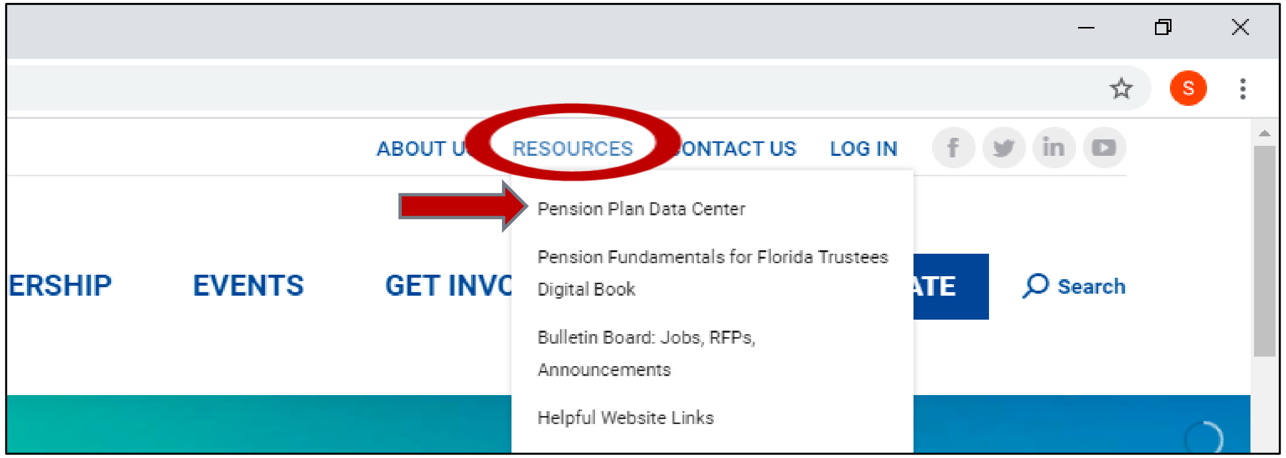
"The FPPTA Pension Plan Data Center provides plan statistics on all FPPTA member plans. It allows members to better understand their plan and make comparisons to other defined benefit plans."

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.**



FY20 Data Report

Florida Local Defined Benefit Pension Plans FY20

- Overview and Financial Personality
- Investment of Assets
- Funding the Plans

Report to the membership to understand the FPPTA members' pension plan numbers, and compare FPPTA plans to all Florida local defined benefit plans. The report includes statistical data for FY 2020 and prior years where available.

Overview and Financial Personality

- Plan Name and Employee Group
- Number of Plan Participants
- Plan Status
- Employees Covered by Social Security

Overview and Financial Personality

- Actuarial Value of Plan Assets
- Market Value of Assets as of 9/30
- Actuarial Accrued Liability (AAL)
- Unfunded Accrued Liability (UAL)
- Funded Ratio – Current Valuation

Overview and Financial Personality

- Actual Market Value Rate of Return
- Assumed Rate of Return
- Funding Requirement as Percentage of Payroll
- Percentage of Payroll Contributed by Employees

Overview and Financial Personality Findings

Membership: Fire (30%), General (29.1%) and Police (28.6%)

68% all local plan participants (126,030)

79% plans are active plans

77% covered by Social Security

Overview and Financial Personality Findings

88.5% pre-funded level

AVA is $38 billion = 81% of total ($47.2B)

Smaller increase in liability

Overview and Financial Personality Findings

Market Return 8.3% vs 8.2% (all)

Assumed Rate 7.15% - declining since FY17

Valuation Basis Contribution = $1.8 billion

Active Funding: 56% normal costs; 44% UAAL

Investment of Assets - Florida

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 Findings

	ALL	FPPTA
Cash & Equivalents	3.0%	3.2%
Equity: International	9.0%	7.8%
Equity: Domestic	51.1%	52.6%
Fixed Income: International	0.1%	0.9%
Fixed Income: Domestic	22.0%	21.1%
Real Estate	8.4%	9.0%
Alternative Investments	4.4%	3.0%
Other Assets	2.0%	2.5%

Funding the Plans

Benefits + Expenses

Equal

Contributions + Investments

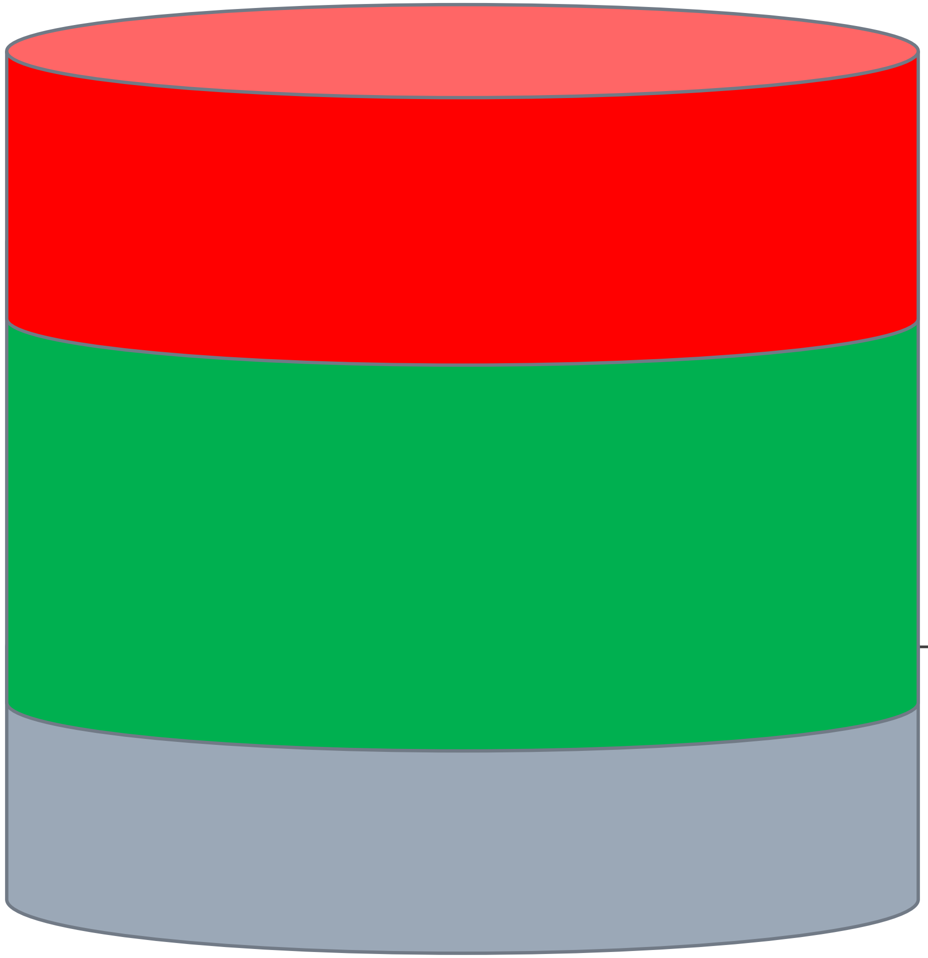
$B + E = C + I$

Sources for Funding the Plans

- Employee Contributions (state funding for 175/185 plans)
- Investment Return
- City Contribution

B + E = C + I

Benefits + Expenses = Contributions + Investments



City contribution

Normal costs +
Unfunded liability

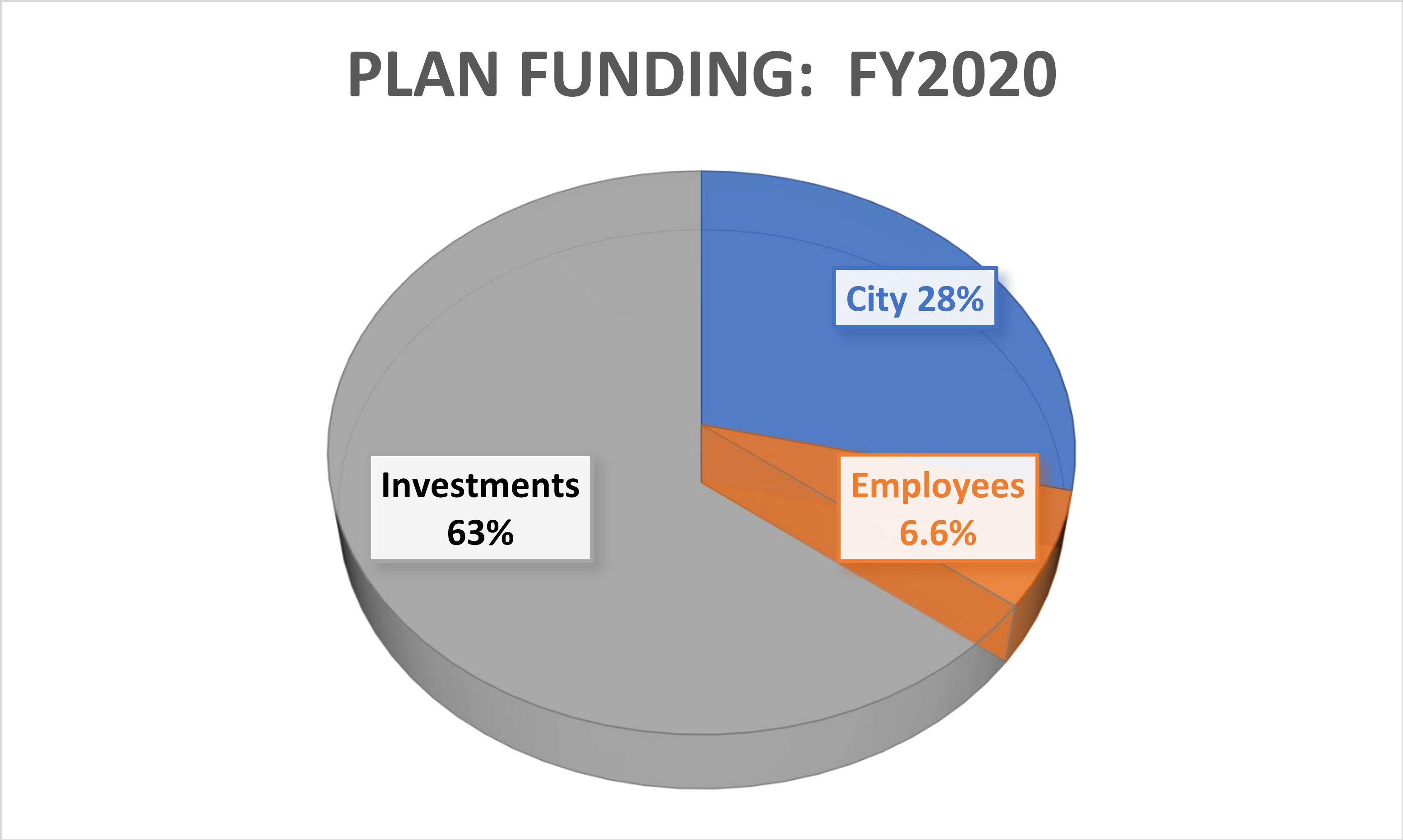
Investment earnings

ROI
Dividends and interest
Appreciation

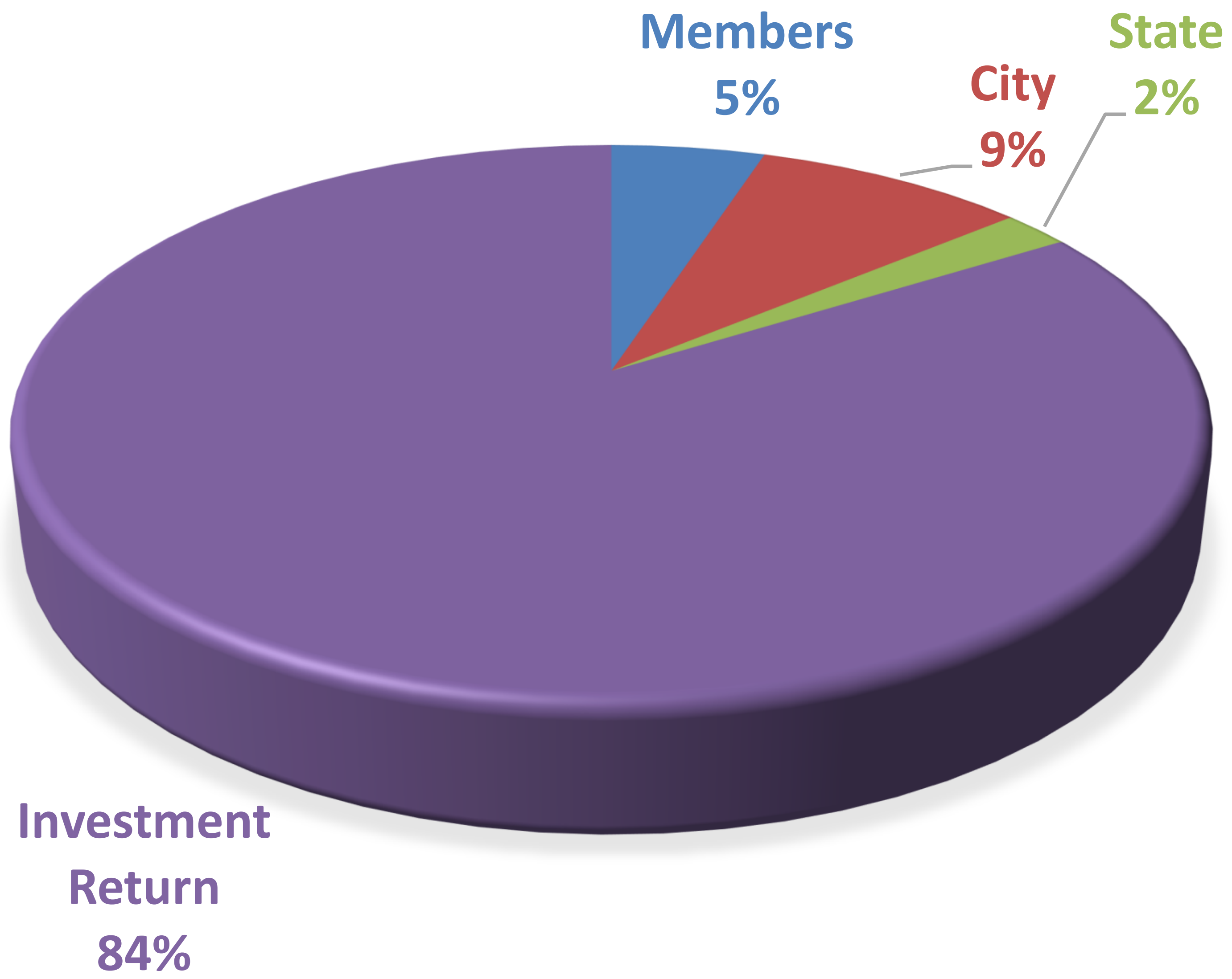
Employee contributions

P&F – 175/185 state funding

Funding Our Plans



SOURCE OF PENSION PLAN FUNDING FY2021



Reasons for Funding

FUNDING COSTS		
	Normal Costs	**Unfunded Liability**
Active Plans	56.0%	44.0%
Closed Plans	47.2%	52.8%
Frozen Plans	3.3%	96.7%

Using the Pension Data

- Compare your plan with other Florida plans of similar size, composition or area
- Defend your plan's actuarial data
- Improve your plan's numbers through communications with other FPPTA plans and your managers