

# **CITY OF JACKSONVILLE BEACH FIREFIGHTERS' RETIREMENT SYSTEM**

## **Summary Plan Description For Firefighters' Retirement System**



Welcome to the City of Jacksonville Beach.

Following is a brief description of the Firefighters' Retirement Plan. This handout is intended to be a plain language summary of the benefits provided by the City of Jacksonville Beach Firefighters' Retirement Plan.

*Please Note! - This handout is not the official pension plan document and your actual benefits are governed by the appropriate provisions of the state statutes and City ordinances. (Please refer to the City's code of Ordinances for the provisions of the pension plan.) If there is any conflict between those legislative provisions and this handout, the legislative provisions control. This handout is solely intended as a guide to your benefits and is not intended to create a contract or promise of any specific benefit. Nothing in this document is intended to, nor does it, create a contract for benefits greater than provided by law. Any questions you have regarding your rights or benefits under your pension plan should be directed to the Retirement System's pension plan administrator.*

Duston Scott, Pension Plan Administrator  
Human Resources  
City Hall  
11 North Third Street  
Jacksonville Beach, FL 32250  
Phone: (904) 247-6264  
Fax: (904) 247-6169

# CITY OF JACKSONVILLE BEACH FIREFIGHTERS' RETIREMENT SYSTEM

The City of Jacksonville Beach Firefighters' Retirement System was established November 1, 1951. It is a defined benefit plan. Under a defined benefit pension plan, your pension is designed to provide you with a lifetime of income once you retire. Your pension plan also provides disability and death benefits under certain circumstances. The pension plan uses a formula to determine the benefit to be paid to you at retirement. The Board of Trustees administers and manages the pension plan. A listing of the Board of Trustees is provided on page 10. Following are some of the general provisions of the pension plan. The full provisions of the plan can be found under the City's code of ordinances Part I Chapter 2 Article V Division 7 – Firefighters' Retirement System. To view the City's Code of Ordinances visit Municipal Codes at:

<http://library.municode.com/index.aspx?clientId=11041&stateId=9&stateName=Florida>

## **MEMBERSHIP:**

*Who is eligible to participate in the pension plan?*

- If you are a full time state certified firefighter of the City of Jacksonville Beach you are automatically enrolled in the pension plan on your date of hire.

## **CONTRIBUTIONS:**

*Am I required to make contributions to the pension plan?*

- Yes. - You will make pre-tax contributions equal to 7.95% of your compensation. (This amount is automatically deducted from your paycheck each pay day.) You do not pay federal income tax on the contributions you make until you terminate your employment and take a refund of your contributions or begin receiving your pension benefits.
- Compensation is defined as your salary or wages including longevity pay, overtime, shift differentials, incentive pay, vacation, sick and holiday pay.
- The City of Jacksonville Beach also makes contributions to the pension plan. The amount contributed is an actuarial calculation which is updated annually.

## **NORMAL RETIRMENT AGE:**

*How long do I have to work and how old do I have to be to retire? (This is known as your normal retirement age.)*

## **NORMAL RETIRMENT AGE (continued):**

- You must be age 52 with 25 years of service, or age 55 with 5 or more years of service, or any age with 30 years of service.
- There is no mandatory retirement age.

## **BENEFIT FORMULA:**

*How is my pension benefit calculated?*

- Your pension benefit is calculated by multiplying, 3% times each year of your credited service for the first 30 years of service and 2% times each year of your credited service in excess of 30 years of service, times your final average compensation.
- Final Average Compensation is the average of your highest 5 years out of your last 10 years of compensation prior to your retirement. Compensation is defined as your salary or wages including longevity pay, overtime, shift differentials, incentive pay, vacation, sick and holiday pay.

## **EXAMPLE:**

- For example – Assume you are age 52 and have 25 years of credited service and your final average compensation is \$50,000. Your annual pension benefit would be calculated as follows:

$$\begin{aligned} 3\% \times 25 \text{ years} &= 75\% \\ 75\% \times \$50,000 &= \$37,500 \text{ (Annual Pension Benefit)} \end{aligned}$$

- Now assume you are age 50 and have 31 years of credited service and your final average compensation is \$50,000. Your annual pension benefit would be calculated as follows:

$$\begin{aligned} 3\% \times 30 \text{ years} + 2\% \times 1 \text{ year} &= 92\% \\ 92\% \times \$50,000 &= \$46,000 \text{ (Annual Pension Benefit)} \end{aligned}$$

## **COLA (Cost of Living Adjustment)**

- The pension plan provides for a bi-annual cost of living adjustment of 2%, whereby your pension benefit will be increased by 2% on the second anniversary date of your retirement and each anniversary date thereafter.
- Members hired on or after July 21, 2014, shall not be eligible for a cost of living adjustment.

## **BENEFIT OPTIONS:**

*How will I be paid my pension benefit?*

Members must select one of the four benefit options at retirement.

### **Option I:**

- 10 Year Certain and Life – The retiree is paid a pension benefit for life. This benefit has a guarantee period of 120 months. Upon the death of the retiree during the guaranteed period, the named survivor beneficiary is paid the full amount of the benefit payment for the remainder of the guarantee period.

### **Option II:**

- 100% Joint and Survivor – The retiree is paid a reduced pension benefit for life. Upon the death of the retiree during the lifetime of the named survivor beneficiary, the named survivor beneficiary is paid 100% of reduced benefit paid to the retiree for the remainder of the survivor beneficiary's lifetime.

### **Option III: (You have one of three choices)**

- 75% Joint and Survivor – The retiree is paid a reduced pension benefit for life. Upon the death of the retiree during the lifetime of the named survivor beneficiary, the named survivor beneficiary is paid 75% of the reduced benefit paid to the retiree for the remainder of the survivor beneficiary's lifetime.
- 66 $\frac{2}{3}$ % Joint and Survivor – The retiree is paid a reduced pension benefit for life. Upon the death of the retiree during the lifetime of the named survivor beneficiary, the named survivor beneficiary is paid 66 $\frac{2}{3}$ % of the reduced benefit paid to the retiree for the remainder of the survivor beneficiary's lifetime.
- 50% Joint and Survivor – The retiree is paid a reduced pension benefit for life. Upon the death of the retiree during the lifetime of the named survivor beneficiary,

the named survivor beneficiary is paid 50% of the reduced benefit paid to the retiree for the remainder of the survivor beneficiary's lifetime.

#### **Option IV:**

- Straight Life – The retiree is paid a pension benefit for life. Upon the death of the retiree, the benefit ends.

#### **VESTING:**

*How long do I have to work to become vested in the pension plan?*

- If you have 10 or more years of service you are vested in the pension plan, or if you had at least 5 years or more years of service on June 23, 2014.
- If you have 10 or more years of service and should leave the City and remain vested in the pension plan, your pension benefit amount is computed as a normal retirement but based upon service and final average compensation at time of termination.

#### **TERMINATION PRIOR TO VESTING:**

*What happens to the money I contributed to the pension plan if I should leave the City before I become vested?*

- The pension contributions that you paid into the plan are reimbursed to you or may be rolled over into an IRA or another qualified plan.
- You may also leave your pension contributions in the plan for a period of not more than five years after leaving employment of the city, pending the possibility of being rehired by the City, without losing credit for the time you participated as a member of the plan.
- A former member with credited service who wishes to return to city employment may restore the forfeited credited service to receive credit for prior service within ninety (90) days after return to city employment.

#### **EARLY RETIREMENT:**

*Can I retire before my normal retirement date?*

- You are eligible for early retirement if you complete 20 years of service, or age 50 with 10 years of service.

- Your Pension Benefit is computed like regular retirement, but reduced to take into account your early retirement as follows:
  - 3% per year reduction for the years or .25% per month for the fraction of years that the early retirement date precedes the normal retirement date.

## **DISABILITY RETIREMENT:**

### **Duty Disability:**

*What happens if I become disabled on the job?*

If you should become disabled on the job you may qualify for duty disability retirement.

- There are no age or service requirements to be eligible.
- Your pension benefit is computed as a normal retirement to regular retirement age. Minimum benefit is not less than 50% of final average compensation. At regular retirement age you have the option to have the benefit re-computed as a normal retirement with additional service credit granted from date of retirement to the later of normal retirement age or five years after date of disability. Minimum benefit is not less than 42% of final average compensation.

### **Non-Duty Disability:**

*What happens if I become disabled while not on the job?*

If you should become disabled while not on the job you may qualify for non-duty disability retirement.

- You must have 10 or more years of service to be eligible.
- Your pension benefit is computed as a normal retirement. (Minimum benefit is not less than 25% of final average compensation.)

### **Firefighter Cancer Presumption:**

Effective July 1, 2019, Ch. 2019-21, Law of Florida, amended F.S. 112.1816 to provide additional presumptions for service incurred disability and/or death based on a diagnosis of 21 different forms of cancer. Should a firefighter meet the eligibility requirements found in the statute and become either disabled or die as a result of, or circumstances arising from the treatment of, at least one of the enumerated cancer forms, such disability or death would be presumed to be service connected.

## **DEATH BENEFITS:**

### **Duty Death Before Retirement:**

*What happens to my pension if I am killed on the job?*

- There are no age or service requirements to be eligible.
- If you are married, your spouse will receive 100% of your normal retirement benefit for the remainder of his or her life. This benefit is calculated using the Straight Life form of payment. The minimum benefit is not less than 35% of your final average compensation.
- If you do not have a spouse, your unmarried child or (children on a pro rata share) will receive 100% of your normal retirement benefit until they reach the age of 18. This benefit is calculated using the Straight Life form of payment. The minimum benefit is not less than 50% of your final average compensation.
- If you do not have a spouse or children, then your contingent survivor beneficiary will receive your normal retirement benefit calculated using the 100% Joint and Survivor payment option.

### **Non-Duty Death Before Retirement:**

*What happens if I die before I retire?*

- You must have 10 or more years of service to be eligible.
- If you are married, your spouse will receive 100% of your normal retirement benefit for the remainder of his or her life. This benefit is calculated using the Straight Life form of payment. However, there is no minimum benefit.
- If you do not have a spouse, your unmarried child (or children on a pro rata share) will receive 100% of your normal retirement benefit until they reach the age of 18. This benefit is calculated using the Straight Life form of payment. However, there is no minimum benefit.
- If you do not have a spouse or children then your contingent survivor beneficiary will receive your normal retirement benefit (calculated using the 100% Joint and Survivor payment option).



## **Firefighter Cancer Presumption:**

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## **DROP (Deferred Option Retirement Program):**

*What is DROP and when will I be eligible to go into DROP?*

- A pension plan member, who reaches normal retirement eligibility, may elect to participate in the DROP program. The DROP program allows a member to retire from the City but defer receipt of their pension benefit while continuing their employment with the City for up to three years. The member's pension benefit is deposited monthly in their DROP account, which accrues interest at 3% per annum and is charged an administrative fee of .75%. At the end of the DROP period, the member terminates employment with the City and the accumulated benefits in the DROP account are paid to the member in either a lump sum, rolled over to another qualified plan or a partial lump sum and a partial rollover.
- A member who elects DROP is considered a retiree under the plan. As a retiree, the member must select the form of pension benefit payment they wish to receive. The amount of pension benefit is calculated according to the pension formula and the form of payment selected. Since the member is considered to be retired, all member contributions to the plan cease the day they enter into DROP.

## **FORFEITURE OF RETIREMENT BENEFITS:**

- Retirement benefits granted by the Retirement System are subject to forfeiture if an employee is convicted of an offense specified in Section 112.3173, Florida Statutes, pursuant to the procedures set forth in the cited statute.

## **RETIREMENT:**

*What do I need to do when I am ready to retire?*

- Contact the Pension Plan Administrator to set up an appointment to come in and complete your retirement application and supporting documents. The Administrator's information is as follows:

Duston Scott  
Phone: (904) 247-6264  
[dscott@jaxbchfl.net](mailto:dscott@jaxbchfl.net)

*Who is the agent for service of legal process?*

Pedro A. Herrera  
Sugarman, Susskind, Braswell & Herrera P.A.  
150 Alhambra Circle, Suite 725  
Coral Gables, Florida 33134  
(305) 529-2801

## **FINANCIAL AND ACTUARIAL INFORMATION:**

*How do I find out about the financial or actuarial condition of the plan?*

- The financial records of the Plan are maintained on a fiscal year basis ending each September 30th. An audit is conducted each fiscal year by a firm of independent auditors in accordance with the provisions of the City Charter. In addition thereto, the Plan is legally required to prepare an annual report to the State of Florida and an actuarial valuation on a frequency no less often than once every three years. Each of these periodic reports contains financial and actuarial information that may be of interest to you.
- Copies of the following reports are available for review in the Pension Plan Administrator's Office:
  - Annual Financial Statement and Independent Auditor's Report on the Jacksonville Beach Firefighters' Retirement System.
  - Annual Report to the State of Florida, Department of Management Services, Division of Retirement for the Jacksonville Beach Firefighters' Retirement System.
  - Most recent Actuarial Valuation for the Jacksonville Beach Firefighters' Retirement System.
  - Attached beginning on page 10 is an excerpt from the Audited Financial Statements for fiscal year ended 9/30/2022, which summarizes the financial condition of the plan.

**Exhibit "A"**  
**CITY OF JACKSONVILLE BEACH**  
**FIREFIGHTERS' PENSION BOARD**

<b>MEMBER</b>	<b>TERM BEGINS</b>	<b>TERM EXPIRES</b>
Lance Huish 11 North 3 <sup>rd</sup> St. Jacksonville Beach, FL 32250 W – 853-6241 FAX – 853-6243 <a href="mailto:Chief_huish@yahoo.com">Chief_huish@yahoo.com</a>	<i>Appointed by Council - 02/23/2022 2 yr. term</i>	<i>03/31/2024</i>
Gaylord George Candler, Ph.D. <b><u>Chairperson</u></b> 507 16 <sup>th</sup> Avenue South Jacksonville Beach FL 32250 W- 620-1388 H- 508-631-6117 <a href="mailto:g.candler@unf.edu">g.candler@unf.edu</a>	<i>Re-appointed by Council - 02/23/2022 2 yr. term</i>	<i>03/31/2024</i>
<b>Employees' Representative</b> Eng. Edward Dawson, <b><u>Chair Pro-Tem</u></b> c/o Fire Department 515 N. Julia St. Jacksonville, FL 32202 W – 247-6240 <a href="mailto:edawson@coj.net">edawson@coj.net</a>	<i>Re-elected by Member Employees - 10/01/2021 2 yr. term</i>	<i>09/30/2023</i>
<b>Employees' Representative</b> Eng. John McDaniel c/o Fire Department 515 N. Julia St. Jacksonville, FL 32202 W – 247-6240 <a href="mailto:jmcdaniel@coj.net">jmcdaniel@coj.net</a>	<i>Re-elected by Member Employees - 10/01/2021 2 yr. term</i>	<i>09/30/2023</i>
<b>Fifth Member</b> Deborah White, <b><u>Secretary</u></b> 18 Little Tomoka Way Ormond Beach, FL. 32174 H – 720 -7197 <a href="mailto:dwhitejaxbch@yahoo.com">dwhitejaxbch@yahoo.com</a>	<i>Re-selected by Board - 03/22/2020 2 yr. term</i>	<i>03/31/2024</i>
<b><i>Pension Administrator – Duston Scott, Payroll/Benefits Administrator</i></b>		
<b><i>Plan Treasurer – Ashlie Gossett, Chief Financial Officer</i></b>		

## Exhibit “B”

### THE CITY OF JACKSONVILLE BEACH FIRE FIGHTERS RETIREMENT SYSTEM MANAGEMENT’S DISCUSSION AND ANALYSIS (Excerpt from Audited Financial Statements FYE 9/30/2022)

The discussion and analysis of the City of Jacksonville Beach, Florida (the City) Firefighters’ Retirement System (the Plan) provides an overview of the financial activities and funding conditions for the fiscal year ended September 30, 2022.

#### Financial Highlights

- The Plan’s total net position held in trust for the payment of benefits and to meet the Plan’s future obligations to its members and their beneficiaries was \$15,626,702. The Plan’s net position decreased by \$-2,569,516, a -14.12% decrease for the year.
- Employer contributions to the Plan increased \$248,990 from the previous year. The actual employer contributions were \$1,090,782 for 2022, and \$841,792 for 2021, including contributions from the City of Jacksonville of \$410,437 for 2022 and \$134,139 for 2021. The increase is attributable to the net effect of a decrease in the actuarially calculated contribution requirement for 2022 combined with a deficiency in required contribution carried forward from 2021. Additionally, the City of Jacksonville did not remit the contributions from the State of Florida for 2021.
- The net investment income decreased by \$-5,716,623 compared to 2021. The actual results were \$-2,881,425 for 2022, and \$2,835,198 for 2021. Investment income decrease due to a decrease in performance compared to the previous year.
- Benefit payments and refund of contributions decreased by \$-3,466 compared to 2021. The benefit payments and refund of contributions were \$536,482 for 2022, and \$839,948 for 2021. The decrease is primarily attributable to fewer payouts than the previous year.

On November 18, 2019, the City entered into an interlocal agreement with the City of Jacksonville to provide fire services to the residents and businesses of the City. Effective November 23, 2019, the City’s firefighters became employees of the City of Jacksonville. At that time, the FFRS was closed to new members. Each firefighter in active service on the effective date was given the opportunity to individually elect to continue participating in the FFRS or join the City of Jacksonville’s defined contribution retirement plan. Those who elected to continue participating in the FFRS or join the City of Jacksonville’s defined contribution retirement plan must continue to make legally required contributions and accrue service benefits under the Plan for as long as they are employed as certified firefighters by the City of Jacksonville.

Pension plan provisions for the FFRS were modified significantly in fiscal year 2014 to improve the Plan’s financial sustainability. The modifications included increasing the employee’s contribution rate, changing the vesting periods, modifying pensionable pay exclusions, and modifying the Deferred Retirement Option Program (DROP). Details of the changes can be found in the Notes to the Financial Statements beginning on page 13. The funding objective of the Plan is to meet its long-term pension benefit obligations through employer and employee contributions and investment returns. The Plan fiduciary net position as a percentage of total pension liability was 74.47% as of September 30, 2022.

## Financial Analysis

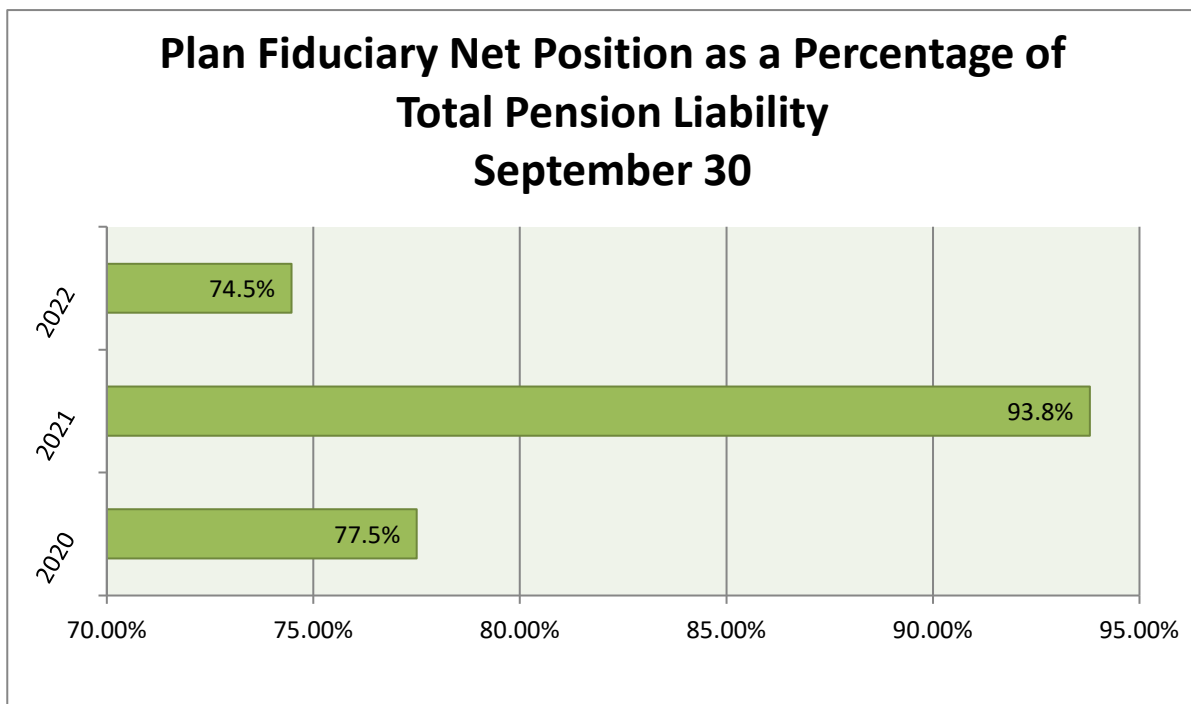
The following discussion and analysis are intended to serve as an introduction to the City of Jacksonville Beach, Florida, Firefighters' Retirement System financial statements, which are comprised of the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position, Notes to Financial Statements, and certain required supplementary information.

The financial statements reflect the activities of the Firefighters' pension plan and are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These statements are presented on a full accrual basis and reflect all trust activities as incurred.

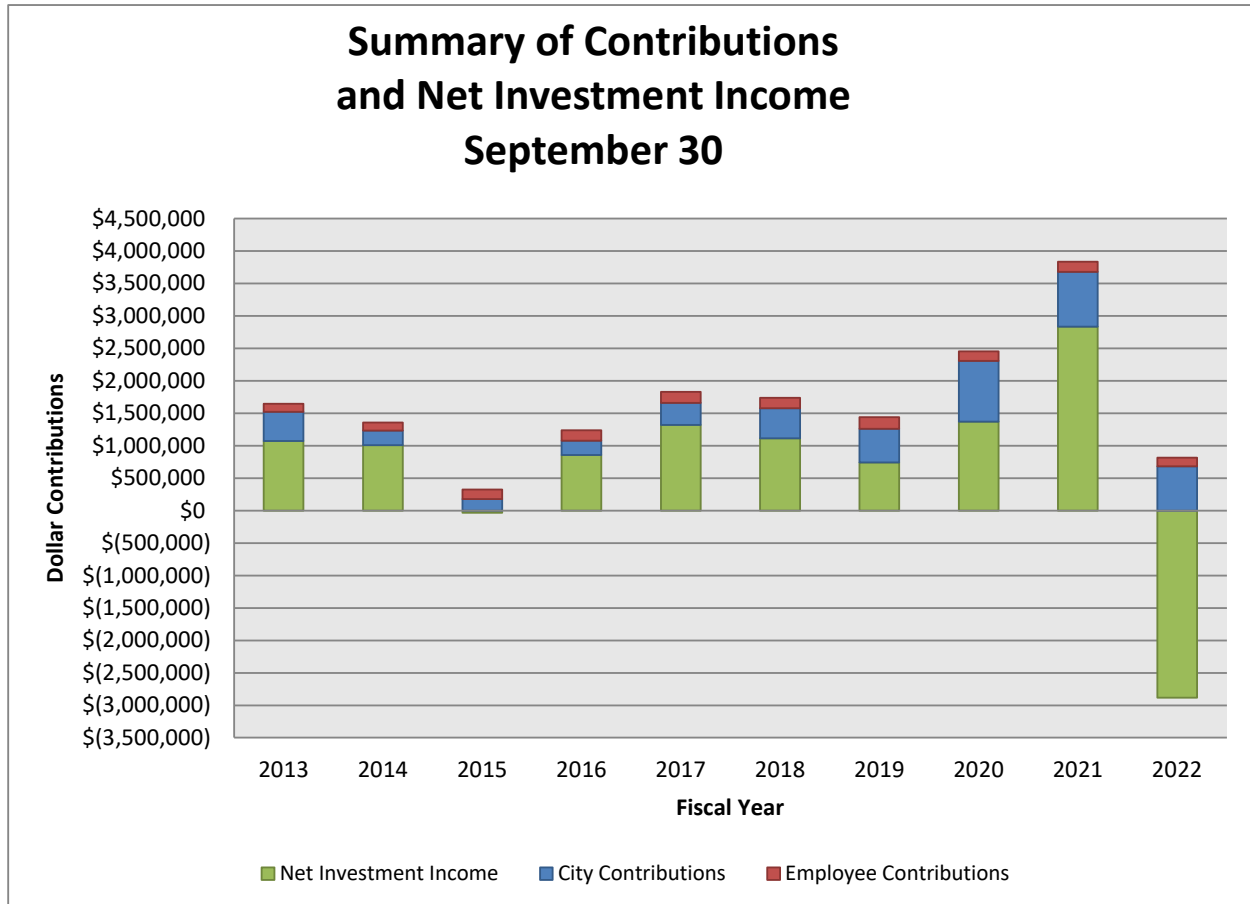
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

In 2014, the City implemented Governmental Accounting Standards Board Statement (GASB) No. 67 as required for the Plan. This statement requires additional disclosures in the Plan's financial statements. The statement also requires the net pension liability to be measured as of the Plan's most recent fiscal year-end using methods prescribed by GASB that differ significantly from previous methods. The required disclosures for the Plan can be found in the Notes to Financial Statements beginning on page 13 and the Required Supplementary Information beginning on page 23.

There are several ways to measure the Plan's financial status. One means is to determine the Plan's net position available to pay benefits. This is the difference between total assets and total liabilities. Another way is to refer to the Plan's Net Pension Liability, which takes into account the total pension liability and the Plan fiduciary net position. The chart below displays the Plan fiduciary net position as a percentage of total pension liability for the past three years.



The funding objective of the Retirement System is to establish and receive contributions (expressed as a percent of active member payroll), which should remain level from year-to-year and not have to be increased for future generations of citizens in the absence of benefit improvements. The Retirement System is supported by member contributions, City contributions, and investment income from the Retirement System assets as displayed on the chart below.



Actuarial valuation differences between actual and assumed investment return are phased-in over a closed four-year period. Therefore, during periods when investment performance exceeds the assumed rate, asset values will tend to be less than market value. Conversely, during periods when investment performance is less than the assumed rate, valuation assets will tend to be greater than market value. As of October 1, 2021, the date of the last actuarial valuation, the Plan had a market value of \$18,196,218 and a funding value of \$16,717,149 as shown in the chart below.

#### Market/Funding Value of Assets

Plan Year Ended 9-30	Market Value	Funding Value
2012	\$ 8,979,198	\$ 8,887,626
2013	10,097,893	9,701,319
2014	10,946,306	10,437,534
2015	10,699,823	11,134,615
2016	11,141,492	11,525,665

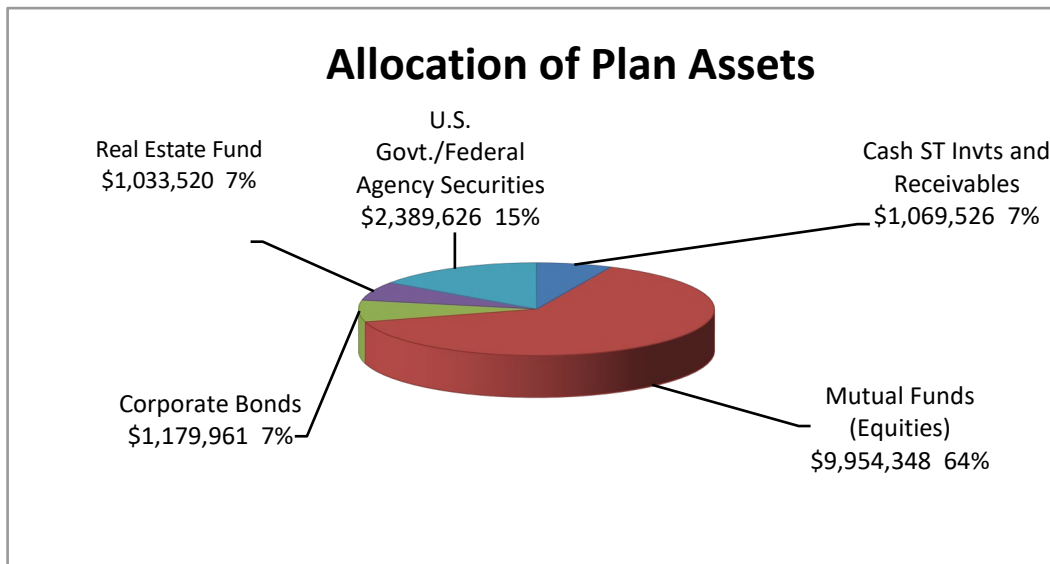
2017	12,312,108	12,223,477
2018	13,344,201	13,027,802
2019	13,386,114	13,900,598
2020	15,276,169	15,068,979
2021	18,196,218	16,717,149

The Statement of Fiduciary Net Position is a snapshot of account balances at year-end. It indicates the assets available for future payments to retirees and any current liabilities that are owed at this time.

**Fiduciary Net Position Restricted for Pension Benefits as of September 30**

	<u>2022</u>	<u>2021</u>	<u>Increase/ (Decrease)</u>
Cash and Short-Term Investments	\$ 1,050,756	\$ 1,348,969	\$ (298,213)
Due from Other Government Units		90,000	(90,000)
Miscellaneous Receivable	1,848		1,848
Interest Receivable	16,922	10,352	6,570
Investments	14,557,455	16,747,137	(2,189,682)
<b>Total Assets</b>	<u>15,626,981</u>	<u>18,196,458</u>	<u>(2,569,477)</u>
Other Accrued Liabilities	<u>279</u>	<u>240</u>	<u>39</u>
<b>Total Liabilities</b>	<u>279</u>	<u>240</u>	<u>39</u>
<b>Net Position Restricted for Pension Benefits</b>	<u>\$ 15,626,702</u>	<u>\$ 18,196,218</u>	<u>\$ (2,569,516)</u>

The net position of the Plan as of September 30, 2022, was \$15,626,702. The allocation of the Plan’s total assets as of September 30, 2022, is shown on the pie chart on the following page.



Revenues essential to funding the Plan are obtained from member contributions, City contributions, State premium tax distributions, and investment income from the retirement system assets. For the Plan year ended September 30, 2022, Plan participants were required to pay 7.95% of their annual pensionable salary to the Plan. The City makes periodic contributions totaling 100% of the annual actuarially determined amount to the Plan.

The Statement of Changes in Fiduciary Net Position provides a view of current year additions to and deductions from the Plan's net position. Total Plan deductions were more than the sum of net investment earnings and contributions, resulting in an overall -14.12% decrease in Plan net position for the year. Earnings or losses on investments are reported net of investment expenses. The following table shows a comparative summary of the changes in net position and reflects the Plan's activities for the fiscal years ended September 30.

#### Changes in Fiduciary Net Position for the Year Ended September 30

	2022	2021	Increase/ (Decrease)	Percentage Change
<b>Additions:</b>				
Contributions	\$ 1,225,967	\$ 1,000,373	\$ 225,594	22.55%
Net Investment Earnings	(2,881,425)	2,835,198	(5,716,623)	-201.63%
<b>Total Additions, Net</b>	<b>(1,655,458)</b>	<b>3,835,571</b>	<b>(5,491,029)</b>	<b>-143.16%</b>
<b>Deductions:</b>				
Benefits and Refunds	836,482	839,948	(3,466)	-0.41%
Administrative Expenses	77,576	75,574	2,002	2.65%
<b>Total Deductions</b>	<b>914,058</b>	<b>915,522</b>	<b>(1,464)</b>	<b>-0.16%</b>
Change in Net Position	(2,569,516)	2,920,049	(5,489,565)	-188.00%
Beginning of Year Net Position	18,196,218	15,276,169	2,920,049	19.12%
<b>End of Year Net Position</b>	<b>\$ 15,626,702</b>	<b>\$ 18,196,218</b>	<b>\$ (2,569,516)</b>	<b>-14.12%</b>

The Plan's investment earnings result from market gains and losses on investments during the year as well as dividend and interest earnings.

#### Additions to the Fiduciary Net Position

The monies to pay benefits are accumulated from the contributions made from employers, employees, State distributions of Chapter 175 premium taxes (in prior fiscal years), and income generated from the Plan's investments. Earnings or losses on investments are reported net of investment expenses.

	2022	2021	Increase/ (Decrease)
<b>Additions:</b>			
Employee Contributions	\$ 135,185	\$ 158,581	\$ (23,396)
Employer Contributions	1,090,782	841,792	248,990
Net Investment Income	(2,881,425)	2,835,198	(5,716,623)
<b>Total Additions</b>	<b>\$ (1,655,458)</b>	<b>\$ 3,835,571</b>	<b>\$ (5,491,029)</b>



## Deductions from the Fiduciary Net Position

The Plan provides a lifetime pension benefit to its retired members, as well as survivor, and disability benefits. Annual expenses to the Plan include retirement benefits, DROP distributions, refunds of employee contributions, and administrative expenses.

	<u>2022</u>	<u>2021</u>	<u>Increase/ (Decrease)</u>
<b>Deductions:</b>			
Benefits	\$ 836,482	\$ 839,948	\$ (3,466)
Administrative Expenses	77,576	75,574	2,002
<b>Total Deductions</b>	<u>\$ 914,058</u>	<u>\$ 915,522</u>	<u>\$ (1,464)</u>

The benefit payments are payments to retirees, or their beneficiaries (if the retiree is deceased). Administrative expenses include all expenses necessary to administer the retirement plan.

## Notes to Financial Statements and Required Supplementary Information

Notes to financial statements provide additional information that is essential to a full understanding of the data provided. They begin on page 13 of this report.

GASB Statement No. 67 requires several schedules of historical trend information to be presented as required supplementary information immediately after the notes to the financial statements. The required schedules are: (a) a schedule of changes in the net pension liability and related ratios multi-year that presents the beginning and ending balances of the total pension liability, the pension plan's fiduciary net position, the net pension liability and the effects on those items; (b) a schedule of net pension liability multi-year; (c) a schedule of the City's contributions that identifies whether the information relates to employers, non-employers, or both; and (d) a schedule of investment returns that provides information about the annual money-weighted rate of return on pension plan investments.

These schedules contain information pertaining to the City of Jacksonville Beach, Florida, Firefighters' Retirement Systems' actuarial methods and assumptions, including data on the investment returns of the Plan. They can be found on pages 23-26.

## Plan Membership

The table below reflects the Plan membership as of September 30 for active participants, retirees, beneficiaries, disabled members, DROP members, and terminated vested members.

	<u>September 30, 2022</u>	<u>September 30, 2021</u>	<u>Change</u>
Vested	23	23	
Non-Vested	2	2	
<b>Total Active Participants</b>	<u>25</u>	<u>25</u>	

Retirees Receiving Benefits	14	14	
Beneficiaries Receiving Benefits	6	6	
Disability Benefits	3	3	
<b>Total Receiving Benefits</b>	<u>23</u>	<u>23</u>	
Terminated Vested Members	1	1	
<b>Total Members Currently Receiving Benefits and Terminated Employees Entitled to Benefits, But Not Yet Receiving Them</b>	<u>24</u>	<u>24</u>	<u>          </u>

## Funding Status

Of primary concern to most pension plan participants is the amount of money available to pay benefits. Historically, defined benefit pension plans have been under-funded when the employer failed to make annual actuarially required contributions to the plan. The City’s defined benefit plan has been subject to the minimum funding standards since the adoption of the *Florida Protection of Public Employee Retirement Benefits Act* (Part VII of Chapter 112, Florida Statutes) in 1980. In addition, the Firefighters’ Pension Plan is eligible to receive a distribution of casualty premium tax monies from the State of Florida pursuant to Chapter 175, Florida Statutes, which is passed through from the City of Jacksonville. Accordingly, the City has funded the actuarially determined contribution for each year as required.

### Request for Information

The financial report is designed to provide users with an overview of the Plan’s finances and the prudent exercise of the Board’s oversight. Questions concerning this report should be addressed to the City’s Finance Officer, 11 North Third Street, Jacksonville Beach, Florida 32250.