

**TOWN OF DAVIE POLICE
PENSION PLAN**

**SECTION 112.664, FLORIDA STATUTES
COMPLIANCE**

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 Section 60T-1.0035, Florida Administrative Code.

By:

 Date: 6/24/2015

Donald A. DuLaney, Jr. A.S.A.
Senior Consulting Actuary
Enrolled Actuary #14-4191

DuLaney and Company

When reviewing the following report, please note the following:

DuLaney and Company has prepared this report in order to satisfy the requirements set forth under Florida Statutes (FS) 112.664 and Ch. 60T-1.0035, F.A.C. These schedules have no impact on the funding requirements of the Plan. We have uploaded the semi-colon delimited file as described under Ch. 60T-1.0035.

The actuarial funding assumptions shown in our October 1, 2014 actuarial valuation report have been used in the preparation of this report, except as required for certain disclosures herein.

This report contains figures using an investment return assumption that is 2.0% higher than the actual funding assumption, in order to provide a balanced view, in light of the requirement to use an investment return assumption that is 2.0% lower than the actual funding assumption.

The schedules showing the projected number of years until the Fund becomes insolvent are required, but do not reflect what will occur. This is because no future contributions from any current funding source are assumed, as required for these disclosures, contrary to Florida Statutes.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	Actual	Under Section 112.664(1)(a), F.S.	Under Section 112.664(1)(b), F.S.	Under Section 112.664(1)(b), F.S.
	Discount Rate: 9.17%	Discount Rate: 9.17%	Discount Rate: 7.17%	Discount Rate: 11.17%
	RP2000 Static	RP2000 Generational	RP2000 Generational	RP2000 Generational
	9/30/2014	9/30/2014	9/30/2014	9/30/2014
1. Total pension liability:				
a. Service cost	\$ 3,065,753	\$ 3,151,600	\$ 4,809,584	\$ 2,132,212
b. Interest	\$ 10,387,808	\$ 10,671,231	\$ 10,554,646	\$ 10,614,787
c. Benefit changes	\$ -	\$ -	\$ -	\$ -
d. Difference between expected and actual experience	\$ (405,956)	\$ (784,484)	\$ (905,162)	\$ (727,877)
e. Changes in assumptions	\$ -	\$ -	\$ -	\$ -
f. Benefit payments	\$ (5,771,558)	\$ (5,771,558)	\$ (5,771,558)	\$ (5,771,558)
g. Contribution refunds	\$ -	\$ -	\$ -	\$ -
h. Net change in total pension liability	\$ 7,276,047	\$ 7,266,789	\$ 8,687,510	\$ 6,247,564
i. Total pension liability – beginning	\$ 113,100,370	\$ 116,105,286	\$ 145,281,855	\$ 95,782,996
j. Total pension liability – ending	\$ 120,376,417	\$ 123,372,075	\$ 153,969,365	\$ 102,030,560
2. Plan fiduciary net position:				
a. Contributions – Town	\$ 5,503,045	\$ 5,503,045	\$ 5,503,045	\$ 5,503,045
b. Contributions – State	\$ 747,469	\$ 747,469	\$ 747,469	\$ 747,469
c. Contributions – Member	\$ 1,670,986	\$ 1,670,986	\$ 1,670,986	\$ 1,670,986
d. Net investment income	\$ 9,398,648	\$ 9,398,648	\$ 9,398,648	\$ 9,398,648
e. Benefit payments	\$ (5,771,558)	\$ (5,771,558)	\$ (5,771,558)	\$ (5,771,558)
f. Contributions refunds	\$ -	\$ -	\$ -	\$ -
g. Administrative expense	\$ (171,358)	\$ (171,358)	\$ (171,358)	\$ (171,358)
h. Other	\$ -	\$ -	\$ -	\$ -
i. Net change in plan fiduciary net position	\$ 11,377,232	\$ 11,377,232	\$ 11,377,232	\$ 11,377,232
j. Plan fiduciary net position – beginning	\$ 106,391,394	\$ 106,391,394	\$ 106,391,394	\$ 106,391,394
k. Plan fiduciary net position – ending	\$ 117,768,626	\$ 117,768,626	\$ 117,768,626	\$ 117,768,626
3. Net pension liability/(asset) [(a)1.j. minus (a)2.k.]	\$ 2,607,791	\$ 5,603,449	\$ 36,200,739	\$ (15,738,066)

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 7.60% and RP2000 Static

<u>Year</u>	<u>Projected Beginning Fiduciary Net Position</u>	<u>Projected Benefit Payments</u>	<u>Projected Investment Earnings</u>	<u>Projected Ending Fiduciary Net Position</u>
10/1/2014	\$117,768,626	\$5,989,478	\$8,722,815	\$120,501,963
10/1/2015	\$120,501,963	\$6,690,763	\$8,903,900	\$122,715,101
10/1/2016	\$122,715,101	\$7,426,683	\$9,044,134	\$124,332,551
10/1/2017	\$124,332,551	\$8,187,139	\$9,138,163	\$125,283,575
10/1/2018	\$125,283,575	\$8,837,329	\$9,185,733	\$125,631,979
10/1/2019	\$125,631,979	\$9,624,250	\$9,182,309	\$125,190,038
10/1/2020	\$125,190,038	\$10,374,381	\$9,120,216	\$123,935,873
10/1/2021	\$123,935,873	\$11,120,463	\$8,996,549	\$121,811,959
10/1/2022	\$121,811,959	\$11,722,029	\$8,812,272	\$118,902,202
10/1/2023	\$118,902,202	\$12,359,579	\$8,566,903	\$115,109,526
10/1/2024	\$115,109,526	\$13,377,381	\$8,239,984	\$109,972,129
10/1/2025	\$109,972,129	\$14,130,554	\$7,820,921	\$103,662,496
10/1/2026	\$103,662,496	\$14,748,943	\$7,317,890	\$96,231,443
10/1/2027	\$96,231,443	\$15,666,274	\$6,718,271	\$87,283,440
10/1/2028	\$87,283,440	\$16,320,476	\$6,013,363	\$76,976,327
10/1/2029	\$76,976,327	\$16,873,590	\$5,209,004	\$65,311,742
10/1/2030	\$65,311,742	\$17,237,522	\$4,308,667	\$52,382,886
10/1/2031	\$52,382,886	\$17,564,750	\$3,313,639	\$38,131,775
10/1/2032	\$38,131,775	\$18,017,902	\$2,213,335	\$22,327,208
10/1/2033	\$22,327,208	\$18,397,105	\$997,778	\$4,927,880
10/2/2033	\$4,927,880	\$18,637,122		

Number of Years Expected Benefit Payments Sustained: 20.26

This projection assumes no further contributions.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 9.17% and RP2000 Generational

<u>Year</u>	<u>Projected Beginning Fiduciary Net Position</u>	<u>Projected Benefit Payments</u>	<u>Projected Investment Earnings</u>	<u>Projected Ending Fiduciary Net Position</u>
10/1/2014	\$117,768,626	\$6,002,507	\$10,524,168	\$122,290,287
10/1/2015	\$122,290,287	\$6,704,998	\$10,906,595	\$126,491,884
10/1/2016	\$126,491,884	\$7,445,075	\$11,257,949	\$130,304,758
10/1/2017	\$130,304,758	\$8,211,505	\$11,572,449	\$133,665,702
10/1/2018	\$133,665,702	\$8,874,277	\$11,850,259	\$136,641,684
10/1/2019	\$136,641,684	\$9,680,118	\$12,086,209	\$139,047,775
10/1/2020	\$139,047,775	\$10,446,659	\$12,271,702	\$140,872,818
10/1/2021	\$140,872,818	\$11,212,593	\$12,403,940	\$142,064,165
10/1/2022	\$142,064,165	\$11,833,497	\$12,484,718	\$142,715,386
10/1/2023	\$142,715,386	\$12,496,786	\$12,514,023	\$142,732,624
10/1/2024	\$142,732,624	\$13,561,308	\$12,466,796	\$141,638,111
10/1/2025	\$141,638,111	\$14,352,286	\$12,330,162	\$139,615,988
10/1/2026	\$139,615,988	\$15,008,604	\$12,114,642	\$136,722,025
10/1/2027	\$136,722,025	\$15,966,667	\$11,805,338	\$132,560,696
10/1/2028	\$132,560,696	\$16,658,099	\$11,392,042	\$127,294,639
10/1/2029	\$127,294,639	\$17,253,384	\$10,881,851	\$120,923,106
10/1/2030	\$120,923,106	\$17,665,718	\$10,278,676	\$113,536,064
10/1/2031	\$113,536,064	\$18,046,265	\$9,583,836	\$105,073,635
10/1/2032	\$105,073,635	\$18,559,972	\$8,784,278	\$95,297,940
10/1/2033	\$95,297,940	\$18,985,843	\$7,868,320	\$84,180,417
10/1/2034	\$84,180,417	\$19,275,943	\$6,835,542	\$71,740,017
10/1/2035	\$71,740,017	\$19,417,315	\$5,688,276	\$58,010,977
10/1/2036	\$58,010,977	\$19,546,886	\$4,423,382	\$42,887,473
10/1/2037	\$42,887,473	\$19,614,987	\$3,033,434	\$26,305,920
10/1/2038	\$26,305,920	\$19,623,734	\$1,512,505	\$8,194,691
10/1/2039	\$8,194,691	\$19,613,635		

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 9.17% and RP2000 Generational

Number of Years Expected Benefit Payments Sustained: 25.42

This projection assumes no further contributions.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 7.17% and RP2000 Generational

<u>Year</u>	<u>Projected Beginning Fiduciary Net Position</u>	<u>Projected Benefit Payments</u>	<u>Projected Investment Earnings</u>	<u>Projected Ending Fiduciary Net Position</u>
10/1/2014	\$117,768,626	\$6,002,507	\$8,228,821	\$119,994,940
10/1/2015	\$119,994,940	\$6,704,998	\$8,363,263	\$121,653,205
10/1/2016	\$121,653,205	\$7,445,075	\$8,455,629	\$122,663,758
10/1/2017	\$122,663,758	\$8,211,505	\$8,500,609	\$122,952,862
10/1/2018	\$122,952,862	\$8,874,277	\$8,497,577	\$122,576,163
10/1/2019	\$122,576,163	\$9,680,118	\$8,441,679	\$121,337,724
10/1/2020	\$121,337,724	\$10,446,659	\$8,325,402	\$119,216,467
10/1/2021	\$119,216,467	\$11,212,593	\$8,145,849	\$116,149,723
10/1/2022	\$116,149,723	\$11,833,497	\$7,903,704	\$112,219,930
10/1/2023	\$112,219,930	\$12,496,786	\$7,598,159	\$107,321,303
10/1/2024	\$107,321,303	\$13,561,308	\$7,208,765	\$100,968,760
10/1/2025	\$100,968,760	\$14,352,286	\$6,724,931	\$93,341,404
10/1/2026	\$93,341,404	\$15,008,604	\$6,154,520	\$84,487,321
10/1/2027	\$84,487,321	\$15,966,667	\$5,485,336	\$74,005,990
10/1/2028	\$74,005,990	\$16,658,099	\$4,709,037	\$62,056,927
10/1/2029	\$62,056,927	\$17,253,384	\$3,830,948	\$48,634,491
10/1/2030	\$48,634,491	\$17,665,718	\$2,853,777	\$33,822,550
10/1/2031	\$33,822,550	\$18,046,265	\$1,778,118	\$17,554,403
10/1/2032	\$17,554,403	\$18,559,972		

Number of Years Expected Benefit Payments Sustained: 18.95

This projection assumes no further contributions.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 11.17% and RP2000 Generational

<u>Year</u>	<u>Projected Beginning Fiduciary Net Position</u>	<u>Projected Benefit Payments</u>	<u>Projected Investment Earnings</u>	<u>Projected Ending Fiduciary Net Position</u>
10/1/2014	\$117,768,626	\$6,002,507	\$12,819,516	\$124,585,635
10/1/2015	\$124,585,635	\$6,704,998	\$13,541,741	\$131,422,378
10/1/2016	\$131,422,378	\$7,445,075	\$14,264,072	\$138,241,375
10/1/2017	\$138,241,375	\$8,211,505	\$14,982,949	\$145,012,819
10/1/2018	\$145,012,819	\$8,874,277	\$15,702,304	\$151,840,845
10/1/2019	\$151,840,845	\$9,680,118	\$16,419,988	\$158,580,715
10/1/2020	\$158,580,715	\$10,446,659	\$17,130,020	\$165,264,076
10/1/2021	\$165,264,076	\$11,212,593	\$17,833,774	\$171,885,257
10/1/2022	\$171,885,257	\$11,833,497	\$18,538,682	\$178,590,443
10/1/2023	\$178,590,443	\$12,496,786	\$19,250,607	\$185,344,264
10/1/2024	\$185,344,264	\$13,561,308	\$19,945,555	\$191,728,511
10/1/2025	\$191,728,511	\$14,352,286	\$20,614,499	\$197,990,724
10/1/2026	\$197,990,724	\$15,008,604	\$21,277,333	\$204,259,454
10/1/2027	\$204,259,454	\$15,966,667	\$21,924,043	\$210,216,829
10/1/2028	\$210,216,829	\$16,658,099	\$22,550,865	\$216,109,595
10/1/2029	\$216,109,595	\$17,253,384	\$23,175,840	\$222,032,052
10/1/2030	\$222,032,052	\$17,665,718	\$23,814,350	\$228,180,683
10/1/2031	\$228,180,683	\$18,046,265	\$24,479,898	\$234,614,317
10/1/2032	\$234,614,317	\$18,559,972	\$25,169,845	\$241,224,190
10/1/2033	\$241,224,190	\$18,985,843	\$25,884,383	\$248,122,729
10/1/2034	\$248,122,729	\$19,275,943	\$26,638,747	\$255,485,534
10/1/2035	\$255,485,534	\$19,417,315	\$27,453,277	\$263,521,496
10/1/2036	\$263,521,496	\$19,546,886	\$28,343,657	\$272,318,267
10/1/2037	\$272,318,267	\$19,614,987	\$29,322,453	\$282,025,734
10/1/2038	\$282,025,734	\$19,623,734	\$30,406,289	\$292,808,289
10/1/2039	\$292,808,289	\$19,613,635	\$31,611,264	\$304,805,918
10/1/2040	\$304,805,918	\$19,569,964	\$32,953,839	\$318,189,793

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 11.17% and RP2000 Generational

10/1/2041	\$318,189,793	\$19,485,104	\$34,453,557	\$333,158,245
10/1/2042	\$333,158,245	\$19,372,118	\$36,131,843	\$349,917,971
10/1/2043	\$349,917,971	\$19,225,773	\$38,012,078	\$368,704,275
10/1/2044	\$368,704,275	\$19,030,077	\$40,121,438	\$389,795,636
10/1/2045	\$389,795,636	\$18,804,259	\$42,489,955	\$413,481,332
10/1/2046	\$413,481,332	\$18,521,213	\$45,151,455	\$440,111,574
10/1/2047	\$440,111,574	\$18,202,714	\$48,143,841	\$470,052,701
10/1/2048	\$470,052,701	\$17,846,883	\$51,508,138	\$503,713,956
10/1/2049	\$503,713,956	\$17,462,262	\$55,289,582	\$541,541,276
10/1/2050	\$541,541,276	\$17,046,701	\$59,538,102	\$584,032,677
10/1/2051	\$584,032,677	\$16,599,709	\$64,309,356	\$631,742,325
10/1/2052	\$631,742,325	\$16,123,031	\$69,665,146	\$685,284,440
10/1/2053	\$685,284,440	\$15,620,219	\$75,673,883	\$745,338,104
10/1/2054	\$745,338,104	\$15,093,961	\$82,411,268	\$812,655,411
10/1/2055	\$812,655,411	\$14,545,553	\$89,961,240	\$888,071,098
10/1/2056	\$888,071,098	\$13,977,050	\$98,416,923	\$972,510,972
10/1/2057	\$972,510,972	\$13,391,913	\$107,881,537	\$1,067,000,596
10/1/2058	\$1,067,000,596	\$12,793,343	\$118,469,458	\$1,172,676,711
10/1/2059	\$1,172,676,711	\$12,182,793	\$130,307,580	\$1,290,801,498
10/1/2060	\$1,290,801,498	\$11,563,844	\$143,536,687	\$1,422,774,341
10/1/2061	\$1,422,774,341	\$10,940,340	\$158,312,876	\$1,570,146,877
10/1/2062	\$1,570,146,877	\$10,313,309	\$174,809,408	\$1,734,642,976
10/1/2063	\$1,734,642,976	\$9,683,472	\$193,218,798	\$1,918,178,302
10/1/2064	\$1,918,178,302	\$9,053,155	\$213,754,898	\$2,122,880,045
10/1/2065	\$2,122,880,045	\$8,424,429	\$236,655,197	\$2,351,110,812

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions.

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
 ENDING SEPTEMBER 30, 2015
 Valuation Date: 10/1/2014

PENSION COST	<u>ACTUAL</u>			
	Interest Rate: 7.6% RP 2000 Static	Interest Rate: 9.17% RP2000 Generational	Interest Rate: 7.17% RP2000 Generational	Interest Rate: 11.17% RP2000 Generational
Normal Cost	4,080,569	3,079,381	4,685,936	2,089,807
Administrative Expenses	171,358	171,358	171,358	171,358
Payment Required to Amortize UAAL	2,715,661	1,106,202	3,708,151	-1,199,406
Interest Adjustment	332,466	257,657	387,909	88,139
Total Required Contribution	7,300,054	4,614,598	8,953,354	1,149,898