

**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:

4/7/21

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

**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, 2020 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: 7.40%	Discount Rate: 7.40%	Discount Rate: 5.40%	Discount Rate: 9.40%
	FRS 7/1/2019 Mortality 9/30/2020	FRS 7/1/2019 Mortality 9/30/2020	FRS 7/1/2019 Mortality 9/30/2020	FRS 7/1/2019 Mortality 9/30/2020
<b>1. Total pension liability:</b>				
a. Service cost	\$ 4,385,339	\$ 4,385,339	\$ 6,879,350	\$ 2,905,565
b. Interest	\$ 15,133,697	\$ 15,133,697	\$ 14,101,574	\$ 15,622,615
c. Benefit changes	\$ -	\$ -	\$ -	\$ -
d. Difference between expected and actual experience	\$ 2,369,794	\$ 2,369,794	\$ 3,805,249	\$ 1,371,286
e. Changes in assumptions	\$ 567,233	\$ 567,233	\$ 758,553	\$ 454,177
f. Benefit payments	\$ (8,557,781)	\$ (8,557,781)	\$ (8,557,781)	\$ (8,557,781)
g. Contribution refunds	\$ (87,815)	\$ (87,815)	\$ (87,815)	\$ (87,815)
h. Net change in total pension liability	\$ 13,810,467	\$ 13,810,467	\$ 16,899,130	\$ 11,708,047
i. Total pension liability – beginning	\$ 203,879,647	\$ 203,879,647	\$ 257,825,154	\$ 167,161,086
j. Total pension liability – ending	\$ 217,690,114	\$ 217,690,114	\$ 274,724,284	\$ 178,869,133
<b>2. Plan fiduciary net position:</b>				
a. Contributions – Town	\$ 6,367,000	\$ 6,367,000	\$ 6,367,000	\$ 6,367,000
b. Contributions – State	\$ 1,055,365	\$ 1,055,365	\$ 1,055,365	\$ 1,055,365
c. Contributions – Member	\$ 2,256,454	\$ 2,256,454	\$ 2,256,454	\$ 2,256,454
d. Net investment income	\$ 15,746,361	\$ 15,746,361	\$ 15,746,361	\$ 15,746,361
e. Benefit payments	\$ (8,557,781)	\$ (8,557,781)	\$ (8,557,781)	\$ (8,557,781)
f. Contributions refunds	\$ (87,815)	\$ (87,815)	\$ (87,815)	\$ (87,815)
g. Administrative expense	\$ (190,823)	\$ (190,823)	\$ (190,823)	\$ (190,823)
h. Other	\$ -	\$ -	\$ -	\$ -
i. Net change in plan fiduciary net position	\$ 16,588,761	\$ 16,588,761	\$ 16,588,761	\$ 16,588,761
j. Plan fiduciary net position – beginning	\$ 172,983,320	\$ 172,983,320	\$ 172,983,320	\$ 172,983,320
k. Plan fiduciary net position – ending	\$ 189,572,081	\$ 189,572,081	\$ 189,572,081	\$ 189,572,081
<b>3. Net pension liability/(asset) [(a)1.-j. minus (a)2.k.]</b>	\$ 28,118,033	\$ 28,118,033	\$ 85,152,203	\$ (10,702,948)



**PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS**

Plan Assumptions: 7.40% 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>
10/1/2020	\$172,609,209	\$11,134,547	\$12,361,103	\$173,835,765
10/1/2021	\$173,835,765	\$11,930,279	\$12,422,426	\$174,327,913
10/1/2022	\$174,327,913	\$12,416,418	\$12,440,858	\$174,352,353
10/1/2023	\$174,352,353	\$13,138,316	\$12,415,956	\$173,629,993
10/1/2024	\$173,629,993	\$13,614,266	\$12,344,892	\$172,360,619
10/1/2025	\$172,360,619	\$14,048,335	\$12,234,897	\$170,547,181
10/1/2026	\$170,547,181	\$14,397,509	\$12,087,784	\$168,237,456
10/1/2027	\$168,237,456	\$14,941,743	\$11,896,727	\$165,192,440
10/1/2028	\$165,192,440	\$15,285,051	\$11,658,694	\$161,566,082
10/1/2029	\$161,566,082	\$15,533,458	\$11,381,152	\$157,413,777
10/1/2030	\$157,413,777	\$15,695,785	\$11,067,875	\$152,785,867
10/1/2031	\$152,785,867	\$15,863,485	\$10,719,205	\$147,641,587
10/1/2032	\$147,641,587	\$16,034,286	\$10,332,209	\$141,939,510
10/1/2033	\$141,939,510	\$16,140,578	\$9,906,322	\$135,705,254
10/1/2034	\$135,705,254	\$16,196,292	\$9,442,926	\$128,951,889
10/1/2035	\$128,951,889	\$16,232,915	\$8,941,822	\$121,660,795
10/1/2036	\$121,660,795	\$16,275,299	\$8,400,713	\$113,786,209
10/1/2037	\$113,786,209	\$16,244,826	\$7,819,121	\$105,360,504
10/1/2038	\$105,360,504	\$16,159,399	\$7,198,780	\$96,399,885
10/1/2039	\$96,399,885	\$16,023,350	\$6,540,728	\$86,917,262
10/1/2040	\$86,917,262	\$15,862,287	\$5,844,973	\$76,899,948
10/1/2041	\$76,899,948	\$15,649,842	\$5,111,552	\$66,361,658
10/1/2042	\$66,361,658	\$15,416,447	\$4,340,354	\$55,285,565
10/1/2043	\$55,285,565	\$15,154,420	\$3,530,418	\$43,661,563
10/1/2044	\$43,661,563	\$14,855,751	\$2,681,293	\$31,487,105
10/1/2045	\$31,487,105	\$14,529,042	\$1,792,471	\$18,750,535



10/1/2046	\$18,750,535	\$14,170,284	\$863,239	\$5,443,490
10/1/2047	\$5,443,490	\$13,790,594		

Number of Years Expected Benefit Payments Sustained: 27.39

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: 7.40% 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>
10/1/2020	\$172,609,209	\$11,134,547	\$12,361,103	\$173,835,765
10/1/2021	\$173,835,765	\$11,930,279	\$12,422,426	\$174,327,913
10/1/2022	\$174,327,913	\$12,416,418	\$12,440,858	\$174,352,353
10/1/2023	\$174,352,353	\$13,138,316	\$12,415,956	\$173,629,993
10/1/2024	\$173,629,993	\$13,614,266	\$12,344,892	\$172,360,619
10/1/2025	\$172,360,619	\$14,048,335	\$12,234,897	\$170,547,181
10/1/2026	\$170,547,181	\$14,397,509	\$12,087,784	\$168,237,456
10/1/2027	\$168,237,456	\$14,941,743	\$11,896,727	\$165,192,440
10/1/2028	\$165,192,440	\$15,285,051	\$11,658,694	\$161,566,082
10/1/2029	\$161,566,082	\$15,533,458	\$11,381,152	\$157,413,777
10/1/2030	\$157,413,777	\$15,695,785	\$11,067,875	\$152,785,867
10/1/2031	\$152,785,867	\$15,863,485	\$10,719,205	\$147,641,587
10/1/2032	\$147,641,587	\$16,034,286	\$10,332,209	\$141,939,510
10/1/2033	\$141,939,510	\$16,140,578	\$9,906,322	\$135,705,254
10/1/2034	\$135,705,254	\$16,196,292	\$9,442,926	\$128,951,889
10/1/2035	\$128,951,889	\$16,232,915	\$8,941,822	\$121,660,795
10/1/2036	\$121,660,795	\$16,275,299	\$8,400,713	\$113,786,209
10/1/2037	\$113,786,209	\$16,244,826	\$7,819,121	\$105,360,504
10/1/2038	\$105,360,504	\$16,159,399	\$7,198,780	\$96,399,885
10/1/2039	\$96,399,885	\$16,023,350	\$6,540,728	\$86,917,262
10/1/2040	\$86,917,262	\$15,862,287	\$5,844,973	\$76,899,948
10/1/2041	\$76,899,948	\$15,649,842	\$5,111,552	\$66,361,658
10/1/2042	\$66,361,658	\$15,416,447	\$4,340,354	\$55,285,565
10/1/2043	\$55,285,565	\$15,154,420	\$3,530,418	\$43,661,563
10/1/2044	\$43,661,563	\$14,855,751	\$2,681,293	\$31,487,105
10/1/2045	\$31,487,105	\$14,529,042	\$1,792,471	\$18,750,535



10/1/2046	\$18,750,535	\$14,170,284	\$863,239	\$5,443,490
10/1/2047	\$5,443,490	\$13,790,594		

Number of Years Expected Benefit Payments Sustained: 27.39

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: 5.40% 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>
10/1/2020	\$172,609,209	\$11,134,547	\$9,020,265	\$170,494,927
10/1/2021	\$170,494,927	\$11,930,279	\$8,884,608	\$167,449,256
10/1/2022	\$167,449,256	\$12,416,418	\$8,707,017	\$163,739,855
10/1/2023	\$163,739,855	\$13,138,316	\$8,487,218	\$159,088,756
10/1/2024	\$159,088,756	\$13,614,266	\$8,223,208	\$153,697,698
10/1/2025	\$153,697,698	\$14,048,335	\$7,920,371	\$147,569,733
10/1/2026	\$147,569,733	\$14,397,509	\$7,580,033	\$140,752,257
10/1/2027	\$140,752,257	\$14,941,743	\$7,197,195	\$133,007,709
10/1/2028	\$133,007,709	\$15,285,051	\$6,769,720	\$124,492,378
10/1/2029	\$124,492,378	\$15,533,458	\$6,303,185	\$115,262,105
10/1/2030	\$115,262,105	\$15,695,785	\$5,800,367	\$105,366,688
10/1/2031	\$105,366,688	\$15,863,485	\$5,261,487	\$94,764,690
10/1/2032	\$94,764,690	\$16,034,286	\$4,684,368	\$83,414,771
10/1/2033	\$83,414,771	\$16,140,578	\$4,068,602	\$71,342,795
10/1/2034	\$71,342,795	\$16,196,292	\$3,415,211	\$58,561,714
10/1/2035	\$58,561,714	\$16,232,915	\$2,724,044	\$45,052,843
10/1/2036	\$45,052,843	\$16,275,299	\$1,993,420	\$30,770,965
10/1/2037	\$30,770,965	\$16,244,826	\$1,223,022	\$15,749,160
10/1/2038	\$15,749,160	\$16,159,399		





Number of Years Expected Benefit Payments Sustained: 18.97

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: 9.40% 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>
10/1/2020	\$172,609,209	\$11,134,547	\$15,701,942	\$177,176,604
10/1/2021	\$177,176,604	\$11,930,279	\$16,093,878	\$181,340,203
10/1/2022	\$181,340,203	\$12,416,418	\$16,462,407	\$185,386,192
10/1/2023	\$185,386,192	\$13,138,316	\$16,808,801	\$189,056,677
10/1/2024	\$189,056,677	\$13,614,266	\$17,131,457	\$192,573,868
10/1/2025	\$192,573,868	\$14,048,335	\$17,441,672	\$195,967,205
10/1/2026	\$195,967,205	\$14,397,509	\$17,744,234	\$199,313,931
10/1/2027	\$199,313,931	\$14,941,743	\$18,033,248	\$202,405,435
10/1/2028	\$202,405,435	\$15,285,051	\$18,307,714	\$205,428,098
10/1/2029	\$205,428,098	\$15,533,458	\$18,580,169	\$208,474,808
10/1/2030	\$208,474,808	\$15,695,785	\$18,858,930	\$211,637,953
10/1/2031	\$211,637,953	\$15,863,485	\$19,148,384	\$214,922,852
10/1/2032	\$214,922,852	\$16,034,286	\$19,449,137	\$218,337,703
10/1/2033	\$218,337,703	\$16,140,578	\$19,765,137	\$221,962,262
10/1/2034	\$221,962,262	\$16,196,292	\$20,103,227	\$225,869,197
10/1/2035	\$225,869,197	\$16,232,915	\$20,468,757	\$230,105,039
10/1/2036	\$230,105,039	\$16,275,299	\$20,864,935	\$234,694,675
10/1/2037	\$234,694,675	\$16,244,826	\$21,297,793	\$239,747,641
10/1/2038	\$239,747,641	\$16,159,399	\$21,776,787	\$245,365,029
10/1/2039	\$245,365,029	\$16,023,350	\$22,311,215	\$251,652,894
10/1/2040	\$251,652,894	\$15,862,287	\$22,909,845	\$258,700,452
10/1/2041	\$258,700,452	\$15,649,842	\$23,582,300	\$266,632,910
10/1/2042	\$266,632,910	\$15,416,447	\$24,338,920	\$275,555,383
10/1/2043	\$275,555,383	\$15,154,420	\$25,189,948	\$285,590,911
10/1/2044	\$285,590,911	\$14,855,751	\$26,147,325	\$296,882,486
10/1/2045	\$296,882,486	\$14,529,042	\$27,224,089	\$309,577,532

10/1/2045	\$309,577,532	\$14,170,284	\$28,434,285	\$323,841,533
10/1/2046	\$323,841,533	\$13,790,594	\$29,792,946	\$339,843,885
10/1/2047	\$339,843,885	\$13,389,737	\$31,316,008	\$357,770,156
10/1/2048	\$357,770,156	\$12,961,169	\$33,021,220	\$377,830,207
10/1/2049	\$377,830,207	\$12,516,115	\$34,927,782	\$400,241,874
10/1/2050	\$400,241,874	\$12,054,562	\$37,056,172	\$425,243,483
10/1/2051	\$425,243,483	\$11,579,275	\$39,428,662	\$453,092,870
10/1/2052	\$453,092,870	\$11,092,776	\$42,069,369	\$484,069,463
10/1/2053	\$484,069,463	\$10,596,901	\$45,004,475	\$518,477,037
10/1/2054	\$518,477,037	\$10,094,408	\$48,262,404	\$556,645,034
10/1/2055	\$556,645,034	\$9,588,121	\$51,873,991	\$598,930,904
10/1/2056	\$598,930,904	\$9,080,731	\$55,872,711	\$645,722,884
10/1/2057	\$645,722,884	\$8,574,907	\$60,294,930	\$697,442,907
10/1/2058	\$697,442,907	\$8,073,211	\$65,180,192	\$754,549,889
10/1/2059	\$754,549,889	\$7,578,050	\$70,571,521	\$817,543,360
10/1/2060	\$817,543,360	\$7,091,663	\$76,515,768	\$886,967,465
10/1/2061	\$886,967,465	\$6,616,003	\$83,063,990	\$963,415,451
10/1/2062	\$963,415,451	\$6,152,750	\$90,271,873	\$1,047,534,574
10/1/2063	\$1,047,534,574	\$5,703,246	\$98,200,197	\$1,140,031,526
10/1/2064	\$1,140,031,526	\$5,268,616	\$106,915,338	\$1,241,678,248

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, 2021  
 Valuation Date: 10/1/2020

PENSION COST	ACTUAL			
	Interest Rate: 7.4% FRS 7/1/2019 Mortality	Interest Rate: 7.4% FRS 7/1/2019 Mortality	Interest Rate: 5.4% FRS 7/1/2019 Mortality	Interest Rate: 9.4% FRS 7/1/2019 Mortality
Normal Cost	\$ 4,499,322	\$ 4,499,322	\$ 7,098,056	\$ 2,963,630
Administrative Expenses	\$ 190,823	\$ 190,823	\$ 190,823	\$ 190,823
Payment Required to Amortize UAAL	\$ 3,411,334	\$ 3,411,334	\$ 7,555,531	\$ (230,255)
Interest Adjustment	\$ 380,528	\$ 380,528	\$ 502,781	\$ 143,033
<b>Total Required Contribution</b>	<b>\$ 8,482,007</b>	<b>\$ 8,482,007</b>	<b>\$ 15,347,191</b>	<b>\$ 3,067,231</b>
TRC as % of Payroll	54.76%*	54.76%	99.07%	19.80%

\*Town 38.9%  
 State 6.8%  
 Member 9.0%

