

ATTACHMENT H

**ARIZONA PUBLIC SAFETY PERSONNEL
RETIREMENT SYSTEM**

PHOENIX POLICE DEPT. (022)

ACTUARIAL VALUATION
AS OF JUNE 30, 2023

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING JUNE 30, 2025



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

III. LIABILITY SUPPORT

Liabilities and Funded Ratios by Benefit - Tiers 1 & 2

	June 30, 2023	June 30, 2022
Pension		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	\$ 2,632,758,995	\$ 2,479,004,213
DROP Members	527,177,478	529,097,058
Vested Members	9,657,529	10,051,229
Active Members	<u>1,418,648,651</u>	<u>1,250,630,624</u>
Total Actuarial Present Value of Benefits	4,588,242,653	4,268,783,124
Actuarial Accrued Liability (AAL)		
All Inactive Members	3,169,594,002	3,018,152,500
Active Members	<u>1,111,214,310</u>	<u>957,381,236</u>
Total Actuarial Accrued Liability	<u>4,280,808,312</u>	3,975,533,736
Actuarial Value of Assets (AVA)	<u>1,808,746,472</u>	1,671,512,140
Unfunded Actuarial Accrued Liability	<u>2,472,061,840</u>	2,304,021,596
PVB Funded Ratio (AVA / PVB)	39.4%	39.2%
AAL Funded Ratio (AVA / AAL)	42.3%	42.0%
Health		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	\$ 24,197,726	\$ 25,287,707
DROP Members	7,195,172	7,405,775
Active Members	<u>20,399,273</u>	<u>21,142,368</u>
Total Present Value of Benefits	51,792,171	53,835,850
Actuarial Accrued Liability (AAL)		
All Inactive Members	31,392,898	32,693,482
Active Members	<u>15,993,375</u>	<u>16,244,444</u>
Total Actuarial Accrued Liability	47,386,273	48,937,926
Actuarial Value of Assets (AVA)	73,859,652	72,606,016
Unfunded Actuarial Accrued Liability	(26,473,379)	(23,668,090)
PVB Funded Ratio (AVA / PVB)	142.6%	134.9%
AAL Funded Ratio (AVA / AAL)	155.9%	148.4%

Health liabilities were increased by \$13,083 under the lateral transfer methodology. Pension liabilities were not impacted.

See next page for
 combined totals
 for Tiers 1, 2, 3

Liabilities and Funded Ratios by Benefit - Tier 3

	June 30, 2023	June 30, 2022
Pension		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	\$ 2,014,057	\$ 1,029,102
Vested Members	1,611,963	1,125,417
Active Members	<u>149,128,607</u>	<u>113,986,050</u>
Total Actuarial Present Value of Benefits	152,754,627	116,140,569
Actuarial Accrued Liability (AAL)		
All Inactive Members	3,626,020	2,154,519
Active Members	<u>31,796,601</u>	<u>20,441,170</u>
Total Actuarial Accrued Liability	<u>35,422,621</u>	22,595,689
Actuarial Value of Assets (AVA)		
	<u>37,397,430</u>	25,356,675
Unfunded Actuarial Accrued Liability		
	<u>(1,974,809)</u>	(2,760,986)
PVB Funded Ratio (AVA / PVB)	24.5%	21.8%
AAL Funded Ratio (AVA / AAL)	105.6%	112.2%
Health		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	25,295	25,363
Active Members	<u>1,704,206</u>	<u>1,357,463</u>
Total Present Value of Benefits	1,729,501	1,382,826
Actuarial Accrued Liability (AAL)		
All Inactive Members	25,295	25,363
Active Members	<u>407,089</u>	<u>275,487</u>
Total Actuarial Accrued Liability	432,384	300,850
Actuarial Value of Assets (AVA)		
	898,342	606,537
Unfunded Actuarial Accrued Liability		
	(465,958)	(305,687)
PVB Funded Ratio (AVA / PVB)	51.9%	43.9%
AAL Funded Ratio (AVA / AAL)	207.8%	201.6%

The liabilities shown on this page are the liabilities for Phoenix Police Dept. Tier 3 members.

All Police Tiers, Combined Totals

Total Actuarial Accrued Liability (AAL)	\$4,316,230,933
Total Actuarial Value of Assets (AVA)	1,846,143,902
Total Unfunded Actuarial Accrued Liability	2,470,087,031
AAL Funded Ratio (AVA / AAL)	42.77%

ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

PHOENIX FIRE DEPT. (021)

ACTUARIAL VALUATION
AS OF JUNE 30, 2023

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING JUNE 30, 2025



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

III. LIABILITY SUPPORT

Liabilities and Funded Ratios by Benefit - Tiers 1 & 2

	June 30, 2023	June 30, 2022
Pension		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	\$ 1,217,054,920	\$ 1,159,113,928
DROP Members	352,527,109	331,120,886
Vested Members	3,102,890	2,689,622
Active Members	<u>1,008,214,153</u>	<u>955,949,937</u>
Total Actuarial Present Value of Benefits	2,580,899,072	2,448,874,373
Actuarial Accrued Liability (AAL)		
All Inactive Members	1,572,684,919	1,492,924,436
Active Members	<u>720,958,808</u>	<u>670,461,541</u>
Total Actuarial Accrued Liability	2,293,643,727	2,163,385,977
Actuarial Value of Assets (AVA)	1,054,706,255	971,671,898
Unfunded Actuarial Accrued Liability	1,238,937,472	1,191,714,079
PVB Funded Ratio (AVA / PVB)	40.9%	39.7%
AAL Funded Ratio (AVA / AAL)	46.0%	44.9%
Health		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	\$ 11,670,371	\$ 13,719,400
DROP Members	3,994,633	3,920,048
Active Members	<u>12,712,615</u>	<u>12,860,741</u>
Total Present Value of Benefits	28,377,619	30,500,189
Actuarial Accrued Liability (AAL)		
All Inactive Members	15,665,004	17,639,448
Active Members	<u>9,144,330</u>	<u>9,054,898</u>
Total Actuarial Accrued Liability	24,809,334	26,694,346
Actuarial Value of Assets (AVA)	42,321,880	41,337,162
Unfunded Actuarial Accrued Liability	(17,512,546)	(14,642,816)
PVB Funded Ratio (AVA / PVB)	149.1%	135.5%
AAL Funded Ratio (AVA / AAL)	170.6%	154.9%

See next page for
combined totals
for Tiers 1, 2, 3

Health liabilities were increased by \$25,886 under the lateral transfer methodology. Pension liabilities were not impacted.

Liabilities and Funded Ratios by Benefit - Tier 3

	June 30, 2023	June 30, 2022
Pension		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	\$ 166,708	\$ 163,872
Vested Members	144,737	60,367
Active Members	<u>103,999,846</u>	<u>78,265,428</u>
Total Actuarial Present Value of Benefits	104,311,291	78,489,667
Actuarial Accrued Liability (AAL)		
All Inactive Members	311,445	224,239
Active Members	<u>15,551,934</u>	<u>9,771,673</u>
Total Actuarial Accrued Liability	<u>15,863,379</u>	9,995,912
Actuarial Value of Assets (AVA)	<u>17,082,019</u>	10,743,385
Unfunded Actuarial Accrued Liability	<u>(1,218,640)</u>	(747,473)
PVB Funded Ratio (AVA / PVB)	16.4%	13.7%
AAL Funded Ratio (AVA / AAL)	107.7%	107.5%
Health		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	0	0
Active Members	<u>1,377,390</u>	<u>1,080,762</u>
Total Present Value of Benefits	1,377,390	1,080,762
Actuarial Accrued Liability (AAL)		
All Inactive Members	0	0
Active Members	<u>225,255</u>	<u>142,304</u>
Total Actuarial Accrued Liability	225,255	142,304
Actuarial Value of Assets (AVA)	303,819	190,109
Unfunded Actuarial Accrued Liability	(78,564)	(47,805)
PVB Funded Ratio (AVA / PVB)	22.1%	17.6%
AAL Funded Ratio (AVA / AAL)	134.9%	133.6%

The liabilities shown on this page are the liabilities for Phoenix Fire Dept. Tier 3 members.

All Fire Tiers, Combined Total

Total Actuarial Accrued Liability (AAL)	\$2,309,507,106
Total Actuarial Value of Assets (AVA)	1,071,788,274
Total Unfunded Actuarial Accrued Liability	1,237,718,832
AAL Funded Ratio (AVA / AAL)	46.41%