

Attachment F

ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

PHOENIX POLICE DEPT. (022)

ACTUARIAL VALUATION
AS OF JUNE 30, 2024

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING JUNE 30, 2026



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

III. LIABILITY SUPPORT

Liabilities and Funded Ratios by Benefit - Tiers 1 & 2

| | June 30, 2024 | June 30, 2023 |
|---|----------------------|----------------------|
| Pension | | |
| Actuarial Present Value of Benefits (PVB) | | |
| Retirees and Beneficiaries | \$ 2,741,435,105 | \$ 2,632,758,995 |
| DROP Members | 565,506,976 | 527,177,478 |
| Vested Members | 9,557,975 | 9,657,529 |
| Active Members | <u>1,485,515,217</u> | <u>1,418,648,651</u> |
| Total Actuarial Present Value of Benefits | 4,802,015,273 | 4,588,242,653 |
| Actuarial Accrued Liability (AAL) | | |
| All Inactive Members | 3,316,500,056 | 3,169,594,002 |
| Active Members | <u>1,181,604,134</u> | <u>1,111,214,310</u> |
| Total Actuarial Accrued Liability | 4,498,104,190 | 4,280,808,312 |
| Actuarial Value of Assets (AVA) | 1,982,168,312 | 1,808,746,472 |
| Unfunded Actuarial Accrued Liability | 2,515,935,878 | 2,472,061,840 |
| PVB Funded Ratio (AVA / PVB) | 41.3% | 39.4% |
| AAL Funded Ratio (AVA / AAL) | 44.1% | 42.3% |
| Health | | |
| Actuarial Present Value of Benefits (PVB) | | |
| Retirees and Beneficiaries | \$ 24,781,147 | \$ 24,197,726 |
| DROP Members | 7,369,792 | 7,195,172 |
| Active Members | <u>19,533,012</u> | <u>20,399,273</u> |
| Total Present Value of Benefits | 51,683,951 | 51,792,171 |
| Actuarial Accrued Liability (AAL) | | |
| All Inactive Members | 32,150,939 | 31,392,898 |
| Active Members | <u>15,573,089</u> | <u>15,993,375</u> |
| Total Actuarial Accrued Liability | 47,724,028 | 47,386,273 |
| Actuarial Value of Assets (AVA) | 75,041,750 | 73,859,652 |
| Unfunded Actuarial Accrued Liability | (27,317,722) | (26,473,379) |
| PVB Funded Ratio (AVA / PVB) | 145.2% | 142.6% |
| AAL Funded Ratio (AVA / AAL) | 157.2% | 155.9% |

See combined
totals for tiers 1,
2, and 3 on next
page

Health liabilities were increased by \$14,331 under the lateral transfer methodology. Pension liabilities were not impacted.

Liabilities and Funded Ratios by Benefit - Tier 3

| | June 30, 2024 | June 30, 2023 |
|---|--------------------|--------------------|
| Pension | | |
| Actuarial Present Value of Benefits (PVB) | | |
| Retirees and Beneficiaries | \$ 3,097,652 | \$ 2,014,057 |
| Vested Members | 2,270,546 | 1,611,963 |
| Active Members | <u>176,357,156</u> | <u>149,128,607</u> |
| Total Actuarial Present Value of Benefits | 181,725,354 | 152,754,627 |
| Actuarial Accrued Liability (AAL) | | |
| All Inactive Members | 5,368,198 | 3,626,020 |
| Active Members | <u>43,734,129</u> | <u>31,796,601</u> |
| Total Actuarial Accrued Liability | <u>49,102,327</u> | 35,422,621 |
| Actuarial Value of Assets (AVA) | <u>52,532,349</u> | 37,397,430 |
| Unfunded Actuarial Accrued Liability | <u>(3,430,022)</u> | (1,974,809) |
| PVB Funded Ratio (AVA / PVB) | 28.9% | 24.5% |
| AAL Funded Ratio (AVA / AAL) | 107.0% | 105.6% |
| Health | | |
| Actuarial Present Value of Benefits (PVB) | | |
| Retirees and Beneficiaries | \$ 25,206 | \$ 25,295 |
| Active Members | <u>2,021,240</u> | <u>1,704,206</u> |
| Total Present Value of Benefits | 2,046,446 | 1,729,501 |
| Actuarial Accrued Liability (AAL) | | |
| All Inactive Members | 25,206 | 25,295 |
| Active Members | <u>562,825</u> | <u>407,089</u> |
| Total Actuarial Accrued Liability | 588,031 | 432,384 |
| Actuarial Value of Assets (AVA) | 1,289,118 | 898,342 |
| Unfunded Actuarial Accrued Liability | (701,087) | (465,958) |
| PVB Funded Ratio (AVA / PVB) | 63.0% | 51.9% |
| AAL Funded Ratio (AVA / AAL) | 219.2% | 207.8% |

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) | \$4,547,206,517 |
| Total Actuarial Value of Assets (AVA) | \$2,034,700,661 |
| Total Unfunded Actuarial Accrued Liability | \$2,512,505,856 |
| AAL Funded Ratio (AVA/AAL) | 44.75% |