

CITY OF TAMPA
GENERAL EMPLOYEES' PENSION PLAN

SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2023 VALUATION DATE



October 2, 2024

VIA EMAIL

Ms. April Oliver, Pension Plan Supervisor
General Employees' Pension Plan
The City of Tampa
306 E. Jackson Street, 7E
Tampa, FL 33602

Re: City of Tampa General Employees' Pension Plan
Section 112.664, Florida Statutes Compliance

Dear April:

Please find enclosed the annual disclosures that satisfy the October 1, 2023 financial reporting requirements made under Section 112.664.

Our office will submit this information electronically to the Department of Management Services. However, it is important for you to be aware that this report must also be made available on the Plan or Plan Sponsor's website, if such website exists. A deadline for this website publication is not made clear in the law.

In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should contact its Investment Consultant for this information.

Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

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 me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, meet the requirements of Section 112.664(1), Florida Statutes, and Rule 60T-1.0035, Florida Administrative Code.

If there are any questions, concerns, or comments about any of the items contained in this report, please feel free to contact me.

Respectfully submitted,

Foster & Foster, Inc.



Joseph L. Griffin, ASA, EA, MAAA
Enrolled Actuary #23-6938

When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2023 Actuarial Valuation Report, as adopted by the Board of Trustees, are reasonable individually and in the aggregate, and represent our best estimate of future Plan experience.
- 5) The “Number of Years Expected Benefit Payments Sustained” calculated in Section II: Asset Sustainability should not be interpreted as the number of years the Plan has left until it is insolvent. This calculation is required by 112.664, Florida Statutes, but the numeric result is irrelevant, since in its calculation we are to assume there will be no further contributions to the Fund. As long as the Actuarially Determined Contribution is made each year the Plan will never become insolvent.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
FISCAL YEAR SEPTEMBER 30, 2023

	ACTUAL	HYPOTHETICAL
Discount Rate:	7.25%	5.25%
<u>Total Pension Liability</u>		
Service Cost	12,409,803	20,755,998
Interest	65,931,626	60,180,010
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	4,164,110	6,782,327
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	(54,349,908)	(54,349,908)
Net Change in Total Pension Liability	28,155,631	33,368,427
Total Pension Liability - Beginning	924,166,883	1,152,704,866
Total Pension Liability - Ending (a)	\$ 952,322,514	\$ 1,186,073,293
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	27,458,133	27,458,133
Contributions - State	-	-
Contributions - Employee	15,973	15,973
Net Investment Income	77,693,606	77,693,606
Benefit Payments, Including Refunds of Employee Contributions	(54,349,908)	(54,349,908)
Administrative Expenses	(1,391,461)	(1,391,461)
Other	-	-
Net Change in Plan Fiduciary Net Position	49,426,343	49,426,343
Plan Fiduciary Net Position - Beginning	695,720,510	695,720,510
Plan Fiduciary Net Position - Ending (b)	\$ 745,146,853	\$ 745,146,853
Net Pension Liability - Ending (a) - (b)	\$ 207,175,661	\$ 440,926,440

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: Discount Rate = 7.00%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2023	745,146,853	-	70,076,254	-	49,707,611	724,778,210
2024	724,778,210	-	60,054,242	-	48,632,576	713,356,544
2025	713,356,544	-	62,537,763	-	47,746,136	698,564,917
2026	698,564,917	-	64,739,063	-	46,633,677	680,459,531
2027	680,459,531	-	66,722,861	-	45,296,867	659,033,537
2028	659,033,537	-	68,351,828	-	43,740,034	634,421,743
2029	634,421,743	-	69,983,487	-	41,960,100	606,398,356
2030	606,398,356	-	70,789,546	-	39,970,251	575,579,061
2031	575,579,061	-	71,595,428	-	37,784,694	541,768,327
2032	541,768,327	-	72,255,704	-	35,394,833	504,907,456
2033	504,907,456	-	72,391,845	-	32,809,807	465,325,418
2034	465,325,418	-	72,315,552	-	30,041,735	423,051,601
2035	423,051,601	-	72,057,819	-	27,091,588	378,085,370
2036	378,085,370	-	71,513,480	-	23,963,004	330,534,894
2037	330,534,894	-	70,784,778	-	20,659,975	280,410,091
2038	280,410,091	-	69,769,010	-	17,186,791	227,827,872
2039	227,827,872	-	68,575,412	-	13,547,812	172,800,272
2040	172,800,272	-	67,229,589	-	9,742,983	115,313,666
2041	115,313,666	-	65,780,746	-	5,769,631	55,302,551
2042	55,302,551	-	64,173,581	-	-	-

*All DROP Balances paid in 2023.

Number of Years Expected Benefit Payments Sustained: 19.86

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.00% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 2
Hypothetical Assumptions: Discount Rate = 5.00%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments*	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2023	745,146,853	-	70,076,254	-	35,505,436	710,576,035
2024	710,576,035	-	60,054,242	-	34,027,446	684,549,239
2025	684,549,239	-	62,537,763	-	32,664,018	654,675,494
2026	654,675,494	-	64,739,063	-	31,115,298	621,051,729
2027	621,051,729	-	66,722,861	-	29,384,515	583,713,383
2028	583,713,383	-	68,351,828	-	27,476,873	542,838,428
2029	542,838,428	-	69,983,487	-	25,392,334	498,247,275
2030	498,247,275	-	70,789,546	-	23,142,625	450,600,354
2031	450,600,354	-	71,595,428	-	20,740,132	399,745,058
2032	399,745,058	-	72,255,704	-	18,180,860	345,670,214
2033	345,670,214	-	72,391,845	-	15,473,715	288,752,084
2034	288,752,084	-	72,315,552	-	12,629,715	229,066,247
2035	229,066,247	-	72,057,819	-	9,651,867	166,660,295
2036	166,660,295	-	71,513,480	-	6,545,178	101,691,993
2037	101,691,993	-	70,784,778	-	3,314,980	34,222,195
2038	34,222,195	-	69,769,010	-	-	-

*All DROP Balances paid in 2023.

Number of Years Expected Benefit Payments Sustained: 15.49

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.00% interest.

It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2025

Valuation Date: 10/1/2023

	ACTUAL	HYPOTHETICAL
Investment Rate of Return:	7.00%	5.00%
Minimum Required Contribution (Fixed \$)	\$35,339,436	\$59,680,796
Minimum Required Contribution (% of Payroll)	15.6%	26.2%

ASSETS

Actuarial Value ¹	797,770,711	797,770,711
Market Value ¹	745,146,853	745,146,853

LIABILITIES

Present Value of Benefits		
Actives		
Retirement Benefits	408,520,474	616,469,240
Disability Benefits	19,863,695	28,941,954
Death Benefits	4,542,998	6,196,415
Vested Benefits	27,370,003	51,516,648
Service Retirees	468,179,732	556,488,153
DROP Retirees ¹	69,342,219	82,031,051
Beneficiaries	67,528,486	79,245,087
Disability Retirees	12,222,131	14,921,244
Terminated Vested	48,313,137	67,792,083
Total:	1,125,882,875	1,503,601,875
Present Value of Future Salaries	1,786,928,946	2,044,356,576
Present Value of Future Member Contributions	9,314	9,314
Total Normal Cost	15,544,698	26,113,882
Present Value of Future Normal Costs (Entry Age Normal)	118,878,197	237,268,645
Total Actuarial Accrued Liability (EAN) ¹	1,007,004,678	1,266,333,230
Unfunded Actuarial Accrued Liability (UAAL)	209,233,967	468,562,519

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2025

Valuation Date: 10/1/2023

	ACTUAL	HYPOTHETICAL
Investment Rate of Return:	7.00%	5.00%
<u>PENSION COST</u>		
Normal Cost (with interest)	16,088,762	26,766,729
Administrative Expenses (with interest)	578,082	572,496
Payment Required To Amortize UAAL (with interest)	18,672,592	32,341,571
Minimum Required Contribution	\$35,339,436	\$59,680,796

¹ The asset values and liabilities include accumulated DROP Plan Balances as of 9/30/2023.