

ST. JOHN'S RIVER POWER PARK SYSTEM EMPLOYEES' RETIREMENT PLAN

Chapter 112.664, F.S. Compliance Report

In Connection with the September 30, 2019 Funding
Actuarial Valuation Report and the Plan's Financial
Reporting for the Year Ending September 30, 2019



July 17, 2020

The SJRPP Pension Committee

Dear Committee Members:

Gabriel, Roeder, Smith & Company (GRS) has been engaged by the St. John's River Power Park System Employees' Retirement Plan (Plan) to prepare a disclosure report to satisfy the requirements set forth in Ch. 112.664, F.S. and as further required pursuant to Ch. 60T-1.0035, F.A.C.

This report was prepared at the request of the Pension Committee and is intended for use by the Committee and those designated or approved by the Committee. This report may be provided to parties other than the System only in its entirety and only with the permission of the Committee.

The purpose of the report is to provide the required information specified in Ch. 112.664, F.S. as well as supplement this information with additional exhibits. This report should not be relied on for any purpose other than the purpose described above.

The findings in this report are based on data or other information through September 30, 2019. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of this engagement does not include an analysis of the potential range of such measurements.

This report was based upon information furnished by the JEA concerning Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the JEA.

Except as otherwise indicated as required for the disclosures contained herein, this report was prepared using certain assumptions selected by the Pension Committee as described in our October 1, 2019 actuarial valuation report. This report is also based on the Plan Provisions, census data, and financial information as summarized in our October 1, 2019 actuarial valuation report. Please refer to the October 1, 2019 actuarial valuation report, dated June 13, 2020, for summaries and descriptions of this information.

The use of an investment return assumption that is 2% higher than the investment return assumption used to determine the funding requirements does not represent an estimate of future Plan experience nor does it reflect an observation of future return estimates inherent in financial market data. The use of this investment return assumption is provided to add context to the Chapter 112.664, Florida Statutes

requirement to utilize an investment return assumption that is 2% lower than the assumption used to determine the funding requirements. The inclusion of the additional exhibits showing the effect of using a 2% higher investment return assumption shows a more complete assessment of the range of possible results as opposed to showing a one-sided range as required by Florida Statutes.

James J. Rizzo and Piotr Krekora are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Retirement Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

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), F.S. and Section 60T-1.0035, F.A.C.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY



By _____

James J. Rizzo, ASA, MAAA
Enrolled Actuary No. 20-3355
Senior Consultant & Actuary



By _____

Piotr Krekora, ASA, MAAA
Enrolled Actuary No. 20-8432
Consultant & Actuary

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RESULTS

**Schedule of Changes in the Employers' Net Pension Liability
Using Financial Reporting Assumptions per GASB Statement No. 67**

Fiscal year ending September 30,	<u>2019</u>
1. Total pension liability	
a. Service Cost	\$ 35,173
b. Interest	10,086,151
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	1,192,661
e. Assumption Changes	(2,975,774)
f. Benefit Payments	(13,197,971)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>(4,859,760)</u>
i. Total Pension Liability - Beginning	<u>174,666,326</u>
j. Total Pension Liability - Ending	<u>\$ 169,806,566</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	90,149
d. Net Investment Income	4,609,596
e. Benefit Payments	(13,197,971)
f. Contribution Refunds	-
g. Administrative Expense	(153,941)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>(8,652,167)</u>
j. Plan Fiduciary Net Position - Beginning	<u>170,664,780</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 162,012,613</u>
3. Net Pension Liability / (Asset)	7,793,953
Certain Key Assumptions	
Valuation Date	09/30/2019
Measurement Date	09/30/2019
Investment Return Assumption	6.00%
Mortality Table	FRS Mortality - Regular Class

**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(a), F.S.**

Fiscal year ending September 30,	<u>2019</u>
1. Total pension liability	
a. Service Cost	\$ 35,173
b. Interest	10,086,151
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	1,192,661
e. Assumption Changes	(2,975,774)
f. Benefit Payments	(13,197,971)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>(4,859,760)</u>
i. Total Pension Liability - Beginning	<u>174,666,326</u>
j. Total Pension Liability - Ending	<u>\$ 169,806,566</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	90,149
d. Net Investment Income	4,609,596
e. Benefit Payments	(13,197,971)
f. Contribution Refunds	-
g. Administrative Expense	(153,941)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>(8,652,167)</u>
j. Plan Fiduciary Net Position - Beginning	<u>170,664,780</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 162,012,613</u>
3. Net Pension Liability / (Asset)	7,793,953
Certain Key Assumptions	
Valuation Date	09/30/2019
Measurement Date	09/30/2019
Investment Return Assumption	6.00%
Mortality Table	FRS Mortality - Regular Class

**Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions required under 112.664(1)(b), F.S.**

Fiscal year ending September 30,	<u>2019</u>
1. Total pension liability	
a. Service Cost	\$ 60,447
b. Interest	8,060,255
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(13,197,971)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>(5,077,269)</u>
i. Total Pension Liability - Beginning	<u>208,044,904</u>
j. Total Pension Liability - Ending	<u>\$ 202,967,635</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	90,149
d. Net Investment Income	4,609,596
e. Benefit Payments	(13,197,971)
f. Contribution Refunds	-
g. Administrative Expense	(153,941)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>(8,652,167)</u>
j. Plan Fiduciary Net Position - Beginning	<u>170,664,780</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 162,012,613</u>
3. Net Pension Liability / (Asset)	40,955,022
Certain Key Assumptions	
Valuation Date	09/30/2019
Measurement Date	09/30/2019
Investment Return Assumption	4.00%
Mortality Table	FRS Mortality - Regular Class

Schedule of Changes in the Employers' Net Pension Liability
Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

Fiscal year ending September 30,	<u>2019</u>
1. Total pension liability	
a. Service Cost	\$ 21,074
b. Interest	10,868,983
c. Benefit Changes	-
d. Difference between actual & expected experience & Other	-
e. Assumption Changes	-
f. Benefit Payments	(13,197,971)
g. Contribution Refunds	-
h. Net Change in Total Pension Liability	<u>(2,307,914)</u>
i. Total Pension Liability - Beginning	<u>142,440,204</u>
j. Total Pension Liability - Ending	<u>\$ 140,132,290</u>
2. Plan Fiduciary Net Position	
a. Contributions - Employer	\$ -
b. Contributions - Non-Employer Contributing Entity	-
c. Contributions - Member	90,149
d. Net Investment Income	4,609,596
e. Benefit Payments	(13,197,971)
f. Contribution Refunds	-
g. Administrative Expense	(153,941)
h. Other	-
i. Net Change in Plan Fiduciary Net Position	<u>(8,652,167)</u>
j. Plan Fiduciary Net Position - Beginning	<u>170,664,780</u>
k. Plan Fiduciary Net Position - Ending	<u>\$ 162,012,613</u>
3. Net Pension Liability / (Asset)	(21,880,323)
Certain Key Assumptions	
Valuation Date	09/30/2019
Measurement Date	09/30/2019
Investment Return Assumption	8.00%
Mortality Table	FRS Mortality - Regular Class

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Financial Reporting Assumptions per GASB Statement No. 67

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2020	162,012,613	9,312,885	13,595,720	157,729,779
2021	157,729,779	9,068,546	13,174,682	153,623,643
2022	153,623,643	8,826,887	13,017,715	149,432,816
2023	149,432,816	8,572,907	13,102,066	144,903,657
2024	144,903,657	8,301,596	13,087,450	140,117,803
2025	140,117,803	8,016,775	13,009,756	135,124,822
2026	135,124,822	7,717,849	12,988,026	129,854,645
2027	129,854,645	7,405,432	12,861,560	124,398,517
2028	124,398,517	7,084,731	12,639,340	118,843,908
2029	118,843,908	6,755,046	12,519,627	113,079,327
2030	113,079,327	6,412,561	12,406,621	107,085,267
2031	107,085,267	6,052,620	12,416,528	100,721,359
2032	100,721,359	5,679,191	12,136,361	94,264,188
2033	94,264,188	5,300,121	11,857,678	87,706,631
2034	87,706,631	4,912,078	11,677,313	80,941,397
2035	80,941,397	4,515,743	11,358,012	74,099,128
2036	74,099,128	4,116,589	10,978,627	67,237,090
2037	67,237,090	3,710,999	10,774,197	60,173,893
2038	60,173,893	3,301,442	10,299,720	53,175,614
2039	53,175,614	2,893,693	9,894,793	46,174,515
2040	46,174,515	2,488,340	9,404,357	39,258,498
2041	39,258,498	2,083,186	9,077,453	32,264,231
2042	32,264,231	1,680,642	8,507,058	25,437,815
2043	25,437,815	1,286,128	8,004,706	18,719,237
2044	18,719,237	900,219	7,431,185	12,188,271
2045	12,188,271	520,607	7,022,991	5,685,886
2046	5,685,886	148,207	6,431,544	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions: 26.92

Certain Key Assumptions

Valuation Investment return assumption 6.00%
Valuation Mortality Table FRS Mortality - Regular Class

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(a), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2020	162,012,613	9,312,885	13,595,720	157,729,779
2021	157,729,779	9,068,546	13,174,682	153,623,643
2022	153,623,643	8,826,887	13,017,715	149,432,816
2023	149,432,816	8,572,907	13,102,066	144,903,657
2024	144,903,657	8,301,596	13,087,450	140,117,803
2025	140,117,803	8,016,775	13,009,756	135,124,822
2026	135,124,822	7,717,849	12,988,026	129,854,645
2027	129,854,645	7,405,432	12,861,560	124,398,517
2028	124,398,517	7,084,731	12,639,340	118,843,908
2029	118,843,908	6,755,046	12,519,627	113,079,327
2030	113,079,327	6,412,561	12,406,621	107,085,267
2031	107,085,267	6,052,620	12,416,528	100,721,359
2032	100,721,359	5,679,191	12,136,361	94,264,188
2033	94,264,188	5,300,121	11,857,678	87,706,631
2034	87,706,631	4,912,078	11,677,313	80,941,397
2035	80,941,397	4,515,743	11,358,012	74,099,128
2036	74,099,128	4,116,589	10,978,627	67,237,090
2037	67,237,090	3,710,999	10,774,197	60,173,893
2038	60,173,893	3,301,442	10,299,720	53,175,614
2039	53,175,614	2,893,693	9,894,793	46,174,515
2040	46,174,515	2,488,340	9,404,357	39,258,498
2041	39,258,498	2,083,186	9,077,453	32,264,231
2042	32,264,231	1,680,642	8,507,058	25,437,815
2043	25,437,815	1,286,128	8,004,706	18,719,237
2044	18,719,237	900,219	7,431,185	12,188,271
2045	12,188,271	520,607	7,022,991	5,685,886
2046	5,685,886	148,207	6,431,544	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, **reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:** 26.92

Certain Key Assumptions

Valuation Investment return assumption 6.00%
Valuation Mortality Table FRS Mortality - Regular Class

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Asset and Benefit Payment Projection
Not Reflecting Any Contributions from the Employer, State or Employee
Using Assumptions required under 112.664(1)(b), F.S.

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2020	162,012,613	6,208,590	13,595,720	154,625,484
2021	154,625,484	5,921,526	13,174,682	147,372,328
2022	147,372,328	5,634,539	13,017,715	139,989,152
2023	139,989,152	5,337,525	13,102,066	132,224,611
2024	132,224,611	5,027,235	13,087,450	124,164,396
2025	124,164,396	4,706,381	13,009,756	115,861,021
2026	115,861,021	4,374,680	12,988,026	107,247,675
2027	107,247,675	4,032,676	12,861,560	98,418,791
2028	98,418,791	3,683,965	12,639,340	89,463,416
2029	89,463,416	3,328,144	12,519,627	80,271,934
2030	80,271,934	2,962,745	12,406,621	70,828,057
2031	70,828,057	2,584,792	12,416,528	60,996,321
2032	60,996,321	2,197,126	12,136,361	51,057,085
2033	51,057,085	1,805,130	11,857,678	41,004,537
2034	41,004,537	1,406,635	11,677,313	30,733,859
2035	30,733,859	1,002,194	11,358,012	20,378,041
2036	20,378,041	595,549	10,978,627	9,994,963
2037	9,994,963	184,315	10,774,197	-
2038	-	-	10,299,720	-
2039	-	-	9,894,793	-
2040	-	-	9,404,357	-
2041	-	-	9,077,453	-
2042	-	-	8,507,058	-
2043	-	-	8,004,706	-
2044	-	-	7,431,185	-
2045	-	-	7,022,991	-

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions: 17.92

Certain Key Assumptions

Valuation Investment return assumption	4.00%
Valuation Mortality Table	FRS Mortality - Regular Class

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

Asset and Benefit Payment Projection

Not Reflecting Any Contributions from the Employer, State or Employee

Using Assumptions under 112.664(1)(b), F.S. except 2% higher investment return assumption

FYE	Market Value of Assets (BOY)	Expected Investment Return	Projected Benefit Payments	Market Value of Assets (EOY)
2020	162,012,613	12,417,180	13,595,720	160,834,074
2021	160,834,074	12,339,739	13,174,682	159,999,131
2022	159,999,131	12,279,222	13,017,715	159,260,638
2023	159,260,638	12,216,768	13,102,066	158,375,341
2024	158,375,341	12,146,529	13,087,450	157,434,420
2025	157,434,420	12,074,363	13,009,756	156,499,027
2026	156,499,027	12,000,401	12,988,026	155,511,402
2027	155,511,402	11,926,450	12,861,560	154,576,292
2028	154,576,292	11,860,530	12,639,340	153,797,482
2029	153,797,482	11,803,013	12,519,627	153,080,869
2030	153,080,869	11,750,205	12,406,621	152,424,452
2031	152,424,452	11,697,295	12,416,528	151,705,219
2032	151,705,219	11,650,963	12,136,361	151,219,821
2033	151,219,821	11,623,279	11,857,678	150,985,422
2034	150,985,422	11,611,741	11,677,313	150,919,850
2035	150,919,850	11,619,268	11,358,012	151,181,105
2036	151,181,105	11,655,343	10,978,627	151,857,822
2037	151,857,822	11,717,658	10,774,197	152,801,283
2038	152,801,283	11,812,114	10,299,720	154,313,677
2039	154,313,677	11,949,302	9,894,793	156,368,186
2040	156,368,186	12,133,281	9,404,357	159,097,110
2041	159,097,110	12,364,671	9,077,453	162,384,328
2042	162,384,328	12,650,464	8,507,058	166,527,733
2043	166,527,733	13,002,030	8,004,706	171,525,058
2044	171,525,058	13,424,757	7,431,185	177,518,630
2045	177,518,630	13,920,571	7,022,991	184,416,210

Number of years for which current market value of assets are adequate to sustain the payment of expected retirement benefits, reflecting no contributions from the Employer, Employee or State, contrary to Florida Statutes and Plan provisions:

All Future Years

Certain Key Assumptions

Valuation Investment return assumption

8.00%

Valuation Mortality Table

FRS Mortality - Regular Class

Note: As required in Section 112.664(1)(c) of the Florida Statutes, the projection of the Fund assets do not include contributions from the Employer, Employee or State, which is contrary to Florida Statutes and Plan provisions. For this reason, these projections should not be viewed as a representation of the amount of time the Fund can sustain benefit payments. Under the GASB standards which DO include contributions from the employer, employee and State, the Fund is expected to be able to sustain the benefit payment demands in the near-term and long-term future.

ACTUARIALLY DETERMINED CONTRIBUTION				
	Plan's Latest Actuarial Valuation Assumptions	112.664(1)(a) F.S. Assumptions	112.664(1)(b) F.S. Assumptions	112.664(1)(b) F.S. except 2% higher investment return assumption
A. Valuation Date	October 1, 2019	October 1, 2019	October 1, 2019	October 1, 2019
B. Actuarially Determined Contribution (ADC) to Be Paid During Fiscal Year Ending	9/30/2021	9/30/2021	9/30/2021	9/30/2021
C. Assumed Dates of Employer Contributions	Biweekly	Biweekly	Biweekly	Biweekly
D. Annual Payment to Amortize Unfunded Actuarial Liability	\$ 3,442,910	\$ 3,442,910	\$ 41,672,880	\$ 0
E. Total Normal Cost	132,675	132,675	147,509	124,350
F. ADC if Paid on Valuation Date: D + E	3,575,585	3,575,585	41,820,389	124,350
G. ADC Adjusted for Frequency of Payments	3,908,197	3,908,197	44,396,517	139,876
H. Covered Payroll for Contribution Year	178,405	178,405	178,405	178,405
I. ADC Adjusted for Frequency of Payments as % of Covered Payroll	2,190.63 %	2,190.63 %	24,885.24 %	78.40 %
J. Expected Member Contributions in Contribution Year	7,136	7,136	7,136	7,136
K. Employer ADC in Contribution Year	3,901,061	3,901,061	44,389,381	132,740
L. Employer ADC as % of Covered Payroll in Contribution Year: H ÷ K	2,186.63 %	2,186.63 %	24,881.24 %	74.40 %
M. Certain Key Assumptions				
Investment Return Assumption	6.00%	6.00%	4.00%	8.00%
Mortality Table	FRS Mortality - Regular Class	FRS Mortality - Regular Class	FRS Mortality - Regular Class	FRS Mortality - Regular Class