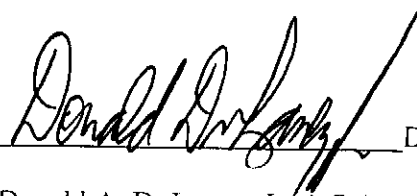


**TOWN OF DAVIE POLICE
PENSION PLAN**

**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:

4/8/20

Donald A. DuLaney, Jr. A.S.A.
Senior Consulting Actuary
Enrolled Actuary #20-4191

DuLaney and Company

D

INTRODUCTION

Section 112.664, F.S. Requirements

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, 2019 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: 7.50%	Discount Rate: 7.50%	Discount Rate: 5.50%	Discount Rate: 9.50%
	FRS 7/1/2019 Mortality 9/30/2019	FRS 7/1/2019 Mortality 9/30/2019	FRS 7/1/2019 Mortality 9/30/2019	FRS 7/1/2019 Mortality 9/30/2019
1. Total pension liability:				
a. Service cost	\$ 4,333,557	\$ 4,333,557	\$ 6,776,969	\$ 2,879,885
b. Interest	\$ 14,419,823	\$ 14,419,823	\$ 13,539,922	\$ 14,808,044
c. Benefit changes	\$ -	\$ -	\$ -	\$ -
d. Difference between expected and actual experience	\$ 2,202,162	\$ 2,202,162	\$ 3,111,467	\$ 1,485,535
e. Changes in assumptions	\$ (5,461,337)	\$ (5,461,337)	\$ (9,403,250)	\$ (3,352,148)
f. Benefit payments	\$ (9,924,196)	\$ (9,924,196)	\$ (9,924,196)	\$ (9,924,196)
g. Contribution refunds	\$ (89,078)	\$ (89,078)	\$ (89,078)	\$ (89,078)
h. Net change in total pension liability	\$ 5,480,930	\$ 5,480,930	\$ 4,011,834	\$ 5,808,042
i. Total pension liability – beginning	\$ 198,398,717	\$ 198,398,717	\$ 253,813,320	\$ 161,353,044
j. Total pension liability – ending	\$ 203,879,647	\$ 203,879,647	\$ 257,825,154	\$ 167,161,086
2. Plan fiduciary net position:				
a. Contributions – Town	\$ 6,625,000	\$ 6,625,000	\$ 6,625,000	\$ 6,625,000
b. Contributions – State	\$ 1,051,508	\$ 1,051,508	\$ 1,051,508	\$ 1,051,508
c. Contributions – Member	\$ 2,013,240	\$ 2,013,240	\$ 2,013,240	\$ 2,013,240
d. Net investment income	\$ 3,714,484	\$ 3,714,484	\$ 3,714,484	\$ 3,714,484
e. Benefit payments	\$ (9,924,196)	\$ (9,924,196)	\$ (9,924,196)	\$ (9,924,196)
f. Contributions refunds	\$ (89,078)	\$ (89,078)	\$ (89,078)	\$ (89,078)
g. Administrative expense	\$ (206,958)	\$ (206,958)	\$ (206,958)	\$ (206,958)
h. Other	\$ -	\$ -	\$ -	\$ -
i. Net change in plan fiduciary net position	\$ 3,184,000	\$ 3,184,000	\$ 3,184,000	\$ 3,184,000
j. Plan fiduciary net position – beginning	\$ 169,799,320	\$ 169,799,320	\$ 169,799,320	\$ 169,799,320
k. Plan fiduciary net position – ending	\$ 172,983,320	\$ 172,983,320	\$ 172,983,320	\$ 172,983,320
3. Net pension liability/(asset) [(a)1.j. minus (a)2.k.]	\$ 30,896,327	\$ 30,896,327	\$ 84,841,834	\$ (5,822,234)



PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Plan Assumptions: 7.50% and FRS 7/1/2019 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>
10/1/2019	\$159,333,621	\$10,584,762	\$11,553,093	\$160,301,952
10/1/2020	\$160,301,952	\$11,232,263	\$11,601,437	\$160,671,126
10/1/2021	\$160,671,126	\$11,858,722	\$11,605,632	\$160,418,036
10/1/2022	\$160,418,036	\$12,321,044	\$11,569,314	\$159,666,305
10/1/2023	\$159,666,305	\$12,835,469	\$11,493,643	\$158,324,479
10/1/2024	\$158,324,479	\$13,363,393	\$11,373,209	\$156,334,295
10/1/2025	\$156,334,295	\$13,742,679	\$11,209,722	\$153,801,338
10/1/2026	\$153,801,338	\$14,040,699	\$11,008,574	\$150,769,213
10/1/2027	\$150,769,213	\$14,469,790	\$10,765,074	\$147,064,497
10/1/2028	\$147,064,497	\$14,750,299	\$10,476,701	\$142,790,899
10/1/2029	\$142,790,899	\$14,967,890	\$10,148,022	\$137,971,030
10/1/2030	\$137,971,030	\$15,091,169	\$9,781,908	\$132,661,770
10/1/2031	\$132,661,770	\$15,212,308	\$9,379,171	\$126,828,633
10/1/2032	\$126,828,633	\$15,349,596	\$8,936,538	\$120,415,574
10/1/2033	\$120,415,574	\$15,421,220	\$8,452,872	\$113,447,227
10/1/2034	\$113,447,227	\$15,450,021	\$7,929,166	\$105,926,372
10/1/2035	\$105,926,372	\$15,453,384	\$7,364,976	\$97,837,964
10/1/2036	\$97,837,964	\$15,457,628	\$6,758,186	\$89,138,522
10/1/2037	\$89,138,522	\$15,388,184	\$6,108,332	\$79,858,670
10/1/2038	\$79,858,670	\$15,270,536	\$5,416,755	\$70,004,889
10/1/2039	\$70,004,889	\$15,114,116	\$4,683,587	\$59,574,361
10/1/2040	\$59,574,361	\$14,937,888	\$3,907,906	\$48,544,379
10/1/2041	\$48,544,379	\$14,717,691	\$3,088,915	\$36,915,603
10/1/2042	\$36,915,603	\$14,478,865	\$2,225,713	\$24,662,451
10/1/2043	\$24,662,451	\$14,212,722	\$1,316,707	\$11,766,436
10/1/2044	\$11,766,436	\$13,913,003		



Number of Years Expected Benefit Payments Sustained: 25.85

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: 7.50% and FRS 7/1/2019 Mortality

<u>Year</u>	<u>Projected Beginning</u>		<u>Projected Benefit</u>		<u>Projected</u>		<u>Projected Ending</u>	
	<u>Fiduciary Net Position</u>	<u>Fiduciary Net Position</u>	<u>Payments</u>	<u>Investment Earnings</u>	<u>Earnings</u>	<u>Fiduciary Net Position</u>	<u>Fiduciary Net Position</u>	<u>Fiduciary Net Position</u>
10/1/2019	\$159,333,621	\$160,301,952	\$10,584,762	\$11,553,093	\$11,601,437	\$160,301,952	\$160,301,952	\$160,301,952
10/1/2020	\$160,301,952	\$160,418,036	\$11,232,263	\$11,605,632	\$11,601,437	\$160,418,036	\$160,418,036	\$160,418,036
10/1/2021	\$160,418,036	\$159,666,305	\$11,858,722	\$11,569,314	\$11,605,632	\$159,666,305	\$159,666,305	\$159,666,305
10/1/2022	\$159,666,305	\$158,324,479	\$12,321,044	\$11,493,643	\$11,569,314	\$158,324,479	\$158,324,479	\$158,324,479
10/1/2023	\$158,324,479	\$156,334,295	\$12,835,469	\$11,373,209	\$11,493,643	\$156,334,295	\$156,334,295	\$156,334,295
10/1/2024	\$156,334,295	\$153,801,338	\$13,363,393	\$11,209,722	\$11,373,209	\$153,801,338	\$153,801,338	\$153,801,338
10/1/2025	\$153,801,338	\$150,769,213	\$13,742,679	\$11,008,574	\$11,209,722	\$150,769,213	\$150,769,213	\$150,769,213
10/1/2026	\$150,769,213	\$147,064,497	\$14,040,699	\$10,765,074	\$11,008,574	\$147,064,497	\$147,064,497	\$147,064,497
10/1/2027	\$147,064,497	\$142,790,899	\$14,469,790	\$10,476,701	\$10,765,074	\$142,790,899	\$142,790,899	\$142,790,899
10/1/2028	\$142,790,899	\$137,971,030	\$14,750,299	\$10,148,022	\$10,476,701	\$137,971,030	\$137,971,030	\$137,971,030
10/1/2029	\$137,971,030	\$132,661,770	\$14,967,890	\$9,781,908	\$10,148,022	\$132,661,770	\$132,661,770	\$132,661,770
10/1/2030	\$132,661,770	\$126,828,633	\$15,091,169	\$9,379,171	\$9,781,908	\$126,828,633	\$126,828,633	\$126,828,633
10/1/2031	\$126,828,633	\$120,415,574	\$15,212,308	\$8,936,538	\$9,379,171	\$120,415,574	\$120,415,574	\$120,415,574
10/1/2032	\$120,415,574	\$113,447,227	\$15,349,596	\$8,452,872	\$8,936,538	\$113,447,227	\$113,447,227	\$113,447,227
10/1/2033	\$113,447,227	\$105,926,372	\$15,421,220	\$7,929,166	\$8,452,872	\$105,926,372	\$105,926,372	\$105,926,372
10/1/2034	\$105,926,372	\$97,837,964	\$15,450,021	\$7,364,976	\$7,929,166	\$97,837,964	\$97,837,964	\$97,837,964
10/1/2035	\$97,837,964	\$89,138,522	\$15,453,384	\$6,758,186	\$7,364,976	\$89,138,522	\$89,138,522	\$89,138,522
10/1/2036	\$89,138,522	\$79,858,670	\$15,457,628	\$6,108,332	\$6,758,186	\$79,858,670	\$79,858,670	\$79,858,670
10/1/2037	\$79,858,670	\$70,004,889	\$15,388,184	\$5,416,755	\$6,108,332	\$70,004,889	\$70,004,889	\$70,004,889
10/1/2038	\$70,004,889	\$59,574,361	\$15,270,536	\$4,683,587	\$5,416,755	\$59,574,361	\$59,574,361	\$59,574,361
10/1/2039	\$59,574,361	\$48,544,379	\$15,114,116	\$3,907,906	\$4,683,587	\$48,544,379	\$48,544,379	\$48,544,379
10/1/2040	\$48,544,379	\$36,915,603	\$14,937,888	\$3,088,915	\$3,907,906	\$36,915,603	\$36,915,603	\$36,915,603
10/1/2041	\$36,915,603	\$24,662,451	\$14,717,691	\$2,225,713	\$3,088,915	\$24,662,451	\$24,662,451	\$24,662,451
10/1/2042	\$24,662,451	\$11,766,436	\$14,478,865	\$1,316,707	\$2,225,713	\$11,766,436	\$11,766,436	\$11,766,436
10/1/2043	\$11,766,436		\$14,212,722		\$1,316,707			
10/1/2044			\$13,913,003					



Number of Years Expected Benefit Payments Sustained: 25.85

Note: As required in Section 12.664(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: 5.50% and FRS 7/1/2019 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>
10/1/2019	\$159,333,621	\$10,584,762	\$8,472,268	\$157,221,127
10/1/2020	\$157,221,127	\$11,232,263	\$8,338,275	\$154,327,139
10/1/2021	\$154,327,139	\$11,858,722	\$8,161,878	\$150,630,295
10/1/2022	\$150,630,295	\$12,321,044	\$7,945,838	\$146,255,088
10/1/2023	\$146,255,088	\$12,835,469	\$7,691,054	\$141,110,674
10/1/2024	\$141,110,674	\$13,363,393	\$7,393,594	\$135,140,874
10/1/2025	\$135,140,874	\$13,742,679	\$7,054,824	\$128,453,020
10/1/2026	\$128,453,020	\$14,040,699	\$6,678,797	\$121,091,118
10/1/2027	\$121,091,118	\$14,469,790	\$6,262,092	\$112,883,420
10/1/2028	\$112,883,420	\$14,750,299	\$5,802,955	\$103,936,076
10/1/2029	\$103,936,076	\$14,967,890	\$5,304,867	\$94,273,053
10/1/2030	\$94,273,053	\$15,091,169	\$4,770,011	\$83,951,895
10/1/2031	\$83,951,895	\$15,212,308	\$4,199,016	\$72,938,603
10/1/2032	\$72,938,603	\$15,349,596	\$3,589,509	\$61,178,516
10/1/2033	\$61,178,516	\$15,421,220	\$2,940,735	\$48,698,031
10/1/2034	\$48,698,031	\$15,450,021	\$2,253,516	\$35,501,526
10/1/2035	\$35,501,526	\$15,453,384	\$1,527,616	\$21,575,758
10/1/2036	\$21,575,758	\$15,457,628	\$761,582	\$6,879,712
10/1/2037	\$6,879,712	\$15,388,184		

Number of Years Expected Benefit Payments Sustained: 18.45

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: 9.50% and FRS 7/1/2019 Mortality

<u>Year</u>	<u>Projected Beginning</u>		<u>Projected Benefit</u>		<u>Projected Investment</u>		<u>Projected Ending</u>	
	<u>Fiduciary Net Position</u>	<u>Payments</u>	<u>Earnings</u>	<u>Fiduciary Net Position</u>	<u>Earnings</u>	<u>Fiduciary Net Position</u>	<u>Fiduciary Net Position</u>	
10/1/2019	\$159,333,621	\$10,584,762	\$14,633,918	\$163,382,777		\$163,382,777		
10/1/2020	\$163,382,777	\$11,232,263	\$14,987,831	\$167,138,345		\$167,138,345		
10/1/2021	\$167,138,345	\$11,858,722	\$15,314,853	\$170,594,477		\$170,594,477		
10/1/2022	\$170,594,477	\$12,321,044	\$15,621,226	\$173,894,658		\$173,894,658		
10/1/2023	\$173,894,658	\$12,835,469	\$15,910,308	\$176,969,497		\$176,969,497		
10/1/2024	\$176,969,497	\$13,363,393	\$16,177,341	\$179,783,445		\$179,783,445		
10/1/2025	\$179,783,445	\$13,742,679	\$16,426,650	\$182,467,416		\$182,467,416		
10/1/2026	\$182,467,416	\$14,040,699	\$16,667,471	\$185,094,188		\$185,094,188		
10/1/2027	\$185,094,188	\$14,469,790	\$16,896,633	\$187,521,031		\$187,521,031		
10/1/2028	\$187,521,031	\$14,750,299	\$17,113,859	\$189,884,591		\$189,884,591		
10/1/2029	\$189,884,591	\$14,967,890	\$17,328,061	\$192,244,762		\$192,244,762		
10/1/2030	\$192,244,762	\$15,091,169	\$17,546,422	\$194,700,015		\$194,700,015		
10/1/2031	\$194,700,015	\$15,212,308	\$17,773,917	\$197,261,624		\$197,261,624		
10/1/2032	\$197,261,624	\$15,349,596	\$18,010,748	\$199,922,777		\$199,922,777		
10/1/2033	\$199,922,777	\$15,421,220	\$18,260,156	\$202,761,713		\$202,761,713		
10/1/2034	\$202,761,713	\$15,450,021	\$18,528,487	\$205,840,178		\$205,840,178		
10/1/2035	\$205,840,178	\$15,453,384	\$18,820,781	\$209,207,575		\$209,207,575		
10/1/2036	\$209,207,575	\$15,457,628	\$19,140,482	\$212,890,430		\$212,890,430		
10/1/2037	\$212,890,430	\$15,388,184	\$19,493,652	\$216,995,898		\$216,995,898		
10/1/2038	\$216,995,898	\$15,270,536	\$19,889,260	\$221,614,622		\$221,614,622		
10/1/2039	\$221,614,622	\$15,114,116	\$20,335,469	\$226,835,974		\$226,835,974		
10/1/2040	\$226,835,974	\$14,937,888	\$20,839,868	\$232,737,954		\$232,737,954		
10/1/2041	\$232,737,954	\$14,717,691	\$21,411,015	\$239,431,278		\$239,431,278		
10/1/2042	\$239,431,278	\$14,478,865	\$22,058,225	\$247,010,639		\$247,010,639		
10/1/2043	\$247,010,639	\$14,212,722	\$22,790,906	\$255,588,823		\$255,588,823		
10/1/2044	\$255,588,823	\$13,913,003	\$23,620,071	\$265,295,891		\$265,295,891		



10/1/2045	\$265,295,891	\$13,591,990	\$24,815,990	\$276,519,891
10/1/2046	\$276,519,891	\$13,238,483	\$25,910,462	\$289,191,870
10/1/2047	\$289,191,870	\$12,863,923	\$27,144,951	\$303,472,898
10/1/2048	\$303,472,898	\$12,470,206	\$28,534,828	\$319,537,521
10/1/2049	\$319,537,521	\$12,053,752	\$30,097,022	\$337,580,791
10/1/2050	\$337,580,791	\$11,621,488	\$31,849,924	\$357,809,227
10/1/2051	\$357,809,227	\$11,174,137	\$33,813,327	\$380,448,417
10/1/2052	\$380,448,417	\$10,714,114	\$36,008,771	\$405,743,074
10/1/2053	\$405,743,074	\$10,243,681	\$38,459,638	\$433,959,031
10/1/2054	\$433,959,031	\$9,764,753	\$41,191,359	\$465,385,637
10/1/2055	\$465,385,637	\$9,279,882	\$44,231,587	\$500,337,342
10/1/2056	\$500,337,342	\$8,791,814	\$47,610,378	\$539,155,906
10/1/2057	\$539,155,906	\$8,303,298	\$51,360,409	\$582,213,016
10/1/2058	\$582,213,016	\$7,817,020	\$55,517,233	\$629,913,229
10/1/2059	\$629,913,229	\$7,335,524	\$60,119,565	\$682,697,270
10/1/2060	\$682,697,270	\$6,861,240	\$65,209,598	\$741,045,628
10/1/2061	\$741,045,628	\$6,396,417	\$70,833,352	\$805,482,563
10/1/2062	\$805,482,563	\$5,943,045	\$77,041,060	\$876,580,578
10/1/2063	\$876,580,578	\$5,502,907	\$83,887,596	\$954,965,267
10/1/2064	\$954,965,267	\$5,077,491	\$91,432,946	\$1,041,320,722

Number of Years Expected Benefit Payments Sustained: 999.99

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, 2020

Valuation Date: 10/1/2019

PENSION COST	ACTUAL			
	Interest Rate: 7.5% FRS 7/1/2019 Mortality	Interest Rate: 7.5% FRS 7/1/2019 Mortality	Interest Rate: 5.5% FRS 7/1/2019 Mortality	Interest Rate: 9.5% FRS 7/1/2019 Mortality
Normal Cost	\$ 4,362,363	\$ 4,362,363	\$ 6,842,714	\$ 2,890,199
Administrative Expenses	\$ 206,958	\$ 206,958	\$ 206,958	\$ 206,958
Payment Required to Amortize UAAL	\$ 3,559,704	\$ 3,559,704	\$ 7,440,890	\$ 165,097
Interest Adjustment	\$ 386,618	\$ 386,618	\$ 499,861	\$ 157,669
Total Required Contribution	\$ 8,515,643	\$ 8,515,643	\$ 14,990,423	\$ 3,419,923
TRC as % of Payroll	54.71%	54.71%	96.31%	21.97%

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