

**RETIREMENT PLAN AND TRUST FOR THE GENERAL NON-REPRESENTED  
EMPLOYEES OF THE  
TOWN OF DAVIE, FLORIDA  
HIRED PRIOR TO OCTOBER 1, 2013  
Summary Plan Description**

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**Plan Trustee**

Florida Municipal Pension Trust Fund

**Plan Administrator**

Florida League of Cities, Inc.  
301 S. Bronough Street  
Tallahassee, FL 32301

**Plan**

Plan representing the General  
Non-Represented Employees of  
the Town of Davie

**Agent for Legal Process**

Town Attorney – Town of Davie  
6591 Orange Drive  
Davie, FL 33314

**Plan Effective Date**

10/01/2003

**Plan Anniversary Date**

October 1 each year

**Plan Year**

Fiscal Year: Twelve month period beginning  
10/01 and ending 09/30

**Eligibility**

All full-time Non-represented General Employees hired prior to October 1, 2013.

**Salary:**

Total cash remuneration for Non-represented General members shall exclude the following:

1. Overtime in excess of 300 hours; and
2. Accrued unused annual or sick leave (“accumulated leave”) in excess of the hours accrued by the Non-represented members as of June 30, 2011. The number of hours of accumulated leave used to calculate pension benefits for Non-represented members shall be the lesser of the number of hours of accumulated leave on June 30, 2011 or the number of hours of accumulated leave on the member’s retirement date; and
3. Benefit Choice Dollars.

**Credited Service**

If an Employee is hired after October 1, 2003 (or October 1, 2006 if in a position that was previously classified as represented), credited service shall mean the total number of years and fractional parts of years of service measured from date of employment. If an employee is a current employee as of October 1, 2003 (or October 1, 2006 if in a position that was previously classified as represented), credited service shall mean the total number and fractional parts of years of service measured from the date of entry into the plan and the total number and fractional parts of years of service purchased at actual actuarial cost.

**Purchase of Credited Service**

Participants of the Plan shall have the option to purchase up to five (5) years of credited service from another employer at full actuarial cost. If hired after October 1, 2003, the participant must purchase within five (5) years of becoming a member of the Plan.

**Average Final Compensation**

One-twelfth of the highest average earnings during the five best years of creditable service, prior to separation as an active member or the career average, whichever is greater.

**Normal Form of Benefit**

The normal form of benefit is a single life annuity.

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Updated January 2017

General Non-Represented Employees hired prior to 10/1/2013

Page 1 of 4

*This summary was designed to provide a brief description of the benefits provided and does not include all the provisions or exclusions in the Plan Document. The Employee should not rely on this information in making retirement decisions. If this outline disagrees with the Plan Document in any way, the Plan Document will govern.*

### **Normal Retirement Date**

The first day of the month coincident with, or next following attainment of age sixty (60) and six (6) years of Vested Service or age fifty-six (56) and thirty (30) years of Vested Service.

### **Normal Retirement Benefit:**

The monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 2% and multiplied by Average Final Compensation.

### **Coordination of benefits for Promoted Management Employees:**

For Promoted Management Employees hired prior to 10/1/13 benefit shall be coordinated as follows between Credited Service earned as Management Employee:

**Vesting:** Participants shall be deemed vested after earnings three (3) or more years of Credited Service as a Management Employee. Participants with less than three (3) years of Credited Service as a Management Employee shall be deemed vested after earning a total of six (6) years of Credited Service. If a Participant has not earned three (3) or more years of Credited Service as a Management Employee, Credited Service as a General Employee and as a Management Employee shall be aggregated in order to meet the six (6) year vesting requirement.

**Separate Normal Retirement Dates:** Management Employee benefits shall be paid beginning on the Normal Retirement Date for Management Employees, pursuant to Section 1.19. General Employee benefits shall be paid beginning on the Normal Retirement Date for General Employees, pursuant to Section 1.19.

**Separate Benefit Calculations:** Management Employee benefits shall be calculated using the three percent (3%) multiplier applied to Credited Service as a Management Employee. General Employee benefits shall be calculated using the two percent (2%) multiplier applied to Credited Service as a General Employee.

**Ability to Upgrade prior General Employee Service:** General Employee Participants who are promoted to Management Employee shall be permitted to upgrade their Credited Service as a General Employee to Credited Service as a Management Employee by paying the full actuarial cost of the upgraded service, provided that the Participant independently vests pursuant to subsection 6.02 3(a). Participants may elect to upgrade Credited Service at any time after being promoted, provided that the full actuarial cost is paid by the Participant. Upgraded service may not be used for vesting purposes under subsection 6.02 3(a).

### **Disability**

#### **Non-Duty Disability Benefit:**

Any employee who shall become Totally and Permanently Disabled, to the extent that they are unable by reason of a medically determinable physical or mental impairment to render useful and efficient service, shall upon establishing the Total and Permanent Disability to the satisfaction of the Board of Trustees be entitled to a disability benefit. The employee shall bear the burden of proof. General Employee Members hired prior to October 1, 2013, who have completed six (6) years of Vested Service, that are deemed by the Board to be totally and permanently disabled will receive their Accrued Benefit. If a General Employee has less than six (6) years of Vested Service, they will receive a return of their employee contribution, if applicable, with six percent (6%) interest.

#### **Duty Disability Benefit:**

All members, regardless of date of hire, shall be entitled to a duty disability benefit if they become Totally and Permanently disabled in the line of duty, regardless of length of service. The duty benefit shall be the accrued benefit, but shall not be less than twenty percent (20%) of Average Final Compensation at the time of disability.

Any employee who shall prove that they became Totally and Permanently Disabled in the line of duty, to the extent that they are unable by reason of a medically determinable physical or mental impairment to render useful and efficient service, shall upon establishing the Total and Permanent Disability to the satisfaction of the Board of Trustees be entitled to a duty disability benefit. The employee shall bear the burden of proof.

### **Death Benefit prior to Vesting**

If a member dies prior to Normal Retirement Date, and has less than six (6) years of Vested Service, the beneficiary shall receive a refund of one hundred percent (100%) of the member's accumulated contributions, if applicable, with five percent (5%) interest.

### **Death Benefit after Vesting**

If a member dies prior to retirement and he or she is vested, his or her beneficiary shall receive the pension benefit otherwise payable to the member at the Normal Retirement Date or earlier at an actuarial equivalent.

### **Termination of Employment and Vesting**

If a member has less than six (6) years of Vested Service upon termination, the member shall be entitled to a refund of their accumulated employee contribution, including rollovers, with six percent (6%) interest, or the member may leave it deposited with the Fund pending future employment with the Town of Davie.

If a member has six (6) or more years of Vested Service upon termination, the member shall be entitled to their accrued monthly retirement benefit, starting at the member's otherwise normal retirement date provided he or she does not elect to withdraw his or her contributions and provided he or she survives to his or her normal or early retirement date.

### **Employee Contributions**

All active members shall contribute one percent (1%) of salary. (Ordinance 2013-18)

Effective October 10, 2013, all active members shall contribute one and one-half percent (1.5%) of salary.

Effective October 9, 2014, all active members shall contribute two and one-half percent (2.5%) of salary.

### **Cost of Living Adjustment**

A three percent (3%) cost of living increase is awarded to benefit payments each year a benefit is in force after the benefit has been paid for five (5) years. This increase will begin with the sixty-first payment and adjusted annually.

### **Deferred Retirement Option Program "DROP"**

Maximum period of 60 months following the date the member reaches his or her normal retirement date. The member must elect to participate in the DROP within five years of the date the member first reaches their Normal Retirement Date. Interest accrues at 6.5% annually.

### **Forfeiture of Pension**

Any Participant who is convicted of any of the following offenses committed prior to retirement, or whose employment is terminated by reason of his or her admitted commission, aid or abetment of the following specified offenses, shall forfeit all rights and benefits under this Fund, except for the return of his or her accumulated contributions as of the date of termination.

(A) Specified offenses are as follows:

- (1) The committing, aiding or abetting of an embezzlement of public funds;
- (2) the committing, aiding or abetting of any theft by a public officer or employee from employer;
- (3) bribery in connection with the employment of a public officer or employee;
- (4) any felony specified in Chapter 838, Florida Statutes;
- (5) the committing of an impeachable offense.

(B) The committing of any felony by a public officer or employee who willfully and with intent to defraud the public or the public agency, for which he or she acts or in which he or she is employed, of the right to receive the faithful performance of his or her duty as a public officer or employee, realizes or obtains or attempts to obtain a profit, gain, or advantage for himself or for some other person through the use or attempted use of the power, rights, privileges, duties or position of his or her public office or employment position.

- (1) Conviction shall be defined as follows: An adjudication of guilt by a court of competent jurisdiction; a plea of guilty or a nolo contendere; a jury verdict of guilty when adjudication of guilt is withheld and the accused is placed on probation; or a conviction by the Senate of an impeachable offense.

- (2) Court shall be defined as follows: Any state or federal court of competent jurisdiction which is exercising its jurisdiction to consider a proceeding involving the alleged commission of a specified offense. Prior to forfeiture, the Board shall hold a hearing on which notice shall be given to the Participant whose benefits are being considered for forfeiture. Said Participant shall be afforded the right to have an attorney present. No formal rules of evidence shall apply, but the Participant shall be afforded a full opportunity to present his or her case against forfeiture.

Any Participant who has received benefits from the Plan in excess of his or her accumulated contributions after Participant's rights were forfeited pursuant to this section shall be required to pay back to the Fund the amount of the benefits received in excess of his or her accumulated contributions. The Board may implement all legal action necessary to recover such funds.

**Source of Financing Plan**

The Plan is funded through contributions made by the Town and Employees.

**Applicable Regulations Governing Establishment, Operation and Administration of the Plan**

Chapter 112, Part VII, Florida Statutes; Chapter 60T-1, FAC, Internal Revenue Code

**Board of Trustees**

Grace Hall, Chair  
William Ackerman, Vice Chair  
Evelyn Roig, Secretary  
Grace Garagozzo  
John Phillips

**Mailing Address for Board of Trustees:**

Town of Davie  
6591 Orange Drive  
Davie, FL 33314

A member applying for a benefit has the right to request a formal hearing. Copies of the Board's formal policies are available upon request.

**The following documents are attached:**

1. Report of actuarial summary

City/District Name: Davie - General & Mgmt  
 Current actuarial valuation date: 10/1/2016

Employee group(s) covered: General  
 Date prepared: 2/13/2018

Number of plan participants:		377	GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$49,411,428	Discount Rate	7.00%	
Actuarial Accrued Liability (AAL):	\$61,479,026	Total Pension Liability	58,488,396	
Unfunded Accrued Liability (UAL):	\$12,067,598	Market Value of Plan Assets	55,049,778	
Market Value of Plan Assets (MVA):	\$55,049,778	Net Pension Liability	3,438,618	
MVA Funded Ratio (5-year history):		Averages for all plans with 2016 current actuarial valuation date		
Current valuation	89.31%	81.88%	*	
1 year prior	98.78%	83.59%	*	
2 years prior	103.17%	86.95%	*	
3 years prior	100.09%	81.49%	*	
4 years prior	90.59%	76.00%	*	
Rate of Actuarial Value, Actual (2016 Plan Year)	7.60%	7.61%		
Return: Market Value, Actual	8.20%	3.99%		
Assumed	7.50%	7.47%		
Funding requirement as percentage of payroll:	28.47%	59.23%	**	
Percentage of payroll contributed by employee:	2.64%	6.15%	**	
Benefit Formula Description:	1.80% X AFC X SC			
AFC Averaging Period (years):	6			
Employees covered by Social Security?	No			

Additional actuarial disclosures required by section 112.664, Florida Statutes:

Florida Statute Chapter	Discount Rate	Pension Liability	Market Value of Plan Assets	Net Pension Liability	Years assets sustain benefit payments	Total Dollar Contribution	Total % of Pay Contribution
112.664(1)(a)	7.00%	63,596,281	54,906,613	8,689,668	23.50	5,213,877	31.41
112.664(1)(b)	5.00%	85,126,374	54,906,613	30,219,761	18.97	9,439,399	56.87
Valuation Basis	7.00%	N/A	N/A	N/A	24.90	4,726,147	28.47

Link to annual financial statements: <https://www.rol.frs.state.fl.us/forms/LOC5340180PDF10012016N1.pdf>

\*Adjusted by excluding plans from average whose Funded Ratios were not within two standard deviations from the mean

\*\*Excludes plans with zero payroll

(For explanation of terms, see glossary on page 2)

## Actuarial Summary Fact Sheet – Glossary of Terms

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<b>Actuarial Value of Plan Assets (AVA):</b>	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
<b>Actuarial Accrued Liability (AAL):</b>	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
<b>Unfunded Accrued Liability (UAL):</b>	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
<b>Market Value of Plan Assets (MVA):</b>	The fair market value of assets, including DROP accounts.
<b>MVA Funded Ratio:</b>	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
<b>Rate of Return (Assumed):</b>	Assumed long-term rate of return on the pension fund assets.
<b>Funding requirement as percentage of payroll:</b>	Total Required Contribution (employer and employee) divided by total payroll of active participants
<b>AFC:</b>	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
<b>SC:</b>	Service Credit

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### Section 112.664 – Glossary of Terms

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<b>Florida Statute Chapter:</b>	112.664(1)(a) – uses mortality tables used in either of the two most recently published FRS valuation reports, with projection scale for mortality improvement  112.664(1)(b) – uses same mortality assumption as 112.664(1)(a) but using an assumed discount rate equal to 200 basis points (2.00%) less than plan's assumed rate of return.  Valuation Basis – uses all the assumptions in the plan's valuation as of the current actuarial valuation date.
<b>Discount Rate:</b>	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
<b>Total Pension Liability:</b>	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
<b>Net Pension Liability:</b>	Total Pension Liability minus Market Value of Plan Assets.
<b>Years assets sustain benefit payments:</b>	Assuming no future contributions from any source, the number of years the market value of assets will sustain payment of expected retirement benefits. The number of years will vary based on the Florida Statute Chapter assumption.
<b>Total Dollar Contribution:</b>	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
<b>Total % of Pay Contribution:</b>	Total Dollar Contribution divided by total payroll of active participants
<b>Annual financial statements:</b>	A report issued which covers a local government retirement system or plan to satisfy the financial reporting requirements of section 112.664(1), F.S.

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EMPLOYEES OF THE  
TOWN OF DAVIE, FLORIDA  
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Summary Plan Description**

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Town Attorney – Town of Davie  
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**Plan Effective Date**

10/01/2003

**Plan Anniversary Date**

October 1 each year

**Plan Year**

Fiscal Year: Twelve month period beginning  
10/01 and ending 09/30

**Eligibility**

All full-time Represented General Employees hired prior to October 1, 2013.

**Salary:**

Salary means the total cash remuneration paid to an employee for services rendered. Total cash remuneration for Represented General members shall exclude the following:

1. Overtime in excess of 300 hours; and
2. Accrued unused annual or sick leave (“accumulated leave”) in excess of the hours accrued by the Represented General members as of September 30, 2012. The number of hours of accumulated leave used to calculate pension benefits for Represented General members shall be the lesser of the number of hours of accumulated leave on September 30, 2012 or the number of hours of accumulated leave on the member’s retirement date; and
3. Benefit Choice Dollars; and
4. Special detail.

**Credited Service**

If Represented Employee is hired after October 1, 2006 (or October 1, 2003 if in a position that was previously classified as non-represented), the total number of years and fractional parts of years of service measured from date of employment. If employee is a current employee as of October 1, 2006 (or October 1, 2003 if in a position that was previously classified as non-represented), credited service shall mean the total number and fractional parts of years of service measured from October 1, 2006 (or October 1, 2003 if in a position that was previously classified as non represented) and the total number and fractional parts of years of service purchased at actual actuarial cost.

**Purchase of Credited Service**

Participants of the Plan shall have the option to purchase up to five (5) years of credited service from another employer at full actuarial cost. If hired after October 1, 2006, the participant must purchase within five (5) years of becoming a member of the Plan.

**Average Final Compensation**

One-twelfth of the highest average earnings during the five best years of creditable service, prior to separation as an active member or the career average, whichever is greater.

### **Normal Form of Benefit**

The normal form of benefit is a single life annuity.

### **Normal Retirement Date**

The first day of the month coincident with, or next following attainment of age sixty (60) and six (6) years of Vested Service or age fifty-six (56) and thirty (30) years of Vested Service.

### **Normal Retirement Benefit:**

The monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 2% and multiplied by Average Final Compensation.

### **Coordination of benefits for Promoted Management Employees:**

For Promoted Management Employees hired prior to 10/1/13, the benefit shall be coordinated as follows between Credited Service earned as Management Employee:

**Vesting:** Participants shall be deemed vested after earnings three (3) or more years of Credited Service as a Management Employee. Participants with less than three (3) years of Credited Service as a Management Employee shall be deemed vested after earning a total of six (6) years of Credited Service. If a Participant has not earned three (3) or more years of Credited Service as a Management Employee, Credited Service as a General Employee and as a Management Employee shall be aggregated in order to meet the six (6) year vesting requirement.

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**Separate Benefit Calculations:** Management Employee benefits shall be calculated using the three percent (3%) multiplier applied to Credited Service as a Management Employee. General Employee benefits shall be calculated using the two percent (2%) multiplier applied to Credited Service as a General Employee.

**Ability to Upgrade prior General Employee Service:** General Employee Participants who are promoted to Management Employee shall be permitted to upgrade their Credited Service as a General Employee to Credited Service as a Management Employee by paying the full actuarial cost of the upgraded service, provided that the Participant independently vests pursuant to subsection 6.02 3(a). Participants may elect to upgrade Credited Service at any time after being promoted, provided that the full actuarial cost is paid by the Participant. Upgraded service may not be used for vesting purposes under subsection 6.02 3 (a).

### **Disability**

#### **Non-Duty Disability Benefit:**

Any employee who shall become Totally and Permanently Disabled, to the extent that they are unable by reason of a medically determinable physical or mental impairment to render useful and efficient service, shall upon establishing the Total and Permanent Disability to the satisfaction of the Board of Trustees be entitled to a disability benefit. The employee shall bear the burden of proof. General Employee Members hired prior to October 1, 2013, who have completed six (6) years of Vested Service, that are deemed by the Board to be totally and permanently disabled will receive their Accrued Benefit. If a General Employee has less than six (6) years of Vested Service, they will receive a return of their employee contribution, if applicable, with six percent (6%) interest.

#### **Duty Disability Benefit:**

All members, regardless of date of hire, shall be entitled to a duty disability benefit if they become Totally and Permanently disabled in the line of duty, regardless of length of service. The duty benefit shall be the accrued benefit, but shall not be less than twenty percent (20%) of Average Final Compensation at the time of disability.

Any employee who shall prove that they became Totally and Permanently Disabled in the line of duty, to the extent that they are unable by reason of a medically determinable physical or mental impairment to render useful and efficient service, shall upon establishing the Total and Permanent Disability to the satisfaction of the Board of Trustees be entitled to a duty disability benefit. The employee shall bear the burden of proof.

#### **Death Benefit prior to Vesting**

If a member dies prior to Normal Retirement Date, and has less than six (6) years of Vested Service, the beneficiary shall receive a refund of one hundred percent (100%) of the member's accumulated contributions, if applicable, with five percent (5%) interest.

#### **Death Benefit after Vesting**

If a member dies prior to retirement and he or she is vested, his or her beneficiary shall receive the pension benefit otherwise payable to the member at the Normal Retirement Date or earlier at an actuarial equivalent.

#### **Termination of Employment and Vesting**

If a member has less than six (6) years of Vested Service upon termination, the member shall be entitled to a refund of their accumulated employee contribution, including rollovers, with six percent (6%) interest, or the member may leave it deposited with the Fund pending future employment with the Town of Davie.

If a member has six (6) or more years of Vested Service upon termination, the member shall be entitled to their accrued monthly retirement benefit, starting at the member's otherwise normal retirement date provided he or she does not elect to withdraw his or her contributions and provided he or she survives to his or her normal or early retirement date.

#### **Employee Contributions**

All active members shall contribute one percent (1%) of salary. (Ordinance 2013-18)

Effective October 10, 2013, all active members shall contribute one and one-half percent (1.5%) of salary.

Effective October 9, 2014, all active members shall contribute two and one-half percent (2.5%) of salary.

#### **Cost of Living Adjustment**

A three percent (3%) cost of living increase is awarded to benefit payments each year a benefit is in force after the benefit has been paid for five (5) years. This increase will begin with the sixty-first payment and adjusted annually.

#### **Deferred Retirement Option Program "DROP"**

Maximum period of 60 months following the date the member reaches his or her normal retirement date. The member must elect to participate in the DROP within five years of the date the member first reaches their Normal Retirement Date.

Interest accrues at 6.5% annually.

#### **Forfeiture of Pension**

Any Participant who is convicted of any of the following offenses committed prior to retirement, or whose employment is terminated by reason of his or her admitted commission, aid or abetment of the following specified offenses, shall forfeit all rights and benefits under this Fund, except for the return of his or her accumulated contributions as of the date of termination.

- (A) Specified offenses are as follows:
  - (1) The committing, aiding or abetting of an embezzlement of public funds;
  - (2) the committing, aiding or abetting of any theft by a public officer or employee from employer;
  - (3) bribery in connection with the employment of a public officer or employee;
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- (B) The committing of any felony by a public officer or employee who willfully and with intent to defraud the public or the public agency, for which he or she acts or in which he or she is employed, of the right to receive the faithful performance of his or her duty as a public officer or employee, realizes or obtains or attempts to obtain a profit, gain, or advantage for himself or for some other person through the use or attempted use of the power, rights, privileges, duties or position of his or her public office or employment position.

- (1) Conviction shall be defined as follows: An adjudication of guilt by a court of competent jurisdiction; a plea of guilty or a nolo contendere; a jury verdict of guilty when adjudication of guilt is withheld and the accused is placed on probation; or a conviction by the Senate of an impeachable offense.
- (2) Court shall be defined as follows: Any state or federal court of competent jurisdiction which is exercising its jurisdiction to consider a proceeding involving the alleged commission of a specified offense. Prior to forfeiture, the Board shall hold a hearing on which notice shall be given to the Participant whose benefits are being considered for forfeiture. Said Participant shall be afforded the right to have an attorney present. No formal rules of evidence shall apply, but the Participant shall be afforded a full opportunity to present his or her case against forfeiture.

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### **Source of Financing Plan**

The Plan is funded through contributions made by the Town and Employees.

### **Applicable Regulations Governing Establishment, Operation and Administration of the Plan**

Chapter 112, Part VII, Florida Statutes; Chapter 60T-1, FAC, Internal Revenue Code

### **Board of Trustees**

Grace Hall, Chair  
William Ackerman, Vice Chair  
Evelyn Roig, Secretary  
Grace Garagozzo  
John Phillips

### **Mailing Address for Board of Trustees:**

Town of Davie  
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A member applying for a benefit has the right to request a formal hearing. Copies of the Board's formal policies are available upon request.

### **The following documents are attached:**

1. Report of actuarial summary
2. A description of the relevant provisions of collective bargaining agreement

City/District Name: Davie - General & Mgmt  
 Current actuarial valuation date: 10/1/2016

Employee group(s) covered: General  
 Date prepared: 2/13/2018

Number of plan participants:		377	GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$49,411,428		Discount Rate	7.00%
Actuarial Accrued Liability (AAL):	\$61,479,026		Total Pension Liability	58,488,396
Unfunded Accrued Liability (UAL):	\$12,067,598		Market Value of Plan Assets	55,049,778
Market Value of Plan Assets (MVA):	\$55,049,778		Net Pension Liability	3,438,618
MVA Funded Ratio (5-year history):			GASB 67 Funded Ratio	94.12%
			Averages for all plans with 2016 current actuarial valuation date	
Current valuation	89.31%		81.88%	*
1 year prior	98.78%		83.59%	*
2 years prior	103.17%		86.95%	*
3 years prior	100.09%		81.49%	*
4 years prior	90.59%		76.00%	*
Rate of Actuarial Value, Actual (2016 Plan Year)	7.60%		7.61%	
Return: Market Value, Actual	8.20%		3.99%	
Assumed	7.50%		7.47%	
Funding requirement as percentage of payroll:	28.47%		59.23%	**
Percentage of payroll contributed by employee:	2.64%		6.15%	**
Benefit Formula Description:	1.80% X AFC X SC			
AFC Averaging Period (years):	6			
Employees covered by Social Security?	No			

Additional actuarial disclosures required by section 112.664, Florida Statutes:

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Valuation Basis	7.00%	N/A	N/A	N/A	24.90	4,726,147	28.47

Link to annual financial statements: <https://www.rol.frs.state.fl.us/forms/LOC5340180PDF10012016N1.pdf>

\*Adjusted by excluding plans from average whose Funded Ratios were not within two standard deviations from the mean

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(For explanation of terms, see glossary on page 2)

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<b>Unfunded Accrued Liability (UAL):</b>	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
<b>Market Value of Plan Assets (MVA):</b>	The fair market value of assets, including DROP accounts.
<b>MVA Funded Ratio:</b>	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
<b>Rate of Return (Assumed):</b>	Assumed long-term rate of return on the pension fund assets.
<b>Funding requirement as percentage of payroll:</b>	Total Required Contribution (employer and employee) divided by total payroll of active participants
<b>AFC:</b>	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
<b>SC:</b>	Service Credit

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### Section 112.664 – Glossary of Terms

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<b>Florida Statute Chapter:</b>	112.664(1)(a) – uses mortality tables used in either of the two most recently published FRS valuation reports, with projection scale for mortality improvement  112.664(1)(b) – uses same mortality assumption as 112.664(1)(a) but using an assumed discount rate equal to 200 basis points (2.00%) less than plan's assumed rate of return.  Valuation Basis – uses all the assumptions in the plan's valuation as of the current actuarial valuation date.
<b>Discount Rate:</b>	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
<b>Total Pension Liability:</b>	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
<b>Net Pension Liability:</b>	Total Pension Liability minus Market Value of Plan Assets.
<b>Years assets sustain benefit payments:</b>	Assuming no future contributions from any source, the number of years the market value of assets will sustain payment of expected retirement benefits. The number of years will vary based on the Florida Statute Chapter assumption.
<b>Total Dollar Contribution:</b>	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
<b>Total % of Pay Contribution:</b>	Total Dollar Contribution divided by total payroll of active participants
<b>Annual financial statements:</b>	A report issued which covers a local government retirement system or plan to satisfy the financial reporting requirements of section 112.664(1), F.S.

**ARTICLE 26 - PENSION**

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- 26.1 Except as provided in Sections 26.2, 26.3, and 26.4, below, the Town will maintain the existing pension plan ordinance provisions regarding benefits and contributions for bargaining unit employees for the duration of this Agreement.
- 26.2 Effective August 21, 2013, the Town shall not process or administer, or have any involvement in any way with any employee loans from the Town's defined contribution 401(a) pension plans. Any such loans, if available, must be made directly between the employee and the third party administrator, and must be consistent with all applicable laws and regulations.
- 26.3 Effective the first full pay period in October 2007, the Town increased the Town's contribution to eleven and four tenths percent (11.4%) of the salaries of individual bargaining unit members who elected to remain in the DC 401(a) pension plan, and no employee contribution to the DC 401(a) pension plan will be required.
- 26.4 The employee contribution increases of two and one-half percent (2.5%) applicable to the employees in the first tier of the defined benefit pension plan in Section 26.2 of the 2012-2015 Agreement, were mutually agreed by the parties provided all members of the first tier of the defined benefit pension plan pay the same amount of contribution percentage established in Section 26.2 of the 2012-2015 Agreement. If for any reason the Town does not implement or reduces the contributions of non-bargaining unit employees in the first tier of the defined benefit plan below two and one-half percent (2.5%) during the term of this Agreement, then the parties agree that the employee contributions of the bargaining unit employees who are in the first tier of the defined benefit plan, shall be reduced to the same amount as the non-bargaining unit employees who are in the first tier of the defined benefit plan.

**RETIREMENT PLAN AND TRUST FOR THE MANAGEMENT EMPLOYEES OF THE  
TOWN OF DAVIE, FLORIDA  
HIRED PRIOR TO OCTOBER 1, 2013  
Summary Plan Description**

---

**Plan Trustee**

Florida Municipal Pension Trust Fund

**Plan Administrator**

Florida League of Cities, Inc.  
301 S. Bronough Street  
Tallahassee, FL 32301

**Plan**

Plan representing the Management Employees of the Town of Davie

**Agent for Legal Process**

Town Attorney – Town of Davie  
6591 Orange Drive  
Davie, FL 33314

**Plan Effective Date**

10/01/2003

**Plan Anniversary Date**

October 1 each year

**Plan Year**

Fiscal Year: Twelve month period beginning 10/01 and ending 09/30

**Eligibility**

All Management Employees as listed by position title in the plan document.

**Salary:**

The total cash remuneration paid to a plan participant for services rendered. Total cash remuneration for Management shall exclude the following:

1. Overtime in excess of 300 hours; and
2. Accrued unused annual or sick leave (“accumulated leave”) in excess of the hours accrued by the Management members as of June 30, 2011. The number of hours of accumulated leave used to calculate pension benefits for Management members shall be the lesser of the number of hours of accumulated leave on June 30, 2011 or the number of hours of accumulated leave on the member’s retirement date; and
3. Benefit Choice Dollars.

**Credited Service**

If an Employee is hired after October 1, 2003, credited service shall mean the total number of years and fractional parts of years of service measured from date of employment. If an employee is a current employee as of October 1, 2003, credited service shall mean the total number and fractional parts of years of service measured from the date of entry into the plan and the total number and fractional parts of years of service purchased at actual actuarial cost.

**Purchase of Credited Service**

Participants of the Plan shall have the option to purchase up to five (5) years of credited service from another employer at full actuarial cost. If hired after October 1, 2003, the participant must purchase within five (5) years of becoming a member of the Plan.

**Average Final Compensation**

One-twelfth of the highest average earnings during the three best years of creditable service, prior to separation as an active member or the career average, whichever is greater.

**Normal Form of Benefit**

The normal form of benefit is a single life annuity.

**Normal Retirement Date**

The first day of the month coincident with, or next following attainment of age fifty-two (52) and three (3) years of Vested Service or age forty-eight (48) and twenty (20) years of Vested Service.

### **Normal Retirement Benefit**

The monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 3% and multiplied by Average Final Compensation.

### **Coordination of benefits for Promoted Management Employees:**

For Promoted Management Employees hired prior to 10/1/13, the benefit shall be coordinated as follows between Credited Service earned as Management Employee:

**Vesting:** Participants shall be deemed vested after earnings three (3) or more years of Credited Service as a Management Employee. Participants with less than three (3) years of Credited Service as a Management Employee shall be deemed vested after earning a total of six (6) years of Credited Service. If a Participant has not earned three (3) or more years of Credited Service as a Management Employee, Credited Service as a General Employee and as a Management Employee shall be aggregated in order to meet the six (6) year vesting requirement.

**Separate Normal Retirement Dates:** Management Employee benefits shall be paid beginning on the Normal Retirement Date for Management Employees, pursuant to Section 1.19. General Employee benefits shall be paid beginning on the Normal Retirement Date for General Employees, pursuant to Section 1.19.

**Separate Benefit Calculations:** Management Employee benefits shall be calculated using the three percent (3%) multiplier applied to Credited Service as a Management Employee. General Employee benefits shall be calculated using the two percent (2%) multiplier applied to Credited Service as a General Employee.

**Ability to Upgrade prior General Employee Service:** General Employee Participants who are promoted to Management Employee shall be permitted to upgrade their Credited Service as a General Employee to Credited Service as a Management Employee by paying the full actuarial cost of the upgraded service, provided that the Participant independently vests pursuant to subsection 6.02 3(a). Participants may elect to upgrade Credited Service at any time after being promoted, provided that the full actuarial cost is paid by the Participant. Upgraded service may not be used for vesting purposes under subsection 6.02 3(a).

### **Disability**

#### **Non-Duty Disability Benefit:**

Any employee who shall become Totally and Permanently Disabled, to the extent that they are unable by reason of a medically determinable physical or mental impairment to render useful and efficient service, shall upon establishing the Total and Permanent Disability to the satisfaction of the Board of Trustees be entitled to a disability benefit. The employee shall bear the burden of proof. Management Members hired prior to October 1, 2013, who have completed three (3) years of Vested Service, that are deemed by the Board to be totally and permanently disabled will receive their Accrued Benefit with a minimum of three (3) years Credited Service. If a Management Employee has less than three (3) years of Vested Service, they will receive a return of their employee contribution, if applicable, with six percent (6%) interest.

#### **Duty Disability Benefit:**

All members, regardless of date of hire, shall be entitled to a duty disability benefit if they become Totally and Permanently disabled in the line of duty, regardless of length of service. The duty benefit shall be the accrued benefit, but shall not be less than twenty percent (20%) of Average Final Compensation at the time of disability.

Any employee who shall prove that they became Totally and Permanently Disabled in the line of duty, to the extent that they are unable by reason of a medically determinable physical or mental impairment to render useful and efficient service, shall upon establishing the Total and Permanent Disability to the satisfaction of the Board of Trustees be entitled to a duty disability benefit. The employee shall bear the burden of proof.

### **Death Benefit prior to Vesting**

If a member dies prior to Normal Retirement Date, and has less than three (3) years of Vested Service, the beneficiary shall receive a refund of one hundred percent (100%) of the member's accumulated contributions, if applicable, with five percent (5%) interest.

### **Death Benefit after Vesting**

If a member dies prior to retirement and he or she is vested, his or her beneficiary shall receive the pension benefit otherwise payable to the member at the Normal Retirement Date or earlier at an actuarial equivalent.

### **Termination of Employment and Vesting**

If a member has less than three (3) years of Vested Service upon termination, the member shall be entitled to a refund of their accumulated employee contribution with six percent (6%) interest, or the member may leave it deposited with the Fund pending future employment with the Town of Davie.

If a member has three (3) or more years of Vested Service upon termination, the member shall be entitled to their accrued monthly retirement benefit, starting at the member's otherwise normal retirement date, provided he or she does not elect to withdraw his or her contributions and provided he or she survives to his or her normal or early retirement date.

### **Employee Contributions**

All active members shall contribute one percent (1%) of salary. (Ordinance 2013-18)

Effective October 10, 2013, all active members shall contribute one and one-half percent (1.5%) of salary.

Effective October 9, 2014, all active members shall contribute two and one-half percent (2.5%) of salary.

### **Cost of Living Adjustment**

A three percent (3%) cost of living increase is awarded to benefit payments each year a benefit is in force after the benefit has been paid for five (5) years. This increase will begin with the sixty-first payment and adjusted annually.

### **Deferred Retirement Option Program "DROP"**

Maximum period of 60 months following the date the member reaches his or her normal retirement date. The member must elect to participate in the DROP within five years of the date the member first reaches their Normal Retirement Date.

Interest accrues at 6.5% annually.

### **Forfeiture of Pension**

Any Participant who is convicted of any of the following offenses committed prior to retirement, or whose employment is terminated by reason of his or her admitted commission, aid or abetment of the following specified offenses, shall forfeit all rights and benefits under this Fund, except for the return of his or her accumulated contributions as of the date of termination.

(A) Specified offenses are as follows:

- (1) The committing, aiding or abetting of an embezzlement of public funds;
- (2) the committing, aiding or abetting of any theft by a public officer or employee from employer;
- (3) bribery in connection with the employment of a public officer or employee;
- (4) any felony specified in Chapter 838, Florida Statutes;
- (5) the committing of an impeachable offense.

(B) The committing of any felony by a public officer or employee who willfully and with intent to defraud the public or the public agency, for which he or she acts or in which he or she is employed, of the right to receive the faithful performance of his or her duty as a public officer or employee, realizes or obtains or attempts to obtain a profit, gain, or advantage for himself or for some other person through the use or attempted use of the power, rights, privileges, duties or position of his or her public office or employment position.

- (1) Conviction shall be defined as follows: An adjudication of guilt by a court of competent jurisdiction; a plea of guilty or a nolo contendere; a jury verdict of guilty when adjudication of guilt is withheld and the accused is placed on probation; or a conviction by the Senate of an impeachable offense.
- (2) Court shall be defined as follows: Any state or federal court of competent jurisdiction which is exercising its jurisdiction to consider a proceeding involving the alleged commission of a specified offense. Prior to forfeiture, the Board shall hold a hearing on which notice shall be given to the Participant whose benefits are being considered for forfeiture. Said Participant shall be afforded the right to have an attorney present. No formal rules of evidence shall apply, but the Participant shall be afforded a full opportunity to present his or her case against forfeiture.

Any Participant who has received benefits from the Plan in excess of his or her accumulated contributions after Participant's rights were forfeited pursuant to this section shall be required to pay back to the Fund the amount of the

benefits received in excess of his or her accumulated contributions. The Board may implement all legal action necessary to recover such funds.

**Source of Financing Plan**

The Plan is funded through contributions made by the Town and Employees.

**Applicable Regulations Governing Establishment, Operation and Administration of the Plan**

Chapter 112, Part VII, Florida Statutes; Chapter 60T-1, FAC, Internal Revenue Code

**Board of Trustees**

Grace Hall, Chair  
William Ackerman, Vice Chair  
Evelyn Roig, Secretary  
Grace Garagozzo  
John Phillips

**Mailing Address for Board of Trustees:**

Town of Davie  
6591 Orange Drive  
Davie, FL 33314

A member applying for a benefit has the right to request a formal hearing. Copies of the Board's formal policies are available upon request.

**The following documents are attached:**

1. Report of actuarial summary

City/District Name: Davie - General & Mgmt  
 Current actuarial valuation date: 10/1/2016

Employee group(s) covered: General  
 Date prepared: 2/13/2018

Number of plan participants:		377	GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$49,411,428		Discount Rate	7.00%
Actuarial Accrued Liability (AAL):	\$61,479,026		Total Pension Liability	58,488,396
Unfunded Accrued Liability (UAL):	\$12,067,598		Market Value of Plan Assets	55,049,778
Market Value of Plan Assets (MVA):	\$55,049,778		Net Pension Liability	3,438,618
MVA Funded Ratio (5-year history):			GASB 67 Funded Ratio	94.12%
			Averages for all plans with 2016 current actuarial valuation date	
Current valuation	89.31%		81.88%	*
1 year prior	98.78%		83.59%	*
2 years prior	103.17%		86.95%	*
3 years prior	100.09%		81.49%	*
4 years prior	90.59%		76.00%	*
Rate of Actuarial Value, Actual (2016 Plan Year)	7.60%		7.61%	
Return: Market Value, Actual	8.20%		3.99%	
Assumed	7.50%		7.47%	
Funding requirement as percentage of payroll:	28.47%		59.23%	**
Percentage of payroll contributed by employee:	2.64%		6.15%	**
Benefit Formula Description:	1.80% X AFC X SC			
AFC Averaging Period (years):	6			
Employees covered by Social Security?	No			

Additional actuarial disclosures required by section 112.664, Florida Statutes:

Florida Statute Chapter	Discount Rate	Pension Liability	Market Value of Plan Assets	Net Pension Liability	Years assets sustain benefit payments	Total Dollar Contribution	Total % of Pay Contribution
112.664(1)(a)	7.00%	63,596,281	54,906,613	8,689,668	23.50	5,213,877	31.41
112.664(1)(b)	5.00%	85,126,374	54,906,613	30,219,761	18.97	9,439,399	56.87
Valuation Basis	7.00%	N/A	N/A	N/A	24.90	4,726,147	28.47

Link to annual financial statements: <https://www.rol.frs.state.fl.us/forms/LOC5340180PDF10012016N1.pdf>

\*Adjusted by excluding plans from average whose Funded Ratios were not within two standard deviations from the mean

\*\*Excludes plans with zero payroll

(For explanation of terms, see glossary on page 2)

## Actuarial Summary Fact Sheet – Glossary of Terms

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<b>Actuarial Value of Plan Assets (AVA):</b>	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
<b>Actuarial Accrued Liability (AAL):</b>	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
<b>Unfunded Accrued Liability (UAL):</b>	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
<b>Market Value of Plan Assets (MVA):</b>	The fair market value of assets, including DROP accounts.
<b>MVA Funded Ratio:</b>	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
<b>Rate of Return (Assumed):</b>	Assumed long-term rate of return on the pension fund assets.
<b>Funding requirement as percentage of payroll:</b>	Total Required Contribution (employer and employee) divided by total payroll of active participants
<b>AFC:</b>	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
<b>SC:</b>	Service Credit

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### Section 112.664 – Glossary of Terms

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<b>Florida Statute Chapter:</b>	112.664(1)(a) – uses mortality tables used in either of the two most recently published FRS valuation reports, with projection scale for mortality improvement  112.664(1)(b) – uses same mortality assumption as 112.664(1)(a) but using an assumed discount rate equal to 200 basis points (2.00%) less than plan's assumed rate of return.  Valuation Basis – uses all the assumptions in the plan's valuation as of the current actuarial valuation date.
<b>Discount Rate:</b>	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
<b>Total Pension Liability:</b>	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
<b>Net Pension Liability:</b>	Total Pension Liability minus Market Value of Plan Assets.
<b>Years assets sustain benefit payments:</b>	Assuming no future contributions from any source, the number of years the market value of assets will sustain payment of expected retirement benefits. The number of years will vary based on the Florida Statute Chapter assumption.
<b>Total Dollar Contribution:</b>	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
<b>Total % of Pay Contribution:</b>	Total Dollar Contribution divided by total payroll of active participants
<b>Annual financial statements:</b>	A report issued which covers a local government retirement system or plan to satisfy the financial reporting requirements of section 112.664(1), F.S.

**RETIREMENT PLAN AND TRUST FOR MANAGEMENT & GENERAL EMPLOYEES  
OF THE TOWN OF DAVIE, FLORIDA  
HIRED AFTER SEPTEMBER 30, 2013**

**Summary Plan Description**

**Plan Trustee**

Florida Municipal Pension Trust Fund

**Plan Administrator**

Florida League of Cities, Inc.  
301 S. Bronough Street  
Tallahassee, FL 32301

**Plan**

Plan representing the General and Management Employees of the Town of Davie.

**Agent for Legal Process**

Town Attorney – Town of Davie  
6591 Orange Drive  
Davie, FL 33314

**Plan Effective Date**

10/01/2003

**Plan Anniversary Date**

October 1 each year

**Plan Year**

Fiscal Year: Twelve month period beginning 10/01 and ending 09/30

**Eligibility**

All full-time employees hired 10/1/13 or thereafter.

**Salary:**

The total cash remuneration paid to a plan participant for services rendered. Total cash remuneration shall exclude the following:

1. Overtime in excess of 300 hours; and
2. Accrued unused annual or sick leave; and
3. Benefit Choice Dollars; and
4. Special detail.

**Credited Service**

The total number of years and fractional parts of years of service measured from date of employment.

**Purchase of Credited Service**

Participants of the Plan shall have the option to purchase up to five (5) years of credited service within five (5) years of becoming a member of the Plan from another employer at full actuarial cost.

**Average Final Compensation**

One-twelfth of the highest average earnings during the six best years of creditable service, prior to separation as an active member or the career average, whichever is greater.

**Normal Form of Benefit**

The normal form of benefit is a single life annuity.

**Normal Retirement Date**

The first day of the month coincident with, or next following attainment of age sixty-five (65) and ten (10) years of Vested Service or age sixty (60) and thirty (30) years of Vested Service.

**Normal Retirement Benefit:**

The monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 1.8% and multiplied by Average Final Compensation.

## **Disability**

### **Non-Duty Disability Benefit:**

Any employee who shall become Totally and Permanently Disabled, to the extent that they are unable by reason of a medically determinable physical or mental impairment to render useful and efficient service, shall upon establishing the Total and Permanent Disability to the satisfaction of the Board of Trustees be entitled to a disability benefit. The employee shall bear the burden of proof. All members hired on or after October 1, 2013 who have completed ten (10) years of Vested Service, that are deemed by the Board to be totally and permanently disabled will receive their Accrued Benefit with a minimum of ten (10) years of Credited Service. If a member hired on or after October 1, 2013 has less than ten (10) years of Vested Service, they will receive a return of their employee contributions, if applicable, with six percent (6%) interest.

### **Duty Disability Benefit:**

All members, regardless of date of hire, shall be entitled to a duty disability benefit if they become Totally and Permanently disabled in the line of duty, regardless of length of service. The duty benefit shall be the accrued benefit, but shall not be less than twenty percent (20%) of Average Final Compensation at the time of disability.

Any employee who shall prove that they became Totally and Permanently Disabled in the line of duty, to the extent that they are unable by reason of a medically determinable physical or mental impairment to render useful and efficient service, shall upon establishing the Total and Permanent Disability to the satisfaction of the Board of Trustees be entitled to a duty disability benefit. The employee shall bear the burden of proof.

### **Death Benefit prior to Vesting**

If a member dies prior to Normal Retirement Date, and has less than ten (10) years of Vested Service, the beneficiary shall receive a refund of one hundred percent (100%) of the member's accumulated contributions, if applicable, with five percent (5%) interest.

### **Death Benefit after Vesting**

If a member dies prior to Normal Retirement Date and has completed ten (10) or more years of Vested Service, the beneficiary shall receive the benefit otherwise payable to the member at the Normal Retirement Date or earlier at an actuarial equivalent.

### **Termination of Employment and Vesting**

If a member has less than ten (10) years of Vested Service upon termination, the member shall be entitled to a refund of their accumulated employee contribution, including rollovers, with six percent (6%) interest, or the member may leave it deposited with the Fund pending future employment with the Town of Davie.

If a member has ten (10) or more years of Vested Service upon termination, the member shall be entitled to their accrued monthly retirement benefit, starting at the member's otherwise normal retirement date provided he or she does not elect to withdraw his or her contributions and provided he or she survives to his or her normal or early retirement date.

### **Employee Contributions**

Active members shall contribute three percent (3%) of salary.

### **Cost of Living Adjustment**

A three percent (3%) cost of living increase is awarded to benefit payments each year a benefit is in force after the benefit has been paid for five (5) years. This increase will begin with the sixty-first payment and adjusted annually.

### **Deferred Retirement Option Program "DROP"**

Maximum period of 60 months following the date the member reaches his or her normal retirement date. The member must elect to participate in the DROP within five years of the date the member first reaches their Normal Retirement Date. Interest accrues at 6.5% annually.

### **Forfeiture of Pension**

Any Participant who is convicted of any of the following offenses committed prior to retirement, or whose employment is terminated by reason of his or her admitted commission, aid or abetment of the following specified offenses, shall forfeit all rights and benefits under this Fund, except for the return of his or her accumulated contributions as of the date of termination.

- (A) Specified offenses are as follows:
- (1) The committing, aiding or abetting of an embezzlement of public funds;
  - (2) the committing, aiding or abetting of any theft by a public officer or employee from employer;
  - (3) bribery in connection with the employment of a public officer or employee;
  - (4) any felony specified in Chapter 838, Florida Statutes;
  - (5) the committing of an impeachable offense.
- (B) The committing of any felony by a public officer or employee who willfully and with intent to defraud the public or the public agency, for which he or she acts or in which he or she is employed, of the right to receive the faithful performance of his or her duty as a public officer or employee, realizes or obtains or attempts to obtain a profit, gain, or advantage for himself or for some other person through the use or attempted use of the power, rights, privileges, duties or position of his or her public office or employment position.
- (1) Conviction shall be defined as follows: An adjudication of guilt by a court of competent jurisdiction; a plea of guilty or a nolo contendere; a jury verdict of guilty when adjudication of guilt is withheld and the accused is placed on probation; or a conviction by the Senate of an impeachable offense.
  - (2) Court shall be defined as follows: Any state or federal court of competent jurisdiction which is exercising its jurisdiction to consider a proceeding involving the alleged commission of a specified offense. Prior to forfeiture, the Board shall hold a hearing on which notice shall be given to the Participant whose benefits are being considered for forfeiture. Said Participant shall be afforded the right to have an attorney present. No formal rules of evidence shall apply, but the Participant shall be afforded a full opportunity to present his or her case against forfeiture.

Any Participant who has received benefits from the Plan in excess of his or her accumulated contributions after Participant's rights were forfeited pursuant to this section shall be required to pay back to the Fund the amount of the benefits received in excess of his or her accumulated contributions. The Board may implement all legal action necessary to recover such funds.

### **Source of Financing Plan**

The Plan is funded through contributions made by the Town and Employees.

### **Applicable Regulations Governing Establishment, Operation and Administration of the Plan**

Chapter 112, Part VII, Florida Statutes; Chapter 60T-1, FAC, Internal Revenue Code

#### **Board of Trustees**

Grace Hall, Chair  
William Ackerman, Vice Chair  
Evelyn Roig, Secretary  
Grace Garagozzo  
John Phillips

#### **Mailing Address for Board of Trustees:**

Town of Davie  
6591 Orange Drive  
Davie, FL 33314

A member applying for a benefit has the right to request a formal hearing. Copies of the Board's formal policies are available upon request.

### **The following documents are attached:**

1. Report of actuarial summary

City/District Name: Davie - General & Mgmt  
 Current actuarial valuation date: 10/1/2016

Employee group(s) covered: General  
 Date prepared: 2/13/2018

Number of plan participants:		377	GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$49,411,428	Discount Rate	7.00%	
Actuarial Accrued Liability (AAL):	\$61,479,026	Total Pension Liability	58,488,396	
Unfunded Accrued Liability (UAL):	\$12,067,598	Market Value of Plan Assets	55,049,778	
Market Value of Plan Assets (MVA):	\$55,049,778	Net Pension Liability	3,438,618	
MVA Funded Ratio (5-year history):		GASB 67 Funded Ratio	94.12%	
		Averages for all plans with 2016 current actuarial valuation date		
Current valuation	89.31%	81.88%	*	
1 year prior	98.78%	83.59%	*	
2 years prior	103.17%	86.95%	*	
3 years prior	100.09%	81.49%	*	
4 years prior	90.59%	76.00%	*	
Rate of Actuarial Value, Actual (2016 Plan Year)	7.60%	7.61%		
Return: Market Value, Actual	8.20%	3.99%		
Assumed	7.50%	7.47%		
Funding requirement as percentage of payroll:	28.47%	59.23%	**	
Percentage of payroll contributed by employee:	2.64%	6.15%	**	
Benefit Formula Description:	1.80% X AFC X SC			
AFC Averaging Period (years):	6			
Employees covered by Social Security?	No			

Additional actuarial disclosures required by section 112.664, Florida Statutes:

Florida Statute Chapter	Discount Rate	Pension Liability	Market Value of Plan Assets	Net Pension Liability	Years assets sustain benefit payments	Total Dollar Contribution	Total % of Pay Contribution
112.664(1)(a)	7.00%	63,596,281	54,906,613	8,689,668	23.50	5,213,877	31.41
112.664(1)(b)	5.00%	85,126,374	54,906,613	30,219,761	18.97	9,439,399	56.87
Valuation Basis	7.00%	N/A	N/A	N/A	24.90	4,726,147	28.47

Link to annual financial statements: <https://www.rol.frs.state.fl.us/forms/LOC5340180PDF10012016N1.pdf>

\*Adjusted by excluding plans from average whose Funded Ratios were not within two standard deviations from the mean

\*\*Excludes plans with zero payroll

(For explanation of terms, see glossary on page 2)

## Actuarial Summary Fact Sheet – Glossary of Terms

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<b>Actuarial Value of Plan Assets (AVA):</b>	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
<b>Actuarial Accrued Liability (AAL):</b>	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
<b>Unfunded Accrued Liability (UAL):</b>	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
<b>Market Value of Plan Assets (MVA):</b>	The fair market value of assets, including DROP accounts.
<b>MVA Funded Ratio:</b>	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
<b>Rate of Return (Assumed):</b>	Assumed long-term rate of return on the pension fund assets.
<b>Funding requirement as percentage of payroll:</b>	Total Required Contribution (employer and employee) divided by total payroll of active participants
<b>AFC:</b>	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
<b>SC:</b>	Service Credit

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### Section 112.664 – Glossary of Terms

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<b>Florida Statute Chapter:</b>	112.664(1)(a) – uses mortality tables used in either of the two most recently published FRS valuation reports, with projection scale for mortality improvement  112.664(1)(b) – uses same mortality assumption as 112.664(1)(a) but using an assumed discount rate equal to 200 basis points (2.00%) less than plan's assumed rate of return.  Valuation Basis – uses all the assumptions in the plan's valuation as of the current actuarial valuation date.
<b>Discount Rate:</b>	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
<b>Total Pension Liability:</b>	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
<b>Net Pension Liability:</b>	Total Pension Liability minus Market Value of Plan Assets.
<b>Years assets sustain benefit payments:</b>	Assuming no future contributions from any source, the number of years the market value of assets will sustain payment of expected retirement benefits. The number of years will vary based on the Florida Statute Chapter assumption.
<b>Total Dollar Contribution:</b>	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
<b>Total % of Pay Contribution:</b>	Total Dollar Contribution divided by total payroll of active participants
<b>Annual financial statements:</b>	A report issued which covers a local government retirement system or plan to satisfy the financial reporting requirements of section 112.664(1), F.S.