

**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: 6/1/2023

Donald A. DuLaney, Jr. A.S.A.
Senior Consulting Actuary
Enrolled Actuary #23-4191

DuLaney and Company

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When reviewing the 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, 2022 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: 6.95%	Discount Rate: 6.95%	Discount Rate: 4.95%	Discount Rate: 8.95%
	FRS 7/1/2022	FRS 7/1/2022	FRS 7/1/2022	FRS 7/1/2022
	Mortality 9/30/2022	Mortality 9/30/2022	Mortality 9/30/2022	Mortality 9/30/2022
1. Total pension liability:				
a. Service cost	\$ 4,848,712	\$ 4,848,712	\$ 7,701,666	\$ 3,181,443
b. Interest	\$ 16,884,427	\$ 16,884,427	\$ 15,396,148	\$ 17,655,272
c. Benefit changes	\$ -	\$ -	\$ -	\$ -
d. Difference between expected and actual experience	\$ (2,689,513)	\$ (2,689,513)	\$ (1,927,108)	\$ (3,321,901)
e. Changes in assumptions	\$ -	\$ -	\$ -	\$ -
f. Benefit payments	\$ (11,308,216)	\$ (11,308,216)	\$ (11,308,216)	\$ (11,308,216)
g. Contribution refunds	\$ (84,787)	\$ (84,787)	\$ (84,787)	\$ (84,787)
h. Net change in total pension liability	\$ 7,650,623	\$ 7,650,623	\$ 9,777,703	\$ 6,121,811
i. Total pension liability – beginning	\$ 243,789,187	\$ 243,789,187	\$ 309,028,121	\$ 199,780,673
j. Total pension liability – ending	\$ 251,439,810	\$ 251,439,810	\$ 318,805,824	\$ 205,902,484
2. Plan fiduciary net position:				
a. Contributions – Town	\$ 5,753,551	\$ 5,753,551	\$ 5,753,551	\$ 5,753,551
b. Contributions – State	\$ 1,043,745	\$ 1,043,745	\$ 1,043,745	\$ 1,043,745
c. Contributions – Member	\$ 2,499,966	\$ 2,499,966	\$ 2,499,966	\$ 2,499,966
d. Net investment income	\$ (36,007,930)	\$ (36,007,930)	\$ (36,007,930)	\$ (36,007,930)
e. Benefit payments	\$ (11,308,216)	\$ (11,308,216)	\$ (11,308,216)	\$ (11,308,216)
f. Contributions refunds	\$ (84,787)	\$ (84,787)	\$ (84,787)	\$ (84,787)
g. Administrative expense	\$ (212,769)	\$ (212,769)	\$ (212,769)	\$ (212,769)
h. Other	\$ -	\$ -	\$ -	\$ -
i. Net change in plan fiduciary net position	\$ (38,316,440)	\$ (38,316,440)	\$ (38,316,440)	\$ (38,316,440)
j. Plan fiduciary net position – beginning	\$ 228,757,704	\$ 228,757,704	\$ 228,757,704	\$ 228,757,704
k. Plan fiduciary net position – ending	\$ 190,441,264	\$ 190,441,264	\$ 190,441,264	\$ 190,441,264
3. Net pension liability/(asset) [1.j. minus 2.k.]	\$ 60,998,546	\$ 60,998,546	\$ 128,364,560	\$ 15,461,220



PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 6.95% and FRS 7/1/2022 Mortality

<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>
10/1/2022	\$170,550,085	\$13,403,340	\$11,387,465	\$168,534,210
10/1/2023	\$168,534,210	\$14,053,253	\$11,224,777	\$165,705,734
10/1/2024	\$165,705,734	\$14,479,091	\$11,013,400	\$162,240,043
10/1/2025	\$162,240,043	\$14,862,188	\$10,759,222	\$158,137,077
10/1/2026	\$158,137,077	\$15,266,643	\$10,460,011	\$153,330,445
10/1/2027	\$153,330,445	\$15,990,483	\$10,100,797	\$147,440,759
10/1/2028	\$147,440,759	\$16,462,286	\$9,675,068	\$140,653,541
10/1/2029	\$140,653,541	\$16,798,732	\$9,191,665	\$133,046,474
10/1/2030	\$133,046,474	\$17,014,707	\$8,655,469	\$124,687,236
10/1/2031	\$124,687,236	\$17,230,793	\$8,066,993	\$115,523,436
10/1/2032	\$115,523,436	\$17,425,805	\$7,423,332	\$105,520,963
10/1/2033	\$105,520,963	\$17,578,303	\$6,722,861	\$94,665,521
10/1/2034	\$94,665,521	\$17,668,574	\$5,965,271	\$82,962,217
10/1/2035	\$82,962,217	\$17,771,822	\$5,148,303	\$70,338,699
10/1/2036	\$70,338,699	\$17,868,716	\$4,267,602	\$56,737,584
10/1/2037	\$56,737,584	\$17,860,483	\$3,322,610	\$42,199,712
10/1/2038	\$42,199,712	\$17,822,648	\$2,313,543	\$26,690,607
10/1/2039	\$26,690,607	\$17,717,705	\$1,239,307	\$10,212,209
10/1/2040	\$10,212,209	\$17,576,647		



Number of Years Expected Benefit Payments Sustained: 18.58

Note: As required in Section 112.664(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.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 6.95% and FRS 7/1/2022 Mortality

<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>
10/1/2022	\$170,550,085	\$13,403,340	\$11,387,465	\$168,534,210
10/1/2023	\$168,534,210	\$14,053,253	\$11,224,777	\$165,705,734
10/1/2024	\$165,705,734	\$14,479,091	\$11,013,400	\$162,240,043
10/1/2025	\$162,240,043	\$14,862,188	\$10,759,222	\$158,137,077
10/1/2026	\$158,137,077	\$15,266,643	\$10,460,011	\$153,330,445
10/1/2027	\$153,330,445	\$15,990,483	\$10,100,797	\$147,440,759
10/1/2028	\$147,440,759	\$16,462,286	\$9,675,068	\$140,653,541
10/1/2029	\$140,653,541	\$16,798,732	\$9,191,665	\$133,046,474
10/1/2030	\$133,046,474	\$17,014,707	\$8,655,469	\$124,687,236
10/1/2031	\$124,687,236	\$17,230,793	\$8,066,993	\$115,523,436
10/1/2032	\$115,523,436	\$17,425,805	\$7,423,332	\$105,520,963
10/1/2033	\$105,520,963	\$17,578,303	\$6,722,861	\$94,665,521
10/1/2034	\$94,665,521	\$17,668,574	\$5,965,271	\$82,962,217
10/1/2035	\$82,962,217	\$17,771,822	\$5,148,303	\$70,338,699
10/1/2036	\$70,338,699	\$17,868,716	\$4,267,602	\$56,737,584
10/1/2037	\$56,737,584	\$17,860,483	\$3,322,610	\$42,199,712
10/1/2038	\$42,199,712	\$17,822,648	\$2,313,543	\$26,690,607
10/1/2039	\$26,690,607	\$17,717,705	\$1,239,307	\$10,212,209
10/1/2040	\$10,212,209	\$17,576,647		



Number of Years Expected Benefit Payments Sustained: 18.58

Note: As required in Section 112.664(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.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 4.95% and FRS 7/1/2022 Mortality

<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>
10/1/2022	\$170,550,085	\$13,403,340	\$8,110,497	\$165,257,242
10/1/2023	\$165,257,242	\$14,053,253	\$7,832,415	\$159,036,404
10/1/2024	\$159,036,404	\$14,479,091	\$7,513,944	\$152,071,257
10/1/2025	\$152,071,257	\$14,862,188	\$7,159,688	\$144,368,758
10/1/2026	\$144,368,758	\$15,266,643	\$6,768,404	\$135,870,519
10/1/2027	\$135,870,519	\$15,990,483	\$6,329,826	\$126,209,862
10/1/2028	\$126,209,862	\$16,462,286	\$5,839,947	\$115,587,522
10/1/2029	\$115,587,522	\$16,798,732	\$5,305,814	\$104,094,604
10/1/2030	\$104,094,604	\$17,014,707	\$4,731,569	\$91,811,466
10/1/2031	\$91,811,466	\$17,230,793	\$4,118,205	\$78,698,879
10/1/2032	\$78,698,879	\$17,425,805	\$3,464,306	\$64,737,379
10/1/2033	\$64,737,379	\$17,578,303	\$2,769,437	\$49,928,514
10/1/2034	\$49,928,514	\$17,668,574	\$2,034,164	\$34,294,104
10/1/2035	\$34,294,104	\$17,771,822	\$1,257,706	\$17,779,987
10/1/2036	\$17,779,987	\$17,868,716	\$437,859	\$349,130
10/1/2037	\$349,130	\$17,860,483		



Number of Years Expected Benefit Payments Sustained: 15.02

Note: As required in Section 112.664(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.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 8.95% and FRS 7/1/2022 Mortality

<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>
10/1/2022	\$170,550,085	\$13,403,340	\$14,664,433	\$171,811,178
10/1/2023	\$171,811,178	\$14,053,253	\$14,748,217	\$172,506,143
10/1/2024	\$172,506,143	\$14,479,091	\$14,791,360	\$172,818,412
10/1/2025	\$172,818,412	\$14,862,188	\$14,802,165	\$172,758,389
10/1/2026	\$172,758,389	\$15,266,643	\$14,778,694	\$172,270,439
10/1/2027	\$172,270,439	\$15,990,483	\$14,702,630	\$170,982,587
10/1/2028	\$170,982,587	\$16,462,286	\$14,566,254	\$169,086,555
10/1/2029	\$169,086,555	\$16,798,732	\$14,381,503	\$166,669,326
10/1/2030	\$166,669,326	\$17,014,707	\$14,155,497	\$163,810,116
10/1/2031	\$163,810,116	\$17,230,793	\$13,889,927	\$160,469,250
10/1/2032	\$160,469,250	\$17,425,805	\$13,582,193	\$156,625,638
10/1/2033	\$156,625,638	\$17,578,303	\$13,231,366	\$152,278,701
10/1/2034	\$152,278,701	\$17,668,574	\$12,838,275	\$147,448,402
10/1/2035	\$147,448,402	\$17,771,822	\$12,401,343	\$142,077,923
10/1/2036	\$142,077,923	\$17,868,716	\$11,916,349	\$136,125,556
10/1/2037	\$136,125,556	\$17,860,483	\$11,383,981	\$129,649,054
10/1/2038	\$129,649,054	\$17,822,648	\$10,806,027	\$122,632,432
10/1/2039	\$122,632,432	\$17,717,705	\$10,182,735	\$115,097,463
10/1/2040	\$115,097,463	\$17,576,647	\$9,514,668	\$107,035,484
10/1/2041	\$107,035,484	\$17,382,796	\$8,801,796	\$98,454,483
10/1/2042	\$98,454,483	\$17,149,311	\$8,044,245	\$89,349,417
10/1/2043	\$89,349,417	\$16,891,563	\$7,240,875	\$79,698,729
10/1/2044	\$79,698,729	\$16,590,313	\$6,390,620	\$69,499,036
10/1/2045	\$69,499,036	\$16,256,939	\$5,492,666	\$58,734,763
10/1/2046	\$58,734,763	\$15,884,986	\$4,545,908	\$47,395,685
10/1/2047	\$47,395,685	\$15,484,971	\$3,548,961	\$35,459,675



10/1/2048	\$35,459,675	\$15,066,039	\$2,499,436	\$22,893,072
10/1/2049	\$22,893,072	\$14,609,611	\$1,395,150	\$9,678,611
10/1/2050	\$9,678,611	\$14,135,841		

Number of Years Expected Benefit Payments Sustained: 28.68

Note: As required in Section 112.664(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.

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
 ENDING SEPTEMBER 30, 2023
 Valuation Date: 10/1/2022

PENSION COST	ACTUAL			
	Interest Rate: 6.95% FRS 7/1/2022 Mortality	Interest Rate: 6.95% FRS 7/1/2022 Mortality	Interest Rate: 4.95% FRS 7/1/2022 Mortality	Interest Rate: 8.95% FRS 7/1/2022 Mortality
Normal Cost	\$ 4,848,712	\$ 4,848,712	\$ 7,701,666	\$ 3,181,443
Administrative Expenses	\$ 212,769	\$ 212,769	\$ 212,769	\$ 212,769
Payment Required to Amortize UAAL	\$ 4,800,187	\$ 4,800,187	\$ 9,449,678	\$ 733,440
Interest Adjustment	\$ 432,205	\$ 432,205	\$ 537,976	\$ 175,817
Total Required Contribution	\$ 10,293,873	\$ 10,293,873	\$ 17,902,089	\$ 4,303,469
TRC as % of Payroll	66.52%	66.52%	115.68%	27.81%

